



07 July 2023

Department of Corporate Services
BSE Limited
1st floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort
Mumbai - 400 001
Scrip Code: 500710

The Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, 5th floor,
Bandra-Kurla Complex
Bandra (E)
Mumbai – 400051
Symbol: AKZOINDIA

Sub: Business Responsibility and Sustainability Report for the financial year 2022-23


Pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Business Responsibility and Sustainability Report for the financial year 2022-23.

The BRSR is also available on the website of the Company at <https://akzonobel.co.in/investors.php#reports>.

This is for your information and record.

Thanking you,

Yours faithfully
for Akzo Nobel India Limited

 **Harshi Rastogi**
Company Secretary
Membership#A13642

Encl : as above

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Golf Course Extension Road, Sector- 58
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Annexure II-A

Business Responsibility and Sustainability Report (BRSR)

(In terms of Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

This BRS Report follows the National Voluntary Guidelines on social, environmental and economic responsibilities of business, as notified by the Ministry of Corporate Affairs, Government of India, which laid down the following principles:

Principle#	Description
P1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

SECTION A: GENERAL DISCLOSURES

I. Details of the Listed Entity

- Corporate Identity Number (CIN) of the Listed Entity:**
L24292WB1954PLC021516
- Name of the Listed Entity:** Akzo Nobel India Limited
- Year of Incorporation:** 1954
- Registered Office address:** Geetanjali Apartment, 1st Floor, 8-B, Middleton Street, Kolkata 700 071, India
- Corporate Office address:** 9th Floor, Magnum Towers 1, Sector 58, Gurugram 122 011, India
- E-mail id :** investor.india@akzonobel.com
- Telephone :** 0124 4852400
- Website :** www.akzonobel.co.in
- Financial year for which reporting is being done :**
April 2022- March 2023
- Name of the Stock Exchange(s) where shares are listed :**
BSE Limited and National Stock Exchange of India Limited
- Paid-up Capital:** ₹455.4 million
- Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR:**

Name	Krishna R
Designation	Wholetime Director and CFO
Telephone number	0124-4852400
Email	investor.india@akzonobel.com

- Reporting boundary -** Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together):

The disclosures under this report are made on a consolidated basis.



II. Products/Services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Manufacture and sale of paints, varnishes, enamels or lacquers	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Paints, varnishes, enamels or lacquers	20221	100%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Number of Depots/ Sales locations	Total
National	5	4	28	37
International	-	2	2	4

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	24
International (No. of Countries)	4

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports contribute ~5% of the total turnover of the entity.

c. A brief on types of customers

We serve broadly 3 types of consumers as below:

- **Homeowners/Dealers/Distributors/Painters:** We offer a wide range of essential products for every situation and surface, including paints, lacquers and varnishes
- **Institutions/Builders/Contractors:** Dulux professional range of products serve the builder segment & other institutional decorative paint users.
- **Industrial users:** The industrial paints cater to the needs of automotive, consumer durables, structures, machinery, equipment etc.

IV. Employees

18. Details as at the end of the Financial Year

Employees and workers (including differently abled)

	Total*	Male	%	Female	%
No. of Employees	1,212	1,047	86%	165	14%
Permanent	1,212	1,047	86%	165	14%
Others	-	-	-	-	-
No. of Workers	506	497	98%	9	2%
Permanent	282	282	100%	0	-
Others	224	215	96%	9	4%
Total	1,718	1,544	90%	174	10%
Permanent	1,494	1,329	89%	165	11%
Others	224	215	96%	9	4%

*Including 3 differently abled male permanent employees



19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	17%
Key Management Personnel	3	1	33%

20. Turnover rate for permanent employees and workers

	2022-23			2021-22			2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	15%	11%	15%	11%	13%	11%	25%	19%	24%
Workers	1%	-	1%	2%	-	2%	12%	-	12%

For details refer Human Resources and Risk & Opportunities Section under Management Discussion and Analysis

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Akzo Nobel N.V., Netherlands	Ultimate Holding Company	74.76% through its wholly owned subsidiaries Imperial Chemical Industries Limited, United Kingdom and Akzo Nobel Coatings International B.V., Netherlands	Yes
2	ICI Research & Technology Centre (company limited by guarantee)	Subsidiary Company	25% voting rights, effective control is exercised through voting rights of related parties.	Yes

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **Yes**

(ii) Turnover (in ₹ mn) **38,021**

(iii) Net worth (in ₹ mn) **13,156**

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Email: customercare.india@akzonobel.com Helpline: 1800 3000 4455; Through local NGO partners	-	-	-	-	-	-
Investors (other than shareholders)	Email: investor.india@akzonobel.com	-	-	-	-	-	-



Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Shareholders	SEBI, Stock Exchange, Registrar and Share Transfer Agent, Email: investor.india@akzonobel.com	10	-	-	10	-	
Employees and workers	Speak up (Vigil Mechanism)	5	3	-	7	4	
Customers *	Email: customercare.india@akzonobel.com Helpline: 1800 3000 4455	2,441	639	-	1,822	194	-
Value Chain Partners	Email: customercare.india@akzonobel.com Helpline: 1800 3000 4455	-	-	-	-	-	-

*Company has tracked & reviewed Customer Complaints for FY 2022-23 for all the Business units

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications.

Please refer Risks & Opportunities in the Management Discussion and Analysis section.



SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs#	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://akzonobel.co.in/corporate-governance.php#policy								
2. Whether the entity has translated the policy into procedures*	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Your Company's manufacturing facilities and office premises have well defined Environment, Health, Safety and Quality Management systems in place with stringent internal standards and are also certified with international standards ISO 45001 (OHSAS)- Occupational Health and safety Management system ISO 9001- Quality Management system ISO 14001- Environmental Management system Our products are certified as per BIS								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Globally, AkzoNobel is committed to the following by 2030- <ul style="list-style-type: none"> • reduce our carbon emissions by 50% • utilize 100% of our energy requirements from renewable sources • move towards zero waste 								
6. Performance of the entity against the specific commitments, goals and targets alongwith, reasons in case the same are not met	Your Company follows a series of Environmental Performance Indicators (as referred in various places of this report) to monitor its efforts for sustainable use of natural resources in manufacturing.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	Refer Chairman and MD statements								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Board of Directors of the Company oversee the implementation of the Business Responsibility Policy(ies). The sustainability agenda of your Company is spread across various Board Committees.								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues?	No specified committee. However, the Managing Director is responsible for decision making on sustainability related issues								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Performance against above policies and follow up action**	C/B	C/B	C/B	C/B	C/B	C/B	C/B	C/B	C/B	A	A	A	A	A	A	A	A
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	C/B	C/B	C/B	C/B	C/B	C/B	C/B	C/B	C/B	A	A	A	A	A	A	A	A	A



11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? If yes, provide name of the agency.

