

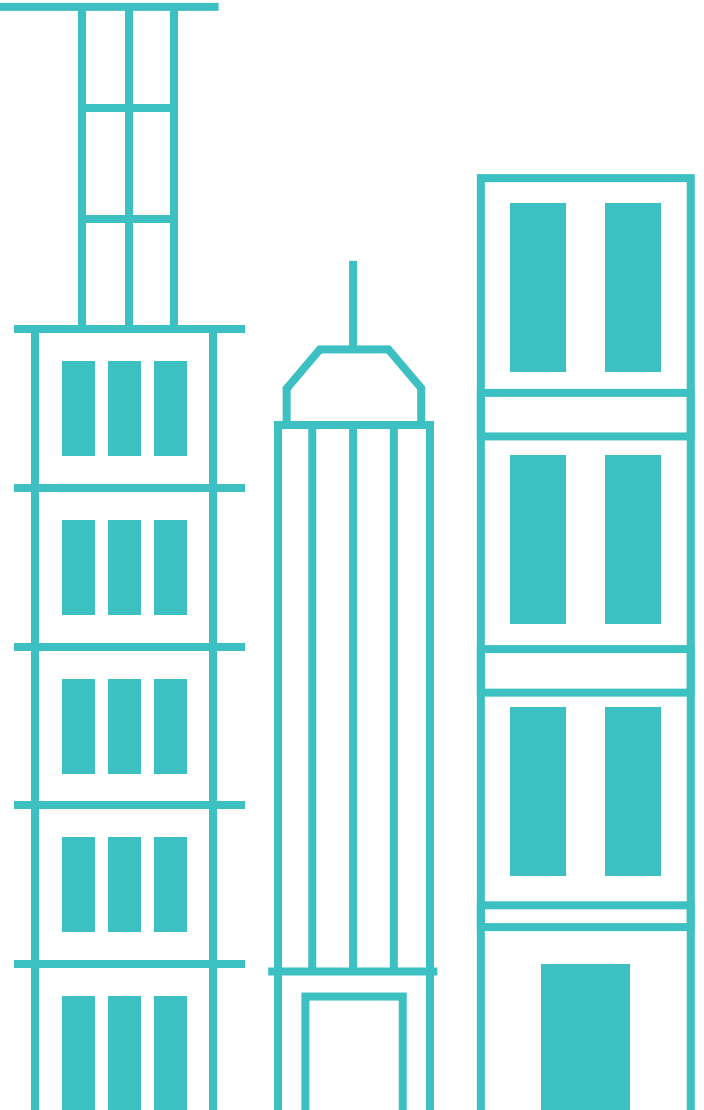
**We've come  
a long way...**



**THERE'S MORE  
TO BE DONE...**

## INDEX

Message from the MD & CEO	02
Product Stewardship	04
Environment	08
Health and Safety	18
Community	24
Independent Verification Statement	30
Transforming the Urban Landscape	32





Kolkata – Sonagachi



Hyderabad

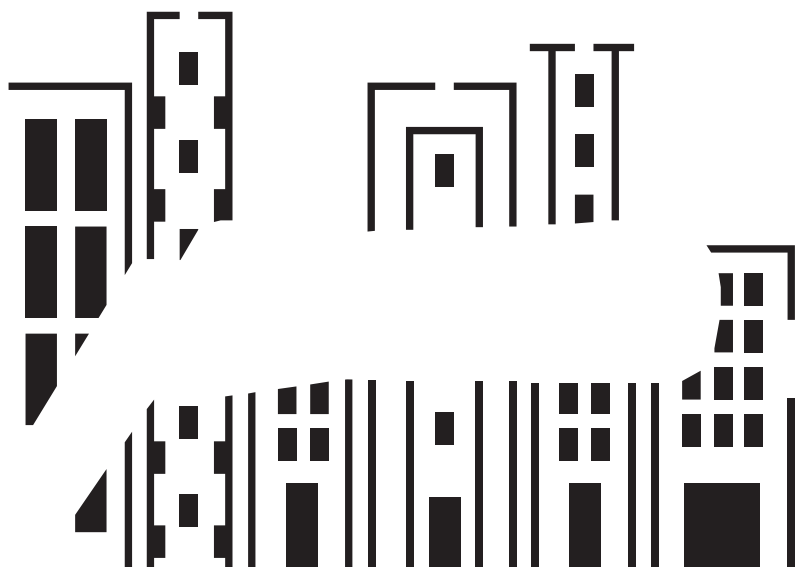


Mumbai –  
Sassoon Docks

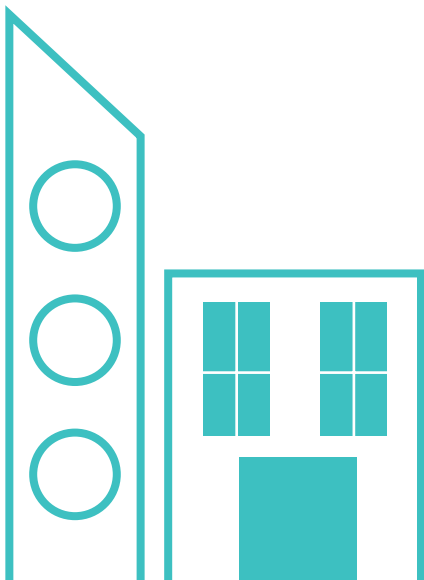


**ASIAN PAINTS**  
House 6A, Shantinagar  
Santacruz East, Mumbai  
Maharashtra 400 055  
Tel: 022 6218 1000 | Fax: 022 6218 1111

**Printed On 100% Recycled Paper**



# We have come a long way, there's more to be done



At Asian Paints, we are committed to acting sustainably in our everyday business. Sustainability presents an opportunity to use our skills, expertise and experience to make a positive difference to individuals, society and the environment.

We remain steadfast to the vision of providing the highest quality paints and finishes in the industry. To maintain our position as the market leader, we endeavour to provide products and services that

enhance the productivity and profitability of our customers. Thus, we are consistently driving reduced emissions and wastes, decreased use of resources and enhanced utilisation of renewable energy. We believe in working safely by protecting the environment and supporting the communities in which we operate.

Over the years, although we have travelled the distance to be a more sustainable organisation, we realise we still have a long way to go.

## MESSAGE FROM THE MD & CEO

### Dear Readers,

At Asian Paints, the philosophy of sustainable and inclusive development is deeply embedded in our strategic priorities and forms the foundation of our values and brands. This year's Sustainability Report provides an overview of the key programmes we have been working on, the progress we have made and some areas we can feel proud of. While we have come a long way, there is still so much more to do.

Over the years, we have persistently developed and promoted high-quality and user-friendly solutions that are safe for both people and the environment.

The health and safety of our employees and contractors is and always will be our top priority. Our aim is to provide a harmonious work climate in which all are treated with respect, have opportunities for development and their potential is maximised.

We understand that sustainable growth calls for an effective response to climate change.

We have invested in real-time energy monitoring systems, which will lead energy savings in our operations in future. We are continuously increasing renewable energy contribution in our overall energy consumption.

