

Project: Colour Corridor, St+art Kolkata
Artist: Sayan Mukherjee
Location: Kolkata
Year: 2026



LENTIL YELLOW-N
9868

Governance Strategy

- 184 World-class governance
- 187 Ethics, transparency, quality and accountability

Stakeholders impacted

- Customers
- Employees
- Investors
- Communities
- Influencers
- Vendors
- Government and regulatory bodies

Key material topics

- Business Ethics and Corporate Governance
- Competitive Landscape and Market Position
- Supplier Sustainability

UN SDGs

5 GENDER EQUALITY	8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS



Project: Lodhi Art District
Artist: Zero
Location: Delhi
Year: 2021

GOVERNANCE

COBALT HIT-N
9654



WORLD-CLASS GOVERNANCE

At Asian Paints, we consider good governance as a core enabler of sustainable value creation for diverse stakeholders. Our governance philosophy is embedded in the way we lead, make decisions and create long-term value. Rooted in ethical behaviour, accountability and transparency, it fosters organisational resilience and reinforces our commitment to integrity and regulatory compliance.

MANAGEMENT APPROACH

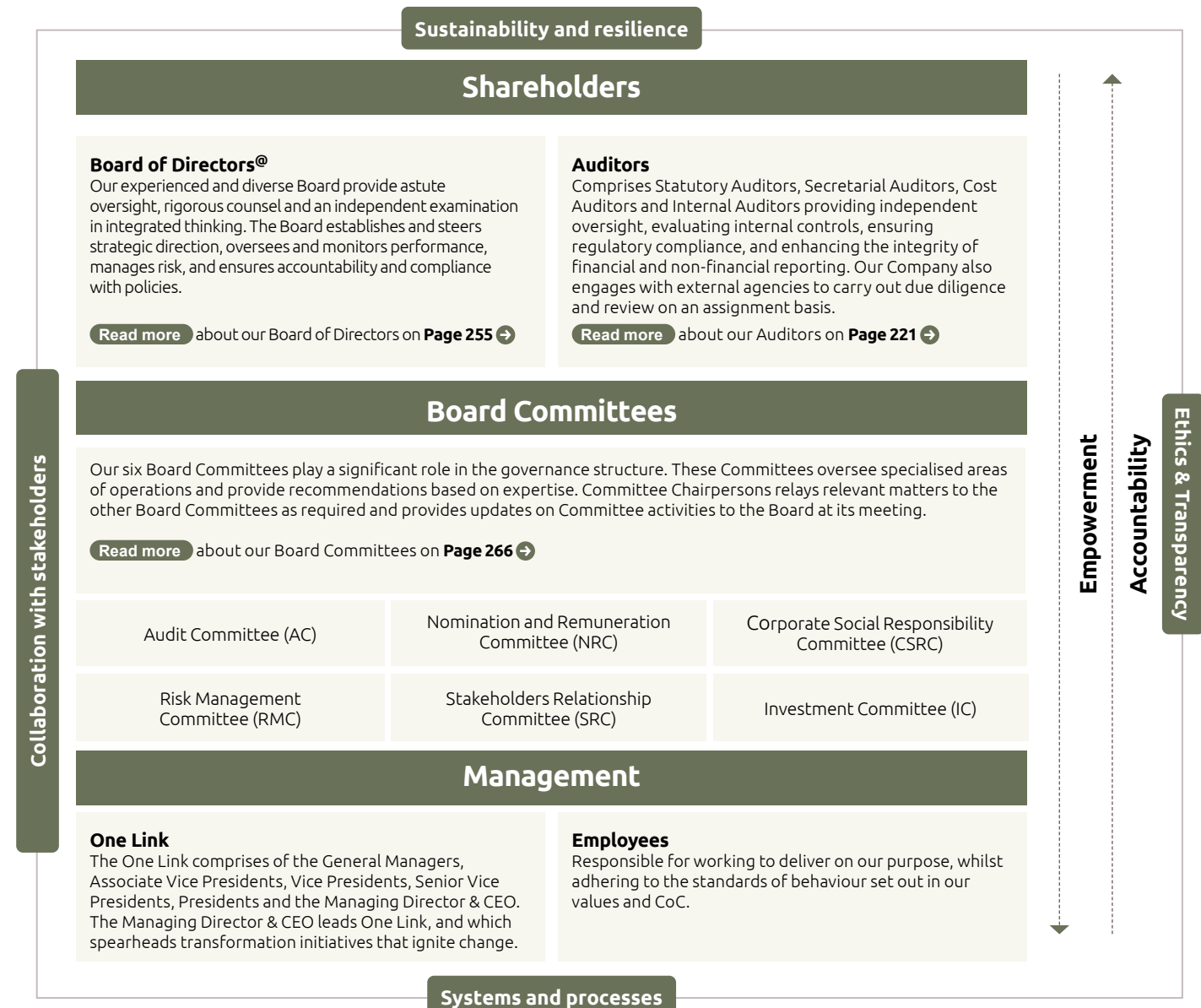
Our governance framework goes beyond statutory requirements and is closely aligned with our values, culture and stakeholder relationships. Supported by well-defined policies, a robust Code of Conduct, Board and Committee charters, disclosure frameworks and structured reporting mechanisms, it ensures strong oversight, accountability and transparency.