Lloyd's Register Quality Assurance Limited conducted an independent assessment of our health, safety and environment management system. We have a responsible procurement policy, business partner code of conduct, and use EcoVadis for third-party assessments to ensure alignment with our principles. Additionally, our internal audit program reviews compliance with relevant policies.

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

N.A

#	Principle	Policy Description
P1		Code of Conduct Policy; Whistle blower Policy
P2		Health, Safety and Environment and Security (HSES) Policy; Responsible Procurement Policy; Sustainability policy
P3		Whistle blower Policy; Human Rights Policy; Diversity & Inclusion Policy; Equal Opportunity Policy
P4		HSES Policy; Responsible Procurement Policy
P5		Code of Conduct Policy; Human Rights Policy
P6		HSES Policy; Sustainability Policy
P7		Code of Conduct Policy
P8		Human Rights Policy; Diversity & Inclusion Policy; Corporate Social Responsibility Policy
P9		Code of Conduct Policy; HSES Policy; Responsible Procurement-policy; Sustainability Policy; Whistleblower Policy

*where required

**C/B-Committee of the Board/Board of Directors as may be relevant; A- Annual

**SECTION C: PRINCIPLE-WISE PERFORMANCE****PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

1. Percentage coverage by training and awareness sessions on any of the Principles during the financial year:

The following e-trainings /awareness sessions/briefings were held during the year –

Segment	Total number of trainings and awareness programmes held	Topics/principles covered under training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	4	<ul style="list-style-type: none"> Changes in Companies Act and SEBI Listing Regulations Global Data Privacy Rules India Paint industry overview Plastic waste management (PWM) obligations 	100%
Employees other than BOD and KMPs	7	<ul style="list-style-type: none"> Code of conduct training Anti Bribery Anti Corruption Training on The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act IT trainings – Spotting Phishing emails; Security Awareness Training; our role in Internet Security Health & Safety related sessions Global Data Privacy Rules Ethical Dilemma and Speak Up Insights 	100%
Workers	3 [#]	<ul style="list-style-type: none"> Code of conduct training Training on The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act Health & Safety related sessions 	100%

Health & Safety sessions were conducted multiple times across sites and offices.

In addition to the aforementioned trainings, employees undertake various e-learning programs based on functional requirements. Some trainings are mandatory, while others are optional. Throughout the year, voluntary training programs are also conducted to support individual learning and development

Besides the above there were familiarization programmes held for the directors, details of which are available on the company's website www.akzonobel.co.in and can be accessed from www.akzonobel.co.in/familiarization.php

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year.

During the year, no fines/penalties/punishment/award/compounding fees/settlement amount was paid in proceedings (by the Company or by directors/KMPs with regulators/law enforcement agencies/judicial institutions).

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement			Nil		
Compounding fee					

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment				
Punishment			Nil	



3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

No such instances and hence not applicable.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	Nil

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The entity has a strict anti-bribery and anti-corruption policy. We strictly prohibit making, offering, authorizing, or accepting bribes or facilitation payments. We expect all employees and business partners representing AkzoNobel to adhere to the highest ethical standards in all business dealings and relationships. The policy explaining our compliance policy with regards to anti-bribery, anti-corruption, gifts and hospitality is available at <https://www.akzonobel.com/en/about-us/governance-/policies---procedures/anti-bribery-and-corruption-policy>.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

There were no Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.

	2022-23	2021-22
Directors	None	None
KMPS		
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

There were no complaints with regard to conflict of interest.

	2022-23		2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of Directors	Nil	Not applicable	Nil	Not applicable
Number of complaints received in relation to issues of Conflict of Interest of KMPs	Nil	Not applicable	Nil	Not applicable

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

There were no corrective actions taken or pending from any regulator/ law enforcement agencies/ judicial institutions on cases of corruption and conflicts of interest.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year.

The Company is committed to conducting business in an ethical and fair manner. The Company's Business Partners are an integral part of the ecosystem. The Company has in place a documented Code of Conduct for Business Partners to emphasize its commitments to its core values of Safety, Integrity and Sustainability. All the agreements and purchase orders entered into by the Company with the business partners include a confirmation of compliance with all laws and regulations applicable to the business they conduct for AkzoNobel. Non compliance with this code may lead to measures, including termination of the business relationship.

The Code of Conduct for Business Partners is available at <https://akzonobel.co.in/pdf/policy/code-of-conduct-business-partners-en-2022.pdf>

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

The entity has processes to prevent/manage conflicts of interest among Board members. All related party transactions are recorded in the Register of Contracts on a quarterly basis and presented to the Board for review. All Directors sign the register to acknowledge their awareness of the transactions.

The Company has a Code of Conduct which provides clear guidelines for avoiding and disclosing actual or potential conflict of interest with the Company. The Company obtains an annual declaration from its Board of Directors and all its employees.



PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

- 1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

We prioritize innovation to provide sustainable solutions that surpass generations and bring surfaces to life. With a strong belief in staying ahead in the paints and coatings industry, we invest in R&D. This enables us to conduct ground-breaking research, foster innovation, and develop world-class products that deliver sustainable solutions to our customers.

All our expenditure towards R&D is in a manner that is sustainable and safe to improve the environmental and social impacts of product and processes.

Please refer Annexure III of the Directors Report for more details.

- 2. Does the entity have procedures in place for sustainable sourcing? If yes, what percentage of inputs were sourced sustainably?

We prioritize a sustainable business approach and aim to build a more sustainable value chain. Our global ambition is to achieve a 50% reduction in carbon emissions throughout the value chain by 2030 (with a 2018 baseline). We have established procedures for sustainable sourcing and strive to create long-term value for AkzoNobel stakeholders in social, environmental, and economic terms. This benefits our customers, employees, shareholders, communities, the environment, and individuals within our supply chain.

Our supply chain plays a significant role in driving sustainability impact. We partner with Ecovadis for self-assessment of supplier performance and TFS (Together for Sustainability) for on-site audits, enabling proactive management of supplier sustainability performance and risk. The assessment encompasses four key areas: Environment, Labour & Human Rights, Ethics, and Sustainable Procurement.

Our Responsible Procurement Policy, Business Partner Code of Conduct, and EcoVadis assessments provide visibility into our third-party relationships, ensuring alignment with our business principles.

Suppliers are required to endorse the Business Partner Code of Conduct, confirming their compliance with environmental, social, human rights, and governance requirements. Approximately 60% of raw materials purchased during the year were from sustainable sources.

