



# **ASIAN PAINTS LIMITED – CODE OF CONDUCT FOR EMPLOYEES**

Approved by the Board of Directors at their meeting held on 26<sup>th</sup> July, 2022

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In this Code of Conduct for employee, the expression 'Asian Paints' means the Asian Paints group comprising Asian Paints Limited and its subsidiaries, joint venture and associate companies. The Board of Asian Paints means the Directors of Asian Paints Limited.

## **ASIAN PAINTS LIMITED : OUR CODE OF CONDUCT**

### **Message from Amit Syngle**

We at Asian Paints exist to bring joy to people's lives. We exist to beautify, preserve and transform all spaces and objects. We make anything and everything beautiful and lasting. Our ambition is to deliver on our promises and to be the best!

We strive to be a reliable partner to all our stakeholders especially our business partners and our customers. We take pride in what we do and live by our values of Standing for each other's success, Creative zeal, Scientific rigor, Audacity, Integrity and Customer passion.

Our Code of Conduct not only lays out our responsibilities within Asian Paints but also extends to those stakeholders with whom we do business. It serves as a guide for decision-making and helps us make choices when faced with challenging situations. It gives us the confidence to make the right decision. This Code of Conduct like our Charter, is where our strength as an organisation lies. I encourage you to read and imbibe the essence of our Code of Conduct in everything you do – to discuss it with colleagues, ask questions if in doubt and live by it every day.

Thank you,

Amit Syngle  
Managing Director & CEO

## **OUR CORE PURPOSE**

We exist to beautify, preserve and transform all spaces and objects, bringing happiness to the world.

## **OUR VALUES**

**Standing for each other's success:** Always being selfless, ensuring success of all groups and individuals, like we would for ourselves.

**Creative zeal:** Passionately striving to cause disruption by a constant search for innovative, out of the box and differentiated solutions while executing with velocity and attention to detail.

**Scientific rigour:** Adopting a data-analysis driven approach to decision-making and continuous experimentation towards building world-class practices and products.

**Audacity:** Fearless in challenging the usual way of doing things, stretching for bold goals as a way of life.

**Integrity:** We honour our word, always.

**Customer passion:** Treating our customers the way we would want to be treated. Customer First!

## **UNDERSTANDING OUR CODE OF CONDUCT**

### **What is the Code of Conduct?**

The Code of Conduct is a central policy document, outlining the requirements that every single person working for and with Asian Paints must comply with, regardless of location or nature of operations. It explains our values and tells us what we can and cannot do.

### **To whom does the Code of Conduct apply?**

The Code of Conduct was first adopted by the Board of Directors of Asian Paints in July, 2013 and has been updated from time to time. It applies to everyone working for or on behalf of Asian Paints. We are individually and collectively responsible for adhering to the Code of Conduct as also all our policies, guidelines, and local laws. We expect everyone who represents Asian Paints to uphold the same standards and to abide by our Code and policies.

### **What is expected of me?**

Each one of us is expected to read and understand the Code. Some parts may be easier to understand because they relate to you and your role. Reach out to your manager for parts that appear hard to understand. If you are a manager, serve as a role model and help your team understand the Code and various Company policies. You can also reach out to your Business HR for any guidance on the Code of Conduct.

### **What happens in case of a violation?**

When an employee fails to follow the Code of Conduct or applicable laws or ignores someone else's failure to do so or pressures someone else to violate the Code, a violation has occurred. This could harm Asian Paints reputation and, in some cases, also invite criminal prosecution.

Failure to follow the Code of Conduct or other Company policies, guidelines or local laws could result in disciplinary action such as suspension without pay, loss of merit increase or annual incentive, or in severe cases even termination of employment. Violations that are outside the realm of the Code of Conduct e.g., performance related will be governed by those policies.

If you believe our Code is being violated or will be violated, you should talk to your manager or the Chief Human Resources Officer of Asian Paints. You can also blow the whistle under the Asian Paints Whistle Blower Policy <https://www.asianpaints.com/more/investors/investors-landing-page.html?q=corporate-governance-policies>. We assure you of confidentiality and non-retaliation for all reports made in good faith.

### **Acknowledging / acceptance of the Code**

Employees must sign the acknowledgement form at the end of this Code and send it to the Head of Human Resources indicating that they have received, read, understood, and agree to comply with the Code. As per Securities Exchange Board of India (Listing of Obligations and Disclosure) Regulations, all directors and senior management personnel are required to affirm compliance with the Code on an annual basis.

