

# **Introduction to ESG (Environmental, Social & Governance) and the BRSR (Business Responsibility & Sustainability Report)**





**01**

**Setting the Context**

**02**

**Evolving Global ESG Landscape**

**03**

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**05**

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# Setting the Context

## Private sector funding key to climate transition, World Bank chief says

The World Bank estimates that developing countries will need an average of \$2.4 trillion a year between now and 2030 to address the “global challenges of climate change, conflict, and pandemics; the bank’s lending commitments in the most recent financial year were less than \$130 bn

## Climate change altering monsoon patterns in India: Study

### Rising Dengue Cases In India Linked To Climate Change

The transmission of dengue is closely associated with three key factors — rainfall, humidity and temperature — that dictate the geographies in which it spreads and the transmission rate of the viral infection caused by the dengue virus (DENV), and transmitted to humans through the bite of infected mosquitoes.

### Climate change may claim 14.5 mn lives by 2050, says WEF

The report analysed six major consequences of climate change: floods, droughts, heat waves, tropical storms, wildfires and rising sea levels

## Crop damage, decrease in yield among the many hidden effects of air pollution on Indian agriculture

Existing air pollution thresholds, which serve as a warning for harmful conditions, only take human health into consideration.

## Snow still no-show in Kashmir: A telltale effect of global warming killing Western Disturbance

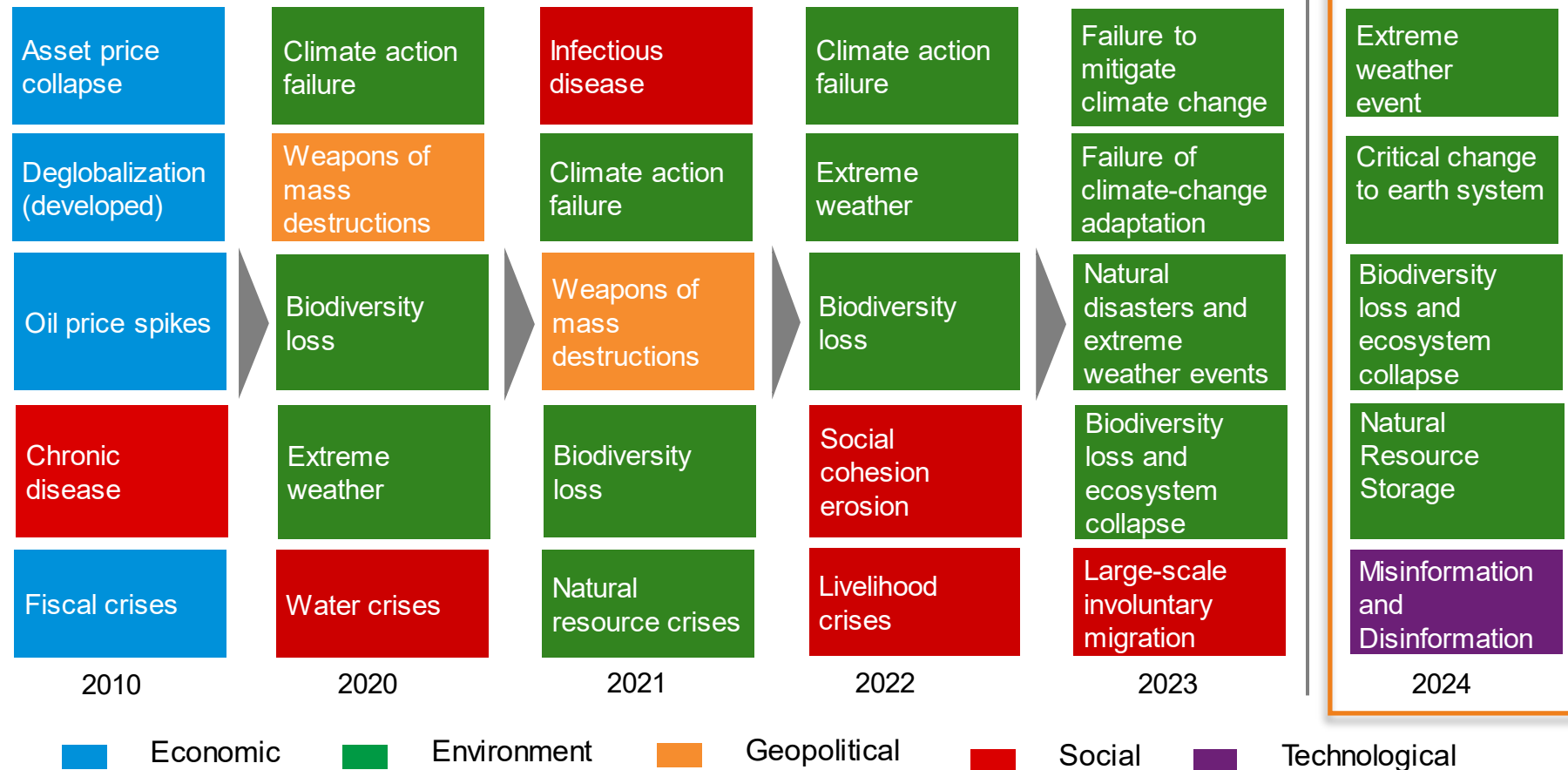
The entire western Himalayas has been witnessing a prolonged dry spell with barely any hope for a revival in the next two weeks. This, according to the meteorologists, is due to the absence of strong Western Disturbances (WD), a storm that originates in the Mediterranean and travels across Asia.