Our detailed watershed development programme focused on improving water availability by creating sustainable water harvesting structures and mobilising communities towards water conservation around all our manufacturing locations.



*One of our paramount objectives is to achieve efficient and responsible water management as it is a strategic resource for both business and environmental sustainability.*

We have focused on reduce, re-use and recycle programmes in our manufacturing units, which have reduced material losses.

We continue to work for the well-being of our local communities and address their specific needs in the areas of Education, Health and Hygiene, Water Management and Vocational Training.

For any feedback or queries, do write to us at [sustainability@asianpaints.com](mailto:sustainability@asianpaints.com)

**K.B.S. Anand**  
Managing Director & CEO, Asian Paints Limited

## Our Focus Areas

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



**PRODUCT STEWARDSHIP**



**ENVIRONMENT**

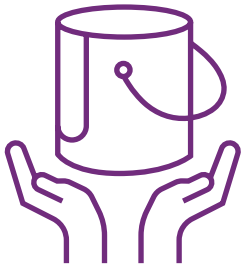


**HEALTH & SAFETY**



**COMMUNITY**





# Product Stewardship

We are determined to be a leading company in product stewardship and in creating business value from it by providing safer and more sustainable solutions for our customers.



**Lead Declaration  
Pb < 90ppm**

Today, all our decorative paint products are well below mandated 90 ppm limit for lead concentration.



**Royale Health Shield**

- Promise of an infection-free home

- First and only paint in India that is recommended by Indian Medical Association (IMA)



**19,503 MT**

Cumulative reduction in product Volatile Organic Compound (VOC) emissions from FY 2011-12 (baseline)

# DESIGNING SUSTAINABLE SOLUTIONS

At Asian Paints, we are committed towards developing sustainable products and solutions. We emphasise on creating exceptional value for all our stakeholders by not only meeting their present, future and unstated needs, but also by delivering our promise of providing best-in-class and safe products.

## Green Assure Framework

**Our self-certification reflecting residue to provide truly green products**

**Benchmarked against sustainability leadership standards - US Green Seal GS-11 Standard.**



## Our Product Portfolio



### Damp Sheath Interior

**Increases the life of painted walls by reducing surface dampness**

- › Best-in-class water-proofing solution with easy application



### Royale Health Shield

**Eco-friendly product and kills 99% of infection-causing bacteria**

- › Approved by the IMA
- › Kills infection causing bacteria that cause respiratory tract infections and skin diseases



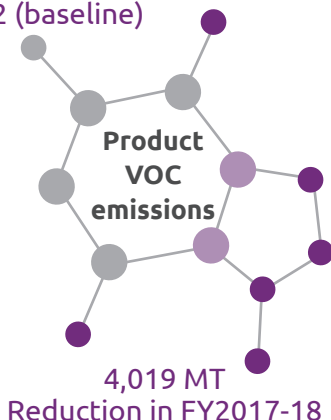
### Royal Atmos

**Eco-friendly air purifying product**

- › Emits a soothing fragrance after painting
- › Conforms to strict international environmental standards

**19,503 MT**

Cumulative reduction from FY2011-12 (baseline)



## Reducing Environmental Footprint

### ■ Reducing VOC in products

One of the big areas of interest has been VOC levels in paints. Our commitment to develop greener products has helped us achieve low levels of VOC in paints.

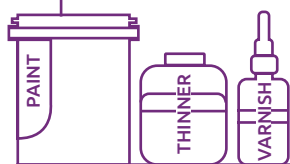
## Lead Declaration

Of 'Less than 90 PPM' has been incorporated in the labels and artwork of containers as issued by the Ministry of Environment, Forest and Climate Change



## Eliminating Lead in paints/Pb < 90 PPM

In 2008, we started on the journey of removing lead and heavy metals from decorative paints. We commenced on this mission much before the Government passed a legislation, in 2016, to restrict metallic lead concentration in decorative paints to less than 90 ppm.



A testing protocol has been defined for monitoring and sampling and has been shared with all our plants.

Products are classified under different generic categories and are developed, manufactured and monitored for lead content. The criteria for assigning a category to a product is also defined.



On-site testing equipment has been set up, which helps in monitoring samples and formulations.

