NAVIGATING TODAY, TRANSFORMING TOMORROW.

asianpaints

Sustainability Report 2024-25

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About the Report

Navigating Today, Transforming Tomorrow:

Since establishing our environmental baseline in FY 2013-14, we have made consistent progress in integrating sustainability into our operations and strategic planning. This strong foundation empowered us to set ambitious environmental and social goals for 2025, aligned with our commitment to responsible growth and long-term value creation.

The environmental performance for the year reflects the transitional impact of expansion and backward integration projects, alongside tapering demand affecting intensity-based indicators. While expansion may temporarily influence metrics, our long-term sustainability trajectory remains strong. The backward integration projects are strategic initiatives that, while expanding our scope, contribute positively to the environment – especially when considered beyond the boundaries of our own operations.

As with the previous year, we continued to advance in key areas of sustainable operations. In water stewardship, we improved efficiency, increased recycling rates, and implemented community-centric water conservation initiatives. The Samaveta programme has seen steady progress in promoting sustainable practices across our supply chain. Our commitment to circularity has also strengthened, with enhanced material recovery, waste reduction, and the integration of life cycle thinking into both product development and operational processes.

We intend to build on this momentum to achieve our 2030 ambitions, making our operations and value-chain more environmentally and socially responsible.

Report Profile:

The scope of the reporting boundary includes all our eight Indian decorative paint manufacturing units at Ankleshwar, Patancheru, Kasna, Sriperumbudur, Rohtak, Khandala, Mysuru and Vizag. Data has been reported for these sites only, which is also covered under the assurance boundary. In addition, wherever we discuss environmental performance on a standalone basis, the performance of our all paints and chemical manufacturing units, R&T centre, Bath operations owned offices and leased offices/ warehouses is covered. From this year, performance of Sleek business has also been included in the standalone boundary post merger with Asian Paints Limited. The reporting boundary if different for any indicator, has been appropriately mentioned. The criteria that are being adhered to for the identified sustainability indicators in the Sustainability Report are as per management-defined criteria and GRI for the Scope 1, Scope 2 and Scope 3 indicators. Section “AP-Global” of this report highlights information related to initiatives taken by our International Business units. However, this is not part of assurance boundary.

Assurance:

Reasonable and limited assurance engagement on the agreed indicators in the report has been provided by Deloitte Haskins & Sells LLP, in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, “Assurance Engagements on Sustainability Information” and the Standard on Assurance Engagements (SAE) 3410, “Assurance Engagements on Greenhouse Gas Statements”, both issued by the Sustainability Reporting Standards Board of the ICAI. The indicators assured here are over and above the indicators assured under Integrated and Business Responsibility and Sustainability Report available at our website.

MD & CEO MESSAGE

> We are committed to achieving our 2030 targets by advancing sustainability in our product offerings, operations & value chain while generating meaningful benefits for the communities around us.

Dear Readers,

The year 2024-25 has been challenging and rigorous for the entire domestic coatings industry despite the steady levels of overall economic activity in the country. The year saw further tapering of demand, continuing from a similar trend in the previous year. Key factor for the dampened demand conditions was the tepid consumer sentiments especially in the urban markets, coupled with slowdown in construction sector. We witnessed consumers deferring discretionary spends with visible downtrading, especially in premium decorative products. Our strong intent to scale the organised market and expand offerings in the economy segment under our 'bottom of the pyramid' strategy, led to relatively better growth in value-priced products, even as the premium end remained flat.

I urge you to read our Integrated Annual Report for FY 2024-25 which provides detailed insights into the Company's performance on financial as well as non-financial aspects.

We take immense pride in the way we operate our businesses with sustainability being the cornerstone to our strategic direction. Our ESG strategy encompasses sustainable product offerings and operations, promotes societal well-being and world-class governance, enhancing the focus towards the value chain.

The sustainability report provides greater details of the Company's tangible and far-reaching progress made under environmental and social responsibility. Our environmental performance for the year reflects the transitional impact of expansion and backward integration projects, alongside tapering demand affecting intensity-based indicators. The capacity expansion projects have a transitional impact and our long-term sustainability trajectory remains intact. Backward integration enhances resource efficiency and contributes positively to environmental outcomes beyond our operational boundaries.

Our climate strategy is two-fold – mitigation through decarbonisation and adaptation to enhance resilience. We have achieved a 69% reduction in Scope 1 and 2 emission intensity compared to our 2013-14 baseline, driven by energy efficiency and a 57.6% share of renewable electricity. Through community-led water initiatives, we replenished 478% of the freshwater consumed across our eight manufacturing facilities. In waste management, we recorded a 79% improvement in both hazardous waste disposal and trade effluent intensity. Our sustainable supply chain initiative, Samaveta, is embedding ESG principles across our value chain – 81% of our raw material and packaging suppliers (by spend) were assessed on ESG criteria this year.

We continue to offer our customers safe, eco-friendly, and high-performance products through our green-certified, low-VOC, and high-durability product lines with increased renewable content. We launched innovative products such as Nilaya Arc and Suprema Air-O-Clean, which further enrich our sustainability propositions for both interior and exterior applications.

All our decorative paint plants are certified five-star by the British Safety Council, and six of our factories have reached the 'Generative Stage' in Behaviour-Based Safety (BBS), reflecting a deeply embedded safety culture. Our community programmes continue to create significant impact. Our water management initiatives created a 273% water harvesting potential. The Beautiful Homes Academy has empowered over 9.5 lakh painters, carpenters, and plumbers with skills and financial literacy. Our health and hygiene programmes reached more than 2.8 lakh individuals.

We are committed to achieving our 2030 targets by advancing sustainability in our product offerings, operations & value chain while generating meaningful benefits for the communities around us.

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

Happy Reading!

Warm regards,

Amit Syngle
Managing Director & CEO

OUR SUSTAINABILITY PRIORITIES & GOVERNANCE

Our focus areas

Environment

Product Stewardship

Community

Health & Safety

Sustainability Governance - Board Oversight & Management Role

Sustainability has long been embedded in our decision-making process. The Board has provided guidance in developing our adopted ESG strategy and maintains keen oversight on the progress, through its committees.

BOARD OVERSIGHT

Risk Management Committee

Evaluate and provide the Board with insights on ESG risks including climate-related risks and opportunities along with mitigation plans

Stakeholders Relationship Committee

Provide direction to the management on the implementation of ESG strategy and maintain oversight of the execution of the ESG strategy as well as the progress on the near-term & long-term ESG commitments

MANAGEMENT ROLE

MD&CEO and One Link* group

Provide leadership in setting the targets and implementing the ESG objectives of the Company including objectives related to climate change

Business Units and Functional Heads

Driving department-specific initiatives in line with ESG targets

Sustainability Team

Group of professionals responsible for the execution, monitoring and reporting of sustainability indicators including the ones related to climate change

** One Link group is led by the Managing Director & CEO and comprises General Managers, Associate Vice Presidents, Vice Presidents, Senior Vice Presidents and Presidents.*

Key Policies and Position Statements

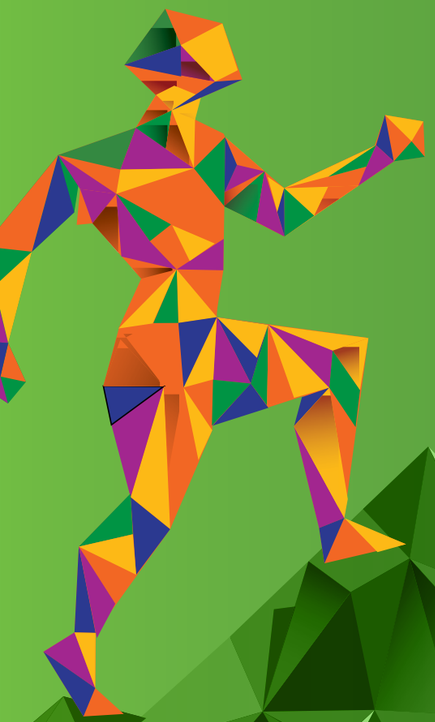
Policies

Position Statements

We recognise our responsibility in shaping a sustainable future and are committed to minimising our environmental impact while maximising positive contributions to the planet.

Guided by a holistic sustainability strategy and our vision of “bringing joy to people’s lives”, we integrate environmental accountability across all aspects of our operations.

Our climate action plan focusses on decarbonising operations and building environmentally responsible supplier relationships. Through increased use of renewable energy and targeted efficiency measures, we’ve significantly reduced Scope 1 and Scope 2 emissions from baseline levels. Our sustainable supply chain programme fosters collaboration across the value chain to drive collective progress. In water stewardship, we promote responsible usage, reduce community impact, and bolster ecosystem services. Our nature-positive approach includes biodiversity conservation, waste reduction, and air quality management – reinforcing our dedication to a thriving environment.



Environment

57.6%

Electricity comes from renewable sources at decorative paint manufacturing plants

478%

Water replenished against annual freshwater consumption at decorative paint manufacturing plants

20,150 MT

Recycled plastic used in packaging

SDG Goals

ENVIRONMENT

Focus Areas

Our approach to environmental stewardship is anchored in several key areas. We are addressing climate change through targeted initiatives and promoting sustainability across our supply chain. Efforts to reduce toxic emissions, waste, and effluents are ongoing, alongside responsible water management practices. We continue to support biodiversity through conservation measures and are enhancing end-of-life management for our products and packaging to encourage circularity. These focus areas reflect our commitment to minimising environmental impact and driving sustainable progress.

A Climate Change

We acknowledge climate change as a significant global challenge with profound implications for our operations, supply chain, and stakeholders. Our response is rooted in proactive mitigation and adaptation strategies designed to minimise our environmental impact and strengthen long-term business resilience.

As part of our structured decarbonisation pathway, we are focussed on reducing Scope 1 and Scope 2 greenhouse gas emissions. Guided by our ESG roadmap, we have established ambitious emissions reduction targets. While the journey presents challenges, it has also fostered internal capability development and embedded long-term planning across our operations.

To address broader climate-related risks, we have completed a comprehensive Scope 3 emissions inventory and continue to advance our Sustainable Supply Chain Programme, aimed at mitigating environmental impacts across our value chain.

In alignment with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, we conduct climate scenario analyses and risk assessments. These tools help us identify vulnerabilities and enhance our adaptability to evolving climate conditions, ensuring we remain responsive and resilient in a changing world.

Climate Change Mitigation

Our commitment to climate action is grounded in a comprehensive assessment of emissions across both our operations and broader value chain. Operational emissions primarily stem from fuel and electricity consumption, while value chain emissions are largely associated with transportation and upstream supplier activities.

Recognising that energy and resource use are key contributors to our carbon footprint, we are actively implementing a decarbonisation strategy that targets both direct and indirect emissions. This strategy is supported by key enablers that drive progress through innovation, collaboration, and continuous improvement.

We have made consistent progress in recent years, particularly in advancing energy efficiency and renewable energy initiatives. While performance in 2025 has been mixed due to a range of external and operational factors, we continue to build on the strong foundation laid and remain focussed on our long-term climate objectives.

Our decarbonisation journey is dynamic and evolving, with a strong emphasis on scaling effective solutions, leveraging emerging technologies, and sustaining momentum toward a low-carbon future.

Key enablers to address emissions across our operations:

OWN OPERATIONS		VALUE CHAIN			
E1	E2	E3	E4	E5	E6
Enabler 1	**Enabler 2**	**Enabler 3**	**Enabler 4**	**Enabler 5**	**Enabler 6**
Energy Efficiency	Renewable Energy	Sustainable optimisation of products and services	Lesser carbon intensive raw material alternatives	Engagement with suppliers to reduce emissions	Optimising transportation and distribution

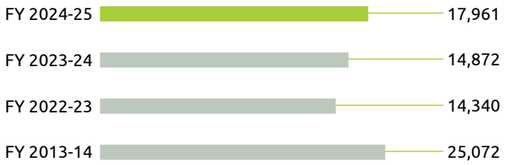
Own operations – Scope 1 and Scope 2 emissions:

Metric	Target 25	Performance in FY 2024-25	Target 30
Specific Emission ($kgCO_2e/KL$)	32.8	40.9	26.2
Reduction in specific (Scope 1 & 2) emission per KL of finished product from baseline (%)	75% ↓	69% ↓	80% ↓
Energy conservation	60.5	83.1	54.4
Reduction in specific electricity consumption (kWh/KL) from baseline	48% ↓	28% ↓	53% ↓
Renewable electricity in total electricity consumed across factories (%)	75	57.6	100

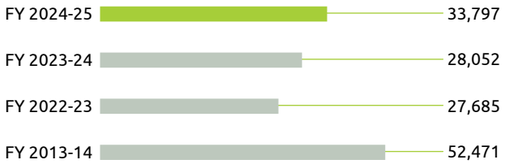
Over the years, we have made steady progress in reducing absolute Scope 1 and Scope 2 emissions within our decorative paints business. Since FY 2013-14, Scope 1 emissions have declined by 28%, and Scope 2 emissions at our manufacturing units have reduced by 36%. Emission intensity has also seen a notable decrease of 69% from the baseline year. These improvements reflect the cumulative impact of ongoing energy efficiency measures and increased adoption of renewable energy across our operations.

During the year, we witnessed an increase in specific emission from the reducing trend,due to increase in absolute Scope 1 & Scope 2 emissions and lower-than-expected production volumes. Scope 1 emissions rose due to higher fuel consumption associated with backward integration and expansion activities across multiple facilities. Scope 2 emissions increased as a result of elevated energy demand from these projects, while renewable electricity consumption remained steady. While most of these impacts are transitional and expected to stabilise, some are more enduring. We are actively working to identify and implement mitigation pathways to address the latter.

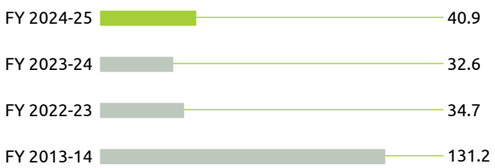
Scope 1 (tCO_2e)



Scope 2 (tCO_2e)



Specific Scope 1 and Scope 2 emission ($kgCO_2e/KL$)



The Scope 1 and Scope 2 emissions on a standalone basis during the year were 87,435 tCO_2e & 52,727 tCO_2e respectively. The emission intensity was 107.6 $kgCO_2e/KL$. Biogenic emission due to the combustion of biofuels was 59 tCO_2e.

E1: Energy Efficiency

Efficient energy use remains a central pillar of our efforts to reduce Scope 1 and Scope 2 emissions. Our strategy continues to focus on process optimisation, adoption of advanced technologies, and upgrading legacy infrastructure with energy-efficient systems. These technical measures are complemented by regular training and awareness initiatives aimed at fostering a culture of energy conservation.

During the year, specific electricity consumption at our decorative paints' plants increased, primarily due to capacity expansion, backward integration projects, and lower than expected production volumes. Despite this short-term rise, we have achieved a 28% reduction in specific electricity consumption compared to the baseline year. This translates to an increase of 40,200 GJ in electricity consumption over the previous year, while still reflecting a net reduction of 1,49,803 GJ from FY 2013-14 levels.

During the year, energy consumption at our decorative paint manufacturing units stood at 6,95,719 GJ, with renewable energy accounting for 2,23,793 GJ.

On a standalone basis, total energy consumption for the year was 15,25,716 GJ, comprising 10,33,343 GJ of direct energy and 4,92,373 GJ of indirect energy, including 12,251 GJ of procured steam. Energy intensity was recorded at 1.18 GJ/KL.

We continue to track operational data across all sites to identify opportunities for improvement and to optimise energy performance. A structured energy audit framework has been institutionalised to support these efforts, enabling continuous enhancement and ensuring that we stay on course towards long-term energy efficiency goals.

Specific electricity consumption at decorative paint manufacturing units (kWh/KL)

Energy consumption by source at decorative paint manufacturing units (GJ)

Non-Renewable Energy

- Total **4,71,926**
- Fuel **2,99,489**
- Electricity & Steam **1,72,437**

Renewable Energy

- Total **2,23,793**
- Bio-Fuel **475**
- Electricity & Steam **2,23,318**

Initiatives undertaken across various plants towards optimising energy consumption

Energy optimisation at Kasna

At Kasna, we have reduced power intensity through targeted automation, temperature driven actuator valves, timed ventilation, VFD-controlled chillers, motion sensor lighting and synchronised cooling towers. Mixer runtimes were trimmed, saving a total of 3,11,011 kWh. These data-driven measures lower costs, cut carbon emissions, and uphold our ISO 50001 energy management standards.

Solar drying system at Rohtak

At Rohtak, we introduced a 400 sq mt solar waste drying system to replace fossil fuel processes, reduce waste and cut emissions. Harnessing clean solar energy, it achieves up to a 5% reduction in residue, lowers operational costs and carbon output. This zero-emission solution not only advances environmental objectives but also provides an exemplary model for sustainable industrial practice.