Company's policy on Responsible Procurement is available on Company website www.akzonobel.co.in and can be accessed from <https://akzonobel.co.in/pdf/policy/Responsible-Procurement-Policy.pdf>



of raw materials purchased from sustainable sources



contribution of EPD covered products to their relevant portfolio



Recycled plastic in our containers - ahead of timelines stipulated under PWM

- 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life

(a) **Plastics (including packaging):**

As a responsible manufacturer of Paints and Coatings, we comply with post-consumer waste management through authorized waste management service providers. This is part of our Extended Producer Responsibility (EPR) to collect, segregate, and sustainably recycle/recover waste. This initiative ensures compliance with the "Plastic Waste Management Rules" and reinforces our commitment to sustainability.

(b) **E-waste:**

New E-waste (Management) Rules, 2022 were made effective from 1st April 2023, and sets specific targets for the collection and disposal of e-waste. As a responsible organization, Akzo Nobel India has been partnering with SPCB-authorized agencies for safe disposal of electric and electronic equipment/devices.

(c) **Hazardous waste:**

The hazardous waste generated in the manufacturing plant are segregated at source and disposed in scientific manner engaging authorized agencies for reuse, recycle, recovery or incineration. As a commitment towards environment we adopt reuse, recycle and recovery as the most preferred method of disposal while incineration is the least preferred method. This ensures compliance to "Hazardous Waste Management and transboundary rules 2016"



(d) Other Wastes:

Other wastes generated from the manufacturing plant are segregated at source and disposed to registered agencies for reuse, recycle and recovery to ensures compliance to “Solid Waste Management rules 2016”

4. Whether Extended Producer Responsibility (‘EPR’) is applicable to the entity’s activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, EPR is applicable to the Company. As a responsible manufacturer, the Company has complied with the obligations as stipulated under the Plastic Waste management amended rules 2022 well before 31st March 2023.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (‘LCA’) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

Developing Environment Product Declarations (‘EPDs’) is essential for AkzoNobel’s 2030 sustainability goals and meeting our customers’ needs. To provide environmentally-friendly solutions, we partner with Ecomatters to mainstream Lifecycle Assessment for buildings and infrastructure projects. The Cradle-to-Gate assessment evaluates the environmental impact of our products, and we provide the results through EPDs for key brands like International and Interpon.

Presently, these EPDs cover products which contribute~14% to their relevant portfolio.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (‘LCA’) or through any other means, briefly describe the same along-with action taken to mitigate the same.

The EPDs resulting from the Lifecycle Assessment for buildings and infrastructure projects focus on one impact category and do not assess other potential social, economic, and environmental impacts associated with these products.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

We use ~10% of recycled plastic in our containers, ahead of the timelines stipulated under Plastic Waste management amended rules 2022.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Particulars (in metric tonnes)	2022-23			2021-22		
	Reused	Recycled	Safely disposed	Reused	Recycled	Safely disposed
Plastics (including packaging)*	-	5,598.0	-	-	5,163.0	-
E-Waste	-	-	-	-	-	-
Hazardous waste	-	156.6	657.7	-	130.4	365.0
Other Waste	-	485.9	-	-	425.8	-

* The volume relates to the EPR obligation of the previous year, recycled in the year mentioned above. For the FY 2022-23 the post-consumer plastic waste is under evaluation for recycling in 2023-24.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Category I (Rigid Plastic)	70%
Category II (Flexible Plastic)	70%





PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

1. Details of measures for the well-being of employees and workers

The company is taking various measures for well being of employees and workers as below-

	% of Employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	1,047	1,047	100%	1,047	100%	-	-	1,047	100%	1,047	100%
Female	165	165	100%	165	100%	165	100%	-	-	165	100%
Total	1,212	1,212	100%	1,212	100%	165	14%	1,047	86%	1,212	100%

	% of Workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	282	282	100%	282	100%	-	-	282	100%	282	100%
Female	-	-	-	-	-	-	-	-	-	-	-
Total	282	282	100%	282	100%	-	-	282	100%	282	100%
Other than Permanent workers											
Male	215	215	100%	215	100%	-	-	-	-	215	100%
Female	9	9	100%	9	100%	9	100%	-	-	9	100%
Total	224	224	100%	224	100%	9	4%	-	-	224	100%

The Company does not have 'other than permanent' employees on its rolls.

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

	2022-23			2021-22		
	No. of Employees covered	No. of Workers covered	Deducted & Deposited with Authority (Y/N/NA)	No. of Employees covered	No. of Workers covered	Deducted & Deposited with Authority (Y/N/NA)
PF	1,212	282	Y	1,183	284	Y
Gratuity	1,212	282	N.A	1,183	284	N.A
ESI	-	3	Y	-	-	Y

3. Are premises/ offices accessible to differently-abled employees & workers as per requirements of Rights of Persons with Disabilities Act, 2016? If no, any steps being taken in this regard?

We are striving to ensure all our Offices, Manufacturing sites and RD&I labs are accessible to differently abled employees & workers. An advisory firm has been engaged to study the current accessibility across Sites/Offices and ramp up infrastructure in a phased manner.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the entity has an Equal Opportunity policy in accordance with the Rights of Persons with Disabilities Act, 2016, and it is registered with the relevant authorities.

The Equal Opportunity policy is available on our website at <https://akzonobel.co.in/pdf/policy/Equal-Opportunity-Policy.pdf>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

The return to work and retention rates of permanent employees and workers that took parental leave is as below-

	Permanent Employees			Permanent Workers		
	Male	Female	Total	Male	Female	Total
Return to Work rate	100%	63%	93%	N.A	N.A	N.A
Retention rate	92%	67%	88%	100%	-	100%



6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Yes, there is a Speak Up or vigil mechanism for employees and workers to address grievances. Please refer to the Vigil Mechanism - Whistleblower Policy and Other Disclosure section of the Corporate Governance Report for more information.

7. Membership of employees and worker in association(s) or Union(s) recognised by the listed entity:

There are no permanent employees who are part of associations or unions. However, approximately 67% of total permanent workers are a part of associations or unions.

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)
Total Permanent Employees	1,212	0	-	1,183	0	-
- Male	1,047	0	-	1,050	0	-
- Female	165	0	-	133	0	-
Total Permanent Workers	282	188	67%	284	191	67%
- Male	282	188	67%	284	191	67%
- Female	0	0	-	0	0	-

8. Details of training given to employees and workers.

Please refer to Principle 1 of the Business Responsibility and Sustainability Report.

Category	2022-23					2021-22				
	Total (A)	On health Safety Measures		On Skill upgradation		Total (A)	On health Safety Measures		On Skill upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (B)	% (B/A)	Number (C)	% (C/A)
Employees										
Male	1,047	1,047	100%	732	70%	1,050	1,050	100%	1,050	100%
Female	165	165	100%	162	98%	133	133	100%	133	100%
Total	1,212	1,212	100%	894	74%	1,183	1,183	100%	1,183	100%
Workers										
Male	497	497	100%	154	31%	487	284	58%	122	25%
Female	9	9	100%	0	0%	10	10	100%	10	100%
Total	506	506	100%	154	30%	497	294	59%	132	27%

9. Details of performance and career development reviews of employees and workers.

All permanent employees and workers were covered under Performance & career development reviews.