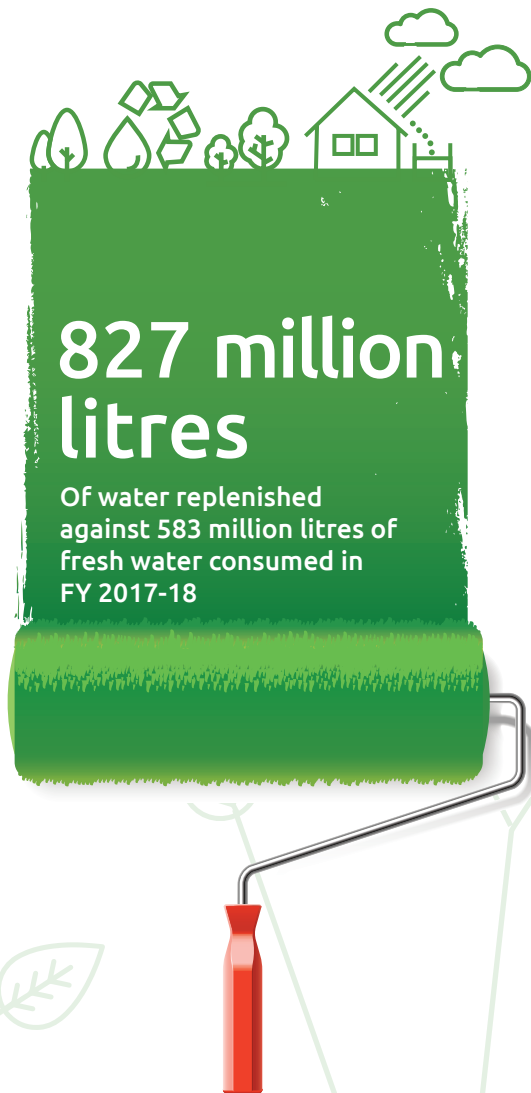


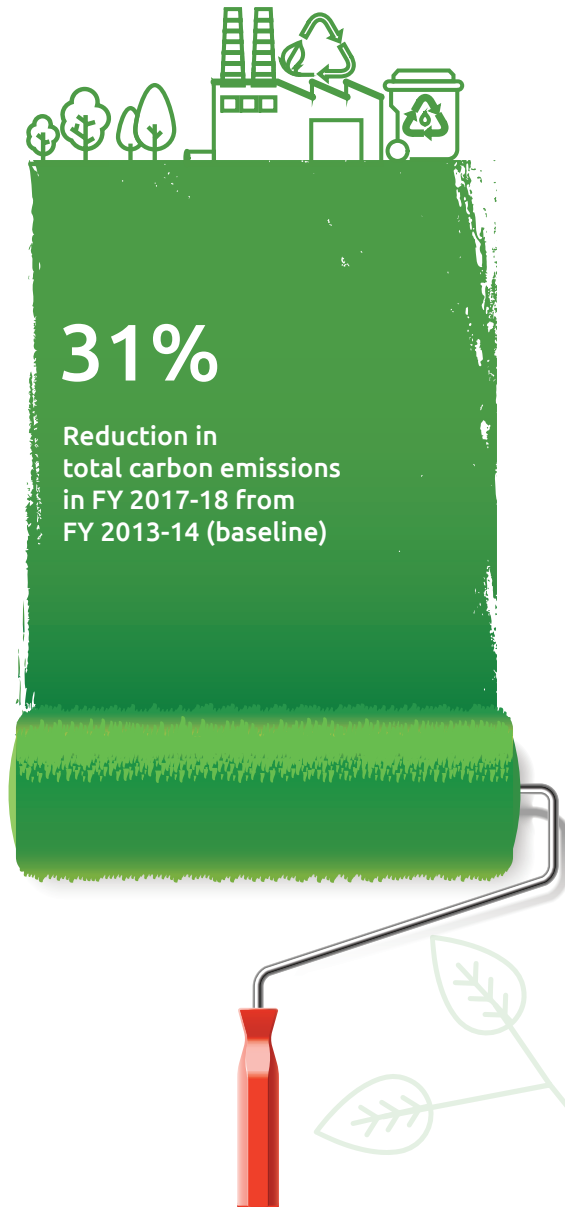
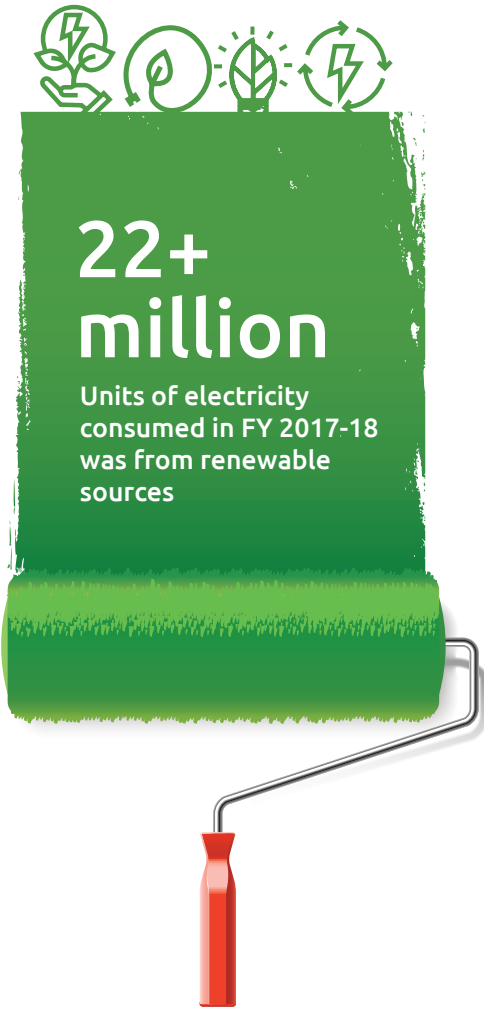
Protocols are in place for safeguarding all relevant stakeholders, from the product development stage to manufacturing.



# Environment

At Asian Paints, we are on a constant vigil to enhance the positive attributes of paint while arresting its negative impact on the environment and maintaining high quality and safety standards.





# CARING FOR THE ENVIRONMENT

Responsible use and protection of natural environment through conservation and sustainable practices have been the primary areas of Asian Paints environmental stewardship.



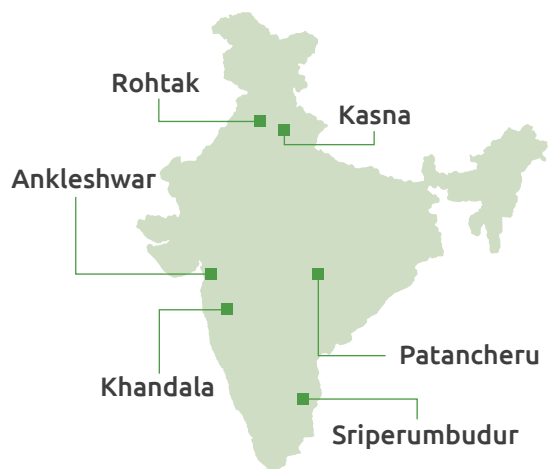
## Decorative Business Units – India

At Asian Paints, we have laid emphasis on conservation initiatives, especially energy waste, effluent reduction and water conservation and biodiversity

All six units are ISO 14001 certified and have zero liquid discharge operations

### Project NEW

Under project NEW, each of our six decorative paint manufacturing facilities have been given a unique 'theme' with performance targets (with base year FY 2013-14)



### Progress Dashboard

	Parameter	Performance FY 2017-18 (%)*	Target 2020 (%)*
	Water replenishment	142	100
	Reduction in specific non-process freshwater consumption	63	66
	Reduction in specific electricity consumption	31	33
	Electricity from renewable sources	35	36
	Reduction in specific industrial effluent generation	73	75
	Reduction in specific hazardous waste disposal	38	45

\*In % reduction from base year FY 2013-14



## Natural Resource Conservation

*Every drop counts – Water Management*

### ■ Water Management beyond Premises

Water is a crucial natural resource that we share with our communities. As a responsible corporate, we continue to replenish the water we use over time – a complex and a never-ending challenge. We invest and support community water projects across all our manufacturing locations through:

- › Rooftop rainwater harvesting and recharge systems
- › Integrated watershed development in nearby villages
- › Check dam and lake desilting processes

#### Lake Desilting – Rohtak

Every year, we work to engage in new replenishment projects to deliver intended benefits to our communities. In FY 2017-18, at our Rohtak plant, we partnered with FORCE, an NGO, to desilt a pond in Kherisadh village, nearly 2 km from our Rohtak plant.

### ■ Water Management within Premises

Responsible water usage is a key constituent of our commitment to resource conservation. We have taken numerous steps such as:

- › Introduction of automated Water Management System (WMS)
- › 100% re-use of rainwater in utilities
- › Sensor-based taps and water-less urinals
- › High-efficiency Reverse Osmosis (RO) systems



# 4.8+ million litres

Water replenishment capacity created in FY 2017-18

# 180

Rainwater harvesting structures created in Kasna village since 2013



### Project Rainbow – Kasna

We helped replenish groundwater in Kasna under Project Rainbow. During FY 2017-18, we assisted in erecting 18 RWH structures with recharge potential of 13 million litres per annum. Since its commencement in 2013, the project has created an overall recharge potential of ~138 million litres per annum.