	Target 2030
World-class governance	Committed to be a leader in ESG assessments
Sustainable supply chain management	Proactive engagement with value chain partners to educate, empower, and align them with our ESG commitments

GOVERNANCE STRUCTURE[^]

The efficacy of our decision-making process is underpinned by our governance structure, designed to ensure strategic alignment and the consideration of all stakeholder interests.



[^]GRI 2-9 Governance structure and composition, @GRI 2-13 Delegation of responsibility for managing impacts

GOVERNANCE

ESG*

Sustainability is integrated into the organisation's decision-making processes through strong board oversight and active management involvement. The Board also sets the direction for our ESG strategy and provides rigorous oversight to fulfil our commitments. Committees such as the Risk Management Committee and the Stakeholders Relationship Committee oversee ESG risks, opportunities and long-term commitments.

Management drives implementation through the MD & CEO, functional heads, business units and the sustainability team. Together, these groups set ESG targets, execute sustainability initiatives, monitor progress and report performance on climate-related objectives, ensuring accountability and the integration of sustainability across the organisation.

ESG ratings and scores

S&P Global Sustainability Yearbook 2026

ISS Scorecard: 1

Sustained, Leadership' position in the Institutional Shareholder Services Scorecard

MSCI ESG Ratings: AA

Sustained 'AA ESG rating (Leader)' for five consecutive years

CDP Ratings: A-

Recognised as Leader (A-) by CDP in Climate Change and Water Security

Recognition

Awarded under 'LEADERSHIP' category in the Indian Corporate Governance Scorecard 2025 assessment by IAS



POLICIES AND CODES

Our governance policies and codes, aligned with the Company's values, culture, and ESG commitments establish a strong ethical foundation and guide our decision-making. The Company's policies and position statements define the governance framework, provide guiding principles, and ensure transparency and accountability through disclosures.

The Company has adopted codes of conduct for Board Members and Senior Management Personnel, employees to promote ethical conduct of business, equitable treatment of all, and to avoid practices like bribery, corruption and anti-competitive practices. Further the Company has in place code of conduct for its business partners to emphasise its commitments in the areas of business integrity, human rights, labour practices and environment stewardship.

[Click here](#) to access our codes and policies

[Click here](#) to access our position statements

GRI 2-14 Role of the highest governance body in sustainability reporting

SUSTAINABLE SUPPLY CHAIN

As part of our journey towards becoming a future-ready, ESG-aligned organisation, Asian Paints recognises its supply chain as a vital driver of sustainable value creation. Over the past few years, we have consistently strengthened our approach to Sustainable Supply Chain Management (SSCM), aligning with global best practices and reaffirming our commitment to environmental stewardship, social responsibility and ethical governance.

Read more about our sustainable supply chain approach and journey in Sustainable Operations section of this Integrated Annual Report [Page 118](#)

Page 255
For more details about our robust governance framework, please refer to the Corporate Governance section of the Integrated Report.

ETHICS, TRANSPARENCY, QUALITY AND ACCOUNTABILITY#

MANAGEMENT APPROACH

Rooted in ethical behaviour, accountability and transparency, our organisational culture reflects a deep emphasis on financial governance, integrity and long-term value creation for all stakeholders. By proactively managing conflicts of interest, we uphold fairness, embed resilience in our business strategies and strengthen disclosure practises. We remain compliant with applicable laws and by going beyond regulatory obligations, through sustained stakeholder

outreach and timely disclosures, we foster trust and reinforce confidence among our diverse stakeholder groups.

CULTURE OF INTEGRITY

We take a proactive and firm approach to ethical conduct. Through policies such as our CoC, Whistle-Blower Policy and anti-bribery and gifting norms, we foster a culture of transparency, accountability and openness. Our employees and their immediate family members are prohibited from accepting or offering gifts or favours to vendors, suppliers or competitors.

We have a zero-tolerance policy for ethical breaches and remain committed to safeguarding data, preventing fraud and upholding human rights.

Zero

Confirmed cases of corruption[^]

Zero

Shareholder agreements impacting control over our Company

WHISTLE-BLOWER POLICY

We foster a culture of integrity by promoting ethical conduct across all our operations. Our Whistle-Blower Policy establishes a formal and accessible framework for stakeholders such as Directors, employees and business associates to express their concerns regarding suspected unethical behaviour.

The policy encourages responsible reporting in good faith, ensures confidentiality and provides for independent, fair, timely and transparent review of all concerns. By upholding this policy, the Company aims to investigate all reported concerns and take appropriate action in both letter and spirit, reinforcing its commitment to transparency, accountability and ethical governance.