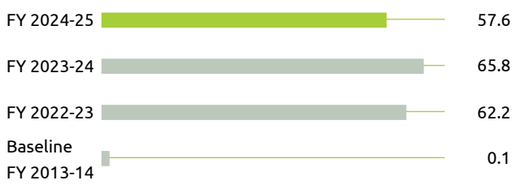
Optimising air systems at Khandala

The Sigma Air Manager (SAM) optimises compressed air systems, addressing key issues like inconsistent air supply, high energy consumption and unnecessary compressor runtime. SAM ensures demand-based control, reduces power usage and improves compressor efficiency, cutting costs and maintenance. Key benefits include a 4-5% reduction in energy consumption, lower maintenance costs, improved equipment lifespan and reduced downtime.

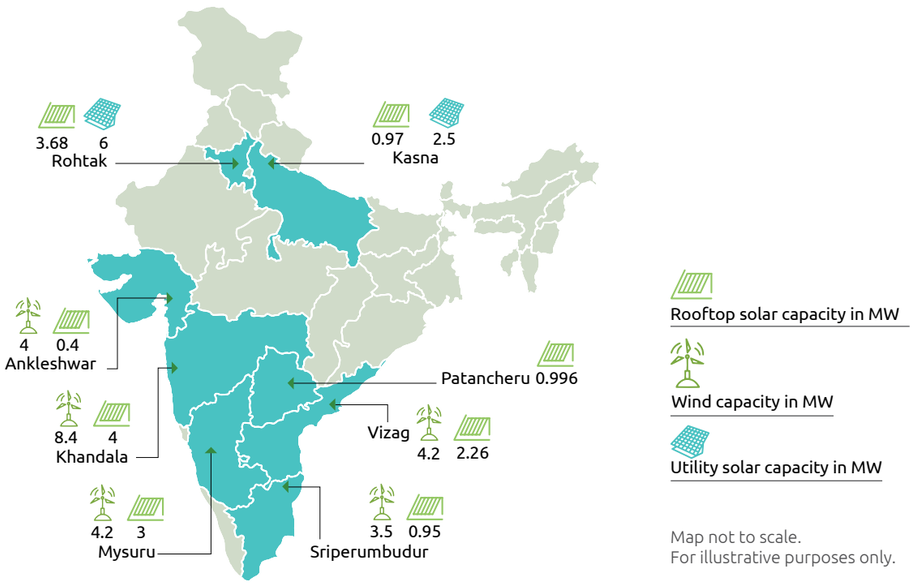
E2: Renewable Energy

Our decorative paint manufacturing plants have an installed renewable energy capacity of 48.9 MW – 24.6 MW solar and 24.3 MW wind. During the reporting year, renewable energy met 57.6% of our electricity needs, helping us avoid approximately 45,067 tCO_2e emissions compared to the baseline year. The decline in renewable share was majorly influenced by increased electricity demand. Regulatory factors such as state policies mandating minimum grid utilisation and banking restrictions also play a role in limiting netting off of renewable energy, however the excess renewable electricity generated is fed to the grid and remains available for consumption. With ongoing initiatives nearing completion, we anticipate an improved renewable energy contribution in the coming year.

Renewable electricity consumption out of total electricity consumed across decorative paint manufacturing units (%)



Installed Capacity Location-wise



Map not to scale.
For illustrative purposes only.

Decarbonising Steam Generation at Mysuru

At our Mysuru plant, we have replaced natural gas-fired boilers with electrically-driven heat pumps powered entirely by on-site renewable energy. Previously, steam generation relied on natural gas, driving significant Scope 1 emissions. By harnessing surplus solar electricity, the new high-capacity heat pump system eradicates fossil fuel use without increasing Scope 2 emissions, fully aligning with our renewable energy commitments and long-term decarbonisation targets.

The heat pumps deliver stable, efficient performance with reduced maintenance compared to combustion boilers, bolstering operational resilience during energy intensive processes. Integrating solar energy into core thermal applications strengthens our clean energy mix and underlines a scalable decarbonisation pathway, enhancing our ESG profile. Economically, the initiative avoids natural gas procurement exemplifying the synergy between cost effectiveness and environmental stewardship.

550 kW

Capacity heat pump system commissioned to meet plant steam demand

Value chain – Scope 3 emissions:

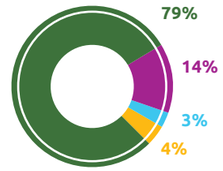
As part of our journey toward a low-carbon future, we are steadily broadening our efforts to address Scope 3 emissions. During the year, total Scope 3 emissions were estimated at 32.2 lakh tCO_2e, with supplier operations and transportation together accounting for approximately 93% of the total emissions.

To drive decarbonisation beyond our direct operations, we are focussing on formulation optimisation, adopting low-carbon material alternatives, promoting low-emission transport, and embedding sustainability principles across our value chain. These initiatives reflect our commitment to integrating climate action into supplier engagement and operational decision-making.

We continue to refine our understanding of value chain impacts and work collaboratively with partners to identify and implement reduction opportunities. These efforts are integral to our broader climate strategy and support our long-term ambition of building a resilient, low-carbon supply chain.

Emission Category	FY 2023-24	FY 2024-25
Cat 1 – Suppliers (Purchased Goods & Services)	27.3 lakh tCO_2e	26.6 lakh tCO_2e
Cat 4 – Transportation (Inbound & Outbound)	5.1 lakh tCO_2e	4.7 lakh tCO_2e

Emissions split



E3: Sustainable optimisation of products and services

We focus on formulation optimisation and efficiency to reduce the overall carbon footprint of the products. This involves reducing high emission contributing raw materials through multiple formulations and process innovations such as improving the scattering efficiency of rutile and other raw materials.

39,085 tCO_2e
avoided in FY 2024-25

E4 - Lesser-carbon-intensive raw material alternatives

We are committed to reducing our environmental impact by evaluating and adopting raw material alternatives with lower embedded carbon. This includes exploring alternate grades and chemistries and increasing the use of renewable or bio-based content. A key initiative in this direction is our ongoing investment in establishing production facilities for low-carbon-intensive Vinyl Acetate Monomer (VAM) and Vinyl Acetate Ethylene emulsions (VAE).

6.8% of renewable/bio-based raw materials

29.9% of recycled content in plastic packaging

Plastic recycled content resulted in the avoidance of ~20,700 tCO_2e

E5 - Engagement with suppliers to reduce emissions

Procurement activities account for nearly 80% of our total greenhouse gas (GHG) emissions, making supplier engagement a key pillar of our decarbonisation strategy. Through our Samaveta programme, we engage suppliers on critical ESG topics, including climate change, by raising awareness, assessing performance, and promoting continuous improvement.

15%
of our total Scope 3 GHG emissions were calculated using supplier-specific data

This is
21%
of our upstream supplier-linked emissions.

E6 - Transportation and distribution

We are consistently advancing our efforts to minimise the environmental impact of logistics by adopting greener modes of transportation and enhancing fleet efficiency. Our strategic transition towards rail and sea transport for long-haul movement, along with the adoption of low-emission vehicles, has resulted in a marked reduction in fuel usage and associated emissions.

Moreover, our collaborative initiatives with FMCG/FMCD partners to enable load pooling and reverse logistics have further strengthened distribution efficiency. We also actively explore opportunities presented by the National Logistics Policy to strengthen our green logistics framework and foster innovation in sustainable supply chain practices.

5,500+
tonnes of raw material and finished goods were despatched using sea instead of road despatch

55,000+
tonnes of raw material and finished goods are despatched using multimodal including rail

5,200+ tCO_2e
of GHG emissions avoided

Sustainable Supply Chain

At Asian Paints, our journey toward becoming a future-ready and sustainable organisation is deeply rooted in the belief that our supply chain is not just a conduit for operational efficiency, but a powerful lever for creating long-term value. Over the years, we have steadily advanced our approach to Sustainable Supply Chain Management (SSCM), aligning with globally recognised standards and reaffirming our dedication to environmental care, social equity, and ethical governance.

During the year, we reinforced existing frameworks and introduced new measures to enhance supply chain sustainability.

Types of suppliers	Process	Tools
All suppliers	Acknowledge Code of Conduct for Business Partners	Supplier Outreach
	ESG criteria in new supplier screening	Supplier onboarding
	Samaveta Academy - Capacity Building on ESG	Samaveta
Critical Supplier*	Self-Declaration Forms - Capturing ESG performance in terms of maturity and impact	
	Comprehensive Site Assessment	
Foundation: Code of Conduct for Business Partners		

**Business partners that fall in the top quartile (75%) of value by spend or suppliers having a significant ESG footprint*

We expect all suppliers to comply fully with applicable laws and proactively mitigate environmental risks arising from their operations and products. Our vendor selection and onboarding process involves a mandatory evaluation based on ESG parameters. This includes adherence to environmental regulations, possession of valid consents and authorisations, availability of environmental policies and management systems, and a self-declaration on key human rights principles. In FY 2024-25, a total of 58 suppliers were onboarded following this evaluation process.

The implementation of our supply chain sustainability programme - Samaveta - has emerged as a key enabler. This programme supports the integration of sustainability practices through tools such as Self-Declaration Forms (SDFs), Samaveta Academy, and on-site or virtual assessments including those by third-party expert agency.

Sustainable Supply Chain

01

Maturity and Impact assessment:
We seek ESG-related information from suppliers through self-declaration forms (SDFs) and also assess publicly disclosed information. This exercise helps us in categorising and curating the programme basis their maturity and impact.

02

Capacity Building:
We offer a structured platform for capacity-building on fundamental ESG aspects under Samaveta Academy. The topics covered were Basics of ESG, Environment footprint measurement and improvement, safety basics and Behaviour Based Safety (BBS).

03

Comprehensive site assessment:
Suppliers are selected for site or virtual assessment based on factors such as business impact, supply chain risk, raw material or category-specific risks and ESG footprint assessed through SDFs.

Samaveta has been instrumental in identifying ESG hotspots, understanding intervention priorities, and fostering collaboration across the value chain. We continue to refine and expand the programme to drive meaningful impact and align with our long-term sustainability goals.

Key highlights

	FY 2022-23	FY 2023-24	FY 2024-25
Partners acknowledged the Code of Conduct for Business Partners (No.)	1279	2793	3188
Raw and packing material suppliers acknowledged Code of Conduct for Business Partners (% of spend)	>65%	>90%	>90%
Vendor selection and onboarding on ESG criteria during the year	100%	100%	100%
Capacity building of business partners (% spend)	-	-	12%
Partners assessed through SDFs (% spend)	-	77%	81%
Site/virtual assessment (% of spend)	-	-	20%

75%
of suppliers are working on their environmental footprint

71%
of suppliers have human rights policies or position statements

69%
of suppliers have anti-bribery & anticorruption policy/position statement

Climate Change Adaptation

In FY 2022-23, we undertook a detailed climate risk assessment aligned with TCFD recommendations, focussing on both physical and transition risks. This involved engaging internal stakeholders, identifying key vulnerabilities, and assessing the potential business impact.

Physical risk analysis

We evaluated short-term (2030) and long-term (2050) risks across our eight decorative paint manufacturing sites using IPCC scenarios (RCP 4.5 and RCP 8.5). Key climate hazards identified included heatwave, drought, cyclone and flood. While the overall risk was assessed as low, we continued to implement resilience measures such as rainwater harvesting, improved ventilation, and water conservation systems.

Transition risk analysis

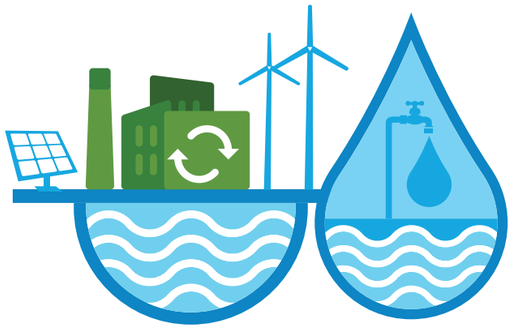
We also assessed policy, legal, technological, and market risks associated with transitioning to a low-carbon economy. This evaluation was based on IEA SDS scenarios and India's Net Zero commitments. Risks included market fluctuations and regulatory changes, while opportunities were identified in energy source, product innovation and resource optimisation. Our ESG strategy enables us to proactively manage these risks and leverage emerging sustainability opportunities.

These assessments are now integrated into our Risk Management Framework, reinforcing our long-term climate resilience. Read more about our approach to risk management in our TCFD Index.

B Water Stewardship

Water is a critical resource for Asian Paints and a cornerstone of our environmental sustainability strategy. As a responsible manufacturer, we are committed to using water efficiently, safeguarding its quality, and ensuring its long-term availability–for both our operations and the communities in which we operate.

Our integrated water management approach encompasses risk assessment, conservation, efficiency enhancement, and replenishment. This strategy is implemented across our manufacturing facilities and extended to surrounding regions through targeted community engagement and localised interventions. We actively collaborate with stakeholders to promote responsible water use and strengthen resilience against water-related risks.



In alignment with SEBI's Business Responsibility and Sustainability Report (BRSR) disclosure requirements, we conduct water stress assessments at all Indian manufacturing locations using the Central Ground Water Board's (CGWB) groundwater block classification. According to the CGWB's 2024 assessment, the groundwater block encompassing our Patancheru facility has been designated as water stressed as of 31st March 2025.

To further strengthen our adaptive capacity, we have conducted climate risk assessments for all decorative paint plants using Representative Concentration Pathway (RCP) 4.5 and RCP 8.5 scenarios. These assessments help us anticipate long-term water-related risks and inform strategic planning for climate resilience.

Metric	Target 25	Performance in FY 2024-25	Target 30
Specific non-process water consumption (KL/KL)	0.27 72% ↓	0.46 52% ↓	0.24 75% ↓
Water replenishment as a percentage of freshwater consumption	400%	478%	600%

Optimising Water Usage at Asian Paints

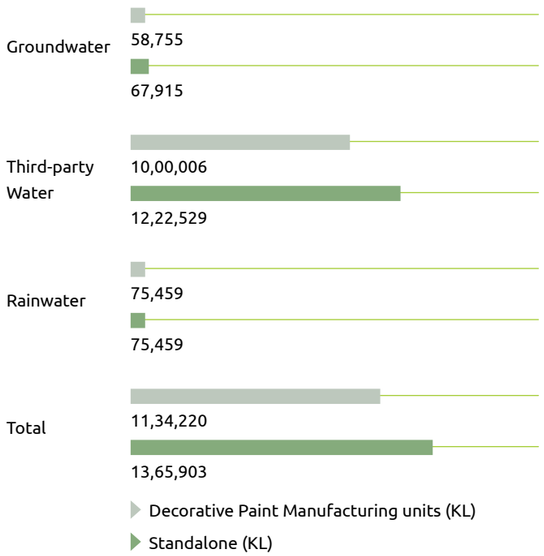
We continue to make steady strides in managing water resources responsibly across our operations. Water is primarily withdrawn from two sources – groundwater and third-party suppliers. In addition, we have significantly enhanced our rainwater harvesting capacity through the construction of reservoirs within our premises, enabling us to supplement process requirements with harvested water.

A portion of the withdrawn water is consumed into our products, while the rest is utilised for domestic, utility, and landscaping purposes.

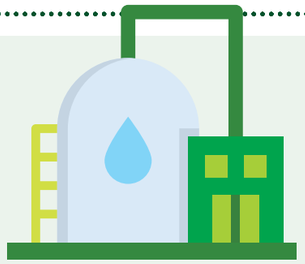
Our advanced treatment systems, combined with a strong focus on reuse and recycling, enable us to maintain a Zero Liquid Discharge (ZLD) status across our manufacturing sites – an achievement that reflects our continued emphasis on water stewardship.

In FY 2024-25, our decorative paint manufacturing units consumed 1,134 megalitres of water. At the standalone level, total water withdrawal stood at 1,366 megalitres, including 75 megalitres of harvested rainwater. Notably, only 5.4 megalitres of water withdrawn had Total Dissolved Solids (TDS) ≥1,000 mg/L.

Water withdrawal by source



Optimising water usage at our Kasna facility

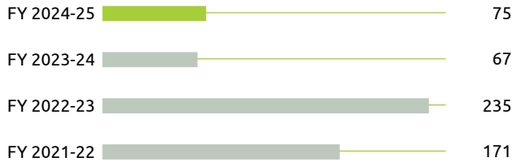


In response to rising summer temperatures, we introduced a series of measured interventions aimed at improving thermal comfort and enhancing water efficiency. Adjustments to industrial air coolers – including refined cleaning schedules, ambient-responsive operation, and optimised drain cycles – helped reduce water usage by nearly half. Cooling tower operations were streamlined through load-sharing mechanisms and condensate recovery, contributing to notable water savings in both towers and boilers. Additional administrative measures, such as a recycled water protocol for canteen hygiene and reuse of RO reject water for flushing, further supported our efforts to build climate resilience across the facility.