# Reduce and Reuse - Energy and Emission Reduction

## Electricity Consumption

All the manufacturing units consistently work towards diminishing specific energy consumption. Some of our major initiatives during FY 2017-18 include:

- > Replacing conventional light fittings with LEDs across manufacturing units
- > Using Variable Frequency Drive (VFD) for pumps and blowers in utilities
- > Substituting 'reciprocating air compressor' with VFD-based screw compressor
- > Improving processes to decrease energy consumption

Improved the design for grinding and reducing the Twin Shaft Disperser (TSD) used for raw material grinding cycle time at Sriperumbudur

# 4,000 KWh

Power saving/month

## Cycle time reduction in TSD

Reduction of agitator cowl disc speed during powder addition and grinding in the twin shaft dispersers and also optimisation of mixing time in the TSD

# 75%

Reduction in power consumption at liquid charging stage in TSD

# 10-30 KWh

Energy saving per batch



## Renewable Energy (RE)

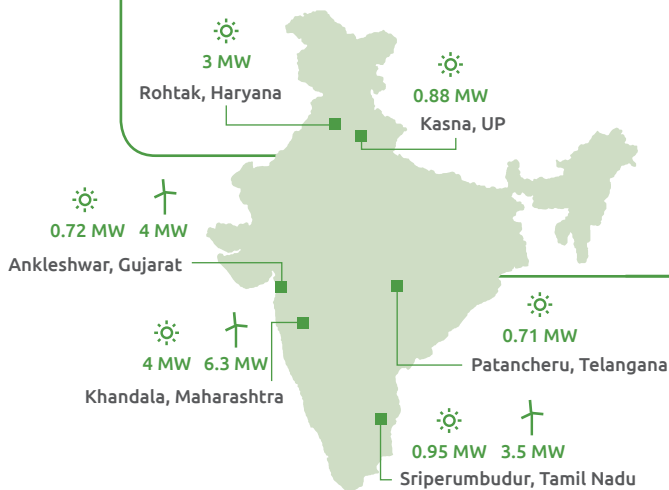
### Our Green Energy Portfolio

Our renewable energy strategy – RE36 – aims to source 36% of our total electricity consumption at decorative paint plants through renewable sources by 2020. We have made rapid strides in this direction during FY 2017-18, improving our RE footprint to 35% from 22% in the previous year. We actively invested in upgrading our RE infrastructure by commissioning new rooftop solar and windmill projects that enhanced our total installed RE capacity to more than 24.06 MW.

# 35%

RE footprint in FY 2017-18

### Installed capacity location wise



### Big measures for big impact

RE Wind Power Portfolio contribution of 20.1%

Installed capacity 13.8 MW generated more than 12.9 million units in FY 2017-18

RE Solar Power Portfolio contribution of 15.2%

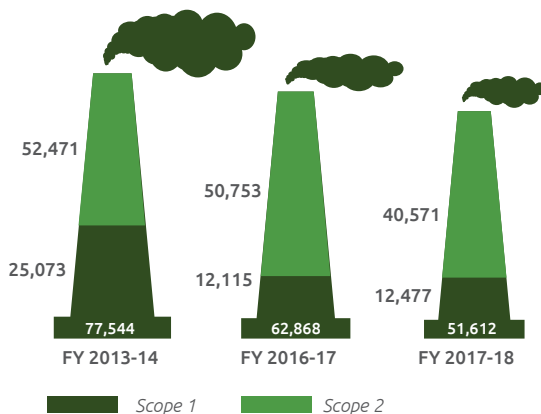
Installed capacity 10.26 MW generated more than 9.8 million units in FY 2017-18

☀ Solar Energy    † Wind Energy

## Emissions

Emissions in the paint industry stem from various sources such as the manufacturing process, filling and cleaning activities, mixing, storage of solvents and paint application.

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



**31%**  
Reduction in total emissions despite 37% increase in production volumes since FY 2013-14 (baseline)

**4+ million litres**

Wash water reused in Khandala factory in 2017-18



## Curbing Waste Generation

### Wastewater management

We believe minimising waste in our processes helps us reduce our costs and decrease the use of materials, energy, water and land.

#### Upgrading wash water handling system

During water-based paint processing, significant amount of wash water is produced while cleaning the processing vessels and pigging (transfer) lines. A major challenge remains in handling and reusing this wash water as it is susceptible to microbial growth/fermentation, thereby having an impact on the product quality. We upgraded the wash water handling systems by automating them.

#### Significant reduction in trade effluent generation

Used most of the wash water generated during the year

### Hazardous Waste Management

#### Anti-stick coating for processing equipment

We follow the classical '3R' strategy of Reduce, Reuse and Recycle for waste management.



#### Ankleshwar

Piloted the initiative to apply a non-sticky coating on the process equipment, which led to reduction in hazardous waste generation and reduced the use of water for cleaning

**The overall benefit was more than 13 MT of sticking losses in FY 2017-18**

#### Kasna

Anti-stick coating was first applied on emulsion trolleys in FY 2016-17. After this successful application, it was extended to lids of water-based TSD and mixer lids, water-based strainer meshes, sand-mill trolleys, tinter trolleys and strainers

**Helped reduce an estimated 70% of hazardous waste and is expected to further reduce about 3.3 MT of hazardous waste generation in FY 2017-18**

#### Rohtak

**Anti-stick coating helped us reduce 2.1 MT of hazardous waste in FY 2017-18**

## Building Green Infrastructure



### ■ IGBC Green Factory Rating

The Research and Technology Centre at Turbhe achieved the Indian Green Building certification.



### ■ CII GreenCo 'GOLD' Rating, Kasna plant

The Kasna unit became the first unit to achieve the prestigious 'GreenCo – Gold Rating' from the Confederation of Indian Industry (CII).



### ■ Biodiversity

At Asian Paints, we are committed to conserving biodiversity. All our products, whether water-soluble paints with high dependency on water or solvent-based paints depending on petrochemical industries, affect biodiversity. We understand this influence and why sustainable management of these linkages with biodiversity is necessary for mitigating negative impact and reducing dependencies. Hence, we initiated significant steps towards environmental stewardship during FY 2017-18.

# 51/100

Biodiversity Index Score of Asian Paints, Sriperumbudur



## Environmental Stewardship

**i** Recognised the importance of biodiversity in operations

**🔍** Assessment of existing biodiversity at the Sriperumbudur factory by CII-IBBI

Taxonomic enumeration of biodiversity

Natural Capital Action Plan (NACP) made to improve biodiversity in the coming years



Incorporated ecosystem service matrix and biodiversity baseline

### Key highlights

**171**  
Floral & faunal species

**45**  
Native trees & shrubs species

**30**  
Native herb species

**22**  
Species of butterflies

**26**  
Species of birds

**33%**  
Area is open area available for ground water recharge

Dense forest plantation using the 'Miyawaki method'

The proposed NACP will help in improving the biodiversity quotient of the project area and help in mitigating risks.

**10,000+ kg**

Of total plastic recycled in FY 2017-18

■ **Green Supply Chain**

*Take back programme - Rethink. Recycle.*



**Idea**

Recycling our own plastic pales recovered from project site



**Challenge**

- › Collection from market post painting
- › Aligning paint contractors for recycling
- › Partnering with local waste management
- › Finding an implementation partner organisation



**Outcome**

- › Recycled plastic using the pellets in making containers for paints
- › Fabricated 2,500 chairs
- › Distributed these chairs among schools (1,300) around our plant and donated to orphanages (1,200) by partnering with NGO Pratham

**Stackable jerrycans**

To overcome stacking of jerrycans during transportation and storage during pallet or truck load formation, we were forced to use partition plates made from materials such as plastic, wood or Corrugated Fibre board (CFB) in between stacks, or to completely cartonise the jerrycan, all of which are wasteful solutions. Therefore, the team came up with **innovative packaging**



No requirement of additional transportable material such as cartons or wrapping films



Recognised at INDIA STAR 2017, ASIA STAR and WORLD STAR for Excellence in packaging at both national and international platforms



Less packing material intensity  
Less wastage



## International Business Units

Our International Business Units (IBUs) in Bahrain, Bangladesh, Barbados, the UAE, Egypt, Fiji, Jamaica, Nepal, Oman, Singapore and Sri Lanka, are included in the scope of reporting in FY 2017-18. As these units have different targets and performance levels compared to our India operations, we are reporting them separately in this section.