	2022-23			2021-22		
	2022-23	PD&D conducted	%	Number	PD&D conducted	%
Employees						
Male	1,047	1,047	100%	1,050	1,050	100%
Female	165	165	100%	133	133	100%
Total	1,212	1,212	100%	1,183	1,183	100%
Workers						
Male	497	282	57%	487	284	58%
Female	9	0	0%	10	0	0%
Total	506	282	56%	497	284	57%



10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes. All manufacturing, offices and RD&I labs are certified for ISO14001 (Environment) and ISO45001 (Health & Safety) Management system.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The entity has established Environment, Health, Safety and Security Policy aligned with Global HSE&S policy. There is a well-established HSE&S procedures, Guidelines and Directives which are non-negotiable, to ensure uniform implementation of HSE&S requirements across all AkzoNobel manufacturing sites.

Identifying work related hazards related to routine and non-routine activities are key steps involved in hazard elimination and AkzoNobel follows a structured approach which are detailed below:

- i Hazard Identification and Risk Assessment (HIRA) for all the activities
- ii Process Hazard Study (PHA) is performed by a team of experts to identify hazard related to process.
- iii The chemical compatibility study is performed to analyze the chemical interaction and the risks identified to establish control measures.
- iv Static risk assessment is performed to identify the static electricity hazards and control measures are adopted
- v Ergonomic risk assessment is performed using AkzoNobel tool to identify hazards related to manual material handling and control measures established.
- vi Fire Risk Assessment is performed for identifying fire hazards and control measures established.
- vii. System based employee engagement on hazard reporting & other lead indicators through Enablon HSES suite as defined by Global HSES.

The control measures are applied as per the hierarchy of controls and engineering controls are most preferred while Personal Protective Equipments are used as last line of defense.

- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes. There is a system in place to report all hazards encountered at workplace and all employees are encouraged to report work related hazards and near miss. They are reported in a software called HSE&S Suite and are monitored and analyzed to take appropriate measures to eliminate or reduce the risk.



Safety Day 2022

Our annual Safety Day is the moment for us to celebrate safety and reflect on how we're doing. This year's theme was "Learning today makes us safer tomorrow", building on our human performance principles of "Be Human – Be Safe".

Zero

fatalities and high-consequence work related injury /ill-health in last three years

Zero

Loss Time Injury for contractors and workers in last two years

0.14

2022-23

0.30

2021-22



Loss Time Injury Frequency Rate (LTIFR) reduces by 53% in a year*

- d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes the employees/workers of the entity have access to non-occupational medical and healthcare services.

11. Details of safety related incidents, in the following format:

Total Reportable Injury Rate: FTEs & TWs (calculated as Number/Mioh)

Safety Incident/ Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR)*	Employees	0.14	0.3
	Workers	-	-
Total recordable work related injuries	Employees	1	3
	Workers	1	1
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

*per one million-person hours worked

- i Lost Time Injury for contractors and workers has remained zero for last two years.
- ii There have been no fatalities and High consequence workrelated injury/ill-health in the last three years.



12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The health and well-being of our employees, customers, stakeholders, and communities is a top priority. Our vision is to achieve zero injuries and harm through operational excellence. We have management programs in place for people safety, health, process safety, and security to ensure the highest standards. Our commitment to safety is supported by our Life-Saving Rules and Golden Principle of stopping work in unsafe conditions or behavior.

In 2022, we accelerated our life critical procedures and Health, Safety, Environment & Security (HSE&S) roadmap program. We identified improvement areas in our operations and developed targeted plans and governance. We invested in root cause analysis and launched a lift truck/pedestrian segregation program. Behavior Based Safety (BBS) and industrial hygiene programs were relaunched, and occupational illness-related absenteeism was actively managed. Our two-wheeler driving policy was strictly enforced, reducing business-related two-wheeler usage and ensuring qualified drivers. Wellness Checkpoint continues to support the evaluation of psycho-social risk factors. Wellness Checkpoint evaluated psycho-social risk factors, and our companywide compliance assurance process supported industrial hygiene and occupational health.

The lost time injury rate (LTIR) for employees and temporary workers remained low at 0.14 (2021: 0.3) and the severity of injuries remained low. The most common causes of reportable injuries remain slips, trips and falls. The most frequent injuries are fractures, cuts/ lacerations, and sprain/strains.

Process Safety

In the financial year 2022-23, we achieved zero losses of primary containment (LoPCs), a significant improvement from the previous year (2021-22: 8 incidents). Operational discipline and asset integrity trainings effectively addressed the causes identified in incident investigations. None of our 5 manufacturing sites reported any LoPCs (compared to 4 sites in 2021-22), demonstrating our commitment to achieving zero spills. We proactively identify spill causes through LoPC process confirmation and implement improvement plans to address root causes.

Company's policy on Health, Safety, Environment and Security (HSE&S) is available on Company website www.akzonobel.co.in and can be accessed from <https://akzonobel.co.in/pdf/policy/HSES-Policy.pdf>

13. Number of Complaints on the following made by employees and workers:

There were no complaints during the year with respect to working conditions and health and safety made by the employees and workers

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	N/A	0	0	N/A
Health & safety	0	0	N/A	0	0	N/A

14. Assessments for the year

All manufacturing and commercial sites were covered by Lloyd's assessment. Corporate HSE&S audits are performed once every three years (high hazard sites) to five-year (other sites) cycles by a team of experts. All five manufacturing facilities in India successfully completed the Corporate HSE&S audit in the year 2022. Third party fire audits conducted annually across sites.

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety practice	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

The corrective action for the restricted work injury to the worker was taken by providing mechanized solution to open the Cyclone chamber which was earlier manual operation.

A registration and approval portal for all riders/drivers was done for the front line employees.



Leadership Indicators

- 1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)

The Company has arranged for life insurance cover in the event of death of its employees and workers.

- 2. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total number of affected employees/Workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	0	0	0	0
Workers	0	0	0	0

- 3. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

The Company does not provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.

- 4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety practice	~ 60%
Working Conditions	~ 60%

- 5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners-

There is no significant risks/concerns arising from assessments of health & safety practises & working conditions of value chain partners.



PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

1. Describe the processes for identifying key stakeholder groups of the entity.

We engage with stakeholders to understand their interests and material matters. Despite challenging times, we successfully delivered on stakeholder interests and maintained engagement. Material matters are topics that impact an organization's ability to create sustainable value for itself and stakeholders in the short, medium, and long term.

Material matters, aligned with ESG principles and group assessment, are identified, prioritized, and monitored in our operational, financial, and social activities. They are closely linked with our value creation process. These matters are categorized as high, medium, and low impact based on the chart below. It is important to note that these issues are contextual and can have both positive and adverse impacts.