Water Replenishment and Conservation Inside Factory Premises

We have consistently prioritised water conservation across our manufacturing sites, undertaking a range of initiatives to drive efficient and sustainable use. Our approach includes the use of contextual indicators to monitor water efficiency, maximise reuse and recycling, and integrate innovative technologies into everyday operations. A key focus has been the harvesting and use of rainwater within our processes - an area where we continue to make encouraging progress. These interventions are complemented by ongoing awareness campaigns and training programmes that promote a culture of conservation and responsible usage among employees.

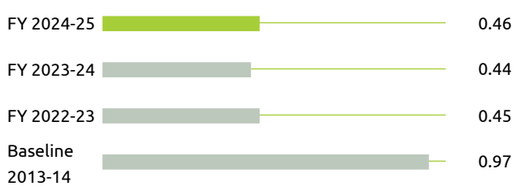
Rainwater harvested and consumed within the factory (megalitres)



Non-Process Water Consumption at our Decorative Paint Manufacturing Units

Over the years, we have maintained a strong focus on reducing non-process water consumption across our operations. As a result of these sustained efforts, we have achieved a 52% reduction in specific non-process water usage compared to our baseline year of FY 2013-14. While this year saw a temporary increase in specific non-process water consumption due to expansion and backward integration projects, our overall reduction from the baseline remains significant at 52%.

Specific non-process water (KL/KL)



Water Replenishment and Conservation Outside Factory Premises

We actively collaborate with local communities to enhance water availability in the regions surrounding our manufacturing facilities. This is achieved through a combination of supply-side interventions – such as pond rejuvenation and canal lining – and demand-side measures, including integrated watershed management and silt application. These efforts are further supported by farmer training programmes that promote sustainable water practices.

During the reporting year, our sustained investments enabled us to replenish 478% of the freshwater consumed at our paint manufacturing sites. These initiatives not only bolster essential ecosystem services but also improve water access for domestic use, agriculture, and groundwater recharge.

478%

Water replenishment achieved as a proportion of freshwater consumption at our decorative paint manufacturing units.

Water Stewardship Initiatives at Kasna

Facing water scarcity in Gautam Buddh Nagar, we launched an integrated water stewardship programme at our Kasna plant combining demand side and supply side interventions. Under the 'Water for All – Replenish', we revitalised six key community ponds by desilting them, reinforcing embankments and planting native vegetation to restore natural recharge cycles, yielding an annual groundwater replenishment capacity of 25,500 KL. Simultaneously, we optimised internal water use through process enhancements and recycling, reducing freshwater demand. This dual approach not only secures regional water availability but also bolsters our as well as local community's resilience against climate impacts and promotes long-term sustainability.

Creating Lasting Impact

In Nonand village in Rohtak, where over 85% of residents rely on farming, unlined canals once lost vast quantities of water, restricting crops to just two harvests. In FY 2024-25, our CSR team lined a 2,000 metre stretch of these channels, preventing seepage and saving 99,384 KL water annually. This ensures reliable supply to tail-end farms, supporting year-round cultivation across 26.97 ha, reducing groundwater withdrawal, benefiting 35 farming families. This demonstrates how strategic water conservation projects bolster agricultural resilience and rural livelihoods.

Before

After

The details of the community water interventions undertaken during the year can be found in the community section of this report.

C Nature Positive

At Asian Paints, the concept of Nature Positive reflects our comprehensive and forward-looking approach to sustainability. It signifies our commitment to assessing and minimising the environmental impact of our operations while actively contributing to ecological well-being. This theme encompasses key initiatives focussed on waste reduction, air emissions control, and biodiversity preservation – driving positive outcomes for both our business and the planet.

Metric	Target 25	Performance in FY 2024-25	Target 30
Specific Hazardous Waste Disposal (kg/KL)	0.5 81% ↓	0.57 79% ↓	0.45 83% ↓
Specific Non-Hazardous Waste Disposal (kg/KL)	6.7 52% ↓	8.39 41% ↓	6.0 57% ↓
Specific Trade Effluent Generation (L/KL)	17.5 79% ↓	17.1 79% ↓	15.8 81% ↓
Number of collection points for plastic packaging from painters and consumers across states	100 points across 25 town/cities	31 points across 10 town/cities	500 points across 100 town/cities
Proportion of Recycled Plastic Used in our Packaging (%)	30%	30%	60%

Waste Management

Our approach to waste management is built on systematic monitoring of material flows and regular reviews to identify opportunities for reduction. We follow a clearly defined waste hierarchy, prioritising innovative technologies for minimisation and investing in R&D to support carefully designed reuse schemes.

We continue to empower our workforce through targeted training on waste reduction techniques and safe handling practices. Our primary objective is to minimise waste generation at source by optimising existing processes and adopting more efficient production methods. Where avoidance is not feasible, we actively pursue recycling and reuse options within our operations. For example, we repurpose wash water, recover solvents and produce economy-grade paint from recycled materials.

We maintain rigorous waste management protocols to ensure the safe, responsible, and environmentally compliant disposal of non-recyclable and non-reusable materials. At our paint manufacturing facilities, specific hazardous waste disposal (measured in kg/KL) has shown consistent year-on-year decline since the baseline year of FY 2013-14. In the reporting year, we achieved a further 5% reduction over the previous year, marking a cumulative 79% decrease. Specific non-hazardous waste has also reduced by 40% since FY 2013-14. However, the reporting year saw a one-time exceptional disposal of non-hazardous waste linked to expansion activities.

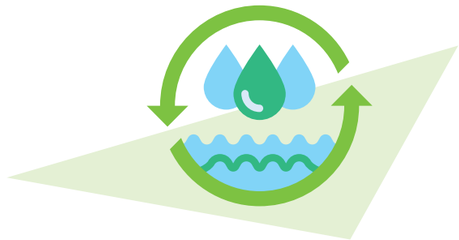
Waste disposal at decorative paint manufacturing units:

Metric	Baseline FY 2013-14	FY 2022-23	FY 2023-24	FY 2024-25
Specific hazardous waste disposal (kg/kL)*	2.7	0.77	0.61	0.57
Specific non-hazardous waste disposal (kg/kL)	14.1	7.8	7.53	8.39

**The indicator includes disposal of waste under Hazardous Waste Management Rules except barrels and containers which are disposed in numbers as per authorisation.*

Wastewater Management

Our wastewater management approach for paint processing, equipment maintenance, and pipeline cleaning is built on two key pillars: **source reduction** and **recycling & reuse.**



01

Source Reduction

To minimise wastewater generation, we have adopted high-efficiency pressure cleaning systems and enhanced the reuse of wash water within our operations. Complementary measures such as **utility blowdown management** and **condensate recovery** have further reduced water discharge from utility processes.

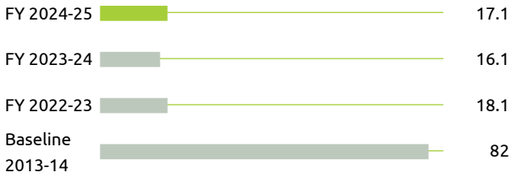
02

Recycling and Reuse

Effluents that are not suitable for direct reuse undergo advanced treatment in our **Effluent Treatment Plants (ETPs)**. The treated water is then recycled for both process and non-process applications, aligning with our commitment to **Zero Liquid Discharge (ZLD)** across all facilities.

Based on this approach, we have achieved a substantial reduction in specific trade effluent generation since the FY 2013-14 baseline, decreasing from 82 L/KL to 17.1 L/KL in FY 2024-25. While the long-term trend remains positive, the reporting year saw a slight increase over the previous year due to operational factors. We continue to focus on enhancing water-use efficiency across our facilities.

Specific Trade Effluent Generation at Decorative Paint Manufacturing Units (L/KL)



Circularity in Operation

Recycled Plastic

We have significantly boosted the proportion of recycled plastic in our packaging, using 20,150 tonnes in FY 2024-25, equating to 29.9% of all plastic packaging. This milestone is yet another step towards circularity and reducing environmental impact.

Waste to Value: Plastic Waste Management (PWM)

We have been ensuring the collection and safe disposal of packaging waste through the Extended Producer Responsibility (EPR) approach. Under plastic EPR, we have collected over 7,800 MT of flexible and over 72,000 MT of rigid plastic, which represents 100% of our liability in respective categories. The collection and responsible channelisation were ensured across 25 states.

As part of our broader plastic stewardship efforts, we have introduced plastic take-back programmes for used paint buckets, initially piloted in Bangalore and now extended to 31 locations across 10 major cities. This initiative offers a monetary incentive to encourage participation and aims to provide an environmentally responsible alternative for end-of-life plastic pails. While uptake has been modest due to prevalent reuse practices among painters and consumers, the programmes reinforces our commitment to offering sustainable choices and reducing plastic waste across our value chain. Scan to know more:

Recycle Store Locator - Asian Paints

Wash Water

Wash water is used daily to clean production equipments and mixers. In FY 2024-25, we re-used 39,345 tonnes of wash water within our products, reducing freshwater demand and avoiding generation of waste sludge.

Waste Solvent Reuse

We continued to recover and reuse waste solvents in our products. In FY 2024-25, we were able to reuse 582 tonnes of solvent in products. In addition to this, we also use recovered solvents for cleaning purposes.

Economy Grade Paint

When source segregation or reuse schemes are not feasible, we repurpose such materials into economy grade paint. During the year, we successfully segregated and reprocessed 2,241 tonnes to manufacture this value-added product.

Other Emissions

We have undertaken several initiatives to refine our operational processes, including the retrofitting or replacement of diesel-based DG sets with gas-based alternatives. Boiler usage has also been moderated through the use of community steam boilers and heat recovery systems. We prioritise use of cleaner fuels such as natural gas.

In our decorative paint units, absolute emissions were recorded at 3.2 metric tonnes (MT) of SOx, 6.6 MT of NOx, and 6.1 MT of particulate matter (PM). At the standalone level, emissions stood at 10.8 MT of SOx, 45.8 MT of NOx, and 15.1 MT of PM.

Other emissions at decorative paint manufacturing units (g/KL)

	FY 2022-23	FY 2023-24	FY 2024-25
SOx	2.2	2.2	2.6
NOx	8.2	5.9	5.2
PM	4.1	4.1	4.9

D Biodiversity

At Asian Paints, biodiversity conservation in and around our operational areas has long been a key priority. Our biodiversity strategy is built on a holistic and proactive approach to preserving and restoring ecosystems associated with our operations.

Given the nature of our activities, our direct impact on biodiversity is limited. Nonetheless, we conduct thorough assessments of our manufacturing sites using the Integrated Biodiversity Assessment Tool (IBAT), which maps biodiversity-sensitive areas based on data from the World Database on Protected Areas (WDPA) in alignment with the IUCN definitions. These assessments also account for our ecological dependencies and broader ecosystem impacts.

Our efforts are aligned with the National Biodiversity Strategy and Action Plan (NBSAP), focussing on mitigating critical threats such as land-use change, pollution, overexploitation of species, climate change, and invasive species. While some of these threats are directly linked to our operations, others are indirect. We have identified specific risks and corresponding interventions for our manufacturing sites. Curated biodiversity interventions have been implemented across our plants at Kasna, Khandala, Mysuru, Rohtak, Sriperumbudur and Vizag as well as our R&T centre in Turbhe.

We believe that our wider sustainability initiatives – including resource conservation, pollution reduction, and community-based programmes – play a significant role in supporting biodiversity restoration and conservation across our areas of influence.

Butterfly Garden at Rohtak

At our Rohtak manufacturing facility, Asian Paints has developed a dedicated **Biodiversity-cum-Butterfly Garden**, transforming a portion of the site into a thriving micro-ecosystem. This initiative directly supports our biodiversity strategy by reversing habitat fragmentation and enhancing local ecological resilience.

The garden features a curated selection of **native plant species**, chosen for their ability to attract pollinators such as butterflies, bees, and other beneficial insects. These plants provide essential resources – nectar, pollen, shelter, and breeding grounds – contributing to the restoration of ecological functions within the industrial landscape.

Beyond ecological benefits, the garden contributes to:

- **Improved air quality** and **microclimate regulation**
- **Employee well-being**, offering a tranquil space for relaxation and reflection
- **Environmental education**, serving as a platform to raise awareness about biodiversity and conservation practices

This initiative aligns with **UN Sustainable Development Goal 15 – Life on Land**, and demonstrates our commitment to integrating nature-based solutions into operational environments. It also reflects our broader sustainability ethos: that **industrial growth and natural capital enhancement can coexist and reinforce one another.**

The Rohtak Butterfly Garden stands as a replicable model for other sites, showcasing how targeted biodiversity interventions can yield tangible environmental and social benefits.

E Sustainability Community

As part of our ongoing commitment to environmental responsibility, Asian Paints engages employees and their families through a variety of sustainability-focussed activities under the initiative **"Sustainability Starts with Me."** This programmes features hands-on workshops, expert-led sessions, and interactive learning experiences that encourage sustainable living and low-waste lifestyles.

Key environmental days such as **World Environment Day, Earth Day, Water Day, and International E-Waste Day** are marked with enthusiasm and creativity. These occasions serve as opportunities to inspire eco-conscious behaviour and strengthen awareness across the organisation.

The weekly campaign **"Sustainability Fact Fridays"** has become a regular feature, offering intriguing insights into sustainability and sparking meaningful conversations among employees.

During FY 2024-25, we conducted:

9 webinars

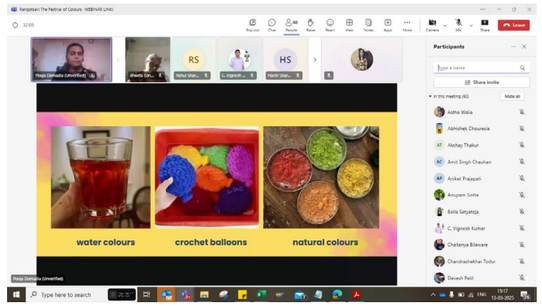
3 interactive workshops

1 e-waste awareness drive

1 Nature Walk in collaboration with BNHS Mumbai

These initiatives brought together over **700 employees**, along with their families and friends, fostering a shared journey toward sustainable living. Participants were encouraged to reflect on their daily habits and explore practical ways to reduce waste and live more sustainably.

By creating a supportive and engaging platform, Asian Paints continues to nurture a culture of environmental consciousness that extends beyond the workplace and into everyday life.

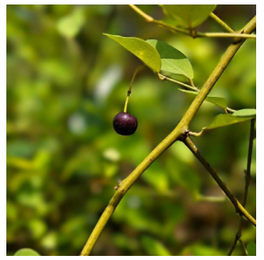


Holi natural colours making workshop

E-waste collection drive and awareness session

Eco-friendly Ganpati making workshop organised at APL

World Environment Day 2024 celebrations at APL across all factories



Tree walk organised at BNHS, Mumbai

F AP Global – Environmental Stewardship at The Global Level

Asian Paints maintains a strong international presence through its subsidiaries across Asia, the Middle East, the South Pacific, and Africa. While each region operates with distinct sustainability baselines, targets, and performance metrics tailored to local contexts, our global commitment to environmentally responsible practices remain unwavering. This section presents region-specific initiatives, while underscoring our unified approach to embedding sustainability across all geographies.

Energy Efficiency

Airlock System Installation, Egypt

As part of our compressed air optimisation initiative, an airlock system was installed across all pneumatic lines to address air leakages in the filling area. This intervention significantly enhanced system integrity and operational efficiency. Additionally, one of the air compressors were replaced with a lower hp compressor basis the reduced losses. These measures led to a 15% reduction in compressor energy consumption – equivalent to approximately 50,000 kWh annually – with continued system improvements further increasing estimated energy savings.

Optimisation of Mixer with blade design change, Bahrain

Mixers were upgraded through blade design optimisation, significantly improving mixing performance. Previously, suboptimal blade placement caused inadequate vortex formation, foaming, and extended mixing times. By adopting efficient design by expanding blade span from 280 mm to 480 mm and reducing blade sets from four to two, the mixers now handle all product types (bases, shades, whites, and primers) without splashing or lumping. This upgrade has reduced mixer cycle-time by 20 minutes per batch and delivers energy savings.

Optimisation of Grinding Equipments, Mirsarai, Bangladesh

To enhance operational efficiency and reduce energy consumption, motor controls for Basket Mills were integrated into the Distributed Control System (DCS). Previously operated manually, the mills experienced runtime losses and limited process visibility. Electrical and instrumentation upgrades now enable centralised control and monitoring via the DCS, improving process oversight and responsiveness.