Environmental threats, concerns and opportunities exist globally. Energy, water, waste, emissions and material management continue to be our major focus areas across IBUs. Our targeted approach has helped us reduce our environmental impact except reduction in hazardous waste, where we are working on various 3R initiatives such as wash water reuse, recovery of waste solvent, etc.

Parameter	Performance FY 2017-18	Target 2020
<b>Reduction in specific water consumption - Total</b>	22%*	29%*
<b>Reduction in specific water consumption - Non-process</b>	31%*	38%*
<b>Reduction in Specific Power Consumption (SPC)</b>	10%*	14%*
<b>Reduction in Specific Effluent Generation (SEG) (Industrial)</b>	31%*	37%*
<b>Reduction in hazardous waste disposal</b>	14% increase#	20%#

\*Baseline: FY 2014-15

#Baseline: FY 2015-16

## NEPAL

### Energy Management

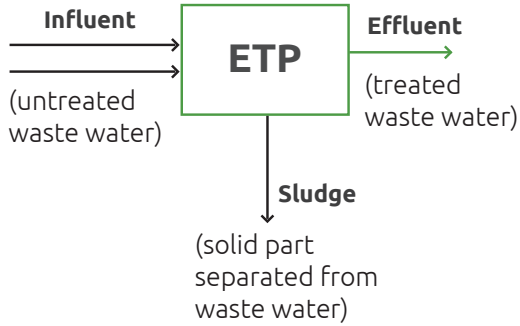
In Nepal, we undertook specific power consumption (SPC) reduction initiatives:

- › Optimised heating for resin storage
- › Equipped processing machinery with Automatic Power Factor Controller
- › Reduced the time of heat tracing system for the resin storage from 24 to 10 hours
- › Operationalised the new compressor with power-saving and low sound generating features
- › Installed timers for process equipment at eight locations
- › Replaced tube lights / mercury vapour lights with LED at the administrative block and production floor
- › Introduced-use of energy-efficient motors
- › Organised awareness programmes such as plantation at plant periphery to increase greenery during World Environment Day

# 17%

**Reduction in Specific Power Consumption (SPC) in FY 2017-18 as compared to the previous year**

## BANGLADESH



### ■ Revamped ETP in Bangladesh

- › Replaced existing Effluent Treatment Plant (ETP) equipment with new tanks to optimise effluent treatment process in the Bangladesh plant.
- › The new ETP equipment is designed to be monitored continuously for efficient operations and deliver enhanced parameters of treated water with improved reliability.



## FIJI

### ■ Rooftop Solar Installation

70 KWP grid-on solar power plant was commissioned at APCO, Fiji, as a part of facility expansion.

#### Features and benefits

- › APCO coatings factory is generating 50% of its total energy requirements from solar
- › Carbon offset of 67 tonne/year, which is equivalent to planting 1,750 trees
- › Diesel avoided: 28,360 litres/year
- › Yearly electricity bill saving of approx. \$20,000 expected

**50%**

Total power consumed in FY 2017-18 through solar energy



Through phone app and online 'Sunny Portal', it is now possible to monitor the performance from anywhere in the world



# Health & Safety

Occupational health & safety is a top priority at Asian Paints. We remain focused on our long-term objective of 'zero accidents' in the Company and along the value chain.





**14,000+**

Safe Unsafe Act (SUSA) conversations across cadres in FY 2017-18 for promoting safety culture



More than

**₹150 million**

Spent in ensuring engineering control through health and safety capex during FY 2017-18



# BUILDING SAFER AND HEALTHIER WORKPLACES

Our people are at the core of our business. Their health and safety are of paramount importance to the Company. As a responsible organisation, we are committed to conducting operations that ensure the health & safety of our teams, protect the environment and maintain the integrity of our assets.



**Our objective is to expand the safety net at Asian Paints to achieve zero accidents, zero occupational illness and zero incidents of property damage.**

## Safety Review Architecture

All our manufacturing facilities implement industry safety standards and stringently follow them. Occupational health and safety is centrally governed by a Safety Council in the organisation. It is supplemented by Plant Level Apex and Department Safety Committees. Health and safety aspects are covered in all our formal agreements with trade unions and contractors and form part of the **Settlement Book**.



### At Corporate Level

Safety Council provides oversight to ensure continuous performance backed up by the Corporate Quality and Safety (CQS) team



### Timely Reporting

Monthly to Executive Council & Vice President, Supply Chain



### At Plant Level

Apex and Department Safety Committees ensure on-ground support

## Our Safety Performance



	Total reportable incident severity rate	Total reportable incident frequency rate	Man lost days	Reportable incidents	Number of work-related fatalities	Total man-hours worked
<b>2015</b>	<b>401.47</b>	<b>0.52</b>	<b>6,888**</b>	<b>9</b>	<b>1</b>	<b>17,156,896</b>
<b>2016</b>	<b>32.42</b>	<b>0.39</b>	<b>588<sup>θ</sup></b>	<b>7</b>	<b>0</b>	<b>18,137,661</b>
<b>2017</b>	<b>33.28</b>	<b>0.35</b>	<b>566<sup>α</sup></b>	<b>6</b>	<b>0</b>	<b>17,007,102</b>

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

\*includes 6,000 man-days lost for fatality case in 2015

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

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

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

**Total Reportable Incident Severity Rate in CY2015 was high due to 6,000 man-days lost due to fatality case.**



## Engagement and Communication

We are committed towards promoting beyond our operations and workplaces. Thus, we encourage people – our team members, customers and communities — to consistently adopt and implement safer habits.



# 1,000+

Employees pursued to pledge to follow the safety rules

### ■ National Safety Week

- › Observed March 2018 as National Safety Month across all locations with focus on 'reinforcing positive behaviour at the workplace to achieve safety and health goals'
- › Conducted safety awareness trainings on transport emergency response plan, defensive driving, road safety for third-party drivers and behaviour-based safety

### ■ Road Safety Week

Variety of programmes related to road safety were organised to enhance awareness among stakeholders through numerous activities such as road safety contests, skits capturing safe or unsafe road safety practices and workshops on defensive driving for drivers, among others.

