

SHADES OF *Sustainability*



 **asianpaints**

Sustainability Report
2018–19

This report is printed on 100% recycled paper



Asian Paints has launched Colour Cosmos, an all-new and improved fan deck with a compilation of 2,200 assorted shades. It includes the first-ever range of 160 colours inspired by the vibrant culture of India. It has three diverse segments – Whites, Chromatics and Colours of India – which have a colour to match every mood. The right colour for your home is at your fingertips.





SHADES OF *Sustainability*

At Asian Paints, the fan deck – Colour Cosmos – helps customers paint their dream homes with the hues that represent them best. While we give life to your dream home, we are also cognisant of our responsibility towards the environment and surrounding communities.

In our Sustainability Report 2018-19, we have taken the idea of the Colour Cosmos ahead to reflect our sustainability performance. Our sustainability agenda is centred around four 'Shades of Sustainability', our focus areas – Product Stewardship, Environment, Health & Safety and Community Development. These areas cover the needs and expectations of our internal and external stakeholders.

This Report presents the various sustainability measures that we follow at Asian Paints.

Message from the MD & CEO

Dear Readers,

Asian Paints is committed to creating sustainable and long-term business growth, while shaping positive change for its customers, the communities it operates in, and the environment.

Our Sustainability Report FY2018-19 provides information on key sustainability initiatives across different shades of sustainability – product stewardship, environment, our people and the society.

With our experience and technical expertise in developing paints and its intermediates, we optimise technology and processes to develop sustainable products and solutions.

Our approach to sustainable development is incorporated into our business strategy. An integral part

of that sustainable journey is our continuous endeavour to conserve water and optimise its use. We continue to focus on reducing our energy consumption and make investments in renewable energy footprint. This has contributed to the reduction of carbon footprint at the manufacturing facilities. We are constantly involved in waste reduction initiatives and responsible management and disposal of waste. We have made a start in fulfilling our extended producer responsibility obligations with regard to post-consumer plastic packaging. We have also begun our journey to conserve flora and fauna.

Occupational health and safety is our top priority. We have taken steps to strengthen the operational control and management processes. We intend to achieve the highest level of safety awareness and influence the safe behaviour of our employees.

Our social impact interventions continue to make a positive contribution to the society, focusing on education, health and hygiene, water management and vocational training.

For any feedback or queries, do write to us at sustainability@asianpaints.com

Regards,

K.B.S Anand

Managing Director & CEO, Asian Paints Limited



Our Focus Areas

At Asian Paints, we focus our sustainability efforts on FOUR areas



For information on our business and corporate governance,
please refer to our Annual Report 2018-19
www.asianpaints.com/more/investors/annual-reports.html

Royale Health Shield

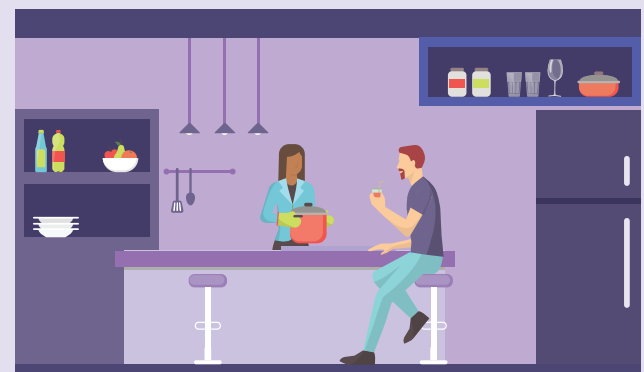
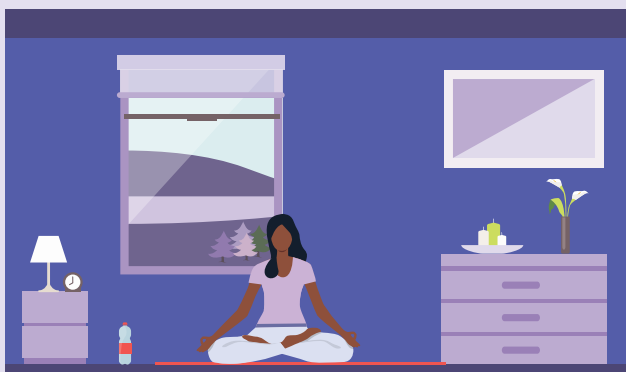
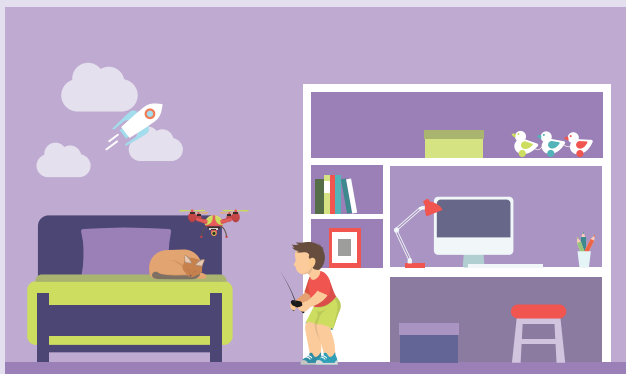
First paint in India -
recommended by the Indian
Medical Association (IMA)

Apcolite Rust Shield Enamel

First enamel in India with
2-year warranty for rust
protection

23.7 million

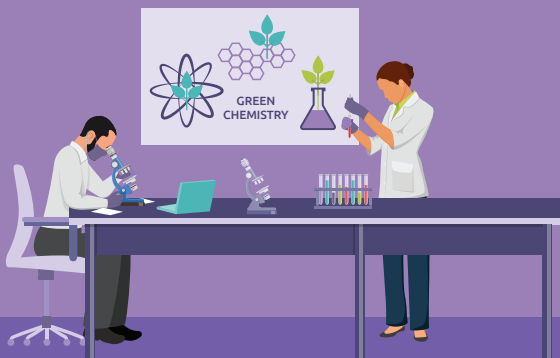
Kilograms cumulative
product Volatile Organic
Compound (VOC) emissions
avoided from FY2011-12
(baseline)





PRODUCT STEWARDSHIP

RESEARCH & TECHNOLOGY CENTRE



Journey of
Green Products

Royale Health
Shield

Apcolite Rust
Shield Enamel

Life Cycle
Assessment

Developing Sustainable Products and Solutions

At Asian Paints, we are driven to focus on more sustainable solutions to reduce the risk of adverse environmental, health and safety impacts. We use different raw materials and make use of the best technology to deliver world-class eco-friendly products to our customers.

A. Extending our 'Green' promise

For our business, customer health and care for environment are of great importance. Continuing our commitment to being truly 'Green', we are assuring our customers of eco-friendly paints through our 'Green Assure' declaration.

2015

Royale Aspira awarded the 'Best Green & Sustainable Product' by FICCI.

Plastic container contains 20% recycled material



2014

Green Assure Compliance for all premium waterborne architectural paints.



2008-19

30 Green Assure compliant products which include interior, exterior and wood finishes.

More than 600 raw materials assessed for Green Compliance.

Nearly 200 raw materials approved for use in products declared as Green Assure.



For more information on our products:
www.asianpaints.com/pro/product_listing.aspx

2008

Architectural paints made lead and heavy metal free.



2013

Architectural paints made free from added Respirable Crystalline Silica (RCS).



Ultima Protek – Exterior paint with 10 years' performance warranty and Green Assure compliance.

2012

Green Assure – Framework established for waterborne architectural paints.

Royale Aspira – Interior paint with five years performance warranty and Green Assure compliance



2016

Our journey towards green products continues.

Royale Atmos – Air-purifying paint, which neutralises the most common indoor air pollutant – formaldehyde



2017

Royale Atmos awarded 'Best Green & Sustainable Product' by FICCI.

Plastic container contains 20% recycled material



1. Royale Health Shield

First paint in India recommended by the Indian Medical Association (IMA).



Kills 99% of infection-causing bacteria



Complies with our Green Assurance standard



Neutralises indoor air pollutants such as formaldehyde



Compliant with LEED IV emission criteria that ensures creation of healthier indoors

For more information on product : www.asianpaints.com/products/interior-walls/plain-finishes/royale-health-shield.html

Pb<90 ppm

Lead declaration has been incorporated in the labels and artworks as issued by the Ministry of Environment, Forest and Climate Change



2. Apcolite Rust Shield Enamel

First enamel in the country to offer a 2-year warranty for rust protection



A corrosion and weather resistant paint



Paint can be applied directly without the application of primer thus making it resource efficient