Other key energy initiatives:

Egypt: LED retrofits and motion sensors within the premises further contributed to lighting efficiency.

Mirsarai, Bangladesh: Automation of grinding equipment and cold well pumps via DCS integration saved over 4,700 kWh. Motion sensors and false ceiling installations reduced AC load and lighting power consumption.

Gazipur, Bangladesh: Booster pump control, timer automation in TSD, and lighting optimisation saved over 18,000 kWh.

UAE & Oman: Replacement of fixed-speed compressors with VSD types and segregation of chiller circuits resulted in over 1,00,000 kWh in combined savings.

Fiji: VFD installation on HSD motors reduced annual consumption by 5,703 kWh.

Bahrain: Energy saving control units across 46 ACs led to monthly savings of 1,600+ kWh.

Water Conservation

Rainwater harvesting project, Nepal

A rainwater harvesting project was implemented across both Nepal plants. An efficient RWH system was developed by analysing the region's annual rainfall potential and total rooftop area. A total of 355 KL was harvested and utilised for different plant operations. The initiative significantly surpassed its original target, with rainwater reuse far exceeding expectations, and was further extended to units in Bangladesh & Sri Lanka. The total rainwater harvesting capacity is projected to be more than 2,000 KL and reflects AP Global's commitment to environmental stewardship and resource efficiency.

Repurposing Treated Water for Roller Cleaning, Bahrain

To conserve domestic water, treated water from the nearby ETP line was repurposed for cleaning application rollers used in daily coating trials by Sales and Marketing technicians. This initiative replaced the use of fresh water for cleaning 20–30 rollers daily, significantly reducing consumption and promoting sustainable water practices.

Other key water initiatives:

- Nepal: Jet pumps were installed at filling machines to replace low-pressure hoses, improving cleaning efficiency and reducing water use per cleaning.
- Sri Lanka: A mechanical float valve was installed in the cooling tower to prevent raw water overflow, saving 28 kL of water by automatically stopping overflow.

Waste Management

Tub Furbishing for Resource Optimisation, Nepal

To enhance cleaning efficiency and reduce material loss, tub furbishing was implemented in the water-based section by buffing the inner surfaces of 1 Kl tubs. Previously, cleaning each tub required approximately 65 litres of water and 25 minutes of labour, with around 1 litre of paint lost due to sticking. After furbishing, the smoothened surfaces prevent material from sticking, reducing water usage by up to 20 liters, saving up to 500 mL of paint per cleaning and improve overall operational efficiency.

Solvent Recovery for Waste Reduction, Ethiopia

A Solvent Recovery Plant (SRP) was installed to recover xylene from mixed solvent waste. With recovery infrastructure now in place, reclaimed xylene is reused in operations, cutting down fresh solvent purchases and minimising hazardous waste.

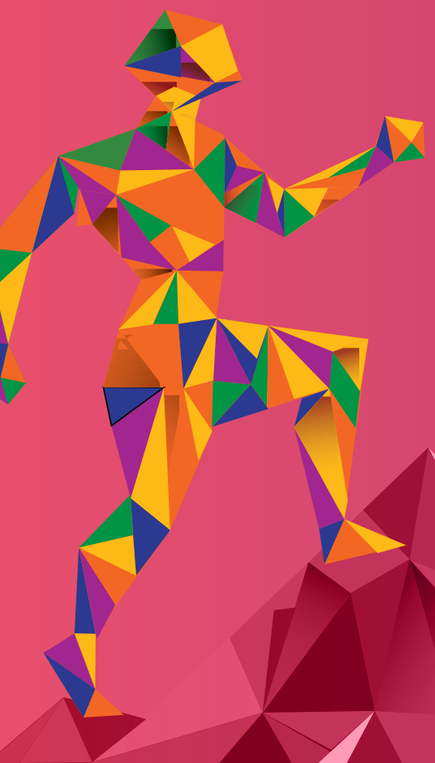
At Asian Paints, product stewardship is a cornerstone of our commitment to responsible business.

We strive to minimise the environmental and health impacts of our products while delivering long-term value to our stakeholders – including customers, employees, suppliers, and communities.

Our approach is grounded in Life Cycle Thinking, ensuring that sustainability and safety considerations are integrated at every stage – from raw material sourcing and product design to manufacturing, usage, and end-of-life disposal. This comprehensive perspective enables us to proactively manage risks, reduce resource intensity, and enhance product performance. A key outcome of this approach is the development of our Sustainably Advantaged Products – formulations that meet clearly defined sustainability benchmarks.

Our Research & Technology team plays a pivotal role in driving continuous improvement in product stewardship. Through rigorous evaluation, stakeholder collaboration, and innovation, we respond to evolving environmental challenges and market expectations.

By embedding sustainability into our product innovation pipeline, we aim to create solutions that not only meet customer needs but also contribute to a healthier planet. This reflects our belief that responsible product development is essential to long-term business resilience and environmental stewardship.



Product Stewardship

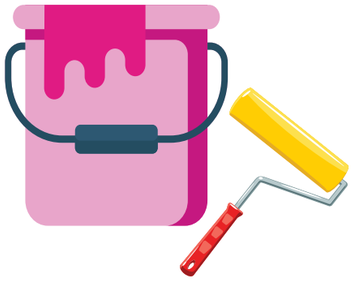
39,085 tCO_2e
reduction of sustainable optimisation of products and services in FY 2024-25

6.8%
usage of renewable or bio-based raw materials (not including water)

38%
revenue contribution of sustainably advantaged products during the year

SDG Goals

PRODUCT STEWARDSHIP



Focus Areas

Our product stewardship strategy emphasises the development and delivery of certified sustainable products and services. We are committed to eliminating harmful ingredients, enhancing product durability, and optimising offerings for sustainability throughout their lifecycle. By increasing the use of renewable content and continuously refining our designs, we aim to reduce environmental impact while delivering long-lasting value to our customers. These efforts reflect our dedication to responsible innovation and sustainable product development.

A Certified Sustainable Products and Service Offerings

We strengthen customer trust in the environmental performance of our products through rigorous third-party certifications. Our portfolio features a wide range of offerings verified under globally and nationally recognised standards, including Green Seal (USA), APL's Green Assure, and CII-IGBC's GreenPro.

These certifications involve stringent evaluation processes encompassing product and packaging testing, manufacturing practices, supply chain protocols, and detailed VOC (Volatile Organic Compounds) assessments.

Among our 67 Green Assure-compliant products, four are certified by the US-based Green Seal. Additionally, 290 products carry GreenPro certification from CII-IGBC, covering categories such as distempers, primers, putty, enamels, interior and exterior water-based paints, wood finishes, and waterproofing solutions.

Certification / Standard

GREEN SEAL	4 31st March 2025 4 31st March 2024	
GREEN ASSURE		67^ 31st March 2025 47 31st March 2024
GreenPro		290 31st March 2025 258 31st March 2024

^Green Assure is a stringent internal standard adopted by Asian Paints to evaluate products through rigorous criteria including verification.

B Sustainable Optimisation of Products and Services

We prioritise formulation optimisation and efficiency improvements to reduce the carbon footprint of our products. This strategy focusses on minimising the use of high-emission raw materials through innovative formulation and process enhancements. A key area of focus has been improving the scattering efficiency of rutile-grade titanium dioxide, which plays a significant role in lowering the cradle-to-gate carbon footprint. Similar innovations are being applied across other raw materials to further advance our sustainability goals.

39,085 tCO_2e
reduction of sustainable optimisation of products and services in FY 2024-25

Metric	Target 25	Performance in FY 2024-25	Target 30
GHG footprint reduction through formulation optimisation (tCO_2e)	Cumulative reduction of 70,000 from FY 2022-23	Cumulative reduction of 89,888 from FY 2022-23	Cumulative reduction of 1,20,000 from FY 2022-23

C Elimination of Harmful Ingredients

Product safety remains a central pillar of our sustainability and innovation strategy. We proactively eliminate harmful ingredients from our products through rigorous testing, substitution with safer alternatives, and strict compliance with relevant regulations and standards. Our advanced stage-gate system – integrated with a digital IT platform – ensures that every raw material undergoes stringent screening before approval, serving as a robust safeguard against the inclusion of hazardous substances.

Since 2008, our architectural paints have been carefully formulated to exclude lead and added heavy metals. This commitment extends beyond formulation: we conduct comprehensive assessments of heavy metal content in raw materials and take targeted actions to eliminate even trace elements, ensuring our products are entirely free of heavy metals.

We also focus on minimising or eliminating CMR (carcinogenic, mutagenic, or toxic to reproduction) substances by developing and adopting viable, safer alternatives. A significant step in this direction is our ongoing investment in manufacturing capabilities for Vinyl Acetate Monomer (VAM) and Vinyl Acetate Ethylene (VAE) emulsions – materials known for their lower toxicity profiles and enhanced environmental performance. These efforts reflect our dedication to delivering safe, high-quality products while advancing industry standards for health and sustainability.

Metric	Target 25	Performance in FY 2024-25	Target 30
Lead and heavy metals-free paint	100% Architectural coatings to be lead and heavy metals-free	100% Architectural coatings free of lead and heavy metals	100% Architectural coatings to be lead and heavy metals-free
Minimising/eliminating the use of CMR* raw materials (kg/KL)	15% ↓	23.8 with styrene 24% ↑ 3.8 without styrene 6% ↓	25% ↓

**We have been tracking and reducing CMR raw materials in our formulations and reducing and eliminating such raw materials over the years. Styrene was classified as CMR in 2020, hence is monitored and reported separately*

D Renewable Content in Product Offerings

We place strong emphasis on integrating renewable materials into our product portfolio, reflecting our broader commitment to sustainability and responsible sourcing. This approach includes the incorporation of eco-friendly and bio-based raw materials – such as plant-derived resins and biomass-based inputs – into our formulations.

In FY 2024-25, 6.8% of the raw materials used across our product range (excluding water) were sourced from renewable or bio-based origins. This milestone underscores our ongoing efforts to transition toward more sustainable inputs. To further increase renewable content, we have initiated comprehensive evaluations of alternative raw materials, focussing on environmental impact, performance compatibility, and safety.

While these initiatives have laid a strong foundation for future integration, the pace of adoption is guided by commercial feasibility assessments to ensure scalability and product integrity. Our continued investment in research and collaboration with suppliers positions us to expand the use of renewable materials in the years ahead.

Metric	Target 25	Performance in FY 2024-25	Target 30
Renewable/bio-based raw materials in product offerings (%)	20% ↑ in renewable content	6.8% (5% ↑ in renewable content)	30% ↑ in renewable content

E Durability: Enhancing Product Life

We prioritise the development of paints that combine exceptional aesthetics with long-lasting protection, ensuring surfaces remain vibrant and shielded over time. High-durability paints contribute to environmental sustainability by reducing the frequency of repainting, thereby conserving resources and minimising waste.

Our scientists continually explore advanced formulations to enhance the durability and weather resistance of our products, ensuring they perform reliably across diverse conditions. In addition to surface longevity, we focus on extending the in-can shelf life of our paints, improving usability and reducing product wastage for our customers. These efforts reflect our commitment to delivering high-performance solutions that are both beautiful and environmentally responsible.

41

Products from our portfolio offer durability of more than 5 years

SUSTAINABLY ADVANTAGED PRODUCTS

As part of our commitment to product stewardship, we have developed a diverse portfolio of sustainable products across multiple categories. These 'Sustainably Advantaged Products' go beyond industry benchmarks, meeting defined sustainability criteria that reflect their superior environmental performance. They exemplify our ongoing dedication to advancing eco-conscious innovation and contributing to a more sustainable future.

38%

Contribution of Sustainably Advantaged Products to revenue in FY 2024-25

Long-lasting performance

- Creating long-lasting products that protect surfaces, helping consumers save costs, conserve resources and reduce carbon emissions throughout the product's lifespan
- 41 products with a durability of over 5 years

Health and well-being benefits

- Creating products that offer health benefits, such as improving indoor air quality and enhancing surface hygiene
- 4 Green Seal-certified products amongst our 67 Green Assure range of low-VOC offerings

Reduced energy and emissions

- Designing products that offer resource efficiency benefits in the use phase or products that have been formulated in a manner that brings down emissions
- SmartCare Damp Proof range of waterproofing products, designed to lower surface temperatures by up to 12° C

Reduce, Reuse and Recycle

- Formulating products that minimise material use, promote waste reuse or recycling, reduce overall waste and incorporate higher levels of bio-based or renewable content, fostering circularity
- Nilaya range of innovative paint products made with over 90% materials derived from natural sources

Pioneering Low-Energy Powder Coating

The powder coatings industry in India consumes approximately 1,20,000 tonnes annually, primarily for automotive, appliance, and industrial applications. While powder coatings offer environmental benefits such as zero VOC emissions, no solvent use, and high material efficiency, conventional processes require baking at 180–200° C, resulting in high energy demand and a significant carbon footprint.

In response, our R&D team developed a novel epoxy-modified polyester powder coating that cures at just 150° C in 10 minutes. This breakthrough marks the first-of-its-kind in India that does not require cold storage and can be stored under ambient conditions, enhancing both sustainability and usability.

Apex Ultima - Suprema Air-O-Clean

Apex Ultima - Suprema Air-O-Clean is an innovative exterior emulsion paint developed by Asian Paints, designed to improve urban air quality through advanced photocatalytic technology. When exposed to sunlight, the paint activates a chemical process that neutralises harmful air pollutants such as sulfur oxides (SOx) and nitrogen oxides (NOx), converting them into safer compounds and helping reduce their concentration to levels recommended by the World Health Organisation (WHO). With its low VOC formulation and durable finish, Suprema Air-O-Clean not only enhances building aesthetics but also contributes to healthier living environments. This product exemplifies Asian Paints' commitment to sustainable product stewardship, aligning with global goals for clean air, responsible consumption, and climate action.

Nilaya Arc

Nilaya Arc is a premium interior paint from Asian Paints that blends heritage-inspired aesthetics with modern sustainability. Crafted with a lime-based composition, Nilaya Arc offers a low-VOC, water-based formulation that aligns with eco-conscious design principles. Its artisanal matte finish not only delivers a rich, tactile surface but also reflects the brand's commitment to reducing environmental impact.

The product, like all our architectural paint products, is free from added mercury and chromium, and its superior cleanability ensures long-term performance with minimal maintenance. With over 100 heritage-inspired shades and a 10-year warranty against peeling and flaking, Nilaya Arc exemplifies sustainable luxury – merging timeless craftsmanship with responsible innovation.

At Asian Paints, we believe that thriving communities are the foundation of sustainable growth.

Guided by the principles of trust, fairness and care, our CSR philosophy emphasises inclusivity, deep community engagement and long-term impact. In alignment with our CSR policy, we strive to address the diverse needs of the communities around us by focussing on education, skill development, and livelihood enhancement. Our water harvesting initiatives near manufacturing units have significantly contributed to improving water security and building climate resilience in surrounding areas. By fostering shared prosperity, we continue to bring meaningful change and joy to people's lives.

Community

273%
of water harvesting potential created benefiting 142 villages in FY 2024-25

9,50,000+
Beautiful Homes Academy participants across 1,441 towns during the year

2,80,000+
Beneficiaries impacted through healthcare initiatives in FY 2024-25

1,700+
Number of employees participated in FY 2024-25

SDG Goals

COMMUNITY

Focus Areas

Asian Paints' community initiatives focus on creating lasting impact across key areas. We promote water stewardship through harvesting and conservation projects near our manufacturing units, ensuring water security for local communities. Our health and hygiene programmes go beyond just curative healthcare, by focussing on embedding positive and preventive practices. By enhancing vocational skills, we empower youth and women with training for sustainable livelihoods. Employee volunteering further strengthens our outreach, fostering a culture of empathy and active participation. We remain prepared to support communities within our sphere of operations during times of disaster, offering assistance when needed.

We have made

INR 108.8 Crores

CSR expenditure in FY 2024-25

Water Stewardship
INR 27.2 Crores

Health & Hygiene
INR 10.8 Crores

Enhancing Vocational Skills
INR 64.8 Crores

A Water Stewardship

Metric	Target 25	Performance in FY 2024-25	Target 30
Water harvesting potential created as % of annual freshwater consumption every year	>70%	273%	>70%

Our commitment to building self-reliant, empowered, and equitable communities is deeply embedded in our broader mission of delivering joy to people's lives. Ensuring the enhanced availability of clean and perennial water supply, especially in underserved areas, is a critical enabler of this vision.

To translate this into action, we launched 'Watermark', our flagship water stewardship initiative, which aims to redefine how communities perceive and use water.

By tackling water-related challenges through multi-faceted projects, Watermark fosters self-sustaining practices and drives long-term behavioural transformation at the grassroots level.