## Climate Change: No Snow in Gulmarg Brings El Nino Effect to Light

The absence of snow, a result of warmer temperatures and decreased precipitation, has disappointed tourists and raised concerns among local residents.

# Evolving Global Risks Landscape

## Most severe risks on a global scale over the next 10 years



Source: [World Economic Forum Global Risks-Report 2024.pdf\(marshmcclennan.com\)](#)

## Risks to growth over the next 2 years

- 01** Misinformation and Disinformation
- 02** Extreme Weather events
- 03** Societal polarization
- 04** Cyber insecurity
- 05** Interstate armed conflict

Source: [World Economic Forum Global Risks-Report 2024.pdf \(marshmcclennan.com\)](#)

# The Three Pillars: E, S and G

## Environment

Environmental criteria examines how a business performs as a steward of the natural environment, based on factors such as energy and emissions performance, water and waste management, ecological restoration, etc.

## Governance

Governance criteria examines how a corporation polices itself, is governed by its leadership, and monitored through other regulatory mechanisms and systems.



## Social

Social criteria examines how a company treats people, including its employees and the communities in which it works, and provide a safe and healthy working environment for all its employees and others in its value chain.

## Environmental

- Greenhouse Gas (GHG) Emissions
- Energy Management
- Waste Management
- Water Management
- Biodiversity