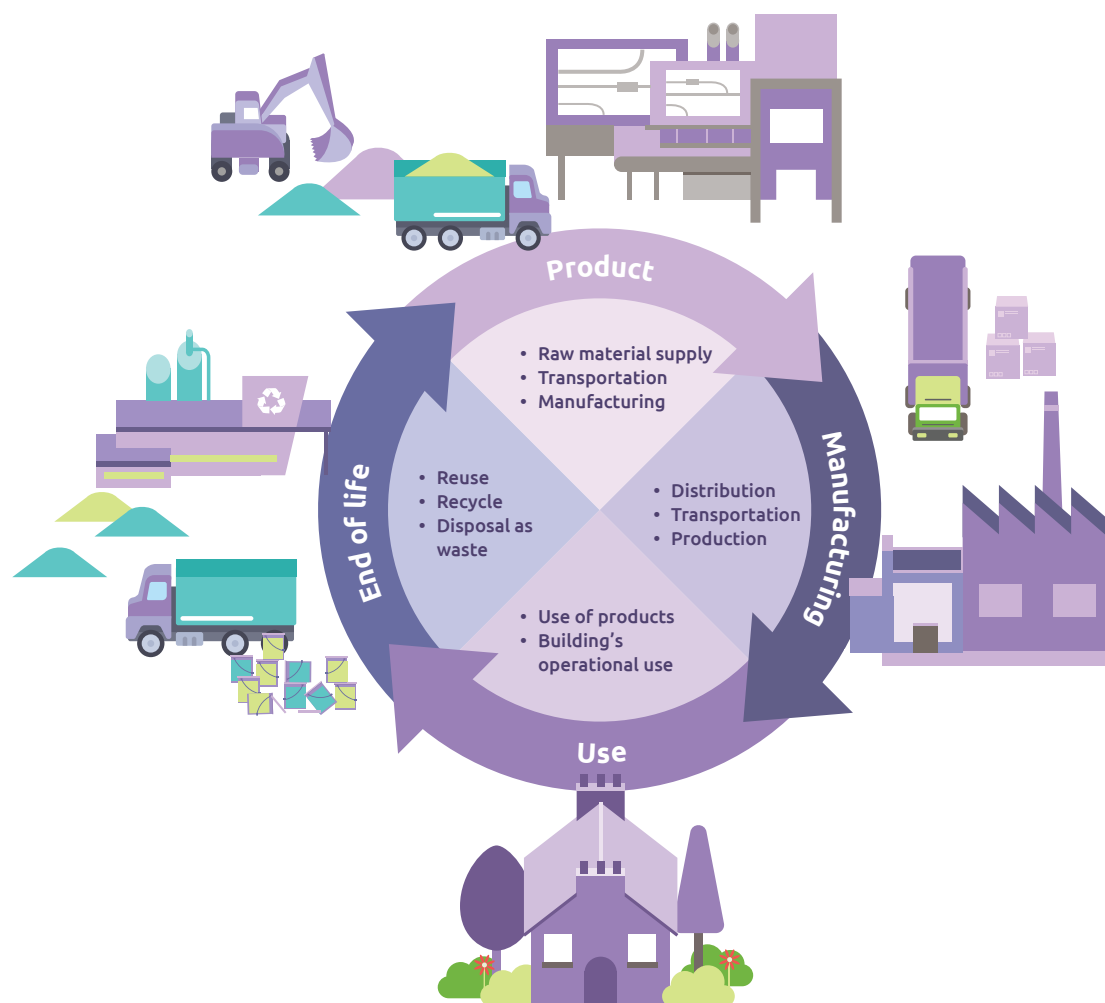
Enhances life of metal substrate through superior adhesion



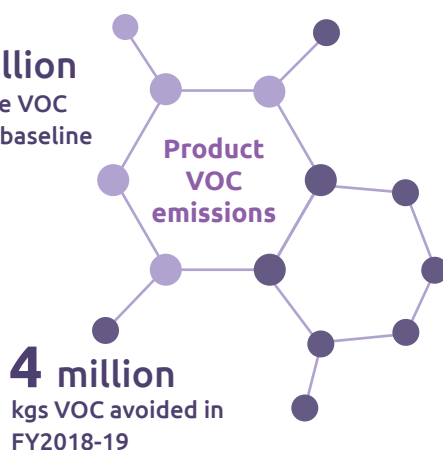
For more information on product : www.asianpaints.com/product/metal-finishes.Apcolite-Rust-Shield.html

B. A quest for clarity – Through the cradle-to-gate approach

We have conducted life cycle assessment for some of our products. We followed the methodology as prescribed in ISO 14044. Out of the eight impact categories, we looked at the three major ones – green house gas emissions, water, and energy. We did an assessment for the three life cycle stages.



23.7 million
kgs cumulative VOC
avoided from baseline
(FY2011-12)



4 million
kgs VOC avoided in
FY2018-19

C. VOC emissions

GS-11 standard of US Green Seal is the most recognised standard for green products in the paint and coating industry. We have aligned our internal green standard 'Green Assure' with the GS-11 standard which not only limits VOC and heavy metals but also restricts other hazardous materials.

Since FY2011-12, we are constantly changing and improving our formulations to achieve low levels of VOC. The figure represents the total VOC avoided since the baseline and the VOC avoided in FY2018-19.

540 million

Litres of water replenished in
FY2018-19

33 million

Units of electricity consumed
in FY2018-19 from renewable
sources

14 million

Kilograms of carbon emissions
reduced in FY2018-19 from
previous year





ENVIRONMENT



Project NEW

Biodiversity

Circular
Economy

Taking Small Steps towards a Greener Future

We are committed to minimising our environmental impact and nurturing biodiversity by adopting sustainable processes and practices.

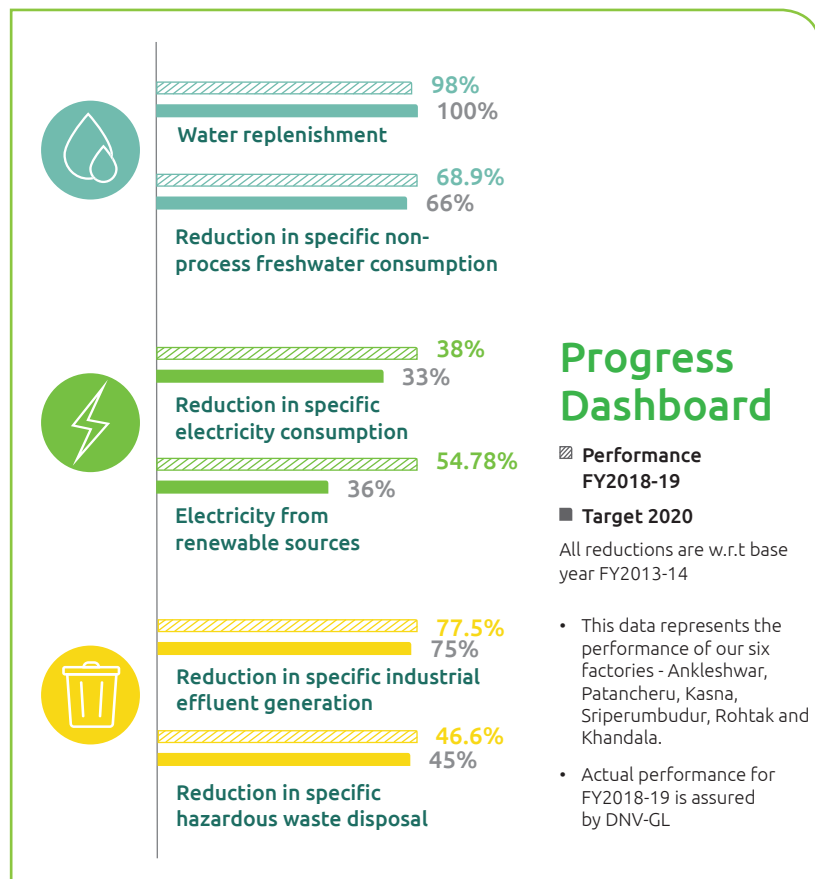
NEW

Natural
Resource
Conservation

Energy
& Emission
Reduction

Waste
Reduction

Under project NEW, factory heads implement initiatives across all factories. Quaterly reviews with management ensure rapid and effective deployment across all factories.



A. Natural Resource Conservation – Making Every Drop Count

At Asian Paints, we are addressing the challenge of water scarcity. We support the communities around us by meeting their need for water through:



Roof-top rain
water harvesting
and recharge
systems



Check dam and
lake de-silting



Integrated
watershed
development in
nearby villages

In the communities next to our factories, the efforts in water harvesting are done primarily by our partner agencies and funded fully through CSR investments.

1. Desilting

i. Zari Village, Gujarat:

An integrated watershed was developed in Zari village, which included desilting of lake, construction of earthen dam and a waste weir. This has led to ground water recharge and water availability in the nearby wells and also for crop irrigation.

Integrated Watershed Development at Zari Village, Gujarat



Lake Desilting at Sigam Village

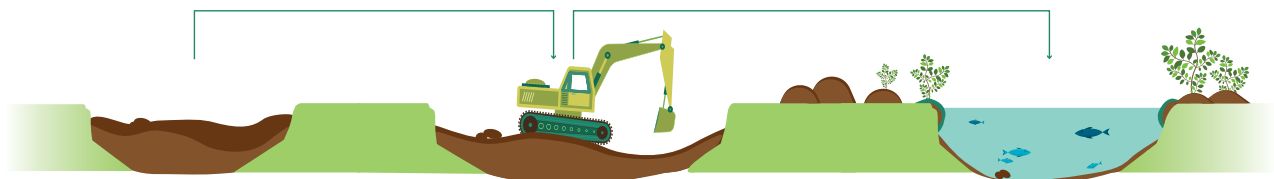


ii. Sigam village, Gujarat:

We desilted two lakes, ensuring year-round water availability for the villagers. The project was a boon as it provided water for crop irrigation in the Rabi (winter) and Zaid (summer) season, positively influencing the household income of the farmers.

**50
million**

Litres of water potential created



2. Integrated Watershed Management

Satara in Maharashtra is a drought-prone area, always threatened by water scarcity. Under our CSR initiative, we selected 12 villages to resolve this issue through our water shed activity.