High	Medium	Low
Innovating Sustainable product(s)	Waste management	Protection of human rights
Emissions and energy	Diversity & inclusion	Community involvement
Employee health & safety	Water management	
Responsible procurement		
Business ethics and corporate governance		

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as vulnerable & marginalised group	Channels of communication	Frequency of engagement (annually/half yearly/ quarterly/ others -please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagements
Communities	Yes	Field visits; interactions; CSR initiatives for welfare of community; Local authority meetings; Focus group discussions	Program based	Collaboration with NGOs; Skill development; Health and safety; promoting education; Local employment; grievance redressal
Government bodies	No	Email, Newspaper advertisements, Website, Regulatory filings, representations, Industry forums	As and when required	Adherence to regulatory requirements; sustainability; make in India
Customers/Paint Contractors/Paint Applicators	No	Interaction through digital media; customer satisfaction survey; Email, SMS, pamphlets, advertisements, meetings, website, grievance redressal	As and when required	Product Safety; Customer service; quality; customer satisfaction; new launches and product innovations; schemes; Health and Safety concerns at their workplace etc.
Employees	No	Emails; Review Meetings; Learning & development programmes; performance appraisal & feedback; surveys; employee engagement initiatives; policies in Intranet; Townhall meetings; training programs	As and when required	Well being; Occupational Health and safety; Career progression; diversity; Skill development; Training; Company strategy, policy changes, amongst others
Value Chain Partners/Vendors	No	Emails; Meetings; Supplier audits; Sustainable Supply Chain	As and when required	Vendor servicing; value creation; long term commitment
Shareholders and Investors	No	Advertisements, Annual General meetings, Investor engagements; media releases, website; Newspaper publications; Annual Report	As and when required	Company financial performance and business strategy; Operational performance; Corporate Governance any other material information

Leadership Indicators

1. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The company engages with local communities at its plant sites to support vulnerable and marginalized stakeholder groups. Initiatives include vocational skill training for youth, education for underprivileged children, school painting, infrastructure provision in schools, and healthcare initiatives for villagers and the painter community.

All our CSR areas impact the vulnerable sections of the society. For more details, please refer to the Management Discussion and Analysis Section and Annexure II B of the Director's Report.

**PRINCIPLE 5: Businesses should respect and promote human rights**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:

All the Permanent employees and workers have been provided with the training on human rights issues as a part of code of conduct policy of the entity.

No. of people given trainings on Human Rights issues and policies	2022-23		2021-22	
	Total no.	No. trained	Total no.	No. trained
Employees				
- Permanent	1,212	1,212	1,183	1,183
- Others	0	0	0	0
Workers				
- Permanent	282	282	284	284
- Others	224	224	213	0

2. Details of minimum wages paid to employees and workers:

All the employees and workers have been paid minimum wages.

Employees	2022-23			2021-22		
	Male	Female	Total	Male	Female	Total
No. of Permanent Employees = Min. wage	0	0	0	0	0	0
%	0%	0%	0%	0%	0%	0%
No. of Permanent Employees > Min. wage	1,047	165	1,212	1,050	133	1,183
%	100%	100%	100%	100%	100%	100%
Total no. of Permanent Employees	1,047	165	1,212	1,050	133	1,183
No. of Temporary Employees = Min. wage	0	0	0	0	0	0
%	-	-	-	-	-	-
No. of Temporary Employees > Min. wage	0	0	0	0	0	0
%	-	-	-	-	-	-
Total no. of Temporary Employees	0	0	0	0	0	0

Workers	2022-23			2021-22		
	Male	Female	Total	Male	Female	Total
No. of Permanent Workers = Min. wage	0	0	0	0	0	0
%	-	-	-	-	-	-
No. of Permanent Workers > Min. wage	282	0	282	284	0	284
%	100%	-	100%	100%	-	100%
Total no. of Permanent Workers	282	0	282	284	0	284
No. of Temporary Workers = Min. wage	175	9	184	162	10	172
%	81%	100%	82%	80%	100%	81%
No. of Temporary Workers > Min. wage	40	0	40	41	0	41
%	19%	0%	18%	20%	0%	19%
Total no. of Temporary Workers	215	9	224	203	10	213

Average remuneration (₹ Mn)	2022-23			2021-22		
	Male	Female	Average	Male	Female	Average
Employees	2.19	2.01	2.17	2.00	1.92	1.98
Workers	0.73	-	0.73	0.69	-	0.69



3. Details of remuneration/salary/wages, in the following format:

Average remuneration (₹ Mn)	Male		Female	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category
Board of Directors (BoD)	2	13.19	-	-
Key Managerial Personnel	2	13.19	1	7.66
Employees other than BoD and KMP	1,330	0.90	161	1.04

The median has been computed on base salary

The median remuneration for 282 workers is 0.49

The Board of Directors includes only Akzo Nobel Executive Directors who are also the KMPs.

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. The Head HR is responsible for addressing impacts or issues caused or contributed to by the business with respect to Human Rights.

The Code of Conduct is supplemented by policies on topics such as health and safety, anti-harassment and human rights.

Speak up mechanism is also in place to redress grievances related to human rights issues. In addition, we have a redressal mechanism for complaints under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Our Code of conduct outlines the responsibility we take for avoiding the infringement of human rights, and for remediating any human rights impact resulting from our activities, our products, or any activities that our business partners conduct on our behalf.

Company's policy on Human Rights is available on Company website www.akzonobel.co.in and can be accessed at <https://akzonobel.co.in/pdf/policy/Human-Rights-Policy.pdf>

6. Number of Complaints on the following made by employees and workers:

	2022-23		2021-22	
	Filed during the year	Pending resolution at year end	Filed during the year	Pending resolution at year end
Sexual Harassment	5	2	0	0
Discrimination at workplace	4	1	0	0
Child Labour	0	0	0	0
Forced Labour/Involuntary Labour	0	0	0	0
Wages	0	0	0	0
Other human rights related issues	0	0	0	0

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Our whistle blower policy includes a global Speak up mechanism that safeguards complainants from adverse consequences. The platform allows anonymous reporting, ensuring confidentiality for the complainant. The investigating officer maintains the confidentiality of the complainant, and the policy provides protection against any retaliatory action.

In case of sexual harassment cases, the Company is committed to providing an enabling working environment for its employees which is equitable, free of unlawful discrimination or harassment. The Company has an Internal Complaints Committee ('ICC'). The Presiding officer of the

ICC is a Key Managerial Personnel. Presiding officer has the experience as well as perspective on the course of action required in sexual harassment cases. The decision on the action to be taken against the employee in a sexual harassment case is in consultation with the External ICC member, wherever required. Overall, the ICC ensures that Principle of Natural Justice is followed in the entire process and full confidentiality of complainant is maintained during and after resolution of complaint.