## Social

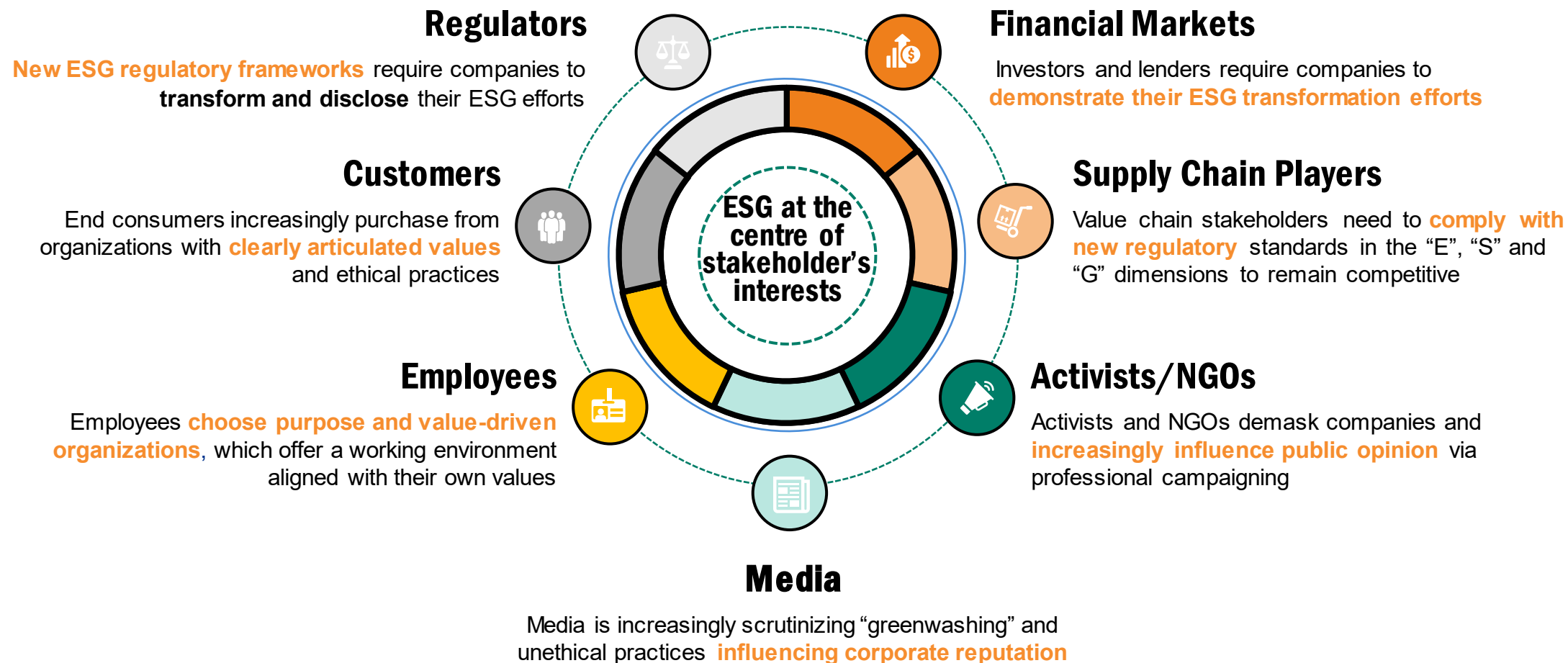
- Occupational Health and Safety
- Employee well-being
- Equal Pay and Opportunity
- Human Rights
- Social license to Operate
- Local Employment

## Governance

- Business Ethics and Transparency
- Risk Management
- Policies and systems
- Supply Chain Management
- Data Privacy and Security

# Stakeholders are increasingly looking at ESG

A dynamic mix of stakeholders is at the helm, propelling business towards a complete metamorphosis while fervently urging them to embrace their role as a force of positive change.