## Occupational health and wellness



### ■ Health Evaluation of Employees

- › Personalised health check-up according to age and gender
- › Complete health planning instructions in addition to telephonic feedback
- › Reports digitalised and updated in the health app and emailed to employees
- › Digital health log managed with consultation details, risk levels and follow-up status

### ■ Engagement with Healthspring

- › Wellness programme in place
- › Manned by a Factory Medical Officer (FMO) and qualified paramedical staff according to statute
- › 100% compliance to medicines and ambulance requirements
- › Reduction in external referral cases

Our administrative team organised medical check-up of all employees working at the head office, eliciting

**90%**  
participation from

**1,086**  
eligible employees



## Promoting Safety Culture

Awareness about operational risks help our people recognise hazardous situations and reduce accidents. Regular trainings across sites enhance risk awareness of our people and help them perform safely.

### ■ Suraksha Sarvopari, Transhment Locations

- › A comprehensive health & safety management system to pre-emptively identify and mitigate potential safety risks associated with warehouse operations under the guidance of the central distribution and corporate safety team
- › Regular safety audits, awareness campaigns and introduction of new tools such as Find It and Fix It (FIFI) and SUSAs in line with behaviour-based safety system

### ■ Training at R&T Centre, Turbhe

Conducted training of emergency response team members followed by a mock drill



### ■ Safety Stalwart Competition, Sales Depots

Conducted among sales depots with the following scoring parameters **every month**:



Electrical safety checks at depots



Audit report of material handling equipment checking



Execution of other safety-related activities



Mock drills

### ■ Corrective and Preventive Action (CAPA) Finalisation and Horizontal Deployment, DBU units

- › CAPA finalisation timelines fixed at 30 days for major incidents and 10 days for all other incidents with 90% compliance to agreed timelines
- › Horizontal deployment of required actions and CAPA closure as per agreed timelines



**191**

Employees participated in the mock drill

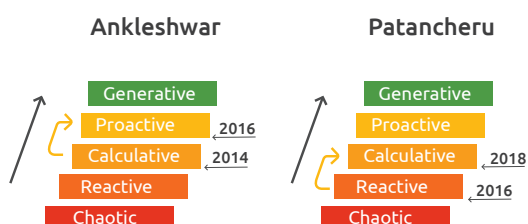
**35**

Emergency response team members were trained on their roles and responsibilities

### ■ Behaviour Based Safety (BBS) programme, Talajo

- › Safety culture assessment followed by feedback
- › Formulated a programme structure followed by meeting of members
- › Conducted culture-based safety workshop for the leadership team and employees
- › Developed steering team
- › Introduced and implemented BBS tools

#### BEHAVIOUR BASED SAFETY



## Awards

- Khandala plant's occupational and safety management system was certified as 5-star rated and was awarded with the prestigious 'Sword of Honour 2017' award by the British Safety Council.
- Ankleshwar plant was awarded second runner-up in the National Safety Practices Competition organised by the Confederation of Indian Industry.



## Setting standards across locations

### ■ Engineering Standard for Dust Explosion Hazard

Improved safety at all plants by identifying powder raw materials having dust explosion hazard

#### Impact

**Usage** Data in new engineering design for ensuring control measures at design stage

**Improvement** Operational control procedures

**Modification** The required infrastructure in current plants

**Changes** The packaging material used (applicable type based on the class)



Two-days workshop on 'Emergency response for handling emergency during transportation of hazardous chemicals' conducted by M/s LCS Servcies India Ltd. at six manufacturing locations

## Transportation Safety

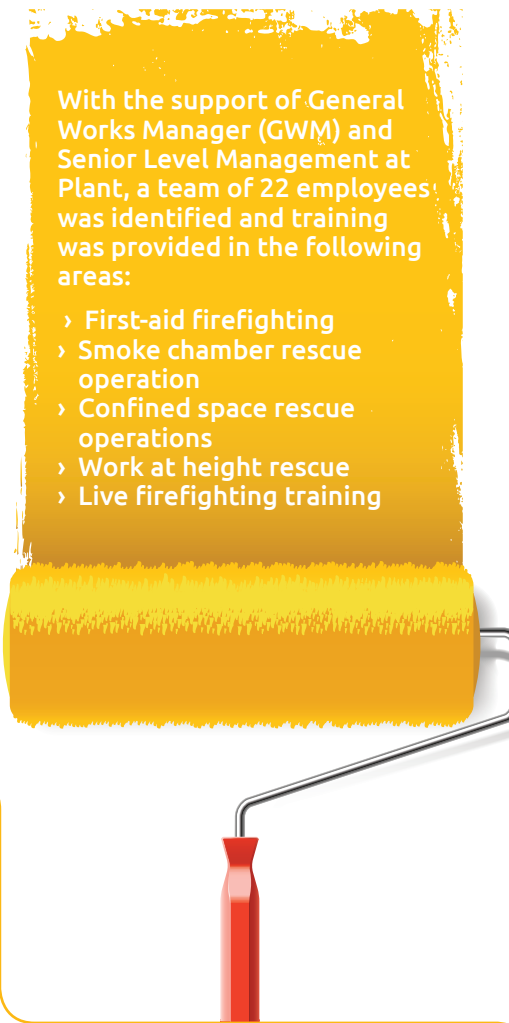


### ■ Emergency Preparedness

- › An initiative to strengthen emergency response preparedness
- › Organised training by external expert to emergency response team followed by mock drill

With the support of General Works Manager (GWM) and Senior Level Management at Plant, a team of 22 employees was identified and training was provided in the following areas:

- › First-aid firefighting
- › Smoke chamber rescue operation
- › Confined space rescue operations
- › Work at height rescue
- › Live firefighting training



### ■ Nicer Globe

It is an industry initiative for transport and distribution safety, emergency response, transport security, logistic operation efficiency and fleet management

#### Time tracking and route information



- › Vehicles carrying hazardous goods are tracked real time through installed GPS devices.

- › Key aspects such as route deviations, over-speeding and night driving are tracked.



- › Route information can be provided real time through a call centre to the driver when needed.



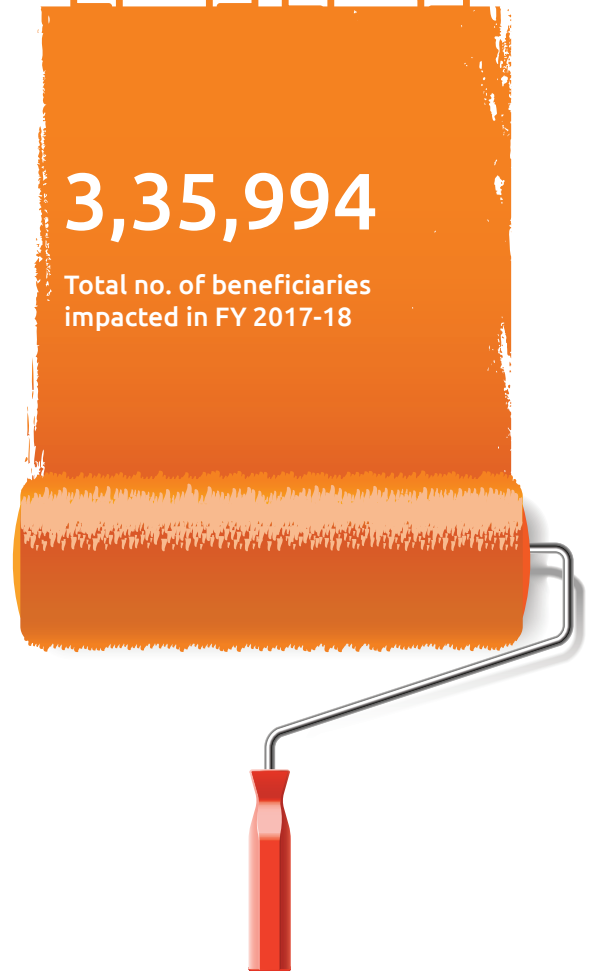
# Community

At Asian Paints, we consider community engagement to be an integral part of our corporate culture. As a responsible organisation, community care remains consistently embedded in our value-creation system.