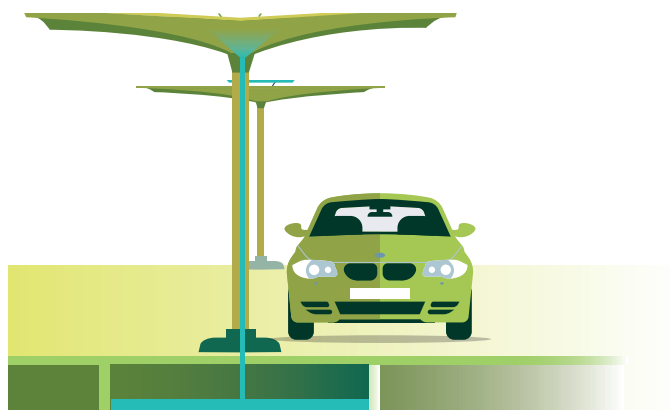
Our Khandala factory team also did a survey to build the Cement Nala Bhandara (CNB) and repair the existing CNB built by the government. We also undertook nala-deepening work in Pisalwadi village. These activities will create potential for water storage in these downward-sloping areas.

**79
million**

Litres of water storage created

3. Ulta Chhata – A Sustainable Outdoor Shade

- Cooler Shading
- Solar Lighting System
- Harvesting Rainwater



4. Creating Rainwater Harvesting Potential

To increase the volume of water available to the rural and urban population, we initiated Project Refill and Project Dhan at Sriperumbudur.

i. Project Refill – Building a Rainwater Harvesting Structure

- During the year, we built 95 structures with the potential recharge of approximately 26 million litres
- We engage employees through a programme called 'Mallaithulli Uyirthuli'. With this programme, more than 50 employees participate in training and creating awareness about rainwater harvesting

Mallaithulli Uyirthuli – training employees, harnessing life



ii. Project Dhan – Reutilisation of water bodies

- More than 20 million litres of potential created in the Kiliyar Sub Basin, a tributary of Palar river
- We created awareness among farmers through a programme called 'Vayalagam', where we encouraged farmers to contribute during project execution and take ownership of maintaining it after completion
- Around 300 farmers reaped the benefits of this project



B. Energy Conservation and Emission Reduction

1. Energy Conservation

Our fundamental approach towards energy and emission management constitutes reducing energy consumption and emissions in our operations while improving efficiency and quality in production. Below are some of the initiatives undertaken by the Energy Cell at our factories.

i. Energy conservation in disperser equipment

In Rohtak factory, Energy Cell identified situations where a 375 KW motor was running without addition in dispersion properties.

Change in process and logics optimisation in Distributed Control System (DCS) helped us reduce Power Consumption significantly.

This helped us save 10-15 minutes of motor run time in a batch, giving significant savings in terms of power.

ii. Control over utilities operation

At the Khandala factory, we optimised utilities to save power. The team took many initiatives such as monitoring pump running hour, logic modifications to reduce unwanted running in cooling water pumps, pump efficiency optimisation in thermic fluid pumps and many more. Overall benefits achieved due to utility optimisation was 500 units per day.

iii. Installation of air-cooled energy-efficient air compressor

Air compressor in utility consumes almost 44 % of the utility power consumption. At the Sriperumbudur factory, we replaced an inefficient compressor with air-cooled energy-efficient air compressor. This eliminated the additional energy consumption of the cooling tower.

iv. Installation of small diameter cowl disc in dispersion equipment

We improved the dispersion effectiveness by installing smaller diameter cowl discs at Sriperumbudur, Rohtak and Khandala factories. This was carried out after extensive trials without any adverse impact on the product quality.

2. Renewable Energy

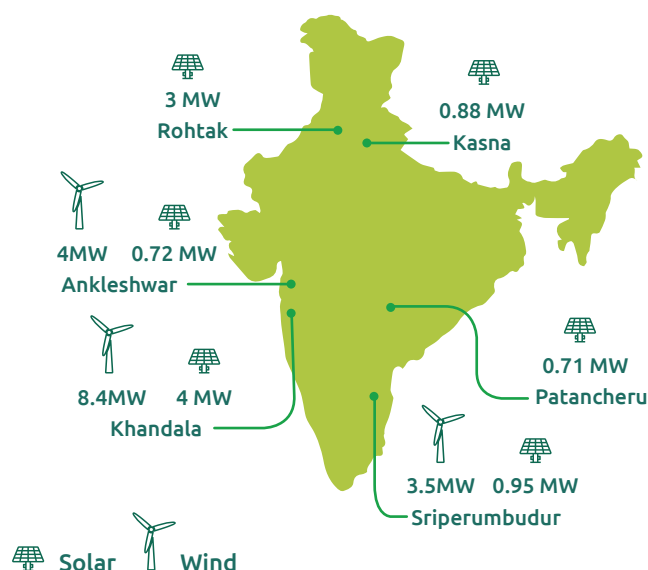
As part of our Renewable Energy strategy 'RE36', we had set ourselves a target of sourcing 36% of the total electricity consumption at decorative paint factories through renewable sources by 2020. We have made rapid strides this year to improve our Renewable Energy (RE) footprint from 35% last year to 54% in FY2018-19.

This was achieved by active investment in upgrading our RE infrastructure by commissioning new roof-top solar & windmill projects during the year, taking our total installed capacity of RE to 26.16 MW.

We started our new greenfield factories at Mysore and Vizag with RE50. As the availability for using clean energy increased, two of our factories Sriperumbudur and Ankleshwar reached the 100% RE mark in a few months of FY 2018-19.



Installed capacity location wise



Big measures for big impact



RE Wind Power Portfolio Contribution of 36%

- 15.9 MW of installed capacity
- 22 million units consumed in FY2018-19



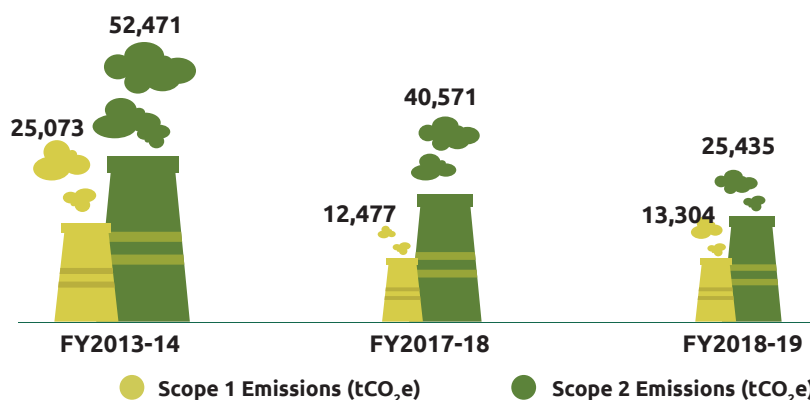
RE Solar Power Portfolio Contribution of 18%

- 10.26 MW of installed capacity
- 11 million units consumed in FY2018-19

3. Emissions Reduction

During the last few years, we have been able to reduce our emissions by increasing our use of alternate fuel, improving our energy efficiency, and enhancing our renewable energy portfolio.

Since FY2013-14, our Scope 1 emissions have reduced by 47% while Scope 2 emissions have come down by 51%.





C. Waste Reduction

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 generated by our production processes.

1. Wastewater Management

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

i. Effluent Treatment Plant (ETP) water reuse

- ETP-treated water is put directly into raw water tank and the composite is used as raw water for all operations, except for drinking purposes
- Through this process, the energy-intensive operation of Reverse Osmosis (RO) and Multiple Effect Evaporator (MEE) is reduced significantly

ii. Effluent reduction

At Kasma factory, we have taken several initiatives to reduce effluent generation at source

- Reuse of softener regeneration effluent for cleaning empty barrels resulting in reduction of effluent
- Reuse of boiler blowdown as makeup water in cooling tower

2. Hazardous Waste Management

Recycling hazardous waste reduces the consumption of raw materials and the volume of waste that must be treated and disposed. We have therefore undertaken various initiatives at our factories to manage hazardous waste.

Improvements in waste management

- At the Kasma factory, we rationed carton, introduced half-cut barrels and extended drop pipes for material transfer to reduce polythene waste in paint-packing operations
- Commissioned Pressure Leaf Filter (PLF) machine in Resin House (RH) to reduce waste filter aid generation
- Cleaned penta and phthalic jumbo bags by washing them in caustic soda

**11,500
kgs**

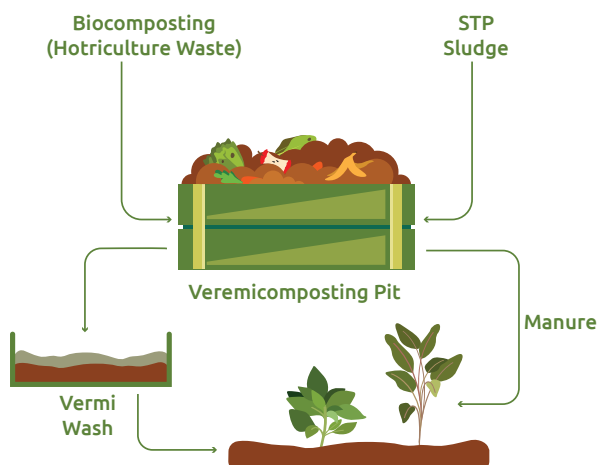
Reduction in hazardous waste generation at the Kasma factory in FY2018-19

3. Horticulture Waste Management

Vermicomposting is a faster method for reducing organic waste than traditional composting. This approach utilises the action of earthworms as well as bacteria to break down organic waste.