GRI 2-16 Communication of critical concerns, **GRI 205-3** Confirmed incidents of corruption and actions taken

ETHICS, TRANSPARENCY, QUALITY AND ACCOUNTABILITY

Financial governance

Internal controls

Our Company has resilient internal controls for financial reporting, encompassing its processes, policies and procedures to ensure the accuracy, reliability and integrity of financial statements. These controls are designed to safeguard assets, mitigate fraud, identify errors and ensure compliance with relevant legal and regulatory requirements.

Related party transactions

We have a resilient process for dealing with Related Party Transactions (RPTs). We adhere to a rigorous framework to oversee the approval of related party transactions. All RPTs undergo rigorous internal review and require prior approval, wherever required, from the Audit Committee, which consists of Independent Directors. This ensures objectivity and alignment with best practices.

Accounting policies

We acknowledge that sound accounting policies and practices are fundamental for our Company to ensure transparency, accountability and financial integrity. We comply with the Indian Accounting Standards and other accounting principles generally accepted in India, along with robust internal control systems ensuring accuracy of financial reporting. We believe that effective accounting practices foster stakeholders' trust, mitigate financial risks and enable informed and responsible business decisions thereby facilitating long-term sustainability and growth.

Stakeholders and corporate governance

Our stakeholders empower us to act responsibly and ethically. Their engagement helps maintain transparency and supports our commitment to long-term sustainability. We remain focused on serving stakeholders' interests through a consistent, value-driven approach that guides our decisions and reinforces trust in our operations.

Fair competition

We are committed to the highest standards of corporate governance, fair competition and ethical, lawful business practices. We support market liberalisation and comply fully with antitrust and competition laws. We build brand loyalty by offering high quality products and superior services tailored to the needs of our customers and do not engage in restrictive practices, abuse of market dominance, collusion with competitors or engage in any unfair trade activities.

Employees, Directors and officers are required to comply with the policy and conduct business in a manner that upholds the Company's values of integrity, transparency and accountability.

Data privacy

We acknowledge the growing importance of data privacy in an increasingly digital operating environment and hence we have implemented a comprehensive, company-wide data protection framework aligned with legal requirements and information security best practices to safeguard stakeholder information.

Our IT environment is supported by advanced cyber-security controls, including Data Classification, Digital Rights Management (DRM), and Data Leakage Prevention (DLP) embedded across endpoints, email systems, and file-sharing platforms. All information assets are classified and protected based on sensitivity to ensure appropriate access control.

Regular ransomware simulation exercises are conducted, and industry-standard antivirus solutions are implemented across all endpoints. An annual review and maturity benchmarking exercise is carried out for our cybersecurity programme to assess preparedness against evolving cyber risks.

Ahead of the implementation of the Digital Personal Data Protection Act, 2023, we conducted a comprehensive assessment of personal data flows at a functional level, including data mapping, policies, procedures, and supporting IT systems. Following the assessment, a structured compliance roadmap has been formulated, together with targeted awareness and training initiatives to familiarise employees across functions with the Act's obligations.

Zero
Consumer complaints with respect to data privacy breach in FY 2025-26

Zero
Data breaches in FY 2025-26[#]

Compliance[^]

We acknowledge the relevance of adhering to legal, regulatory and ethical obligations, and understands their integral role in ensuring responsible operations, transparency and accountability to all stakeholders.

Ensuring tax compliance^{*}

We maintain transparency and fairness while maintaining the highest standards of integrity in all its interactions with the tax authorities. Our responsible tax strategy reflects a strong commitment to complying with applicable taxation laws, statutory obligations and regulatory requirements including income tax, GST and customs duties, across all jurisdictions in which we operate, both in letter and in spirit. Our strategy is proactive and structured, relying on the strategic application of technology, periodic audits and robust internal controls to enhance the accuracy and efficiency of tax reporting.

In FY 2025-26, the Company contributed ₹ 5,067.0 Crores to the exchequer through taxes.



Conflict of interest^{*}



The Company's CoC for the Board of Directors and Senior Management Personnel (SMP), and CoC for employees set the guidelines for the identification, avoidance and declaration of conflicts of interest.

Employees

[Click here](#) to learn more

Business Partners

[Click here](#) to learn more

Board and Senior Management Personnel

[Click here](#) to learn more



To ensure operational integrity, our employees, Directors and SMPs, are expected to proactively report potential conflict of interest, such disclosures are evaluated by Chief Human Resources Officer, Internal Auditors and the Board of Directors to prevent any potential conflict that could adversely affect the interests of our Company.



The Directors and Key Managerial Personnel declare their material interests annually, whether direct or indirect or on behalf of third parties in transactions affecting our Company.

Directors abstain from agenda items at the Board/Committee meetings in which they are interested or are deemed to be interested.

^{*}GRI 2-15 Conflicts of interest

[^]GRI 2-27 Compliance with laws and regulations, ^{*}GRI 207-2 Tax governance, control, and risk management

[#]GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data