We have reinforced our focus on transparency and accountability by integrating real-time monitoring and impact measurement tools into our water programmes. This enables us to track socio-economic outcomes and adapt interventions dynamically for greater impact.

Leaving a Watermark

Introduced in 2023, Asian Paints' Watermark initiative embodies a comprehensive approach to water stewardship, recognising water as both a crucial environmental resource and a cornerstone of community well-being. Watermark signifies an evolution in our community-focussed engagement on water. The initiative consolidates all water-related efforts into a single, cohesive platform aimed at addressing challenges related to water availability, accessibility, quality, and land degradation. By integrating technical expertise with ecological and social strategies, Watermark continues to deliver meaningful and measurable outcomes, contributing to the sustainable development of communities across the company's operational footprint.

Key Pillars of Watermark

The Watermark initiative is built on a foundation of strategic principles that ensure its effectiveness, sustainability, and community relevance. These pillars guide the planning, execution, and evolution of all water-related projects:

- Transition from creating water potential to establishing a **collaborative water governance model**
- Ensure all projects deliver **quantifiable social impact**
- Conduct **feasibility assessments** for design and cost-effectiveness by qualified professionals
- Implement **periodic reviews** to monitor project progress and effectiveness
- **Pilot innovative water management solutions** to explore new approaches
- Promote **continuous learning** through collaboration with external experts
- Encourage **active community participation** to foster wider adoption and ownership
- Maintain **effective communication** of water body transformations through targeted interventions

Exploratory and innovative interventions

Limited access to water for drinking and irrigation continues to affect the access to clean water for daily use and farming needs. Our supply-side interventions aim to improve water availability and retention, with a focus on restoring water in natural ecosystem and enabling long-term water resilience.

Key initiatives

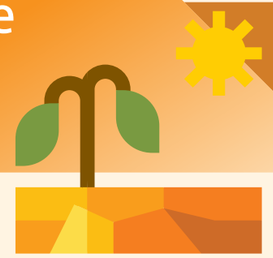
- Integrated Watershed Management
- Canal lining to prevent water loss due to seepage
- Rejuvenation of water bodies
- Construction and repair of check dams

Demand side

Climate variability and uneven rainfall patterns are disrupting local water access and livelihoods. To address this, we focus on efficient usage of water resources, empowering communities to optimise their consumption and adopt sustainable agricultural practices.

Key initiatives

- Promotion of micro-irrigation
- System of rice intensification with alternate Wet-Dry method
- Sustainable agriculture by promoting low water intensive crops and their varieties
- Reduce dependence on ground water by promoting surface water storage



Other solutions

Sewage treatment

We are piloting chemical-free sewage treatment through phyco-remediation using nano-nutrient dosing to flourish natural ecosystem while restricting ground water contamination.

Access to safe drinking water

In areas where poor water quality contributes to illness and water stress, we are working to provide chemical-free purification methods. These solutions improve both health outcomes and water access for underserved communities.

Measuring our progress towards 'Watermark'

12,017
Number of farmers benefited

142
Number of villages

10,227
Small and marginal farmers benefited

Demand side impact

313 hectares
Area under water-efficient agriculture

251 hectares
Area under which silt applications were done

Supply side Impact

149
Water bodies

30,67,557 KL
Water potential created

60
Water use group formed

8,566 hectares
Command area created

Watermark blends technical expertise, ecological responsibility, and community collaboration to transform how water is accessed and valued. By restoring ecosystems and improving livelihoods, it's building empowered communities and shaping resilient futures.

Supply side initiatives

Integrated Watershed Management (IWSM)

Our IWSM programme adopts a comprehensive approach to managing land and water resources in rural landscapes. By integrating ecological restoration with community development, the initiative strengthens both environmental and social resilience. Key interventions include:

- Construction of gully plugs and continuous contour trenches
- Installation of stone bunds
- Renovation and construction of earthen and cement nala bunds
- Afforestation and large-scale tree plantation drives

These measures collectively reduce surface runoff, enhance soil moisture retention, and mitigate land degradation, contributing to improved agricultural outcomes and water sustainability.

Canal Lining

To improve irrigation efficiency and minimise water loss, canal lining has been undertaken in Rohtak. By reinforcing canal beds with impermeable materials, water seepage is significantly reduced, ensuring optimal delivery to agricultural fields. This initiative supports the region's agrarian economy, conserves critical water resources, and promotes higher crop yields.

Rejuvenation of Water Bodies (RWB)

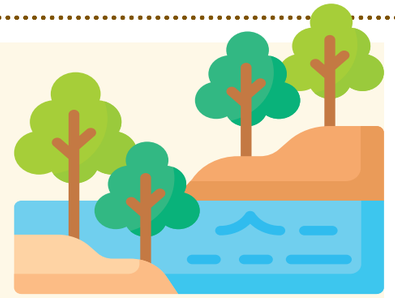
In FY 2024-25, we identified and desilted dry tanks and water bodies across multiple locations including Kasna, Khandala, Mysuru, Patancheru, Cuddalore, Sriperumbudur, Vizag, and Ankleshwar. These efforts restored the storage capacity and recharge potential of these water bodies, directly benefiting local communities and ecosystems.

Check Dam Construction and Renovation

In Gujarat's Narmada district, we are actively constructing and renovating check dams to regulate water flow, prevent soil erosion, and enhance groundwater recharge. These structures play a vital role in water conservation and support sustainable agricultural practices in the region.

RWB Project - Mysuru

Agricultural Productivity Gains From Pond Rejuvenation



In Siddhuvalli, Mysuru, a local farmer cultivating papaya and sugarcane across a 7.5-acre plot faced persistent challenges due to poor soil fertility and rising fertiliser costs. These constraints not only limited agricultural productivity but also placed financial pressure on the household, affecting their ability to invest in their children's education.

Through Asian Paints' Pond Rejuvenation initiative, 3,600 cubic metres of nutrient-rich silt were applied to the farmland. This intervention significantly improved soil health, enhanced water retention capacity, and reduced reliance on chemical fertilisers. Additionally, the enriched soil conditions enabled the farmer to cultivate fodder on-site, which led to increased milk production and an additional source of income.

As a result of these improvements, the farmer's annual agricultural earnings increased by approximately ₹60,000. This incremental income enabled the family to enrol their children in a reputed local school – marking a meaningful step toward financial resilience and social advancement.

This case exemplifies how targeted water conservation and land restoration efforts can generate tangible benefits for rural communities, fostering both ecological sustainability and inclusive development.

Demand side initiatives

Promotion of Micro-irrigation

Micro-irrigation systems – such as drip and sprinkler irrigation – are being promoted across suitable regions to enhance water use efficiency and expand irrigated land. These efforts are supported through convergence with government schemes, financial incentives, technological innovations, and farmer education programmes that encourage adoption and long-term impact.

System of Rice Intensification (SRI)

In line with the Indian Council of Agricultural Research (ICAR)'s push for sustainable farming, our company is actively promoting the System of Rice Intensification (SRI) among rice farmers. Through focussed outreach and training, we advocate innovative practices like flood irrigation management and Direct Seeded Rice (DSR) to enhance paddy cultivation efficiency.

Our field teams collaborate with farmers to showcase SRI benefits – planting single seedlings with wider spacing, maintaining healthy soil, using intermittent irrigation, and frequent inter-cultivation. These methods reduce water, seed, and chemical use while boosting yields and economic returns.

By equipping farming communities with knowledge and hands-on support, we are driving a shift toward more resilient and resource-efficient rice production.

Sustainable Agriculture Practices

Our sustainable agriculture initiatives focus on farming methods that protect the environment while ensuring long-term economic viability for farmers. We actively promote practices such as organic farming, crop rotation, soil conservation, and integrated pest management to enhance land productivity and ecological balance. To support adoption, our in-house NGO experts conduct knowledge sessions and on-ground demonstrations, equipping farmers with practical skills and insights. We also provide essential agricultural inputs, including bio-fertilisers, frontline demonstration kits, and irrigation setups, to help farmers transition to more sustainable practices.

Promotion of Surface Water Storage

Surface water storage is being strengthened through the development and maintenance of water harvesting structures including check dams, ponds, reservoirs, and canals. These efforts are complemented by rainwater harvesting initiatives and awareness campaigns that encourage responsible water use and reduce pressure on groundwater resources.

Enhancing Groundwater Recharge: Project Jaltara

In Khandala, six villages benefited from a strategic groundwater recharge initiative under Project Jaltara, aimed at enhancing water availability and agricultural resilience. The intervention involved constructing recharge pits – each measuring 6 x 4 x 6 feet – at low-lying points across farmland. These pits were designed to facilitate rainwater percolation during the monsoon season, creating a micro-environment that supports natural groundwater replenishment.

By restoring and raising the water table post-monsoon, the initiative has improved access to water in farmers' wells. This enhanced groundwater availability is expected to expand the cultivable area, enable multiple cropping cycles, and significantly boost agricultural productivity. Additional benefits include reduced cultivation costs, mitigation of crop loss due to flooding, and increased farmer incomes.

Recharge pits dug in low-lying areas of the field

Pits filled with layered stones and pebbles of varying sizes

During rainfall runoff water percolates into recharge pit

Impervious soil made absorbent to boost water percolation

Impact of Project Jaltara

3,333 Pits created

2,261 Acres Area covered

739 Farmers benefited

B Health & Hygiene

Metric	Target 25	Performance in FY 2024-25	Target 30
Beneficiaries impacted through healthcare initiatives	5,00,000	2,80,000+	6,50,000

We continue to strengthen partnerships with non-profits and foundations, prioritising static and mobile medical units, followed by Safar Clinics, to expand healthcare accessibility in underserved regions.

This year, our CSR efforts were realigned with enhanced focus on water stewardship as compared to health and hygiene. While this recalibration meant our original 2025 health targets were not met, it positions us strongly to meet our broader FY 2030 goals.

At Asian Paints, we recognise that health & hygiene of the community forms an integral part of the sustainable development. Our health and hygiene interventions are designed not only to deliver essential medical care but also to foster long-term awareness, preventive habits, and instil resilience at the grassroot level.

By combining curative support with strategic outreach, we adopted an integrated healthcare approach that proactively addresses disparities in healthcare access and enhances community well-being. Our efforts go beyond compliance to create a measurable impact in regions where healthcare support is most critical.

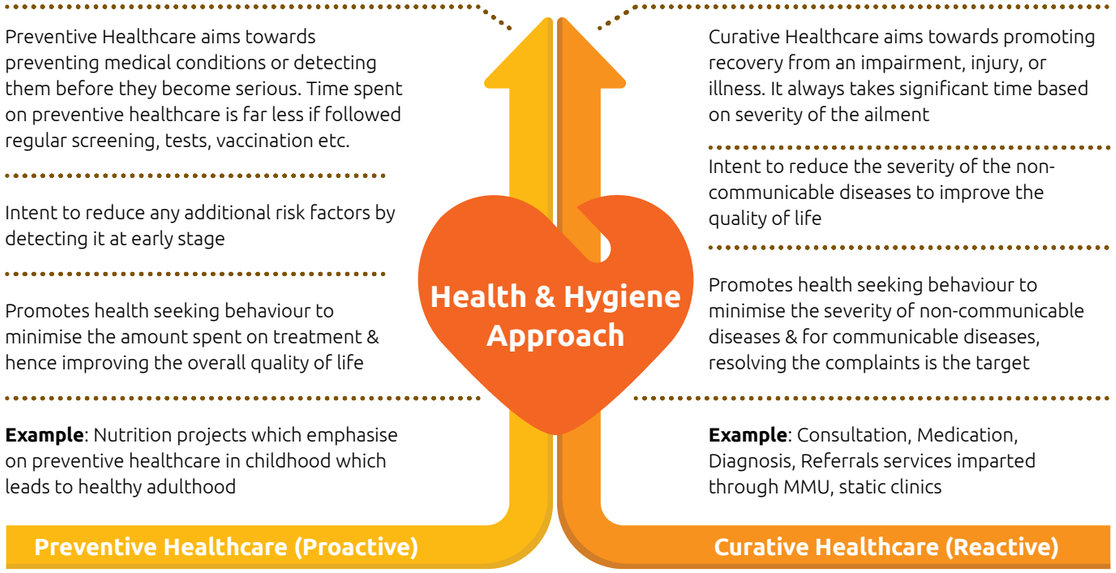
Our strategy is built on two pillars:

Proactive Health

addressing root causes through early intervention and behavioural change and embedding preventive practices through education and engagement

Curative Health

ensuring last-mile delivery of essential medical services



Proactive Health

Our proactive healthcare initiatives are focussed on improving health outcomes and diminishing disease prevalence among vulnerable groups such as adolescent girls, pregnant and lactating women and children. By promoting preventive care and healthy behaviours, we aim to address root causes before they evolve into serious health concerns. We accomplish this through focussed counselling and Behaviour Change Communication (BCC), working hand-in-hand with our dedicated frontline partners, such as Anganwadi Workers, Accredited Social Health Activists, and Auxiliary Nurse Midwives.

25,000+
Beneficiaries served through proactive health programmes

Menstrual Hygiene Day

Nutrition-VCF

Recovery with a Ripple Effect

A resident of a remote village in Vizag, had been struggling silently with undiagnosed diabetes. It was only through timely intervention at 'Nirog' Clinic, supported by Asian Paints, that he discovered his blood sugar level had reached a critical 345 mg/dl.

With consistent care, lifestyle guidance and the right medication, his health began to improve. Within 18 months, his blood sugar dropped to 146 mg/dl – a remarkable turnaround.

But journey did not stop there. Inspired by his recovery, he began mobilising his community, encouraging neighbours to undergo regular health check-ups and adopt healthier habits. Today, he is not just a beneficiary, but a grassroot health ambassador, ensuring that the ripple effect of our healthcare initiatives reaches

Curative Health

We ensure timely and essential medical support is available to the communities through a range of curative initiatives. These are tailored to ensure that underserved communities, often constrained by systemic or geographic limitations, can access reliable healthcare when they need it the most.

2,55,000+
Beneficiaries served through curative health programmes

Mobile Medical Units

Deployed across remote and underserved geographies, our Mobile Medical Units (MMUs) deliver essential healthcare services directly to communities like general medical consultations, primary treatment and medication, basic diagnostic services and referrals to secondary or specialist care when needed.

In addition, MMUs extend their reach by:

- Providing home-based care to bedridden patients
- Facilitating access to government health schemes
- Conducting awareness programmes on hygiene, nutrition and preventive healthcare

This mobile-first model ensures continuity of care while strengthening health literacy and trust of the community in the health system.

1,26,000+
Beneficiaries served by MMUs

Mobile Medical Unit

Static Medical Units

Our Static Medical Units operate as permanent healthcare access points within community catchments, offering regular consultations and routine diagnostics, preventive screenings and immunisation support and educational sessions covering various health topics, for long-term awareness.

These units act as dependable healthcare touchpoints, promoting long-term health outcomes and well-being.

1,05,000+
Beneficiaries served by static medical units

Static Health Unit Clinic consultations

Safar Programme

Through our Safar Clinics, we address the medical needs of the trucker community with specific health vulnerabilities arising from long travel hours, sedentary lifestyles and erratic routines. As part of this programme, we offer comprehensive medical consultations, treatment and medication. Additional services like physiotherapy, nutritional counselling, stress management and lifestyle counselling are also provided.

This targeted intervention supports their well-being both on the road and at home, helping build a healthier workforce within the logistics sector.

24,000+

Beneficiaries served by Safar programme

Safar – eye check-up

A healthier Road Ahead

A truck driver from Haryana, spends long hours on the road — constantly exposed to dust and pollution. Over time, this affected his health and a persistent cough led him to seek help at our SAFAR Clinic.

He received required medication that fixed his health issues. Further, he also received targeted counselling at the Safar Clinic, which supported him in quitting tobacco. Today, his cough has cleared, he feels more energetic, and he credits the Safar Clinic and Asian Paints for helping him lead a healthier life.

His story underscores the value of preventive healthcare and behavioural counselling in improving the well-being of underserved communities.

C Skill Development

Metric	Target 25	Performance in FY 2024-25	Target 30
Participants trained at Beautiful Homes Academy	6,00,000	9,50,000+	10,00,000

At Asian Paints, we believe that sustainable growth begins with empowered individuals. Our commitment to skill development is embodied in the Beautiful Homes Academy (BHA), a vocational training platform designed to elevate employability, promote entrepreneurship, and unlock better livelihoods for communities across India.

Formerly known as the Asian Paints Colour Academy, the revamped Beautiful Homes Academy reflects our renewed vision to blend technical expertise with practical know-how, making industry-relevant skills accessible at scale.

Additionally, our revamped digital learning portal in alignment with the new visual identity offers access to curated training courses that can be accessed anytime, anywhere, FAQs in multiple languages and improved course introduction.