**To evaluate the ESG maturity of the organization**



**To understand the organization's resilience to ESG risks, including climate-related risks**



**To understand how outcome-oriented and efficacious ESG objectives of the organization are**



**To understand key focus areas of investments in ESG ambitions**



**To evaluate the organization's progress on its ESG performance**



**To benchmark the organization's performance against global goals and peers**

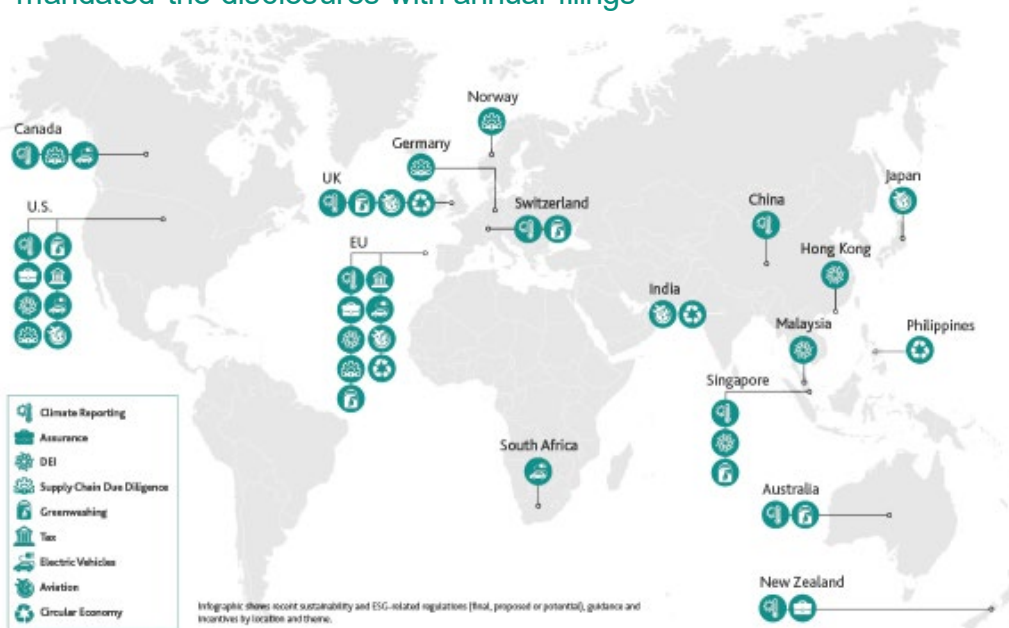


# The New Global Push and Pull for ESG

## Push

ESG regulatory and reporting requirements are increasing, and compliance is driving business change.

In 2020 to 2023 the regulations have risen by almost **125%** **across** the globe and majority of stock exchanges have mandated the disclosures with annual filings

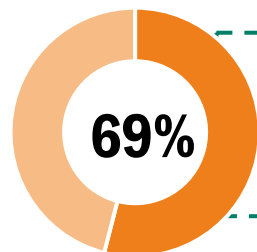


## Pull

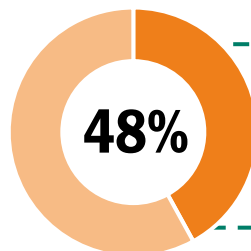
The green transition is driving capital and investment into new technologies, industries and products & services, providing opportunities for organisations



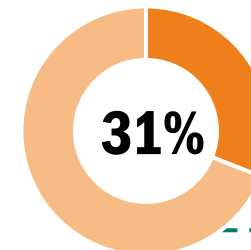
# ESG prioritization among CEOs



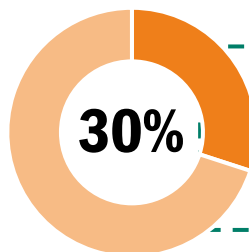
CEOs have fully embedded ESG into their business as a means to value creation



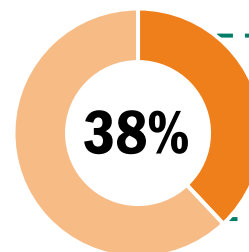
CEOs agree that it is possible to address all ESG priorities simultaneously



CEOs in India focus on governance models and transparency protocols such as best practice reporting



CEOs in India are changing the language in which they refer 'ESG' both internally and externally



CEOs in India prioritize addressing environmental challenges such as achieving net zero

# An Accelerating ESG Impact

Seven areas where ESG strategy would have the greatest impact over the next three years in India