## OUR GUIDING PRINCIPLES

**Honest, fair and ethical:** We are committed to conducting all Company business and dealings in an honest, fair and ethical manner. This includes complying with the law of the land in letter and spirit or honouring commitments in any agreements with stakeholders. We shall ensure that our relationships with all our stakeholders including but not limited to business partners, customers and employees are fair, positive and productive, and always based on mutual trust and respect.

**Equality and non-discrimination:** We treat people fairly, with dignity and respect. We do not discriminate on grounds of race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin, disability or any other reason.

We provide an environment that is conducive for employees to develop professionally and promote a culture where selection and promotion are based on merit, competence, potential and performance demonstrated on the job. We are committed to attract the most appropriate talent and remunerate them in line with industry standards. We respect the dignity of the individual and the right of the employee to freedom of association and collective bargaining.

**Respect for human rights, dignity and privacy:** We strive to respect and promote human rights by upholding the Universal Declaration on Human Rights of the United Nations in our relationships with our employees, suppliers and business partners. We expect our employees, business partners and suppliers to avoid causing or contributing to human rights infringements through their business actions, including encouraging or permitting child labour. We respect the employees' right to privacy within the ambit of law. We are not concerned with employee conduct outside the work environment, unless such conduct impairs work performance or creates a conflict of interest or adversely affects Company reputation or business interests.

**Fostering competition:** We support fair competition and the promotion of liberalisation of trade and investment in the countries where we operate. We compete vigorously yet fairly and in full compliance with anti-trust / competition laws. We build brand loyalty by delivering quality products and by providing superior services, tailored to the needs of our customers. We do not engage in activities that constitute restrictive practices, abuse of market dominance, collusion with competitors or any unfair trade activities to secure undue advantage.

**Anti-bribery:** We have zero tolerance towards giving or offering to give, directly or through a third party, undue incentive ("bribery") to a public servant or any business partner intending to obtain or retain business or an advantage in the course of our business.

**Sustainable and safe operations:** We strive to minimise the impact of our operations on the environment and are committed to conducting our business in a sustainable manner. We are committed to providing a safe and healthy environment to all people working in facilities owned or operated by us and in supplying world-class products and services that meet all applicable safety standards and disclosures.

**Contribution to the community:** We have a strong sense of social responsibility and are committed to imparting vocational skills and enhance livelihoods of people in the unorganised sector; manage our operations using principles of sustainable development to minimise resource footprint and protect health & safety of all our stakeholders.

**Not aligned to any political party:** We act in accordance with the law of the land wherever we have a presence. We do not support or reject, directly or indirectly, through our actions, any candidate's/party's suitability for any office or political cause. We do not make contributions to political campaigns or political parties using Company funds or assets without prior approval of the Board of Directors.

## OUR CODE OF CONDUCT FOR EMPLOYEES

### Living the Code of Conduct

Our Code of Conduct elaborates on the values and principles outlined above and spells out expectations in relation to specific situations.

**Company and legal regulations:** We expect every employee to know, understand and comply with our policies as also with the legal requirements as applicable to our operations and establishments. Wherever there is a conflict, the stricter of the two will apply. Any deviation will invite disciplinary action.

**Company assets:** Employees should use the assets of Asian Paints only for the purpose for which these were provided and to conduct the business of Asian Paints. These include tangible assets such as equipment and machinery, laptops, systems, facilities, material, resources, and intangible assets such as patents, trademarks, proprietary information, relationships with customers, suppliers etc. Employees should also protect all Company assets from any damage, misuse, theft, or loss due to destruction, embezzlement, or fraud. Asian Paints reserves the right, subject to applicable laws, to track use of its assets by employees including monitoring emails, network logs, data stored/accessed on such assets.

**Fraud:** Employees are expected to work ethically and to refrain from any fraudulent activity that may harm the interests of Asian Paints. We have a zero-tolerance policy toward any act of fraud or any abetment to fraud by an employee. Employees are required to report any fraud or suspicion of fraud as soon as it comes to their notice. Failure to do so may be construed as connivance and could invite disciplinary action. Employees found guilty of fraud are liable for disciplinary action including termination of services and other options as per law.