Benefit

The generation capacity at the Sriperumbudur factory is 140 kgs per bin of vermicompost in a month.



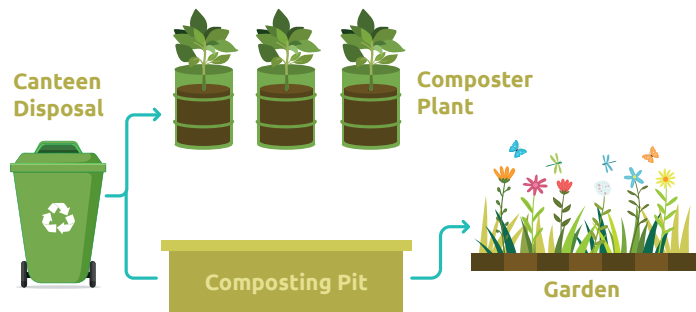
4. Non-hazardous Waste Management

We are taking various measures to reduce non-hazardous waste.

Canteen waste disposal

At the Kasna factory, to ensure that the canteen waste is disposed safely, we installed 65 barrels with composter plants. We also developed a separate composting pit.

- Total 85 kg food waste can be disposed on a daily basis with the current facility
- There is ease in the disposal process i.e., manpower, time and efforts are saved
- Total 300 kgs of good-quality manure was generated for our gardening purpose



100%

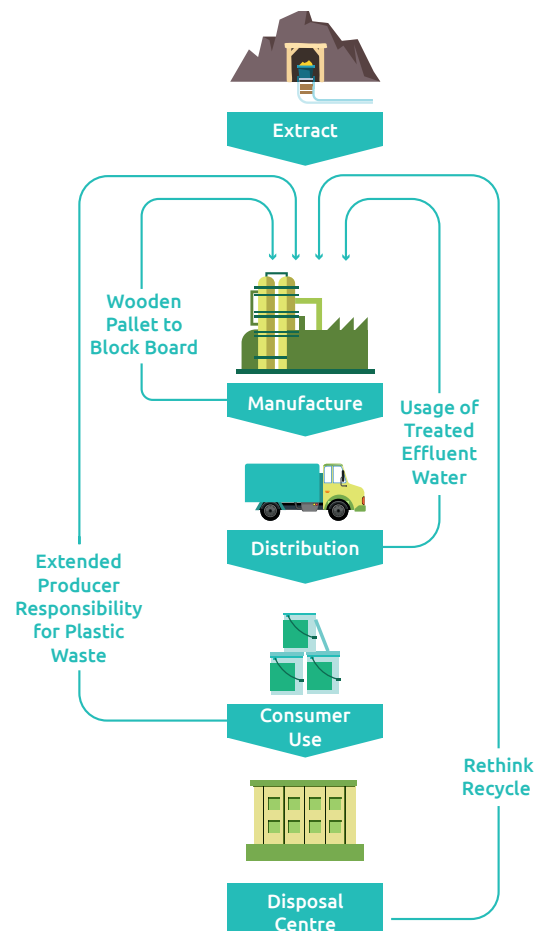
Canteen waste disposal facility in-house at the Kasna factory

Composter plants



D. From a Linear to a Circular Economy

Circular economy envisages the 'take, make and dispose' philosophy with one in which resources circulate at high value, avoiding or reducing the need for virgin resources.



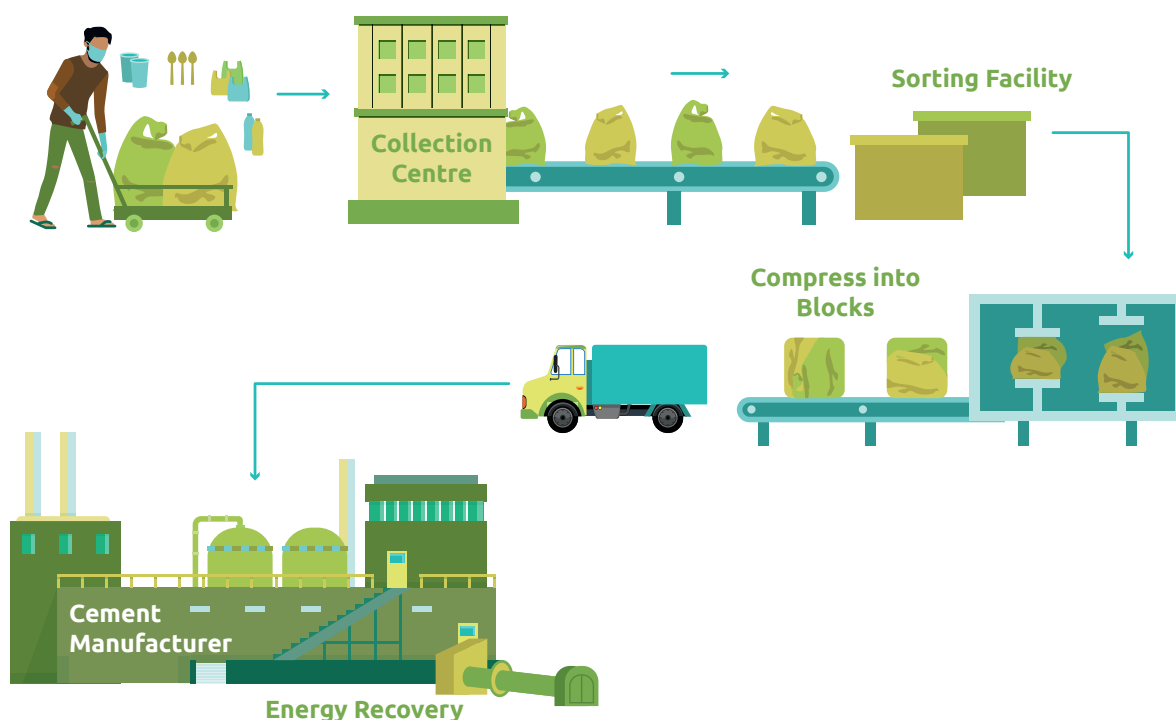
The above model depicts the few initiatives for circular economy at Asian Paints.

1. Extended producer responsibility for plastic waste

We have prepared an action plan to comply with Plastic Waste Management Rules, 2016. We believe that solving the problem of waste management requires nothing less than a radical attitude change in the mindset of the consumers. This is best achieved through a co-operative effort, which encourages a sense of stake-holding in the entire process, right from waste generation, primary collection, segregation and recycling to final disposal.

635,000
kilograms

Total plastic
waste collected



2. Wooden pallet to block board

Our Rohtak factory has adopted a sustainable way of utilising scrap wood from wooden pallets coming from the factory along with imported powder raw materials. The wooden pallets are considered as non-hazardous waste by the factory and were sold off to scrap vendors. We then decided to convert them into block boards. The idea gave birth to a circular economy model where waste of one manufacturing unit can be used by another manufacturing unit, thereby reducing the overall environmental footprint of the factory.

190,000
kgs/annum

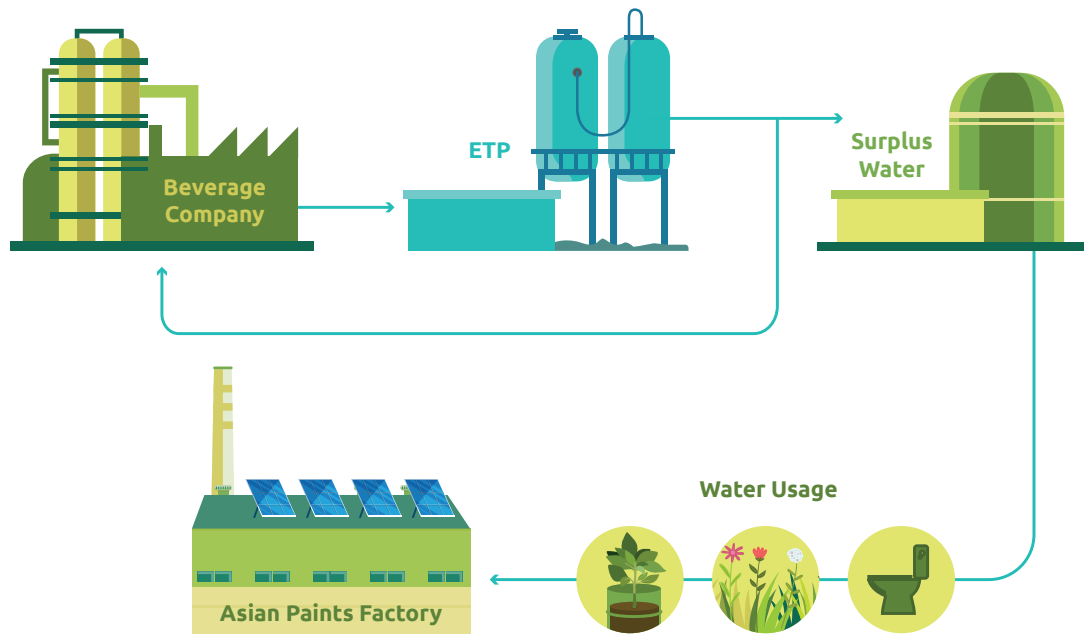
Wooden scrap
can be potentially
converted to
5,300 boards