**26%**

Building customer relationships



**19%**

Shaping our capital allocation, partnerships, alliances and M&A strategy



**18%**

Building our brand reputation



**18%**

Attracting the next generation of talent



**9%**

Driving financial performance



**9%**

Driving total shareholder return



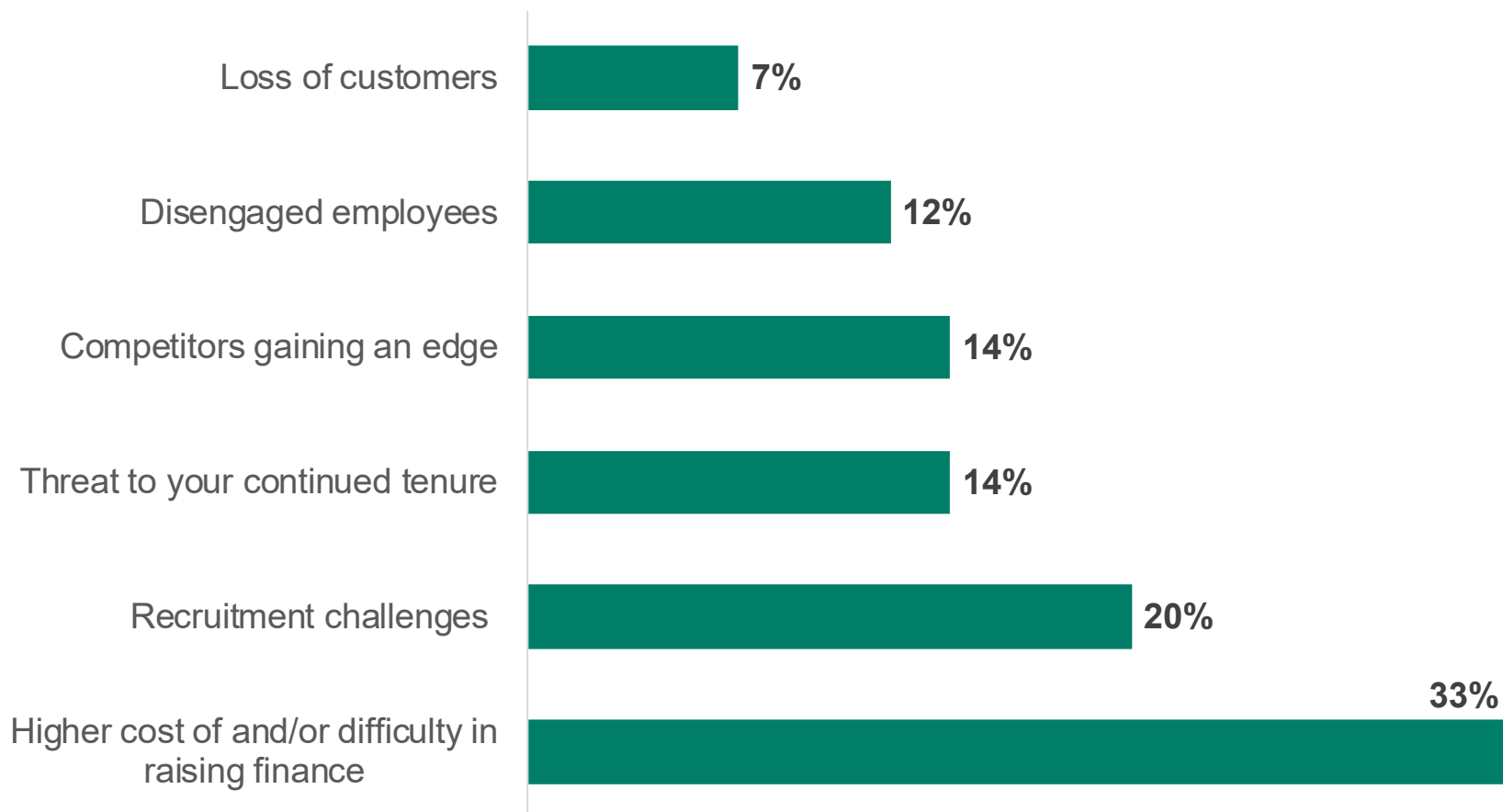
**4%**

Strengthening employee engagement and employee value proposition

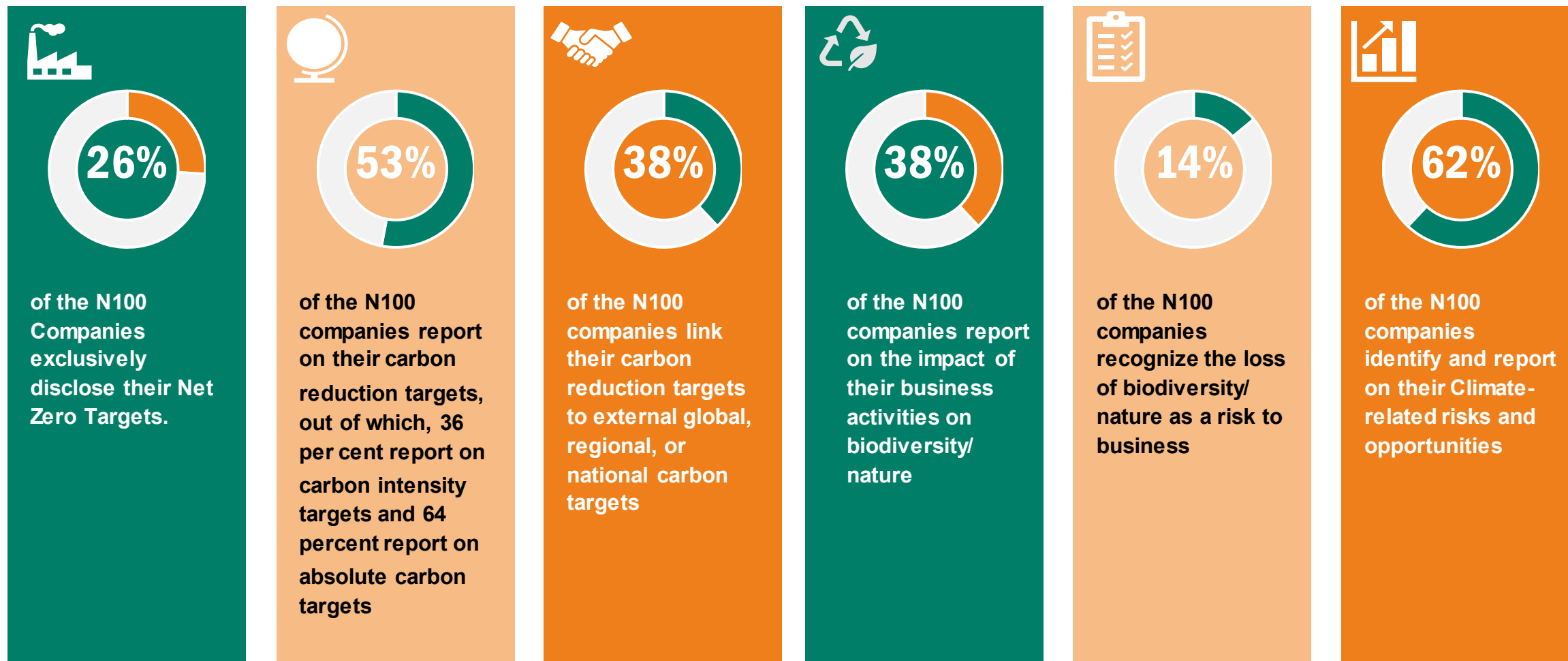
Source: [KPMG India CEO Outlook Survey 2023](#)