**3,35,994**

Total no. of beneficiaries impacted in FY 2017-18





# EMPOWERING COMMUNITY ASPIRATIONS

Our objective is to improve the quality of life, reduce social inequalities and help individuals in marginalised communities to achieve their true potential. We catalyse access to quality education and healthcare, upskill the unorganised workforce and assist in addressing challenges in water management.



## Focus Areas

### Education

₹12.8 crores

### Health & Hygiene

₹4.84 crores

### Vocational Training

₹22.33 crores

### Water Management

₹6.52 crores

### TOTAL

₹46.51 crores



## Stimulating Education through Digital Means

We aim towards improving access to quality education for children, besides motivating them to attend schools. We help improve Government school infrastructure to enrich learning outcomes and encourage school-going children.

### Education-based Interventions in Government Schools

**Echoor Panchayat School, Kannur district, Kerala**

Supported by Asian Paints with school infrastructure, furniture and other amenities. Aranari Panchayat Union Primary School (PUPS) has been shortlisted for renovation and refurbishment with education-based interventions.

**Pennalur Panchayat Middle School, Kanchipuram, Tamil Nadu**

Identified some infrastructure renovation and upgrading, which includes toilet construction, handwash area with taps, borewell, Reverse Osmosis (RO) water tank, levelling of ground and entrance board, furniture requirements and so on.



### TabLab, Kasna Uttar Pradesh

A digital literacy programme that helps to establish digital learning infrastructure in Government schools. The project is expected to deliver value in the following ways:

**Help underserved students enjoy learning and become digitally aware, increasing their career opportunities**



**Improved learning outcomes projected for the next 3-5 years**



**Students become representatives of the mobile-powered digital literacy for the community**



**Student data accessible from cloud-based platforms leading to a y-o-y impact assessment**



### Driving Science Education

Partnered with Kutuhall Science Activities Pvt. Ltd. to organise science workshops and distribute science kits to school children between the ages of 6 -15 years.

**950+**

**Children participated in the district-level science exhibition from 20+ schools**



BEFORE

AFTER

## Skill building is powerful

At Asian Paints, our objective is to enhance employable skills and knowledge of an individual to assist him/her in contributing to India's economic growth.



### Asian Paints Academy

The Asian Paints Colour Academy is equipped with modern facilities to help upgrade the skills of existing painter, making them specialists. The Academy also provides vocational training to unskilled youth on basic and specialised painting techniques, which enable them to increase their earnings.

**1 lakh** Number of trainings in FY 2017-18

**321%** Social Return on Investment (SROI)

#### SIKHA MISHRA, DECORAA – THE PAINTING EXPERT

*I was inspired after seeing the video 'Saraj – The Leader' and completed the basic painting course through Asian Paints Colour Academy in September 2017. After that, I opened my own firm called 'Decoraa – The Painting Expert'. Currently, I am working with 20 painters and have completed more than 10 sites in just four months with great earnings.*

### Partnering with Industrial Training Institute (ITI), Bangalore, Karnataka

In association with Karnataka Vocational Training and Skill Development Corporation, we inaugurated Colour Academy in ITI Peenya, Bangalore. The project will take students through the basic painting course and provide apprenticeship through known and loyal contractors.



### Helping Jail Inmates Reclaim Life, Belgaum, Karnataka

We connected with inmates at Belgaum Prison to provide basic painting course training. Four of the convicts who attended the first batch were able to start a life of dignity by beginning work as painters upon their release. Buoyed by the success of the first batch, we conducted a second BPC training.

#### ROHIT SANSANWAL (FORMER INMATE)

*I completed the basic painting course through Asian Paints Colour Academy in November 2016 and was released from jail in August 2017. After that, I started my own paintwork, and this has increased my income. The jail staff was overwhelmed to see this change in my life.*



### Employee Volunteering Week, Khandala Factory

A tree plantation drive was carried out in Kesurdi and a clothes donation drive was organised at the plant in collaboration with Goonj where we received an overwhelming response from the employees.

**289** Man-hours of voluntary work from 65 volunteers, benefiting close to 250 beneficiaries across 11 locations during the CSR Week



## Mobilising Access to Healthcare



### ■ Swasth, Mumbai

- › Operated specialised camps on diabetes, blood pressure screening and related treatments
- › Conducted a free camp for paediatric check-up and treatment during January-March 2018
- › Raised awareness about healthy practices like the use of potable water and reduction of stress for hypertension

#### HAMID - PHYSICALLY CHALLENGED STUDENT FROM GOLIBAR, SANTACRUZ, MUMBAI

*I was a person who never completed any of the medical treatments prescribed to me. But now, I take my medicines regularly, thanks to the easily approachable Swasth clinic and the caring and supportive approach of the staff.*

Offering specialised medical care in rural region near our manufacturing units through camps

### ■ Mobile Medicare Unit (MMU)

We are partnering HelpAge India to provide healthcare facilities to elderly residents of 13 villages in Tamil Nadu through mobile medical units.

**In the last decade, we have increased the reach of the programme manifold.**



### ■ Safar

Safar is a healthcare programme to improve health awareness and facilities among truck drivers with focus on ergonomic illnesses, AIDS and skin diseases, among others. We spread awareness on hygienic living practices through nukkad natak, games, inter-personal communication sessions and movies.

#### ANON, KERALA

*I used to be an alcoholic and spent the better part of my income on alcohol instead of treating my liver problems. My wife had to borrow money for my treatment and that is when I realised that I need to do something about my health or I will lose everything I have. I learnt about the Safar clinic from a friend in Kerala. Once there, I shared my health condition with a counsellor, who, after listening to me patiently, explained in detail how I can improve my health. Today, we are a happy family.*



## Helping Conserve Water

Conservation of waterbodies around our locations is a major concern for us, as water is a key component of our business. We take a pragmatic view of the situation and put our best foot forward to solve water management challenges around us.

### ■ Improving Livelihood through Integrated Watershed Management, Patancheru, Telangana

A total of 155 structures have been constructed since September 2014, which include check dams, desilting of defunct check dams, open well recharge, loose boulder structures, borewell recharge pits and other low-cost structures.

#### Benefits

- › Water availability in borewells for farming during dry season
- › Ownership in the village community towards the upkeep of these structures
- › Rise in ground water level in the six villages where these structures have been constructed

### ■ Counting Every Drop, Sriperumbudur, Tamil Nadu

The Water ATM project provides potable water to more than 2,000 people daily in Thiruvallur district of Tamil Nadu.