The process of wooden pallet to block board

3. Usage of treated effluent water

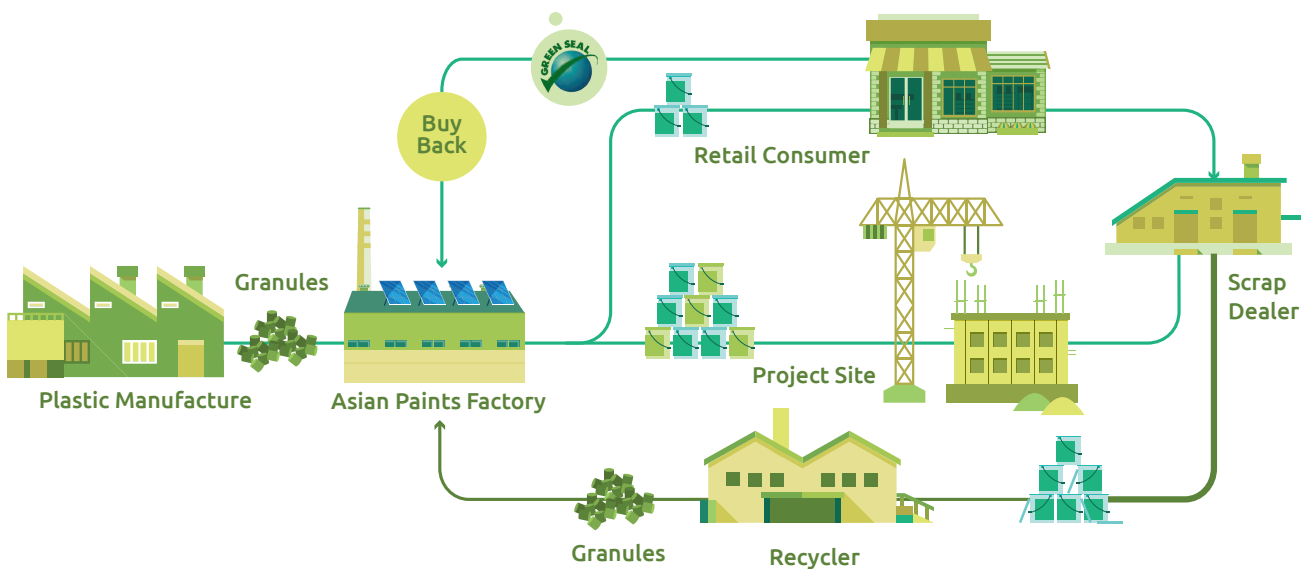
At the Patancheru factory, we formulated a contingency plan to provide the factory with enough water supply to meet its demands. A beverages manufacturing company in Sangareddy was ready to provide treated water to us at nominal rates since they had surplus water.



4. Rethink. Recycle.

We increased the use of post-consumer recycled plastic in our paint packaging in the previous year.

- Used more than 71,000 kgs of post-consumer recycled plastic in our packaging of GS-11 certified paints
- Collected 6,500 kgs of plastic pails from our project sites and recycled it to granules
- Set up a 'Buy Back' collection centre in Mumbai for our retail consumers to deposit the plastic pails of our paint after the paint has been consumed



E. Building Green Infrastructure

Biodiversity

Understanding the importance of biodiversity in operations, we implemented a few projects at our Sriperumbudur factory during FY2017-18 & FY2018-19.

51/100

Biodiversity
Index Score of
Asian Paints,
Sriperumbudur



Awards

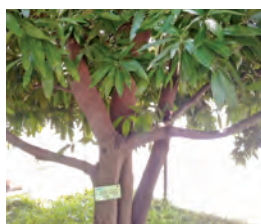
The plant won the CII-ITC Sustainability Award for 'Conservation and Sustainable Management of Biodiversity & Ecosystem'



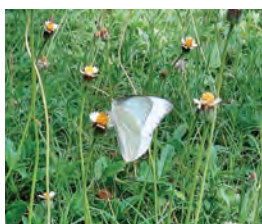
Activities around our Sriperumbudur factory:

We understand the importance of biodiversity and have taken several steps towards environmental stewardship during FY2018-19.

Native tree
plantation



Butterfly garden



Farm pond



Srivanam – Dense
forest



Restoration of trees
damaged by cyclones



Herbal garden



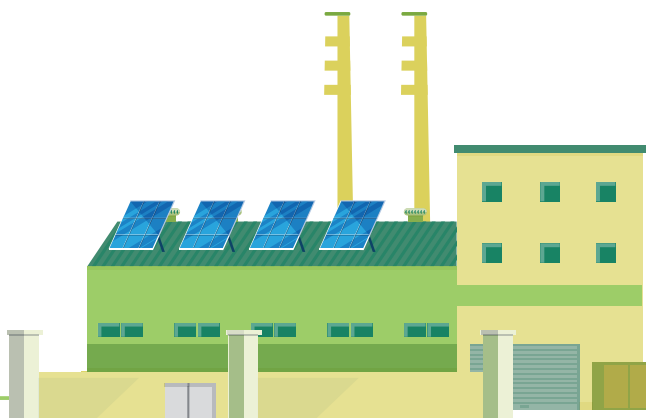
Fruit orchard and
nursery



Dense cover inside
factory



Nest boxes for birds



International Business Units

Our International Business Units (IBU) in Bahrain, Bangladesh, Dubai, Egypt, Fiji, Nepal, Oman, Singapore and Sri Lanka (AP Lanka) are included in the scope of reporting for FY 2018-19.

Since these units have different target and performance levels vis-à-vis their Indian counterparts, we are reporting them separately in this section. Our core ethos compels us to endorse environment-friendly procedures and processes across these units similar to our India operations. Our strategic approach has helped us decrease our environmental impact as we work on various 3R initiatives—Reuse, Reduce and Recycle—to minimise hazardous wastes.

1. Solar power generation at Fiji Unit

78 kWp grid-on solar power plant was commissioned at Fiji on 13th Oct 2017. The solar power data below is from the date of commissioning to 28th March 2019.

- Solar power generation: 179.5 MWh
- CO₂ production avoided: 126 tonnes
- Savings: 71,590 (FJD)

2. VOC reduction of stack emissions at UAE Unit

To ensure reduced VOCs of stack emissions, we have implemented the following solutions:

- The wet scrubbing/carbon filtration system was installed and commissioned
- A new water spray tower with 166 spray nozzles was installed and commissioned

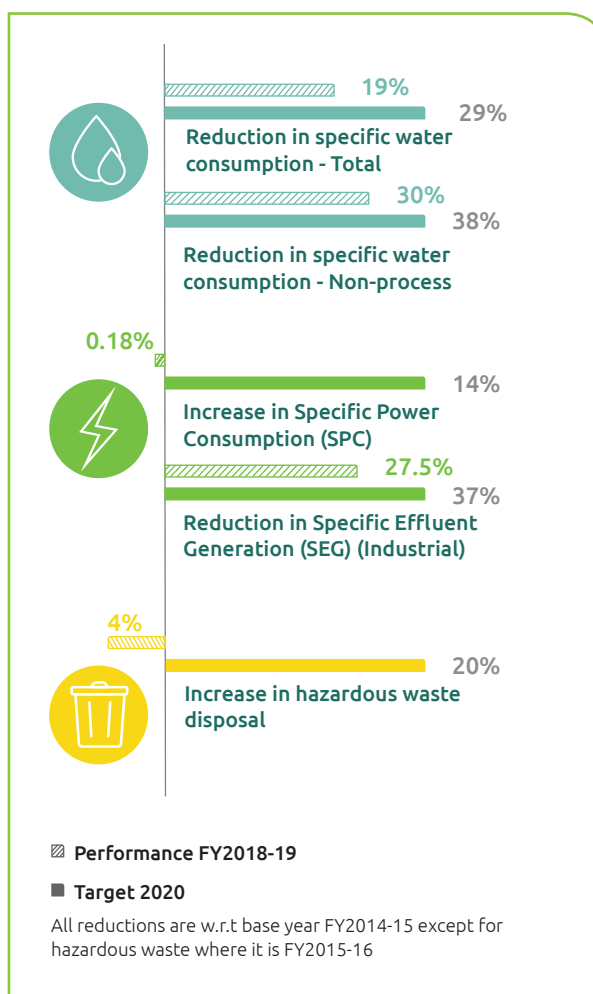
3. Bahrain unit diminishes environmental footprint

- Initiated use of ETP-treated water for washing the mixing vessel. Reduced water consumption by 10,000-12,000 litres/month, thereby saving an expensive resource for the Middle East
- Received permission for direct discharge of ETP treated water to municipal Industrial waste water line for CETP thus reducing Carbon footprint

4. Oman unit optimises the use of non-process water

- Jet shower has been provided for cleaning of utensils in the canteen
- Leaking pipes used for gardening have been replaced
- Wash water from emulsion tank cleaning is reused in production batches wherever possible within the limits of defined SOP

Progress dashboard



16,000+

Safe Unsafe Act (SUSA) conversations across cadres in FY2018-19 for promoting safety culture

₹ 170 million

Spent in ensuring engineering control through health and safety CAPEX in FY2018-19

28,000+

Training man-hours invested in developing effective health and safety capabilities in our workforce during FY2018-19





HEALTH & SAFETY

Safety
Governance
Framework

Promoting
Safety Culture

Occupational
Health &
Wellness

Corrective and
Preventive
Actions









Committed to the Health and Safety of Our Teams

We are committed to conduct operations in a responsible manner to ensure the safety of our workforce, protect the environment and maintain the integrity of our assets. We commit ourselves to the highest safety standards to enhance safety in field units and prevent workplace-related accidents and illnesses.