Expanding Access and Identity

With a new visual identity and an inclusive delivery model, the Academy ensures that learning is not restricted by geography or background.

- Fixed academies are located in Tier 1 cities and metros
- Mobile training units expand our reach to Tier 2 towns and rural belts
- Digital learning modules offer multilingual, on-demand access to curated courses empowering learners to access training anytime, anywhere

Evolving Curriculum, Industry Relevance

In FY 2024-25, we introduced two new courses Health & Safety and Colour & Design aligned with emerging needs in home décor, safety, and construction. Existing modules were upgraded to meet evolving industry standards with a focus on:

- Hands-on application
- In-depth product knowledge
- Entrepreneurial confidence
- Career advancement

Our curriculum balances technical proficiency with soft skills, equipping learners to thrive in India's growing home improvement ecosystem.

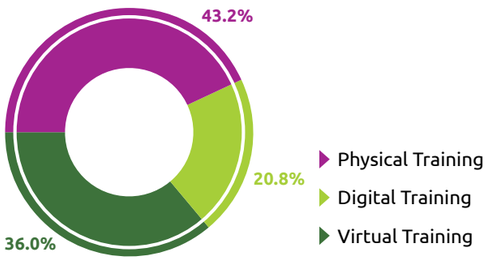
9,50,000+
Participants trained at Beautiful Homes Academy

1,441
Towns covered by Beautiful Homes Academy

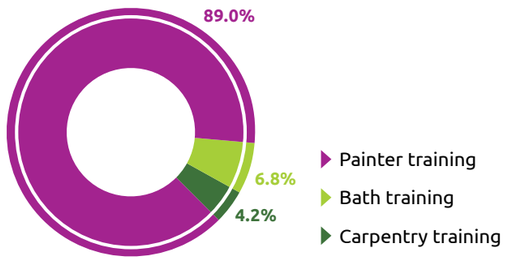
Training courses

- Basic painter course
- Designer finishes
- Mechanisation
- Wallpaper
- Waterproofing
- Next-gen contractor pro
- Shop manager mantra
- Carpentry
- Plumbing
- Basic financial management course
- Soft skill course
- Sanitisation courses
- Health & safety
- Colour & design

Modes of training in FY 2024-25



Training across different verticals in FY 2024-25



Kaamyabi Ke Rang is a tribute to the skilled applicators who bring homes to life. Through poetic storytelling, the series captures their perseverance, ambition, struggles, and dreams as they work towards success. It stands as a celebration of their craft and the vital role they play in industry.

Empowering Communities

Our community development training programmes are designed to ignite creativity, build practical capabilities, and foster long-term economic self-reliance. In FY 2024-25, we conducted a series of specialised training initiatives – both independently and in collaboration with NGOs – tailored to the distinct needs of various social segments. These included vocational courses, creative workshops, rehabilitative programmes, and livelihood enhancement efforts, aligned with government-led schemes and community-specific contexts to ensure meaningful and inclusive impact.

Restoring Dignity, Rebuilding Lives

Beautiful Homes Academy in West Bengal organised a six-day painting course for inmates at Krishnanagar District Correctional Home, aimed at equipping them with practical skills to support their future rehabilitation.

Through our hands-on training sessions, participants were introduced to essential skills such as surface preparation, paint application and brush techniques. A total of 40 inmates successfully completed the training and received certificates.

D Employee Volunteering: Purpose in Action

At Asian Paints, volunteering is not merely an activity – it is a deeply embedded aspect of our organisational culture. Our employees actively contribute their time, expertise, and knowledge to uplift the communities in which we operate. This enduring commitment is anchored in our Corporate Social Responsibility (CSR) vision, which promotes empathy, shared purpose, and responsible citisenship across all levels of the organisation.

In FY 2024-25, our employee volunteering programme was strategically aligned with the theme of Holistic Community Development. Employees from our manufacturing units led volunteering sessions under the Water & Health Warriors initiative. These sessions were conducted in schools located in villages where Asian Paints is already implementing CSR interventions focussed on water conservation and public health.

By integrating volunteerism into our core values and operational practices, Asian Paints continues to reinforce its identity as a socially responsible corporate citizen. This approach not only contributes to the well-being of surrounding communities but also enhances employee engagement and fosters a purpose-driven work environment.

1,700+
Number of employee participation in FY 2024-25*

**Includes participation from off-roll employees*

4,100+
Hours of volunteering activities undertaken in FY 2024-25

A glimpse into our volunteering activities

Water Warriors

The Water Warriors initiative is a grassroots effort aimed at fostering early awareness of water conservation among schoolchildren in underserved communities. Through engaging, hands-on learning experiences, the programmes encourages children to adopt 'Water Positive Behaviour' – simple, everyday actions that collectively contribute to safeguarding our most vital resource.

Beyond the classroom, the initiative extended its reach through meaningful interactions with local communities during employee engagement visits, reinforcing the message of shared responsibility.

Launched in the neighbourhoods surrounding our manufacturing facilities, the campaign has begun to shape a generation of thoughtful and informed water warriors – individuals who understand the value of water and are empowered to protect it.

Vein Warriors

Our blood donation drives reflect the spirit of care and solidarity within our workforce. Rooted in a shared sense of responsibility, the initiative contributes meaningfully to life-saving efforts and supports broader emergency preparedness.

Partnering with local Blood Banks, we facilitated the donation of 612 units of blood – each one a vital contribution to someone in need. These acts of generosity serve as powerful reminders that even the smallest efforts can have life-changing impact, reinforcing the profound difference collective action can make.

Health Warriors

Launched in FY 2024-25, the Health Warriors initiative enables employees to actively promote wellness within local communities. Through thoughtfully-curated awareness sessions and wellness drives, the programmes encourages healthier lifestyles, improves healthcare literacy, and supports meaningful change – particularly in underserved areas.

Employees have led interactive sessions on topics such as anaemia and malnutrition awareness, the Food Guide Pyramid, and "What's in My Plate" concepts. These were further enriched by fun, fitness-focussed activities designed to highlight the importance of physical well-being. Together, these efforts reflect a holistic and compassionate approach to community health – blending knowledge, movement, and care.

Measuring Impact

We conducted impact assessment studies, accordance to law, to evaluate the social outcomes of our vocational, health, and water initiatives. The findings from our FY 2024-25 studies revealed a significant positive impact on people's lives, addressing vital areas such as skill development, healthcare, environmental sustainability, and livelihood enhancement. The study's recommendations are helping us shape and refine our future programmes.

- Water projects delivered a Social Return on Investment (SROI) up to INR 4.82 per INR 1 invested, reflecting strong socio-economic and environmental returns
- 99% of beneficiaries expressed high satisfaction, citing reduced healthcare costs and improved access
- Post-training, 63% of painters and 70% of carpenters became self-employed, with 90% achieving financial stability through higher earnings and savings

Detailed Impact assessment reports are available at **www.asianpaints.com**

E A Platform for Creative Expression – St+art

Metric	Target 25	Performance in FY 2024-25	Target 30
Number of St+art/community sites	500	550+	1000

For over a decade, Asian Paints has partnered with St+art India to champion 'Art for All', supporting public art that reimagines urban spaces and connects communities. In FY 2024-25, this collaboration transformed walls and public areas into vibrant canvases of collective storytelling, bringing art into everyday life while celebrating and preserving India's diverse artistic heritage.

Public Art Districts and Projects

Kerala Literature Festival

As Festival Partner and venue collaborator for the Ezhuthola stage, we, under the Ultima Protek brand, helped create a platform for literary and artistic exchange. The design of the installed murals fused Malayalam typography with a graphene-inspired hexagonal structure, symbolising resilience and interconnectivity.

The mural's interactive elements allowed festivalgoers to engage directly with the piece, transforming it into a living representation of the event's spirit.

Ukkadam Art District

At the 4th edition of Ukkadam Art District, we reimagined neglected public spaces as vibrant hubs of community connection through our 'Space for All' initiative. Alongside three new murals, we introduced the 'Hyper Park', a sustainable, multifunctional public space built for community interaction, redefining what inclusive and vibrant urban spaces can be.

Artist : Jayesh Sachdev

Donate a Wall

In Diphu, Assam, a mural at the Assam Rifles public school honours over 190 years of service. It captures the Assam Rifles not just as protectors of borders, but as part of the community – woven into classrooms, traditions, and local life. The mural evokes a sense of continuity, protection, and the hope of growing within the school's walls. In Shillong, Meghalaya, two murals reflect the region's deep connection to heritage and ecology. 'Roots and Rhythm' portrays nature and culture as co-creators of identity, while 'Threads of Tradition' pays tribute to Meghalaya's vibrant textile legacy. Here, weaving is shown as a living, evolving art – one that carries stories, memory and innovation across generations.

Artist : Khatra aka Siddharth Gohil

Sassoon Project

In collaboration with St+art and AHC, Dreams in Her Scapes was created at Sassoon Dock, Mumbai. This cross-cultural mural blends Bhil art by Gangu Bai with Australian First Nations art by Miriam Baadjo, highlighting themes of nature, femininity, and heritage through symbols like the Mahua tree and Kingfisher.

Together, we have contributed to over 590 sites and 7 public art districts across 29 cities – bringing traditional and vernacular art into the heart of urban spaces and making them more inclusive and culturally vibrant.

Artist : Miriam Baadjo & Gangu Bai

St+art Frontier

On India's 78th Independence Day, Asian Paints unveiled Dawn of Valour, the inaugural project under the St+art Frontier series. Set in Tawang, Arunachal Pradesh, the artwork pays tribute to the courage and sacrifice of the Indian armed forces, blending symbolism with site-specific storytelling.

Artist : Reshidev RK

Health & Safety

At Asian Paints, we are committed to setting new standards in safety excellence within the coatings industry.

Our approach to Occupational Health and Safety (OHS) is built on robust systems, stringent protocols, and a culture of continuous learning. Through structured training programmes and widespread awareness initiatives, we foster a proactive safety culture grounded in accountability, care, and collaboration.

Embracing a future-ready mindset, we are integrating smart technologies, and safer process designs to minimise manual interventions and mitigate potential risks. Our long-term safety strategy prioritises innovation, automation, and predictive monitoring – ensuring that our safety practices evolve in tandem with our business growth.

All Asian Paints manufacturing facilities are ISO 45001 certified, with our eight decorative paint plants achieving the prestigious Five-Star rating from the British Safety Council – underscoring our unwavering commitment to global safety standards.

86,500+
Safe Unsafe Act (SUSA) conversations in FY 2024-25 for promoting a safety culture

CAPEX of
INR 25+ Crores
under Health & Safety

34,500+
Proactive reporting

SDG Goals

HEALTH & SAFETY

Focus Areas

Asian Paints prioritises a safe and healthy workplace through a structured and proactive OHS approach. We focus on process safety to minimise operational risks, and promote behaviour-based safety to encourage responsible practices. Regular training and awareness programmes strengthen safety culture, while technology interventions enhance monitoring and response. These efforts are anchored in a robust OHS management system that drives continuous improvement and ensures compliance.

- Process Safety
- Behaviour-Based Safety
- Safety Training and Awareness
- Technology Interventions
- Occupational Health & Safety (OHS) system

A Safety Performance and Highlights

Financial Year	Total Reportable Incident Frequency Rate	Total Reportable Incident Severity Rate	Mandays Lost	No. of Accidents	Total Manhours worked
21-22	0.59	60.33	1,323.5	13	2,19,36,418
22-23	0.55	17.05	436	14	2,55,09,383
23-24	0.56	26.61	719	15	2,70,20,594
24-25	0.32	53.49	1492	9	2,78,94,855

1

The above table includes data from our decorative and non-decorative business units falling under the purview of Indian Factories Act, 1948 (including Sarigam unit) and includes contractor data. FY 2024-25 includes data for Sleek – Pune & Wada plants due to its merger with Asian Paints.

It indicates the performance of units which are in addition to the units under the Independent Assurance Statement provided for the Sustainability Report.

2

The Safety Performance for Decorative Business Unit:
Total Reportable Incident Frequency Rate – 0.38
Total Reportable Incident Severity Rate – 62.25
Mandays Lost – 1492
No. of Accidents – 9

3

The Safety Performance at Company level:
Total Recordable Incident Frequency Rate – 1.00
Total Recordable Incident Severity Rate – 40.72
This includes AP-Global operations

4

Tier-1 process safety incidents - 3

In FY 2024-25, we achieved a significant milestone in our journey toward a safer workplace. Our Total Reportable Frequency Rate (TRFR) declined to its lowest level in four years, reflecting the growing maturity of our Safety Management System (SMS). This progress is underpinned by the continued implementation of behaviour-based safety (BBS), process safety management (PSM), and safer work design principles across our operations.

Despite the reduction in incident frequency, our Total Severity Rate (TSR) increased to 53.49 from 26.61 in the previous year. This rise was primarily attributed to a single high-severity incident, where man-days lost were calculated in accordance with Indian Standard IS 3786. We have since conducted a comprehensive root cause analysis and implemented corrective actions to prevent recurrence.

Importantly, we maintained a zero-fatality across all manufacturing units. This achievement underscores the effectiveness of our safety protocols, employee engagement, and ongoing training initiatives.

We remain committed to fostering a culture of safety and continuous improvement, ensuring that every employee returns home safely each day.

B Promoting a Safe Workplace

Safety at Every Step

At Asian Paints, safety is not simply integrated into operations – it is engineered into the design of every process. Our approach combines advanced automation, rigorous governance, and a people-centric philosophy to uphold the highest standards of occupational health and safety across all facilities.

HAZOP Studies: Engineering Safety from the Ground Up

Safety planning begins at the conceptual stage of every process. Through comprehensive Hazard and Operability (HAZOP) studies, we proactively identify and mitigate potential risks. These studies enable real-time monitoring of critical parameters, automated containment mechanisms, and embedded instrumentation designed to support fail-safe responses. This engineering-first approach ensures that safety is built into the very foundation of our operations.

Smart Automation: Protecting People through Technology

Asian Paints continues to invest in advanced automation technologies that enhance both safety and operational efficiency. Key initiatives include:

- **Paint manufacturing** is largely automated via DCS and MES, with new plants using conveyors and robotic palletisation to reduce manual handling and improve safety.
- **Dual-level control systems** in solvent and monomer tanks to prevent overfilling and reduce spillage risk
- **Pneumatic conveying systems** that eliminate manual handling of bulk solid materials
- **Robotic palletisers and automated packaging lines** that improve safety, speed, and ergonomic efficiency

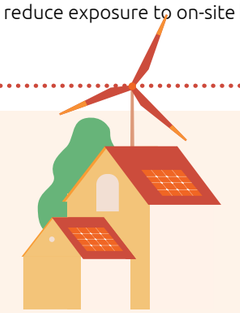
These technologies not only improve throughput but also significantly reduce exposure to on-site hazards.

Prioritising Safety through Smart Solar Monitoring

As part of our ongoing efforts to enhance workplace safety, our Sriperumbudur facility implemented drone-based thermography for rooftop solar module inspections. This initiative reflects our proactive approach to risk mitigation, particularly in reducing exposure to work-at-height hazards.

Previously, inspecting over 3,000 rooftop solar modules required manual access under high-temperature conditions, involving significant safety risks and extensive manpower. By transitioning to drone-enabled inspections, we achieved:

- Safe inspection of 3,129 modules in under 75 minutes
- Complete elimination of manual rooftop access



- High-resolution thermal imaging for early anomaly detection
- Reduced dependency on high-risk permits and protective equipment

This technology-driven solution not only improves diagnostic accuracy and operational efficiency but also reinforces our commitment to creating a safer work environment. By removing the need for elevated work, we have significantly lowered the risk profile of solar maintenance activities – setting a new standard for safe and sustainable asset management across our operations.

Putting Our Employees First

Our safety philosophy is built on a simple but powerful principle: every individual matters. Whether employee, contractor, or visitor, we are committed to ensuring that everyone who enters our premises is protected through robust, proactive measures.

We have embedded safety into the core of our operations through:

- **Engineering Controls:** Guarding mechanisms around moving equipment to prevent contact and injury
- **Risk-Based Planning:** Comprehensive assessments of man–vehicle interactions, especially in high-traffic zones, to anticipate and mitigate potential hazards
- **Contractor Safety Management:** Strengthened protocols supported by targeted training, onboarding, and continuous monitoring to ensure alignment with our safety standards

By fostering awareness, accountability, and continuous improvement, we are building a workplace where safety is second nature and every individual feels protected and empowered.

Experiential Safety Training to Enhance Retention

Theory-led safety training often falls in engagement and recall. At our Kasna plant, the feedback revealed limited visualisation of safety protocols and poor retention. Evaluations conducted with contractor training passport system (CTPS) trainers further reinforced the need for a more immersive approach.