## 1,000 LPH

Running capacity providing ~20 litres of drinking water per family per day

## 590 million

Litres per annum.  
Total recharge since 2014

## Community Welfare Programme

At Asian Paints, we are focusing on inclusive growth and need-based social interventions to enhance the quality of lives across communities. Our commitment to social responsibility permeates every level of the organisation, as we seek to promote a socially responsible ecosystem.

We believe corporates can play a major role in transforming communities, collaborating with them to coexist. At Asian Paints, we primarily focus on education, skill development, healthcare and hygiene, and water management in our CSR programmes.



# INDEPENDENT VERIFICATION STATEMENT

## Introduction

DNV GL Business Assurance India Private Limited ('DNV GL') has been commissioned by the management of Asian Paints Limited ('APL' or 'the Company') to carry out a reasonable level of verification of its reported Eleven (11) performance data points **(except the performance data of water replenishment where it was a 'Limited Assurance')** covering the period 1st April 2017 to 31st March 2018.

We performed our work using DNV GL's assurance methodology VeriSustainTM1 which is based on our professional experience and international assurance standards, including the International Standard on Assurance Engagements 3000 (Revised)\*. The management of the Company is responsible for the collection, analysis, aggregation and presentation of information in reference to the eleven (11) performance data points presented to the DNV GL team. Our responsibility regarding this verification is to the Company only and in accordance with the agreed scope of work. The verification exercise is based on the assumption that the data and information provided to us is complete, sufficient and true and free from misstatement. DNV GL expressly disclaims any liability or co-responsibility for any decision a person or entity would make based on this verification statement. The verification exercise was carried out during April and May'2018.

## Scope, Boundary and Limitation of Verification

The scope of work agreed upon with the Company included:

- Verification of '**Reasonable level of Verification**' for the ten (10) data points – Non-process Fresh Water, Hazardous Waste, Electricity, Renewable Energy, Trade Effluent, CO<sub>2</sub>- Green House Gas (GHG) emission data- Scope 1 & Scope 2, Frequency Rate, Severity Rate and Product VOC reduction & '**Limited level of Verification**' for one (1) data point – Water replenishment i.e. rain water harvested.
- The verification considers an uncertainty of  $\pm 5\%$  for limited level and  $\pm 2.5\%$  for reasonable level of verification towards errors in estimation and measurement, and omissions as mutually agreed.
- The boundary for the above verification was the six (6) decorative paint plants located in India i.e. we carried out review of data aggregation on the above indicators through desk review and onsite audits, covering the Company's Corporate office at Mumbai, R&D Centre at

Turbhe and following decorative plants at

- Ankleshwar, Gujarat; Kasna, Uttar Pradesh; Khandala, Maharashtra; Patencheru, Telangana; Rohtak, Haryana and Sriperumbadur, Tamil Nadu.

No external stakeholders were interviewed as part of this verification engagement.

## Verification Methodology

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

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

As part of the verification process we obtained;

- an understanding of the systems used to generate, aggregate and reported data at the site level and corporate level;
- an understanding of the data management system and tested the completeness and accuracy of the reported data. The verification team carried out audit along with APL representatives from the selected locations to physically verify the data points as per Scope of verification above.

<sup>1</sup> The VeriSustain protocol is available on [dnvgl.com](http://dnvgl.com). \* Assurance Engagements other than Audits or Reviews of Historical Financial Information.

## Conclusions

We have evaluated the process of data aggregation in relation to principles of completeness, accuracy and reliability of reported performance indicators and observed that there were certain Data aggregation and transcription errors which were identified during the process of verification have been communicated to the Company and the same was subsequently corrected for the decorative plants visited by DNV GL.

On the basis of our verification methodology and scope of work agreed upon, nothing has come to our attention that would cause us not to believe that the performance data as below is not a fair representation of APL's performance data for 2017-18 as below:

Performance indicator	Unit of Measurement	Performance Number
<b>Reasonable Level of Verification for Six Decorative Business Units**</b>		
Specific Non-Process Fresh Water	KL / KL	0.35
Specific Hazardous waste disposal	Kg / KL	1.68
Specific Electricity Consumption	kWh / KL	79.77
Renewable Energy consumption	%	35.33
Specific Trade Effluent Generation	Lts. /KL	22.62
CO2 Green House Gas (GHG) Emission data*		
<b>Scope 1</b>	MT CO2e	12,477
<b>Scope 2</b>	MT CO2e	40,571
Frequency rate (FB)	(#)	0.35
Severity rate (SB)	(#)	38.41
Product VOC reduction^	MT	4,019
<b>Limited Level of Verification for Six Decorative Business Units**</b>		
Water Replenishment	%	142

\* Emission factors used for estimation of emissions from consumption of Diesel, Petrol, LPG, Natural gas and grid electricity are 2.644 T CO2e/KL, 2.302 T CO2e/KL, 2.98 T CO2e/ T, 0.00218 T CO2e/ m3 and 0.96 kg CO2e/KWh (as per CEA Co2 Baseline database user guide version 11, April '2016). # Based on IS 3786- 1983 (Reaffirmed 2002); \*\*Please refer our management report for detailed calculations

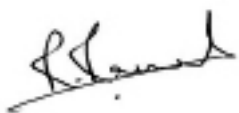
Total electricity consumed = Renewable energy consumed + Non-renewable energy consumed

^ Cumulative Product VOC emission reduction since baseline (Year 2011-12) = 19,503 MT

## Our Competence and Independence

DNV GL is a global provider of sustainability services, with qualified environmental and social assurance specialists working in over 100 countries. We did not provide any services to Asian Paints Limited during reporting period that could be construed as conflict with the independence of our work. Our verification team were not involved in the preparation of any statements or data pertaining to Asian Paints Limited Sustainability Report 2017-18, except this Verification Statement and the Management Report submitted to the management of the Company. We maintain complete impartiality towards any people interviewed as part of verification.

### For DNV GL Business Assurance India Private Limited

	
<b>Ramesh Rajamani</b> Lead Verifier Project Manager – Sustainability Services DNV GL Business Assurance India Private Limited, India	<b>Vadakepatth Nandkumar</b> Reviewer Head - Sustainability Operations - Indian Subcontinent and Middle East DNV GL – Sustainability Services DNV GL Business Assurance India Private Limited, India.

Bengaluru, India, 14th May '2018.

# TRANSFORMING THE URBAN LANDSCAPES

Asian Paints aims to create awareness and encourage appreciation towards the country's diverse art forms by spreading art across public spaces in India. We also work towards leveraging art to make public spaces more interactive and reinvigorate neglected parts of the city.

It was thus natural for us to whole-heartedly support the St+art foundation whose mission is to make art more accessible to the public and in the process, bring about a colourful renewal of urban spaces. During our association with St+art, we have worked with local and international artists on various street art projects across Mumbai, Delhi and Kolkata to enhance the aesthetic appeal of the city and create uniqueness in our communities.



Mumbai - Churchgate



Kolkata – Sonagachi



Bengaluru - MG Road Metro Station