Our goal is to improve our safety culture to achieve zero accidents, zero occupational illnesses and zero incidents of property damage.



Our Safety Performance

	 Total Reportable Incident Severity Rate	 Total Reportable Incident Frequency Rate	 Man-days Lost	 Reportable Incidents	 Number of Work-related Fatalities	 Total Man-hours Worked
2016	32.42	0.39	588*	7	0	1,81,37,661
2017	33.28	0.35	566#	6	0	1,70,07,102
2018	42.22	0.58	722°	10	0	1,71,00,199

Note: The above table includes data for our Ankleshwar, Patancheru, Kasna, Sriperumbudur, Rohtak, Khandala, Penta, Sarigam, Taloja and Turbhe units in India.

* includes 366 man-days lost on account of one injury that occurred in 2014

includes 365 man-days lost on account of one injury that occurred in 2014

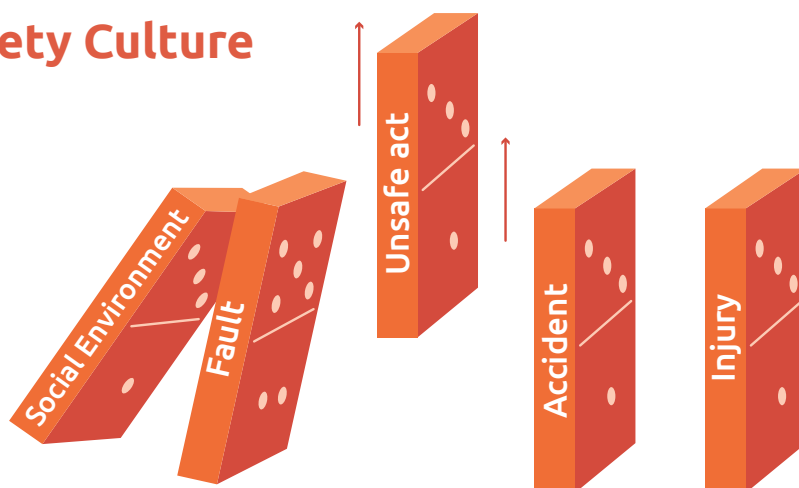
° includes 364 man-days lost on account of one injury that occurred in 2014

A. Promoting Safety Culture

Awareness about operational risks helps our people recognise hazardous situations and reduce accidents.

1400+

Man hours training conducted on BBS for factories in FY2018-19



Research says that 98% accidents can be prevented by controlling behaviour

1. Our journey towards Behaviour Based Safety (BBS) Programme

- The Behaviour Based Safety (BBS) initiative was started in the year 2014.
- This initiative is now extended to six factories and each factory has branded BBS, keeping in view the regional context.
- Factories undergo baseline assessment to establish the maturity level and periodic assessment once in two years to review the progress made.
- All the leaders in supply chain have undergone a workshop on safety culture building. This is mandatory, before they assume their respective roles.

BBS Programmes at our factories

Patancheru: CHAMP

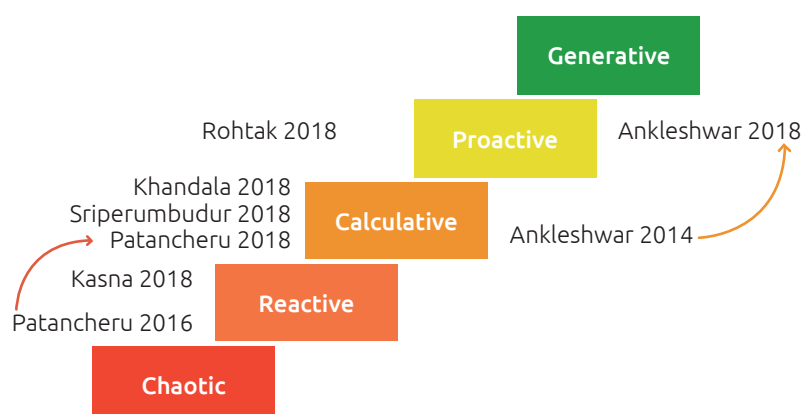
Ankleshwar: CRISSH

Sriperumbudur: I LEAD

Khandala: PARIVARTAN



Safety culture benchmarking of all decorative business units



Workshop on safety culture for leadership team



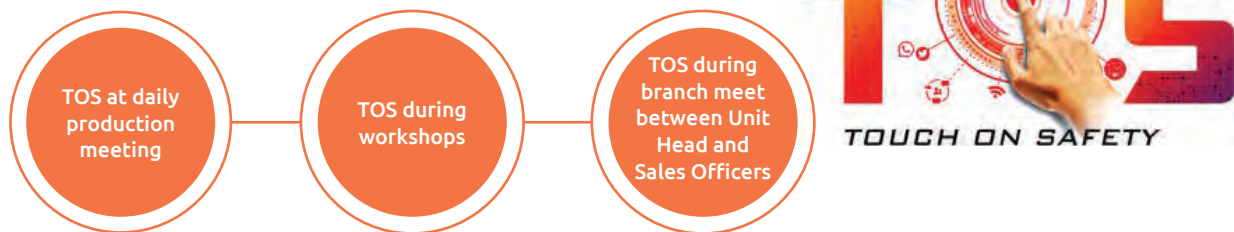
2. Life Saving Behaviour

We launched 12 Life Saving Behaviour across the organisation during FY2018-19 to encourage our people to learn and adopt life-saving techniques in their daily professional as well as personal lives. The below figure represents few of the life-saving techniques.



3. Safety communication through touch on safety

The Objective is 'to touch on people's values, beliefs and attitudes towards safety through seamless communication at all our business establishments'.



4. Suraksha Sarvopari, transshipment locations

It is a comprehensive safety programme at our warehouses, which encompasses safety audits, training and communication, safety systems, incident management, safety campaigns and electrical safety.

5. Safety Stalwarts, sales depot

It aims to sensitise the workers including loaders, unloaders and equipment operators among others working within a warehouse on personal safety.

The programme focuses on mock drills, safety campaigns, electrical safety, safety audits, safety week celebrations and safety improvements.

National Safety Week – 2019 was celebrated on the theme of Life Saving Behaviour



B. Occupational Health and Wellness



1. Extending exceptional healthcare

The Company continues to move on the health agenda by keeping Occupational Health Centres (OHCs) at its manufacturing factories upgraded and ahead of the regulatory requirements. The Company has partnered with various agencies for implementing its wellness programmes.

2. Employee Assistance Programme (EAP)

EAP serves as a platform for all Asian Paints employees and their families to avail services on mental health.



100% confidentiality; no personal or professional information needs to be shared by the employee before the counselling



Expert advice from qualified professional counsellors

3. Happiness Index Kiosk

A Happiness Index Kiosk is set up at the cafeteria of the Head Office to read on employees' current state of mind.



4. Asian Paints Health Challenge – Healthify Me

In few of the locations covering 1800 employees, a two month long wellness campaign 'Asian Paints Health Challenge' was run in a gamified manner.

It built awareness on physical well-being. This initiative will now be taken up across the organisation.

C. Setting Standards across all locations

1. Development of warehouse safety standard

- Timely compliance to applicable regulations
- Improved infrastructure
- Implementation of Operational Control Procedures

120+
warehouses

**Implemented
warehouse
safety standards**

2. Standard for testing integrity of flameproof electrical equipment and fittings

Fire and explosions are major threats to life and asset integrity in important in production facilities handling flammable chemicals. Hence, flameproof electric equipment is provided in hazardous areas handling flammable chemicals based on zone classification study.

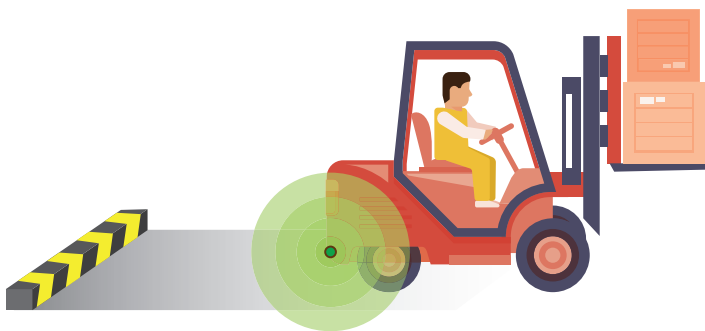
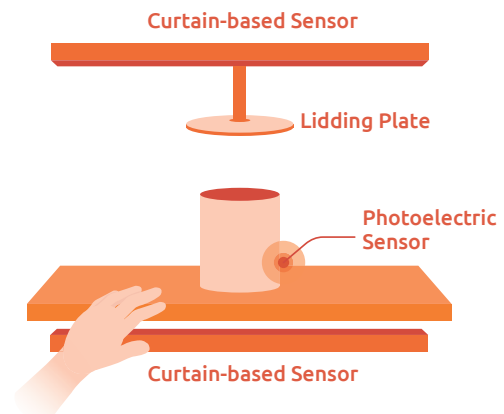
Installations are regularly checked and maintained.