8. Do human rights requirements form part of your business agreements and contracts?

Yes, human rights requirements form part of our business agreements and contracts.



9. **Assessments for the year: % of your plants and offices that were assessed (by entity or statutory authorities or third parties)**

All sites/offices strictly adhere to relevant policies and have been assessed for child labour and forced labor. The company prohibits the employment of such practices within its premises. Sexual harassment prevention and redressal methodologies are implemented across all sites/offices, in accordance with local laws and group guidelines. As an equal opportunity employer, no discrimination is tolerated of any aspect. Payment of wages is ensured on time at all sites/offices, following local practices and legislative requirements.

	% of plants & offices assessed by the Company
Child labour	100%
Forced/ involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%

10. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

No corrective action was required to be undertaken and hence not applicable.

Leadership Indicators

1. **Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.**

As there has been no Human rights grievances/complaints, there has been neither a process modification, nor a process introduction.

2. **Details of the scope and coverage of any Human rights due-diligence conducted.**

It is the policy of the Company to provide equal employment opportunities, without any discrimination on the grounds of age, color, disability, marital status, nationality, race, religion, gender, gender identify, sex, sexual orientation, HIV/AIDS or related protected status, etc. The Company strives to maintain a work environment that is free from any harassment based on above considerations. The Company has taken all actions to ensure that a conducive environment is provided to Persons Belonging to Protected Categories to enable them to perform and excel in their role.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

There are 3 differently abled employees across different functions/locations and have access to required facilities. The Company has engaged an advisory firm to study the current accessibility across Sites/Offices and take appropriate measures to ramp up infrastructural facilities in a phased manner so as to ensure:

- i. employees with disabilities discharge their duties safely and effectively; and
- ii. They have an accessible environment as required

We continue to strive towards ensuring that all Akzo Nobel India Offices and Manufacturing sites are accessible to differently abled visitors as well per our policy.

4. **Details on assessment of value chain partners:**

All suppliers are required to sign the Business Partner Code of Conduct which encompasses AkzoNobel's core values of Safety, Integrity and Sustainability. Non-compliance with this Code may lead to measures, including impact on share of business and termination of business relationship.

As detailed in Principle 2, the TfS initiative provides infrastructure for on-line assessments carried out by EcoVadis and on-site audits. Both programs are based on international standards and cover key areas like Environment, Labor and Human Rights, Health and Safety, Ethics and Responsible Supply Chains.

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

The value chain partners endorse the Business Partner Code of Conduct in compliance with social, human rights and governance requirements.



PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

1. Details of total energy consumption (in Joules or multiples) and energy intensity. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Details of total energy consumption (in Joules or multiples) and energy intensity are given below-

Gigajoule ('GJ')	2022-23	2021-22	2020-21
Energy consumption	37,626	37,068	31,733
Fuel consumption	4,780	4,824	3,860
Energy consumption through other sources	21,590	19,138	16,087
Total energy consumption	63,996	61,030	51,680
Energy intensity per Rupee of turnover	*	*	*

*Value is below rounding off norms

We invest in energy reduction programs, improve energy monitoring, and enhance governance structure. In 2022-23, our renewable energy accounted for 34%, on track for our goal of 100% by 2030 and progressing towards our 2025 target of 50%. We continue to utilize in-house rooftop solar panels and procure renewable energy externally (where permitted) to strengthen our commitment to renewables. Generating on-site renewable energy reduces grid reliance and our carbon footprint. One of our five manufacturing facilities already meets 75% of its energy requirements with renewables.

Lloyd's Register Quality Assurance Limited has undertaken an independent assessment.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No, the entity does not have any site/facility identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the disclosures related to water. Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?

We optimize water usage for domestic cooling, processing, cleaning, and gardening to conserve natural resources. Our water is primarily sourced from groundwater or municipal supplies. In 2022-23, we implemented projects like sprinklers, aerators, and rainwater harvesting, resulting in an 8% reduction in water consumption at our manufacturing sites.



Going Green

Generating renewable energy on site alleviates pressure on the energy grid and further reduces our carbon footprint. At our Bengaluru site, solar panels on the rooftop and on-ground are already fulfilling 75% of the site's total energy requirements with renewable power.



34% Renewable energy
(of total energy used in own operations)

8% reduction
in water consumption at our manufacturing sites in 2022-23

Zero
Liquid Discharge in 2022-23

The disclosures related to water are as below-

Kiloliters	2022-23	2021-22	2020-21
Surface water	-	-	1.83
Ground water	29.08	31.77	26.49
Third-party water	76.69	82.88	74.45
Seawater/ desalinated water	-	-	-
Others	-	-	-
Total Water withdrawal	105.77	114.65	102.77
Energy intensity per Rupee of turnover	*	*	*

*Value is below rounding off norms

Our facilities do not fall under water-stress zones; however, as a commitment towards water conservation all the manufacturing facilities monitor water footprint and keep finding ways to implement water conservation measures.

Yes, Lloyd's Register Quality Assurance Limited has undertaken an independent assessment.



4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The entity has a Zero Liquid Discharge mechanism in place at all its factories. Sewage Treatment Plants (STPs) treat domestic effluent for reuse in gardening. Effluent Treatment Plants (ETPs) are installed to treat process effluent, which is either reused in the process or for other purposes within the premises, following the approved method stated in the Consent Order.

5. Please provide details of air emissions (other than GHG emissions) by the entity. Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?

VOC emission abatement systems are being installed to reduce VOC emissions.

Lloyd's Register Quality Assurance Limited has undertaken an independent assessment.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity. Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?

Tonnes of CO2 equivalent	2022-23	2021-22	2020-21
Total Scope 1 emissions (CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃)	351	372	283
Total Scope 2 emissions (CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃)	7,388	7,036	6,097
Total Scope 1 and Scope 2 emissions (kg) per rupee of turnover (₹)	*	*	*

*Value is below rounding off norms

To minimize our carbon emissions, we aim to reduce our energy consumption, which is a significant contributor (Scope 1 and 2 emissions). Our goal is to achieve a 30% reduction in relative energy consumption by 2030, based on the 2018 baseline of AkzoNobel.

While we were able to reduce our Scope 1 emissions, Scope 2 emissions reported an increase due to certain unforeseen outages, changing product mix and installation of VOC emission abatement systems which have higher energy intensity.

We continue to work on energy reduction initiatives. For example, installation of energy efficient chillers at Bengaluru facility, automatic shutdown of utilities and timers for air conditioners in most of our Indian manufacturing facilities has significantly contributed towards energy reduction.

Increase in greenhouse gas emissions are in line with higher production.

Yes, Lloyd's Register Quality Assurance Limited has undertaken an independent assessment.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, the entity uses renewable energy (solar) across its sites. Energy saving projects such as shutdown management, LED installation, efficient chillers at Bengaluru facility, automatic shutdown of utilities and timers for air conditioners contribute towards reducing GHG emissions.