In response, we transformed our CTPS audio-visual training modules into an experiential format, introducing real-world learning zones and interactive displays within our Safety Knowledge Centre. The highlight was our ‘Walk the Park’ concept: a hands-on, visual learning journey designed to encourage subconscious retention of safety norms.

This shift to experiential learning significantly improved participant engagement, understanding and application of safety protocols, resulting in measurable reductions in safety incidents.

Similar initiatives were also undertaken at Ankleshwar and Sriperumbudur plants.

Rigorous Safety Governance

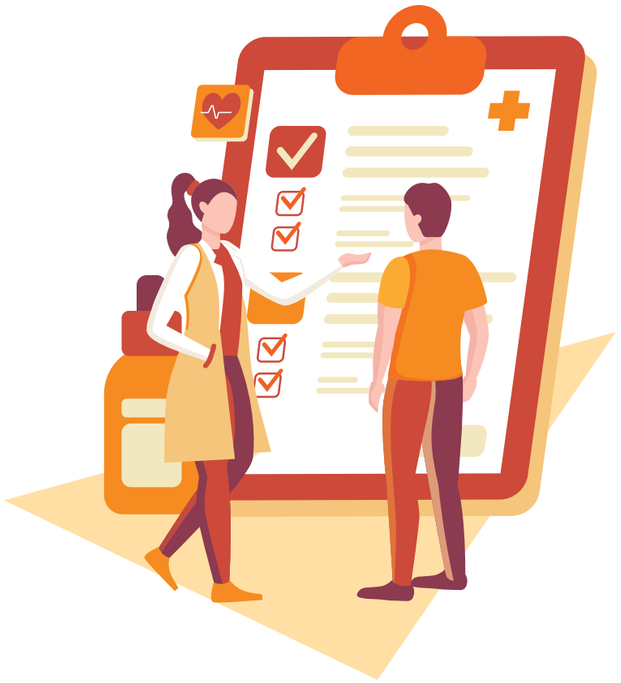
We maintain a robust safety governance framework to ensure continuous improvement. Key performance indicators such as the Total Recordable Frequency Rate (TRFR) and Total Severity Rate (TSR) are closely monitored. Our practices are aligned with the British Safety Council's Five-Star Safety Framework, which encompasses critical areas including lockout-tagout procedures, lifting operations, fire protection, and hazardous substance handling.

Digital Tools for Proactive Risk Management

Digital platforms play a pivotal role in enhancing transparency and responsiveness. These tools support real-time incident logging, automated inspection scheduling, and systematic implementation of Corrective and Preventive Actions (CAPA). All contractors and project personnel undergo rigorous pre-qualification checks and mandatory training, ensuring full compliance with our Construction Safety Manual.

Robust Safety Monitoring Mechanism

To uphold occupational health and safety standards, Asian Paints has implemented a comprehensive, multi-layered safety monitoring framework. Certified industrial hygienists conduct in-depth assessments every three years to evaluate workplace exposure and health risks. These are complemented by routine medical surveillance, including pre-employment screenings and periodic health check-ups for all employees and contract workers.



Environmental & Workplace Health Audits

We conduct regular audits to ensure a safe and healthy work environment. Air quality is monitored through weekly assessments of volatile organic compounds (VOCs) and fortnightly checks of respirable suspended particulate matter (RSPM), all performed by NABL-accredited laboratories. Ventilation and ergonomics audits are carried out by qualified experts, and advanced instrumentation is used to track parameters such as noise levels, VOC exposure, and dust concentrations.

Systemic Auditing & Behavioural Reinforcement

Our safety ecosystem is reinforced through a combination of systemic audits and behavioural interventions. Internal and third-party audits are conducted regularly, while initiatives such as Safe and Unsafe Act (SUSA) conversations and Hazard, Accident & Risk Perception (HARP) evaluations foster a culture of awareness and accountability.

Toxicity Risk Management

We adhere to stringent chemical classification protocols to manage toxicity risks. All raw materials are screened and classified in accordance with standards set by the International Agency for Research on Cancer (IARC) and the Globally Harmonised System (GHS). This science-based approach ensures comprehensive protection against both acute and chronic toxic exposures.

Strengthening warehouse safety

At Asian Paints, our warehouse operations are governed by strict adherence to statutory compliance and internal safety protocols, ensuring that every node in our supply chain operates with integrity and care. We uphold high standards in fire and electrical safety, visual management, and safe material handling – placing equal emphasis on man–machine interaction as a critical risk area.

All warehouses undergo regular safety audits, and corrective actions are swiftly implemented in response to any safety observations, particularly those related to electrical hazards. A standardised amenities manual has been introduced across sites to ensure uniformity of safety infrastructure and working conditions at every location.

To enhance visibility and reduce accident risk, we have deployed fork-mounted cameras on reach trucks, a forward-looking intervention that improves operational control during goods movement. Additionally, storage rack integrity is periodically assessed, supported by third-party inspections to ensure structural stability and prevent failure risks.

Recognising the importance of preparedness in high-density storage environments, we have strengthened emergency response systems by partnering with nearby hospitals through an external agency network, enabling timely medical support in the event of an incident.

C Building a Safety Culture

We view safety not as a checklist, but as a shared value that guides our actions. At Asian Paints, this philosophy is embedded across our operations and extends to the families of our workforce. We believe that awareness and ownership are fundamental to prevention, and our aim is to make safety a collective responsibility across our ecosystem.

To embed this philosophy, we follow a multi-channel approach that includes structured internal and external training, interactive e-learning modules, regular toolbox talks, and gamified content. These initiatives are complemented by engaging formats such as presentations, posters, newsletters, and mobile safety alerts – all designed to ensure visibility, recall, and continuous learning across our sites.

Recognising the powerful influence families have in reinforcing safe behaviour, we extend our communication beyond the workplace. Safety calendars, informative booklets, and take-home magazines help transfer safety awareness into the household. Events like the Annual Plant Day actively bring families into the fold through safety exhibitions, interactive quizzes, and participatory sessions – turning awareness into habit.

We also cultivate healthy competition among teams by instituting the Safety Rolling Trophy, and we encourage widespread participation in national observances such as Safety Week, Process Safety Week, Road Safety Week, and Fire Prevention Week. These initiatives create a sense of purpose, pride, and collaboration, reinforcing safety as a collective priority.

Through these sustained efforts, we are not only upholding safety benchmarks but also nurturing a culture where safety becomes second nature – inside and outside the workplace. This relentless commitment to excellence has led **Asian Paints to become the first company in the global coatings industry to achieve generative stage in safety maturity –** with six of our plants now in generative stage.

National Safety Week celebration at Vizag

Suraksha Doots: Driving a safer culture at Khandala

BBS assessments revealed a delay in addressing unresolved unsafe conditions, leading to employee disengagement. With increasing open cases on i-Safe and a decline in proactive reporting, a new model of intervention was introduced – Suraksha Doots.

A dedicated five-member team comprising a rigger, fitter, welder and two helpers was appointed. Donning branded uniforms, this team worked proactively with Engineering team support to resolve issues, deliver Toolbox Talks post-closure, and boost employee confidence.

Results:

- Over 90% of flagged conditions were closed
- Improved employee morale
- Reduced LTI (Lost Time Injury) risk
- Enhanced visibility and trust in safety governance

Plans are underway to enable real-time tracking and digital closure of these issues via the i-Safe platform, amplifying the programme's long-term impact.

INITIATIVES UNDERTAKEN TOWARDS IMPROVING SAFETY

Correcting unsafe condition

Identified and resolved over 3,250 unsafe conditions related to slips/trips/falls, chemical handling and manual material handling to prevent potential incidents.

Celebrating injury-free day

Achieved over 100 injury-free days across 8 Paint Plants, Bath & Kitchen plants and depots & distribution centre.

Quarterly theme-based initiatives

Focussed initiatives addressed key injury categories including slips, trips & falls (Chalo Sambhal Ke), chemical exposure (Chemical Ko Jaano) and ergonomics, with each plant championing a specific theme quarterly.

D Process Safety Management (PSM)

Process Safety Management (PSM)

Asian Paints has continued to strengthen its Process Safety Management systems through a technology-enabled, proactive approach. Grounded in the globally recognised 14 elements of PSM, our strategy integrates process hazard analysis, mechanical integrity, training, emergency planning, incident investigation, and more – forming the foundation of our safety culture across AP Infinity plants.

Progress so far

Over the past year, we focussed on maturing six core PSM elements across eight sites. This included deploying the PSM IoT interface at seven plants, enabling real-time hazard detection and actionable alarms. This year, we completed 362 Bowtie risk profiles and 879 Human Reliability Analyses (HRAs), which supported the development of visual SOPs for high-risk operations.

To enhance operational safety, we implemented:

- Overfill protection systems
- Breakaway couplings to prevent mechanical damage
- Inhibitor dosing mechanisms to control runaway polymerisation
- Real-time earthing checks via CEMS technology

We also expanded our certified PSM trainer pool through structured Train-the-Trainer programmes. Guidelines were developed for managing abnormal situations in water-based emulsion reactors, and Power BI dashboards were rolled out for MOC tracking and monitoring. Additional efforts included dust explosion hazard assessments, corrosion and dyke integrity programmes, and initiatives in permit-to-work systems, behaviour-based safety, and contractor management.

Focus Ahead

As we continue to embed process safety across operations, our focus for the coming year will be on deepening implementation of **Asset Integrity** and **Emergency Arrangements –** two critical PSM elements that will further enhance operational resilience and preparedness. These areas will be supported by continued training, system audits, and cross-functional collaboration to ensure consistent safety performance across all sites.

Advancing Process Safety Management Through Competency Training

PSM hinges on a competent, well-trained workforce. In August 2024, we conducted Batch 4 of the PSM Training of Trainers (ToT) programme in Vizag, led by Ian Travers, a global process safety expert. Thirty-one participants were certified across six key PSM elements. With 73 certified trainers now active across sites, we have enhanced our ability to embed best-in-class safety practices across all levels of our operations.

Safety Initiatives at Our Vizag Plant

Preventing Heat Exchanger Choking

One of the heat exchanger frequently experienced choking due to the chilling water supply entering the heat exchanger inlet during the recirculation sequence triggered by other tanks. To address this, an additional actuator valve was installed in the chilling water inlet line. Since the implementation, there have been no instances of choking, ensuring the heat exchanger remains fully functional and effectively preventing temperature rise in the monomer storage tank. This improvement enhances process safety and operational efficiency.

Improved Safety through Automation

Previously, raw materials (RM) were manually added to PET, TSD and mixers in PEL, resulting in exposure to powders and monomers. To mitigate these risks, a liquid transfer system was implemented for the transfer of monomers and water. Additionally, a powder transfer system using vacuum technology was introduced for the safe transfer of powders to TSD and mixers. These solutions have eliminated manual handling of raw materials across floors, significantly reducing ergonomic risks and exposure to hazardous substances, thus enhancing workplace safety and efficiency.

Enhanced Process Safety with Rpm Sensors

To address the risk of runaway reactions caused by shaft decoupling or improper agitation in reactors, an RPM sensor system was implemented in all reactors within the Polymer Block. This system is interlocked with the process sequence, ensuring continuous monitoring of agitation. By identifying potential issues before they escalate, the system proactively holds the process sequence, preventing improper agitation and ultimately safeguarding against runaway reactions. This implementation significantly enhances process safety, ensuring stable reactor operation and reducing the risk of hazardous situations.

Ergonomic Assessment at Sriperumbudur Plant

At the Sriperumbudur Plant, manual handling activities posed ergonomic risks, which were traditionally assessed by external experts. To address this, we deployed ErgoPlus software, providing a user-friendly solution for internal assessments. Ergo Champs from various departments were trained to identify and implement ergonomic controls. The initiative resulted in a 75% reduction in risk scores, improving safety and the recognition of ergonomic hazards.

STP Floating Sludge Movement in Sludge Bed

Previously, sludge generated in the STP was manually collected in 25-litre pails and transferred to the sludge bed. A new pipeline system has now been implemented, connecting the STP sludge collection area directly to the sludge bed. As a result, manual handling of sludge has been reduced, the need for carrying loads upstairs has been eliminated and the exposure to slip and trip hazards on steps has significantly decreased.

Some of the other initiatives undertaken in other plants:

Special 27 Emergency Response Team, Mysuru: Formed a cross-functional emergency team trained in advanced response and rescue techniques, setting new standards in emergency preparedness through simulation & scenario-based learning.

Telescopic Conveyor in Putty Block, Rohtak: Implemented a telescopic conveyor system for loading of putty bags to reduce repetitive manual lifting, enhancing productivity while reducing ergonomic risk.

Suraksha K Saathi, Rohtak: Launched a gamified safety programmes that encouraged proactive employee participation and fostered a culture of recognition and wellbeing.

CRISSH of the Day, Ankleshwar: Enabled selected employees to lead safety actions, resulting in 270+ observations and 90% closures, with 25% advancing to the 'player' category for consistent safe behaviour.

ANNEXURE: RATINGS AND RECOGNITION

We regularly assess our progress to ensure we stay on course and diligently uphold our high standards with top rating agencies.

CDP Water and Climate Change Score

B

Score in Climate Change

A-

Score in Water Security

MSCI ESG Ratings

A A

We have sustained the “AA ESG Rating (Leader)” for four consecutive years

1. Best Green Product (under Chemicals Segment)

Honoured for pioneering a low-temperature powder coating technology that reduces energy consumption and achieves a 25% lower carbon footprint at the customer’s end.

2. Sustainability Leader of the Year (under Chemicals Segment)

Recognised for exemplary leadership in environmental sustainability through strong work in renewable energy, waste minimisation, recyclability, and green innovation supported by a robust green product portfolio, life cycle.

- Asian Paints’ Khandala plant was honoured with Gold award and second runner-up at the 7th CII IQ National Safety Practice Competition for Project PARIVARAN – BBS Journey
- Asian Paints’ Sriperumbudur plant bagged 2 Gold awards in the Control Type category at the CII National Level Competition

Asian Paints’ Vizag plant won

- Golden Peacock Award for Occupational Health & Safety 2024
- Platinum, Gold and Silver awards in CII Low-Cost Automation
- Golden award at the CII Kaizen Competition

- Asian Paints’ Rohtak plant was recognised for Lowest Accident Frequency rate in Haryana by Labour Department, Government of Haryana

ANNEXURE: TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURE (TCFD) MAPPING

Recommended disclosures	Reference sections in report	Synopsis
Governance		
a) Describe the board's oversight of climate-related risks and opportunities	Our Sustainability Priorities & Governance -> Board Oversight & Management Role (pg 03)	Risk Management Committee and Stakeholders Relationship Committee of the Board are entrusted with the responsibility to support the Board in ESG oversight. The Company's One Link team, led by the Managing Director and CEO, is tasked with implementing the ESG objectives of the Company, including climate change mitigation and adaptation
b) Describe management's role in assessing and managing climate-related risks and opportunities.		
Strategy		
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long-term.	Environment -> Climate Change Adaptation (pg 17)	In FY 2022-23, we have undertaken a climate risk assessment, in line with TCFD recommendations, and our Climate change mitigation and adaptation strategy is guided by TCFD recommendations.
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.		
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.		
Risk Management		
a) Describe the organisation's processes for identifying and assessing climate-related risks.	Environment -> a) Climate Change Mitigation (pg 07) b) Climate Change Adaptation (pg 17)	We have a robust and resilient risk management framework as per ISO 31000, which is guided by Risk Management Committee of the Board. Outcomes of climate risk assessment have been integrated with our risk management processes.
b) Describe the organisation's processes for managing climate-related risks.		
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.		

Recommended disclosures	Reference sections in report	Synopsis
Metrics & Targets		
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Environment -> Climate-related Metrics & Targets (pg 08, 74)	We have set ESG targets extending through 2030. As part of this effort, we are committed to reducing Scope 1 and Scope 2 emission intensity by 80% by 2030. We have also outlined key enablers to address Scope 3 emissions throughout our value chain.
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.		
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.		

ANNEXURE: REPORT CARD

The performance values are for in-house decorative paint manufacturing units, unless stated otherwise. The standalone boundary includes all paint and chemical manufacturing units, R&T centre, bath operations, owned offices and leased offices / warehouses. From FY 2024-25 onwards, Sleek operations are also included in the standalone boundary post merger with Asian Paints Limited.

