

ASIAN PAINTS LIMITED - FAMILIARISATION PROCESS FOR INDEPENDENT DIRECTORS

FAMILIARISATION PROCESS FOR INDEPENDENT DIRECTORS

Objective of the programme

In accordance with requirements of Regulation 25 and 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes.

The familiarization programmes which may be conducted for Independent Directors from time to time, would aim to provide understanding about the Company's business and its operations, business strategies, management structure, risk management framework, regulatory environment in which the Company operates, among other things.

Familiarisation process

The members of the Board of Directors have complete access to information within the Company. The Company from time to time updates the Board members about their roles and responsibilities in the following manner:

- At the time of joining, an appointment letter is issued to the Independent Directors, which broadly outlines their statutory duties, roles, responsibilities as an Independent Director. The Independent Directors are also informed of the important policies of the Company including the Directors and officers liability and Company insurance policy, code of conduct for Directors and senior management personnel, code of conduct for prevention of insider trading and obligations on disclosures.
- At the time of inducting a newly appointed Director, including Independent Director, a presentation is made by the senior executives of the Company including the Managing Directors, CFO & Company Secretary to familiarize the Director with the business model, operational aspects, management structure and other information about the Company. The new inductee is also appraised on the ongoing discussions at the Board meetings to enable him/ her to effectively participate at the Board meetings.

The Company keeps all its Directors updated on the operations of the Company and key Developments which may impact the Company, its performance and its human resources through presentations made at the meetings of Board or otherwise by the Managing Director of the Company from time to time. Such

presentations, *inter alia*, include details of the industry in which Company operates, performance of the Company, updates on products of the Company, Company plans and strategies budgets, risk management mechanism, investments, funds flows, operations of subsidiaries and associates, HR policies, management succession planning and such other information as may be required by them.

Business / functional heads and Company executives are invited at board or committee meetings, as and when required, to provide a platform for interaction with the Company's key executives with the Directors and also to enable them to better understand the business and operations of the Company.

The Company arranges visit for Directors to the manufacturing facilities of the Company, as and when required, to enable them to better understand the manufacturing and operations process at such facilities.

The Board members are updated on various regulatory and other amendments and developments either by way of presentations by external experts /consultants or by internal experts. The Independent Directors were also given a detailed overview of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards notified by Ministry of Corporate Affairs, (including any statutory modification(s) or re – enactment(s) thereof for the time being in force).

The Company encourages and recommends its Independent Directors participation at various programmes being conducted by professional bodies and organizations to stay apprised on various changes and amendments in laws in the changing regulatory environment.

Familiarisation programs during the financial year 2023 – 24

During the financial year 2023 – 24, the following discussions were held in the nature of familiarization to the Independent Directors and the Board of Directors of the Company:

Sr. No.	Subject matter of discussion	No. of hours spent by Independent Directors and the Board	
		FY 2023 – 24	Cumulative till date
1.	Business Strategy plan for the entire group	15.00	87.50
2.	Legal/Regulatory updates	2.25	15.50

Besides the above, the Independent Directors and the Board as a whole, are on a continual basis familiarized with the functioning of the overall performance and functioning of the Company, risk management process, human resource processes and people development initiatives, IT processes, CSR, safety, sustainability and governance initiatives of the Company.