**Confidential information:** All non-public/confidential information is to be used for Company business only and employees will do their utmost to respect and protect all such knowledge. Protecting non-public information about Asian Paints helps maintain competitive advantage. Non-public/confidential information includes but is not limited to product architecture, formulations, trade secrets, price of raw material, source codes, launch of new products/services, customer/vendor lists, financial information, salary details, intellectual property protected by patents, trademarks, copyrights and similar.

Information obtained as part of one's job is not to be shared with anyone except on a strict 'need to know' or 'need to use' basis and in accordance with Company policies and law. If required to be shared with a third party for business reasons, such sharing will be under a non-disclosure agreement. Asian Paints is equally committed to protect confidential information shared with it by third parties in the normal course of business. Any employee who encounters such information will accord it the same sense of priority as non-public/confidential information of Asian Paints.

Data privacy is an integral part of the organisation. All personal data will be safeguarded in accordance with prevailing Company policies and law.

**Prohibition of Insider trading:** Insider trading is unfair as it provides insiders with undue advantage over those to whom a fiduciary duty is owed and is not permitted by law. There is a separate 'Code of Conduct to regulate, monitor and report trading by Designated Persons' that applies to designated employees as per SEBI (Prevention of Insider Trading) Regulations. Designated Persons are prohibited



from dealing in the shares of Asian Paints Limited when in possession of unpublished price sensitive information or when the trading window is closed.

**Records management:** Asian Paints is required to maintain certain records and follow specific guidelines as per local/foreign laws applicable to it. Asian Paints is committed to adhering to these laws as also to disclosing complete and accurate financial information in a timely manner as required by applicable accounting standards and laws.

Any failure to record transactions accurately or falsifying or creating misleading information or influencing others to do so, could constitute fraud and result in fines or penalties for employees. Every employee is responsible for ensuring the accuracy and storage of all relevant business and financial records. Please refer to our policy on preservation of documents for more information on this <https://www.asianpaints.com/more/investors/investors-landing-page.html?q=corporate-governance-policies>.

**Conflict of interest:** A 'conflict of interest' may arise when an employee's external activities or personal interests may differ from the interests of Asian Paints and is best avoided. Wherever there is a potential conflict of interest, the employee is expected to disclose this to the Chief Human Resources Officer as soon as it comes to their knowledge.

**Outside opportunities:** Employees are required to devote their time and attention to the business interests of Asian Paints. They should not pursue any activity either directly or through their relatives which compete with or has the potential to compete with the current/future business of Asian Paints. Employees cannot exploit for their own personal gain or benefit, opportunities that are discovered using corporate property, information, or position. Employees should also not misuse intellectual property or data that comes into their possession by virtue of their employment or trade with such information for personal benefit. They should not pass on such information to friends or family members to indirectly compete with Asian Paints.

In case an employee identifies or intends to pursue such an opportunity, the employee should approach the Chief Human Resources Officer for a waiver, which if granted, allows them to go ahead. An employee may take up a Board or similar position, partnership, consultancy, agency etc. in any other entity/organisation only with prior written approval of the Managing Director & CEO of Asian Paints Limited. All such approvals are specific and do not constitute an endorsement. Any risks or costs associated with such activity carried outside of working hours will be incumbent on the employee.

**Gifts/favours:** Exchanging gifts or favours between employees or their immediate relatives and external stakeholders that creates an impression of inappropriately influencing a business relationship is not desirable. This applies to all stakeholders be they suppliers, vendors, dealers, contractors, customers, competitors, or any third-party associate.

Exception is routine two-way exchange of courtesies extended during the ordinary course of business. These include business lunch/dinner, exchange of diaries and calendars, pens with company logo – anything that is of modest value.

**Sexual harassment:** The Prevention of Sexual Harassment (POSH) policy <https://www.asianpaints.com/more/investors/investors-landing-page.html?q=corporate-governance-policies> applies to all persons involved in the operations of Asian Paints and prohibits harassment of/by any employee or third-party including vendors and customers. Such harassment will not be tolerated, whether in the offices of Asian Paints or in third party premises, at Company off-site functions or business trips, or any place where the employee is representing Asian Paints.

**Audit and investigation:** An employee could be asked to participate in an audit or internal investigation conducted by Asian Paints or external agency during the course of employment. Employees are expected to cooperate and support such investigations.

An employee could also receive a request for documents or invitation to meet with regulators/lawyers in connection with a legal proceeding or routine law enforcement. In such a case, the employee should reach out to his/her manager and the Legal department for guidance.

**Other Policies:** Employees are expected to adhere to all other policies released by Asian Paints and amended from time to time.