8. Provide details related to waste management by the entity.

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?

Metric tonnes	2022-23						
	Generated	Recycled	Re-used	Other Recovery	Incinerated	Land-filled	Other disposal
Bio-medical waste	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Radioactive waste	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other Hazardous waste	814.4	156.6	N/A	N/A	657.7	N/A	N/A
Other non-hazardous waste	487.6	485.9	N/A	N/A	N/A	N/A	N/A
Total	1,302.0	642.6	N/A	N/A	657.7	N/A	N/A

Metric tonnes	2021-22						
	Generated	Recycled	Re-used	Other Recovery	Incinerated	Land-filled	Other disposal
Bio-medical waste	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Radioactive waste	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other Hazardous waste	165.2	130.4	N/A	N/A	35.2	N/A	N/A
Other non-hazardous waste	425.8	425.8	N/A	N/A	N/A	N/A	N/A
Total	591	555.8	N/A	N/A	35.2	N/A	N/A



In line with our strategy of reducing, reusing and recycling materials, our material optimization process focuses on diverting slow-moving and obsolete materials from incineration to internal reuse and third-party recyclers and outlets. We drive waste reduction through multi-disciplinary collaboration between our commercial teams, supply chain, manufacturing, HSE&S and our innovation teams.

Our relative waste (kg per ton of material produced) was higher than previous year on account of disposal of legacy waste. Excluding the legacy waste, the parameter was flat. While the disposal of slow-moving obsolete stock and legacy waste remained a challenge, numerous waste reduction projects are helping to manage waste reduction. We have achieved our ambition of zero waste to landfill (defined as <1% of total waste). In 2022-23, our waste to landfill was 0%.

Lloyd's Register Quality Assurance Limited has undertaken an independent assessment.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Switching gears towards a circular economy means reducing waste and increasing circularity throughout our value chain. We're driven by 3R's reduce, reuse, and recycle, while our products seek to protect and give longer life to surfaces and materials. Reducing waste at source and increasing circularity we're on a journey towards achieving 100% circular use of materials in our own operations by 2030 which is in line with

AkzoNobel global targets. To reach there, we're focused on reducing the amount of waste and increasing the circular use of materials. In 2022-23, we achieved circular use of materials for 56% of our obsolete material and waste streams.

Product stewardship policy followed to eliminate/ substitute/ reduce toxic chemicals with specific timelines to eliminate or reduce toxicity. Eg. increasing use of powder coatings/ low VOC products manufactured in liquid coatings for industrial applications. The household products follow the same hierarchy of controls.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

The entity does not have operations/offices in/around ecologically sensitive areas.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

No new site constructed during the year under review.

12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N).

Yes, the entity is compliant with the applicable environmental law/regulations/guidelines in India.

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources. Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?

Renewable Sources (GJ)	2022-23	2021-22	2020-21
Energy consumption	21,590	19,138	16,087
Fuel consumption	0	0	0
Energy consumption through other sources	0	0	0
Total energy consumption from Renewable Sources	21,590	19,138	16,087

Non-Renewable Sources (GJ)	2022-23	2021-22	2020-21
Energy consumption	37,626	37,068	31,733
Fuel consumption	4,780	4,824	3,860
Energy consumption through other sources	0	0	0
Total energy consumption from Non-Renewable Sources	42,406	41,892	35,593

As of 31 March 2023, approximately 34% of total energy consumed is through renewable sources.

Lloyd's Register Quality Assurance Limited has undertaken an independent assessment.



2. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

None of the sites operate in water-stress zones. However, all sites monitor water footprint and are implementing measures for conservation.

3. Please provide details of total Scope 3 emissions & its intensity, in the following format

Parameter	Unit	FY	FY
		2022-23	2021-22
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Kilo tonnes	652	695
Total Scope 3 emissions per rupee of turnover		*	*

*Value is below rounding off norms

Mode of calculating Scope 3 carbon emissions

The Scope 3 greenhouse gas (GHG) emissions are calculated as per AkzoNobel Carbon Reporting in accordance with the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard and the World Business Council for Sustainable Development (WBCSD) Chemical Sector Working Group Guidelines.

The results in the Annual report only include the GHG protocol scope 3 emission categories that are included as part of the AkzoNobel carbon reporting. The results are given in kilo tonnes of carbon dioxide equivalents, independent of any GHG trades, such as purchases, sales, or transfers of offsets or allowances.

Climate change mitigation is an integral part of our approach to sustainable business and plays an important role in our company strategy. It brings risks, but also creates opportunities. In 2021, AkzoNobel announced an ambitious target of reducing carbon emissions across our full value chain by 50% by 2030, taking 2018 as our baseline in global level.

Our Scope 3 carbon footprint is currently at 652 kilo tonnes. It includes:

- Upstream: Category 1 – purchased goods (including packaging);
- Downstream: Category 10 & 11– processing and use of sold products; Category 12 – end-of- life treatment of sold products and VOC emissions in processing/use through to end-of-life.

While we were able to reduce our Scope 3 emissions by ~6% YoY in 2022-23 (primarily due to volume change), a more collaborative approach will be required across industries to innovate changes which will lead to carbon reduction at several different points in the chain.

4. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable.

5. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

The Company is committed to reducing its carbon footprint throughout the value chain. In line with its sustainability principle, it has implemented initiatives to minimize energy and water consumption in manufacturing operations. Efforts have also been made to reduce VOCs in the manufactured products. The company prioritizes product stewardship, adopting controls to eliminate, substitute, or reduce hazardous content in production and finished goods. We continuously challenge ourselves and our partners to be responsible global citizens and safeguard the future of our planet. The Company has implemented various initiatives, including the use of alternative energy sources, water consumption reduction, and effective waste management.

Further details are available in the Sustainability Policy which is available on our website at <https://akzonobel.co.in/corporate-governance.php#policy>

6. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The entity has in place a documented framework and a process for managing critical activities during occurrence of a disaster or a high impact risk event across its manufacturing sites, RD&I Labs, Offices, Warehouses and key processes.

The business continuity plans are integrated in our Enterprise wide Risk Management program. It ensures continuity of delivery of products or services at pre-defined acceptable levels following a disruptive incident.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts

60% of value chain partners were assessed for environmental impacts through the Ecovadies assessment and TfS audit.



PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

1. a. Number of affiliations with trade and industry chambers/ associations.

We currently have four affiliations with state/national trade and industry chambers/ associations.

- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/affiliated to.

We are currently associated with the following Industry chambers/associations:

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	Indian Paints Association (IPA)	National
3	Paints & Coatings Skill Council (PCSC)	National
4	Federation of Indian Export Organisations(FIEO)	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities

Name of authority	Brief of the case	Corrective action taken
	Not Applicable	

Your Company has not engaged in anti-competitive conduct and hence no such adverse orders have been issued on the company in the past 10 years.