Detailed guidelines for inspection of flameproof electrical equipment in hazardous area were released as an engineering standard in the Engineering Manual.

D. Corrective and Preventive Actions

1. Sensor-based lidding machine

Curtain sensor provided to all retail and bulk manual lidding machine to prevent hand injury during lidding of cartons in packing machines. Lidding operation does not happen when persons hand/fingers is beyond the curtain sensor.



2. Anti-collision sensor in forklifts

At Ankleshwar and Sriperumbudur factories, the sensor device alerts the driver with an alarm if any obstruction is present within specified distance from backside of forklift while reversing the forklift.

3. Interlock in Distributed Control Systems (DCS)

If the discharge rate of Twin Shaft Dispenser (TSD) for a specified product goes beyond the threshold flow rate limit for the product, DCS sequence will immediately trigger to stop the TSD discharge.

E. Advance Technology in Safety Management

1. People management by Internet of Things (IoT) tags

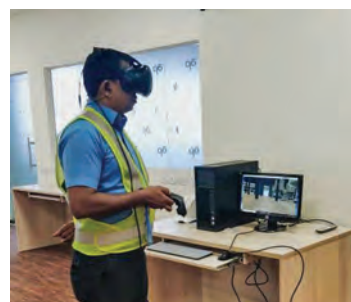
Bluetooth head count system implemented at individual block level to locate a person in the factory, in case of emergency.



2. Safety training through virtual reality

- Immersive training experience
- No trainers required

Virtual reality training



F. Rewards & Recognition



- *Taloja factory won the second prize for Industrial Health and Safety 2019*

- *Asian Paints Ltd. Patancheru received 5-star rating for Excellence in EHS practices at the 11th Edition of CII-Southern Region EHS Excellence Awards in 2018*



- *'Kavasam' the safety implementation model at Sriperumbudur was awarded as National level safety best practice by CII in 2018*



- *During FY2018-19, the Rohtak factory has successfully completed Five Star Occupational Health & Safety Audit of the British Safety Council*



6,000+

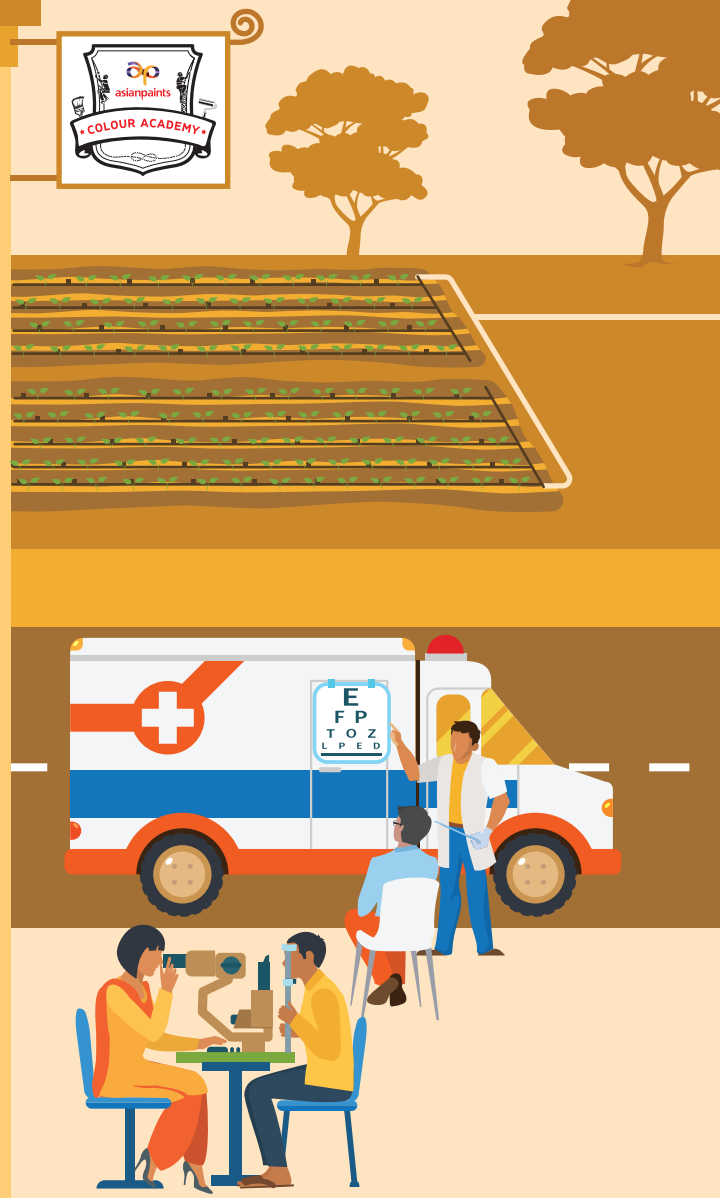
Students benefitted
from TABLAB

22,500+

Footfalls in
SAFAR clinic

1,00,000+

Trainings conducted at the
Colour Academy





COMMUNITY



Education

Health &
Hygiene

Vocational
Training

Water
Management

Creating Social Value

At Asian Paints, we recognise that an enterprise and the society are mutually dependent on each other. That's why we work on areas that are beneficial for the environment and the surrounding communities.



This year, we launched a CSR logo to illustrate our focus areas.

A. Education – The backbone of a progressive nation

We recognise the importance of education in an individual's life. We therefore aim towards providing children with access to education and conducive learning environment that will enable their sustained advancement. Our educational programmes are implemented through our project partners and are aimed at supporting every stage of a child's educational cycle.

Children learning through interactive games



1. Learning Enhancement Programme

Through the Pratham Education Foundation, we initiated the Learning Enhancement Programme in government-run schools across Maharashtra. It aims to improve the learning levels of children through introduction of tablets, mobilisation of local volunteers, engagement with mothers and periodic community events to create an ecosystem conducive for learning.



10
villages

Benefitted from
the learning
camps

1,200+
students

Impacted through
the Learning
Enhancement
Programme

2. TabLab

TABLAB is a tablet based plug-and-play digital learning lab for government schools. This programme is designed to help students boost their confidence. Through this initiative we help them strengthen their basics and improve their competency in all subjects. It is a platform that guides students of any grade to explore the subjects of junior grades in vernacular. This helps them bridge their learning gaps in a non-judgemental environment.

Children learning through
TabLab



TabLab sowing the seeds of research and exploration

28 centres

More than 600
tablets

6000+

Students
reached

3. One for One – Naya Savera

Naya Savera is a programme designed for school dropouts from less-privileged communities. Through this programme we train them on communication skills, life skills, maths, basic computers, business skills and logic. The programme focuses on making them job-ready, enabling them to earn a livelihood and a respectable life.

23
graduates

Our first batch
from Mumbai
passed out in
February 2019

A graduate and her mentor
receiving certificates



B. Health and Hygiene – The foundation of success

Over the years, we have established a strong bond with the communities through various partnerships and programmes. We are committed to providing reliable and specialised healthcare facilities for communities to enable them to lead a confident, healthy life.

1. Drishyam

We initiated Project 'Drishyam' with an objective to help underserved people with complete eye treatment.

1,800+

Underserved people
benefitted through
the programme

800+

People with low
visibility were
given spectacles

Eye checkup, Mandwa Village,
Gujarat



Beneficiaries speak

"Our people look forward to getting themselves diagnosed and treated in the medical camps organised by Kaka-ba Hospital, in association with Asian Paints. There are many who are financially distressed in our community and are not able to treat themselves due to inadequate finances. The free medical camps have helped treat many people and eliminate the medical issue completely. We thank both Kaka-ba and Asian Paints for their help." – Sarpanch, Anand Village.

2. Beat the Plastic Pollution

The 2.261 km long rope made
from single-use plastic bags



The objective of the project was to educate people about the hazards of single-use plastic and introduce them to alternate methods. The team decided to make the longest rope using single-use plastic carry bags. To execute this project, collection points were set up in the town and a mobile unit was deployed to collect the waste from households. This rope-making activity was conducted for two days and the end result was a 2.261 km long rope. **This marquee project was recognised by the Limca Book of Records.**

670 kgs

Plastic carry
bags were
collected

700+
people

Registered
for the
programme

3. Revive Kerala

In August 2018, severe floods ravaged the state of Kerala. Joining hands with HelpAge India, we provided resources, manpower and logistical support for on-ground relief and rehabilitation to those affected by the floods. We started our journey from Sriperumbudur and travelled 1,493.5 km to reach Idukki, the disaster area chosen for rehabilitation. The Community Health Centre – Devikulam, Panchayat leaders and the Kerala Government appreciated and recognised our efforts.

Medical Relief Mobile Vans at Kerala



500+
relief kits

Distributed
among selected
families

1,400+
people

Treated by Mobile
Medicare Units
(MMUs) during the
initial eight days

4. Construction of toilets in Garhi Bohar Government School



In Garhi Bohar Government School in Rohtak, the toilets did not have proper drainage facilities, which led to infections among the students. The toilets also lacked any roof and the compound walls were low, putting the girl students' safety at risk. We built new toilets in the school, equipped with roofs, running water and a proper drainage system, and a high boundary wall.