Area	Unit	Baseline value	2022-23	2023-24	Target 2025	2024-25	Target 2030
ENVIRONMENT							
Energy Conservation & Emissions							
Specific Electricity Consumption@※	kWh/KL	116 (2013-14)	74.7 (36% ↓)	74.2 (36% ↓)	60.5# (48% ↓)	83.1 (28% ↓)	54.4# (53% ↓)
Renewable Electricity@※	% of total electricity	0.1 (2013-14)	62.2	65.8	75	57.6	100*
Scope 1@※	tCO_2e	25072 (2013-14)	14340	14872	-	17961	-
Standalone※	tCO_2e	-	74943	72794	-	87435	-
Scope 2@※	tCO_2e	52541 (2013-14)	27685	28052	-	33797	-
Standalone※	tCO_2e	-	44600	44357		52727	-
Scope 3※ Standalone※	tCO_2e	-	3285192	3320949	-	3223691	-
Emissions Intensity (Scope 1 and Scope 2)	$kgCO_2e$/KL	131.2 (2013-14)	34.7 (74% ↓)	32.6 (75% ↓)	32.8 (75% ↓)	40.9 (69% ↓)	26.2 (80% ↓)
SOx							
	g/KL	-	2.2	2.2	-	2.6	-
	MT	-	2.7	2.8		3.2	
Standalone※	MT	-	10.7	13.1	-	10.8	-
NOx							
	g/KL	-	8.2	5.9	-	5.2	-
	MT		9.9	7.7		6.6	
Standalone※	MT	-	40.3	44.4	-	45.8	-

Area	Unit	Baseline value	2022-23	2023-24	Target 2025	2024-25	Target 2030
Particulate Matter							
	g/KL	-	4.1	4.1	-	4.9	-
	MT		4.8	5.3		6.1	
Standalone※	MT	-	10.5	14.0	-	15.1	-
Water Neutrality							
Specific Non-Process Water @※	kg/KL	0.97 (2013-14)	0.45 (54% ↓)	0.44 (54% ↓)	0.27 (72% ↓)	0.46 (52% ↓)	0.24 (75% ↓)
Water Replenishment @※	% of freshwater consumed	0.1 (2013-14)	382	387	400	478	600
Rainwater harvested and used within the factory	Megalitres	-	235	67	-	75	-
Nature Positive							
Specific Hazardous Waste Disposal @※	kg/KL	2.7 (2013-14)	0.8 (70% ↓)	0.61 (77% ↓)	0.5 (81% ↓)	0.57 (79% ↓)	0.45 (83% ↓)
Total Hazardous Waste Disposed	MT	-	929	1574.337	-	1642	-
Specific Non-Hazardous Waste@※	kg/KL	14.1 (2013-14)	7.8 (45% ↓)	7.53 (47% ↓)	6.7 (52% ↓)	8.39 (41% ↓)	6 (57% ↓)
Total Non-Hazardous Waste Disposed	MT	-	11770	9759	-	10607	-
Total Hazardous Waste Disposed (Standalone)※	MT		1129	2150.1	-	2282	-
Total Non-Hazardous Waste Disposed (Standalone)※	MT		12771	12317	-	17127	-
Proportion of Recycled Plastic Used in our Packaging※	%	-	20% in Green Seal products, 15% across other products		30	30	60
Specific Trade Effluent Generation @※	L/KL	82 (2013-14)	18.1 (78% ↓)	16.1 (80% ↓)	17.5 (79% ↓)	17.1 (79% ↓)	15.8 (81% ↓)

Area	Unit	Baseline value	2022-23	2023-24	Target 2025	2024-25	Target 2030
PRODUCT STEWARDSHIP							
Renewable/bio-based raw materials in product offerings	%	6.5 (2020-21)	6.4	7.2 (11% ↑)	20 ↑	6.8 (5% ↑ in renewable content)	30 ↑
GHG Reduction Through Formulation Optimisation	tCO_2e	3700 (2020-21)	20390	Cumulative reduction of 50,803 from FY 2022-23	Cumulative reduction of 70,000 from FY 2022-23	Cumulative reduction of 89,888 From FY 2022-23	Cumulative reduction of 1,20,000 from FY 2022-23
Minimising & Eliminating CMR Raw Materials[%]	kg/KL With Styrene	19.9 (2020-21)	19.1	19.4	15% ↓	23.8 (24% ↑)	25% ↓
	kg/KL Without Styrene	4.5 (2020-21)	4	3		3.8 (6% ↓)	
SAFETY							
Total Recordable Frequency Rate (TRFR)[@%]	per million manhours	-	0.57	0.58	-	0.38	To sustain as the global benchmark
All Manufacturing Units in India(Decorative and Non Decorative)[%]	per million manhours	-	0.55	0.56	-	0.32	
Including AP Global	per million manhours	-	1.4	1.39	</=0.98	1	
Total Severity Rate (TSR)[@%]	per million manhours	-	15.55	29.43	-	62.25	To sustain as the global benchmark
All Manufacturing Units in India(Decorative and Non Decorative)[%]	per million manhours	-	17.05	26.61	-	53.49	
Including AP Global	per million manhours	-	95.1	231.09	</=150	40.72	

Area	Unit	Baseline value	2022-23	2023-24	Target 2025	2024-25	Target 2030
Number of Fatalities[%]							
All Manufacturing Units in India(Decorative and Non Decorative)[%]		-	0	0	-	0	-
Including AP Global		-	0	0		0	
Standalone[%]		-	0	3		0	
Tier-1 Process Safety Incidents[%]		-	4	2	</=3	3	To sustain as the global benchmark
COMMUNITY							
Water Harvesting Potential Created	% of freshwater consumed	8.1 (2013-14)	195	217	>70	273.3	>70
Beneficiaries Impacted Through Health Initiatives		170000+ (2020-21)	365000+	353000+	500000	280000+	650000
Participants Trained at Asian Paints Colour Academy		199000+ (2020-21)	510000+	680000+	600000	950000+	1000000

 # Assuming present product mix, in case of significant adverse change in mix, the number shall be recalculated

** We aspire to achieve 100% renewable electricity share subject to state policies relating to minimum grid utilisation requirements & banking policies*

^ values are for calendar years

% denotes indicators assured as part of Annual Integrated Report

@ denotes indicators assured as part of the report. Assurance is provided for the performance for FY 2023-24 only. Reduction from baseline is not part of the assurance.

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INDEPENDENT PRACTITIONER'S ASSURANCE REPORT ON IDENTIFIED SUSTAINABILITY INFORMATION IN ASIAN PAINTS LIMITED'S SUSTAINABILITY REPORT

To the Board of Directors
of ASIAN PAINTS LIMITED

1. We have undertaken to perform assurance engagement, for **ASIAN PAINTS LIMITED** (the "Company") vide our engagement letter dated February 17, 2025, in respect of the agreed Sustainability Information listed below (the "Identified Sustainability Information") in accordance with the criteria stated in paragraph 3 below. This Sustainability Information is included within the Sustainability Report (the "SR", the "Report") of the Company for the year ended March 31, 2025. This engagement was conducted by our multidisciplinary team including assurance practitioners, environment engineers and specialists.

2. Identified Sustainability Information

Our scope of reasonable and limited assurance consists of the Sustainability Information listed in Appendix I and Appendix II respectively in our report. The reporting boundary of the Report is, as disclosed in "About the report" section of the SR with exception disclosed by way of note under respective disclosure, where applicable.

Our assurance engagement was with respect to the year ended March 31, 2025, information only and we have not performed any procedures with respect to earlier periods, or any other elements included in the Report and, therefore, do not express any opinion/conclusion thereon.

3. Criteria

The Criteria used by the Company to prepare the Identified Sustainability Information is as under:

- With reference to GRI Sustainability Reporting Standards, issued by the Global Reporting Initiative (GRI) referred to as the "GRI Standards".
- Internally defined by the management of the Company ("Management defined Criteria") which are set out under Appendix I and Appendix II as applicable.

4. Management's Responsibility

The Company's management is responsible for selecting or establishing suitable criteria for preparing the Sustainability Information, taking into account applicable laws and regulations, if any, related to reporting on Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal controls relevant to the preparation of the Report and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

Deloitte Haskins & Sells LLP

5. Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between companies.

6. Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") and have the required competencies and experience to conduct this assurance engagement.

We apply Standard on Quality Control ("SQC") 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements", and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

7. Our Responsibility

Our responsibility is to express a reasonable assurance opinion and limited assurance conclusion on the Identified Sustainability Information listed in Appendix I and Appendix II respectively based on the procedures we have performed and evidence we have obtained.

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information", and Standard on Assurance Engagements (SAE) 3410 Assurance Engagements on Greenhouse Gas Statements (together the "Standards"), both issued by the Sustainability Reporting Standards Board (the "SRSB") of the ICAI.

These standards require that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information listed in Appendix I and included in the Report is prepared, in all material respects, in accordance with the Criteria; and obtain limited assurance about whether the Identified Sustainability Information listed in Appendix II and included in the Report is free from material misstatement.

As part of both reasonable and limited assurance engagement in accordance with the Standards, we exercise professional judgment and maintain professional skepticism throughout the engagement.

8. Reasonable Assurance

A reasonable assurance engagement involves identifying and assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

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Given the circumstances of the engagement, in performing the procedures listed above, we:

- Obtained an understanding of the Identified Sustainability Information and related disclosures;
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and/or measurements of the Identified Sustainability Information;
- Made inquiries of Company's management, including the Environment, Health and Safety (EHS) team, the compliance team, the human resource team, amongst others and those with the responsibility for preparation of the Report;
- Obtained an understanding and performed an evaluation of the design of the key systems, processes and controls for recording, processing and reporting on the Identified Sustainability Information at the corporate office and at plants on a sample basis. This included evaluating the design of those controls relevant to the engagement and determining whether they have been implemented by performing procedures in addition to the inquiry of the personnel responsible for the Identified Sustainability Information;
- Based on the above understanding and the risks that the Identified Sustainability Information may be materially misstated, determined the nature, timing and extent of further procedures;
- Tested the key assumptions, emission factors and methodologies used for calculation of GHG emissions;
- Tested the Company's process for collating the sustainability information through agreeing or reconciling the Identified Sustainability Information with the underlying records on a sample basis; and
- Tested the consolidation for plants on sample basis under the reporting boundary for ensuring the completeness and accuracy of data being reported.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our reasonable assurance opinion.

9. Limited Assurance

A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Identified Sustainability Information as listed in Appendix II, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including understanding of internal controls, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents and evaluating the appropriateness of reporting policies and agreeing with the underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Obtained an understanding of the Identified Sustainability Information and related disclosures;

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- Obtained an understanding of the assessment criteria and their suitability for the evaluation and/or measurements of the Identified Sustainability Information;
- Made inquiries of Company's management, including the Environment, Health & Safety (EHS) team, the compliance team, the human resource team, amongst others and those with the responsibility for preparation of the Report;
- Obtained an understanding and performed an evaluation of the design of the key systems, processes and controls for recording, processing and reporting on the Identified Sustainability Information at the corporate office and at plants on a sample basis. This included evaluating the design of those controls relevant to the engagement and determining whether they have been implemented by performing procedures in addition to the inquiry of the personnel responsible for the Identified Sustainability Information;
- Based on the above understanding and the risks that the Identified Sustainability Information may be materially misstated, determined the nature, timing, and extent of further procedures; and
- Reviewed the Company's process for collating sustainability information through agreeing or reconciling the Identified Sustainability Information with the underlying records on a sample basis.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

10. Exclusions

Our assurance scope excludes the following and therefore we do not express opinion/conclusion on:

- Aspects of the Report and the data/information (qualitative or quantitative) other than the Identified Sustainability Information; and
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

11. Other information

The Company's management is responsible for the other information. The other information comprises the information included within the SR, other than Identified Sustainability Information and our independent assurance report dated July 18, 2025, thereon.

Our opinion on the Identified Sustainability Information does not cover the other information and we do not express any form of assurance thereon.

In connection with our assurance engagement of the Identified Sustainability Information, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Identified Sustainability Information or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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12. Reasonable Assurance Opinion and Limited Assurance Conclusion

Reasonable Assurance Opinion

Based on the procedures we have performed and the evidence we have obtained, the Identified Sustainability Information for the year ended March 31, 2025, listed in Appendix I are prepared in all material respects, in accordance with the Criteria as stated in paragraph 3 above.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Identified Sustainability Information listed in Appendix II for year ended March 31, 2025, are not prepared, in all material respects, in accordance with the Criteria as stated in paragraph 3 above.

13. Other matter

Select indicators within the Report of the Company for the year ended March 31, 2024, were assured by the previous assurance practitioner who had expressed an unmodified opinion/conclusion on October 23, 2024.

Our opinion/conclusion is not modified in respect of this matter.

14. Restriction on use

Our Assurance report has been prepared and addressed to the Board of Directors of the Company at the request of the Company solely, to assist the Company in reporting on Company's sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company. Our Assurance report should not be used for any other purpose or by any person other than the addressees of our report. We neither accept nor assume any duty of care or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W / W-100018)

Pratiq Shah
Partner
Membership No. 111850
UDIN: 25111850BNUHMG2385

Place: Mumbai
Date: July 18, 2025

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APPENDIX I

Identified Sustainability Information subject to Reasonable Assurance

Sr. No	*Item Description*	Unit	*Management defined Criteria*
1	Frequency Rate (FR) for incidents	Per Million Hours	No. of accidents X 1,000,000 Frequency Rate = ---------- Total man-hours worked • Accident means an incident which causes death or injury by reason of which the injured person is not able to resume his duties within 48 hours, immediately following the accident • Man-hours worked includes those pertaining to permanent employees and contract workers.
2	Severity Rate (SR) for incidents	Per Million Hours	Total man-days lost X 1,000,000 Severity Rate = ---------- Total man-hours worked • Man-days lost means the total number of days lost due to an accident. • Man-hours worked includes those pertaining to permanent employees and contract workers.
3	Specific Electricity Consumption	kWh/Kl	Specific electricity consumption = Total electricity consumption in kilowatts (kWh)/ Paint Production in Kilo litres (Kl) Total electricity consumption includes: • Electricity purchased (Grid electricity) • Electricity consumed within the plant (non-renewable & renewable energy)
4	Renewable electricity consumption	%	Renewable electricity consumption = renewable electricity consumption/ total electricity consumption Renewable electricity consumption includes Electricity generated and consumed from solar energy in the plant + Electricity from utility solar and wind energy generated outside and consumed in the plant For, total electricity consumption: Refer Sr.No. 3 above
5	Specific hazardous waste disposal	Kg/Kl	Specific hazardous waste disposal = Total hazardous waste disposed/ Paint Production Total hazardous waste disposal includes: • Chemical sludge • Filters contaminated with oil

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Sr. No	Item Description	Unit	Management defined Criteria
			• Liner bag • Process waste • Waste residual • Used oil/ spent oil • Discarded liner/ discarded containers • Ash From Incinerator and Flue Gas Cleaning Residue Cargo Residue, washing water And Sludge Containing Oil • Chemical Sludge from Wastewater Treatment • Oil & Grease Skimming residues
6	Specific non-hazardous waste disposal	Kg/Kl	Specific non-hazardous waste disposal = Total non-hazardous waste disposed/ Paint Production Total non-hazardous waste includes plastic, wood scrap, paper, metal scrap, wooden pallets, etc.
7	Specific trade effluent generation	L/Kl	Specific trade effluent generation = Total trade effluent generation/ Paint Production Total trade effluent generation includes wastewater generated in each process unit at each plant
8	Specific non-process water consumption	Kl/Kl	Specific non-process water Consumption = [Total Water Consumption (-) Process Water]/Paint Production Total Water consumption includes water drawn from the following: Canal water, rainwater, bore-well, water from municipal corporation (including water purchased from third party such as tanker and bottled water) Process water means water used in paint production

Sr. No.	Reporting standard Reference	Unit	Description
9.	GRI 305-1	tCO2e	Direct (Scope 1) GHG Emissions in metric tonnes of CO2 equivalent (tCO2e)
10.	GRI 305-2	tCO2e	Energy Indirect (Scope 2) GHG Emissions

Note: The scope of the above reporting boundary includes all eight Indian decorative paint units at Ankleshwar, Patancheru, Kasna, Sriperumbudur, Rohtak, Khandala, Mysuru and Vizag.

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APPENDIX II

Identified Sustainability Information subject to Limited Assurance

Sr. No.	Item Description	Unit	Management defined Criteria
1	**Water Replenishment**	**%**	Water replenishment = Total water harvested/Total freshwater consumption Water neutrality is estimated based on calculations for rainwater harvesting structures constructed by the Company outside the plant through CSR initiatives by relying on the methodologies, assumptions, and tools as used by our NGO partners. Fresh water consumption includes water drawn from the following: Canal water, bore-well, water from municipal corporation (including water purchased from third party such as tanker and bottled water)

Note: The scope of the above reporting boundary includes all eight Indian decorative paint units at Ankleshwar, Patancheru, Kasna, Sriperumbudur, Rohtak, Khandala, Mysuru and Vizag.

Notes

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ASIAN PAINTS LIMITED

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