Leadership Indicators

1. Details of public policy positions advocated by the entity

Your Company participates in various programmes of the Industry/Trade associations for development of balanced regulations by engaging with the regulatory bodies in a responsible manner. The Company has advocated the following public policies:

- Plastic Waste Management through Extended Producer Responsibility
- Changes in Legal Metrology (Packaged Commodities) Rules, 2011

This information is not available in public domain as these representations have been through Industry Associations.

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of the project	SIA notification number	Date of Notification	Whether conducted by independent external agency? (Yes/No)	Results communicated in public domain (Yes/No)	Web link, if available
Not applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S.no	Name of the project for which R & R is ongoing	State	District	No. of project affected families (PAFs)	% of PAFs covered by R & R	Amount paid to PAFs in FY (in ₹)
Not applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

Any grievances raised with respect to the Company's operations are typically addressed through local community institutions, with community leaders representing the voice of the people. In villages, Panchayats serve as a platform for grievance redressal, while in cities, it is managed through government municipalities. Our CSR program includes regular interactions between employees and the local community to address concerns. Based on these interactions, we have not encountered any specific grievances from the community at present.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

The company sources ~5% of the input material directly from MSMEs/small producers.

The Company actively collaborates with MSME suppliers located near its manufacturing sites, in alignment with the product requirements. To enhance the capacity and capability of its suppliers, the following steps have been taken:

- Conducting improvement trainings in areas such as technology, quality, health and safety, environment, productivity, and capacity.
- Assisting suppliers in upgrading their overall capabilities by leveraging global best practices.
- Benchmarking to ensure the delivery of world-class products with the highest quality standards.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent in ₹ mn
1	Assam	Darrang	2.57
2	Madhya Pradesh	Rajgarh	0.26
3	Jharkhand	East Singhbhum	0.32
4	Odisha	Koraput	0.16

We have undertaken two projects for providing Vocational Skill Training to rural women and youth in Darrang district of Assam and East Singhbhum district of Jharkhand. In Rajgarh and Koraput, we have undertaken painting of three government schools.



3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No):

We are open to collaborations that help us create sustainable and innovative solutions which ultimately create value for our stakeholders and business partners. We optimize the sourcing mix – making use of global, regional and local sources – to meet the needs of our Business Units.

From which marginalised/vulnerable groups do you procure?

Refer point 4 of principle 8 above

- b. What percentage of total procurement (by value) does it constitute?

Refer point 4 of principle 8 above

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S.no	Intellectual property based on traditional knowledge	Owned/acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefited from CSR project	% of beneficiaries from vulnerable and marginalised groups
1	Skill Training to youth/painters to provide Livelihood	3,795	100%
2	Providing Education for children	6,708	100%
3	Providing access of Health care through tele medicine	25,638	100%

Your Company's key community initiatives focus on beneficiaries belonging to vulnerable and marginalized groups, hence the entire coverage numbers qualify to be included under 'beneficiaries from vulnerable and marginalized groups'.

Please also refer to the Corporate Social Responsibility update in the Management Discussion and Analysis section and Annexure II B of the Directors Report.

**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

There is a well-publicized mechanism for customers to voice their grievances, and our company is committed to resolving consumer complaints transparently and in a solution-oriented manner. We have a robust customer care and response management system in place to address customer queries, feedback, and concerns promptly. Our focus on new technologies, integration, and standardization ensures a delightful consumer experience. We strive to serve customers with courtesy, respect, and understanding at all times.

We have established multiple lines of communication for a customer to reach us:

- Toll Free Number: 1800 3000 4455
- Website(s): www.dulux.in and www.akzonobel.co.in
- Email: customercare.india@akzonobel.com
- Sales touch point for the dealer

We utilize an IT-enabled Customer Relationship Management (CRM) tool to capture and track all complaints received through various communication channels. This ensures that every query is responded to and monitored until it is successfully resolved.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environment and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and safe disposal	100%

3. Number of consumer complaints in respect of the following:

	2022-23		2021-22		Remarks
	Filed during the year	Pending resolution at year-end	Filed during the year	Pending resolution at year-end	
Data Privacy	-	-	-	-	
Advertising	-	-	-	-	
Cyber-Security	-	-	-	-	
Delivery of essential services	-	-	-	-	
Restrictive Trade practice	-	-	-	-	
Unfair trade practice	-	-	-	-	
Others*	2,441	639	1,822	194	Product complaints relating products, packaging, technical attributes and colour

*Company has tracked & reviewed Customer Complaints for FY 2022-23 for all the Business units

4. Details of instances of product recalls on account of safety issues:

There have been no product recalls on account of safety issues. Our products undergo quality assurance from safe usage and handling perspective. In addition, our product packaging carry safe usage instructions.

	Number	Reasons for recall
Voluntary recalls	Nil	Not Applicable
Forced recalls	Nil	Not Applicable



5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Our Company has a comprehensive framework in place to manage cybersecurity and data privacy in alignment with Group policies. Cybersecurity and data privacy are identified as risks in our Risk Management framework. We are committed to protecting the personal data of our consumers, employees, and business partners, adhering to global standards on data privacy. Regular awareness and training sessions are conducted for our employees to ensure compliance with these standards.

Refer Section on Risks and Opportunities for more details.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

No issues have been reported during the year regarding advertising and delivery of essential services, cyber security, and data privacy of customers. There have been no instances of product recalls or penalties/actions taken by regulatory authorities concerning the safety of products/services that would require corrective actions.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The platforms used for the information are the Company's website, Annual Report, social media platforms and media advertisement/publications. Information relating to all the products and services provided by the Company are available on the Company's website at dulux.in and akzonobel.co.in

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Safety applications and procedures are clearly stated on our livery and websites. Additionally, we conducted awareness campaigns for painters and contractors throughout the year to ensure their understanding and adherence to safety protocols.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

There was no risk of disruption/discontinuation of essential services and hence no requirement of informing consumers on actions required in such an eventuality.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The entity complies with the local laws by displaying mandated information on product labels. In addition to the required declarations, additional information related to the products and their usage is provided on the labels.

Apart from the Packaged Commodities Rule & Lead Content declaration (for Architectural paints) which are mandatory, the application and usage details are also provided along with the product proposition.

A centralized survey is conducted by an external agency with a random sample of outlets, covering multiple touch points including Customer Satisfaction.

5. Provide the following information relating to data breaches:

- Number of instances of data breaches along-with impact
- Percentage of data breaches involving personally identifiable information of customers

There have been no instances of data breach.

On behalf of the Board
Oscar Wezenbeek

Place: Singapore
Date: 23 May 2023

Chairman
DIN 08432564