200+
girls

benefitted from
the new toilet
facilities

5. Safar Clinic

The focus of the project 'Safar' is to improve health awareness and medical care facilities among truck drivers. Through this initiative, we also provide road safety education.

22,500+
footfalls

in Safar Clinics



C. Vocational training

Colour Academy follows the principles of shared value creation in delivering impactful solutions to the people involved in the field of painting. The Academy shares synergies with our core business and helps create a multiplier effect on our CSR investment. Colour Academy seeks to participate in the Skill India Mission and become a hub for best skills development in the paint application trade.

Theory session in progress at Colour Academy



Practical session in progress at Colour Academy



Beneficiary story

Ram Gupta, a painter, did not have a steady job for a long time. After spending two years at the Asian Paints Colour Academy, Ram's knowledge about paints had significantly increased. He started informing his customers about the different types of paints and suggested the right paint that they can use for their homes. He started getting more paint contracts, leading to a steady increase in income.

1,00,00+

Participants crossed training mark for second year in succession

Beneficiary story

Samad Ulla started his career as a painter in 1996 and was engaged in basic painting. His income was limited as he didn't do any patterns or designs. In November 2018, he visited the Colour Academy and upgraded his skills by learning interior finishes, textures and wood finishes. Today, he is a business owner with 16 painters working under him and he thanks the Asian Paints Colour Academy for his success.

Colour Academy



For more information, visit
<https://www.asianpaints.com/colouracademy/index.aspx>

D. Water – The driving force of all nature

Water Management caselets are covered in the environment section.



Employee volunteering

We encourage our people to participate in volunteering activities through Company-driven initiatives such as Sparsh. Under Sparsh we have launched four key programmes: a) Expressions b) One-for-one Naya Savera c) meSuperhero and d) Plogging.

100+

Employees
participated in
FY2018-19



1,200+

Beneficiaries
impacted from all
four events

Expressions is our attempt to engage with students and understand their hopes and expectations from their school.



meSuperhero is a Sparsh intervention for children suffering from life threatening diseases. We create beautiful memories by fulfilling the wishes of these children and delivering joy to them.

One-for-one Naya Savera programme involves training and skilling less-privileged school dropouts and making them job-ready.



Plogging is a concept that encourages people to stay healthy by running and cleaning their vicinity, literally by picking waste strewn on roads.

First batch of graduates from
Naya Savera programme



Employee participants in the 'run and clean' race



Employees clearing their surroundings off waste



Bringing happiness to children suffering from life-threatening diseases



INDEPENDENT VERIFICATION STATEMENT

Introduction

DNV GL Business Assurance India Private Limited ('DNV GL') has been engaged by the management of Asian Paints Limited ('APL' or 'the Company', Corporate Identity Number (CIN) L24220MH1945PLC004598) to carry out a data verification of eleven (11) performance data points.

We performed our verification using DNV GL's assurance protocol VeriSustain™ which is based on our professional experience and sustainability reporting frameworks, including the International Standard on Assurance Engagements 3000 (Revised)* and focussed on the principles of reliability and accuracy of the performance data. The management of the Company is responsible for the collection, analysis, aggregation and presentation of information about the eleven (11) performance data points presented to the DNV GL team.

Our responsibility for this verification is to the Company only and in accordance with the agreed scope of work. The verification exercise assumes that the data and information provided to us is complete, sufficient, true and free from misstatements. DNV GL expressly disclaims any liability or co-responsibility for any decision a person or entity would make based on this verification statement. The verification exercise was carried out during March 2019 to May 2019.

Scope, Boundary and Limitations of Verification

The scope of work agreed upon with the Company included:

- 'Reasonable level of Verification' for Non-process Fresh Water, Hazardous Waste, Electricity, Renewable Energy, Trade Effluent, CO₂ - Greenhouse Gas (GHG) emissions (Scope 1 and Scope 2) and Product volatile organic compound (VOC) emissions for the period 1st April 2018 to 31st March 2019,
- 'Reasonable level of Verification' for Frequency Rate and Severity Rate for the period 1st January 2018 to 31st December 2018,
- 'Limited level of Verification' for Water replenishment i.e. rainwater harvested for the period 1st April 2018 to 31st March 2019,
- The verification considers an uncertainty of $\pm 5\%$ for limited level and $\pm 2.5\%$ for reasonable level of verification towards errors in estimation and measurement, and omissions as mutually agreed,
- The boundary for the above verification was limited to the six (6) decorative paint plants located in India,
- We carried out reviews of data aggregation on the above indicators through desk review and onsite audits, covering the Company's Corporate Office at Mumbai, Research and Technology Centre at Turbhe and decorative plants at Ankleshwar, Gujarat; Kasna, Uttar Pradesh; Khandala, Maharashtra; Patancheru, Telangana; Rohtak, Haryana and Sriperumbudur, Tamil Nadu,
- No external stakeholders were interviewed as part of this verification engagement

Verification Methodology

DNV GL adopted a risk-based approach and conducted the onsite and off-site verifications of the data presented to us by the Company. As a part of verification, we:

- reviewed by means of sample-based checks, the methods, measurement techniques, estimation methods, assumptions and uncertainties involved in the process of data measurements as adopted by the Company;
- conducted interactions with relevant data owners at the decorative plants and Corporate Office to understand current processes in place for capturing the selected performance data;
- reviewed relevant documents and systems for gathering, analysing and aggregating the eleven (11) selected performance data points;
- visited six (6) rainwater harvesting locations on a sample basis for on-site condition assessment.

As part of the verification process:

- we obtained an understanding of the systems used to generate, aggregate and report data at site and corporate levels;
- we obtained understanding of the data management system to test the completeness, reliability and accuracy of reported data;
- the verification team carried out audit along with APL representatives from the selected locations to physically verify the data points as per the agreed scope of verification.

Conclusions

We have evaluated the process of data aggregation in relation to the principles of completeness, accuracy and reliability of reported performance indicators and observed that there were certain data aggregation and transcription errors which were identified during the process of verification that have been communicated to the Company; the same have been subsequently corrected.

Based on our verification methodology and scope of work agreed upon, nothing has come to our attention that would cause us not to believe that the performance data as below is not a fair representation of APL's performance data for 2018-19 as below:

Performance Indicator	Unit of Measurement	Performance Number
Reasonable Level of Verification for Six Decorative Business Units**		
Specific Non-Process Fresh Water consumption	KL / KL	0.29
Specific Hazardous Waste Disposal	Kg / KL	1.44
Specific Electricity Consumption	kWh / KL	71.94
Renewable Energy Consumption	%	54.78
Specific Trade Effluent Generation	L / KL	18.51
CO2 Greenhouse Gas (GHG) Emissions*		
Scope 1	MT CO2e	13,304
Scope 2	MT CO2e	25,435
Frequency Rate (FR)	(#)	0.58
Severity Rate (SR)	(#)	42.22
Product VOC reduction^	MT	4,213
Limited Level of Verification for Six Decorative Business Units**		
Water Replenishment	%	98

* Emission factors used for estimation of emissions from consumption of Diesel, Petrol, LPG, Natural gas and grid electricity are 2.644 T CO2e/KL, 2.302 T CO2e/KL, 2.98 T CO2e/T, 0.00218 T CO2e/m3 and 0.96 kg CO2e/KWh (as per CEA CO2 Baseline database user guide version 11, April 2016)

Based on IS 3786-1983 (Reaffirmed 2002)

**Please refer our management report for detailed calculations


Total electricity consumed = Renewable energy consumed + Non-renewable energy consumed

^ Cumulative Product VOC emission reduction since baseline (Year 2011-12) = 23,714 MT

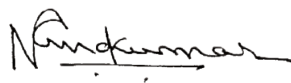
Our Competence and Independence

DNV GL is a global provider of sustainability services, with qualified environmental and social assurance specialists working in over 100 countries. We did not provide any services to Asian Paints Limited during the reporting period that could be construed as conflict with the independence of our work. Our verification team were not involved in the preparation of any statements or data, except this Verification Statement and the Management Report submitted to the management of the Company. We maintain complete impartiality towards any people interviewed as part of verification.

For DNV GL Business Assurance India Private Limited



Kiran Radhakrishnan
Lead Verifier
DNV GL Business Assurance India Private Limited, India



Vadakepatth Nandkumar
Assurance Reviewer
Head Regional Sustainability Operations
DNV GL Business Assurance India Private Limited, India

Bengaluru, India, 21st May 2019.

DNV GL Business Assurance India Private Limited is part of DNV GL – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnvgl.com

Transforming the Urban Landscapes

Asian Paints partnered with St+art India Foundation for the 5th year in a row which is centered around transforming urban spaces and making art accessible for all. The St+art Festivals were conducted at Lodhi Colony in Delhi, Mahim in Mumbai, Maqtha in Hyderabad and across the cities of Goa and Coimbatore.

Lodhi Colony in Delhi was officially inaugurated as Lodhi Art District, India's first public art district in March 2019. The place now has nearly 50 murals from talented national and international artists.

Celebrating powerful women figures



Weaving artistic imagination to celebrate centuries old sewing traditions of India and Europe



Inclusion



Selfie culture on humans



Balance in mind and in spirit



Reflection of everyday street scene in India



For more information visit:
www.asianpaints.com/colourquotient/lab/starting-an-art-explosion-in-the-city-the-delhi-edition/
Social media page : www.facebook.com/pg/startindiafoundation/posts/



Scan the QR code to
visit our sustainability website

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