# Downside of failing to meet ESG expectations

## Principal downside of failing to meet the expectations of stakeholders when it comes to ESG



# Increase in ESG Reporting at Global Level



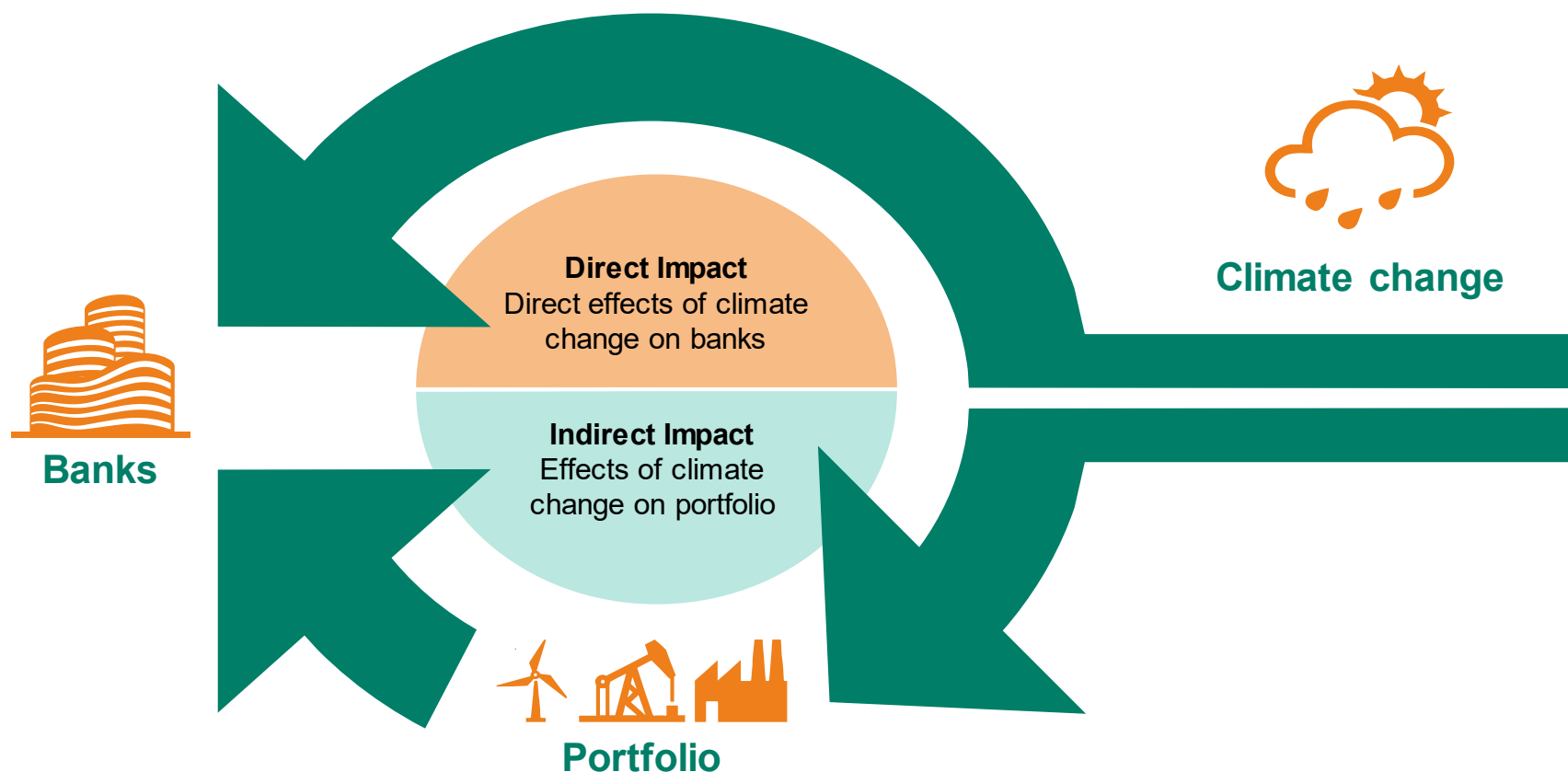
Note: The N100 refers to the top 100 Indian companies by market capitalization

Source: *Accelerating the change: ESG reporting 2.0*

# Impact of climate-related risks on banks

Climate change imposes different risks for financial institutions including banks. While climate risks directly impact bank's own physical infrastructure and operations, as critical allocators of financial capital in the economy, it becomes imperative for banks to consider climate risks and impacts arising from its borrower's/portfolio's. Thus, banks can play a critical role in supporting a low-carbon economy by incorporating a climate risk criteria when evaluating credit risk.

Banks are affected by climate-related risks and opportunities both directly and through their portfolios.



**Why is this training important?**

01

## **Transparency and Accountability**

Informed customers hold the Company accountable for their sustainability claims and practices

02

## **Risk Mitigation**

Help customers assess the long-term viability and resilience of the Company by considering its ESG risk management strategies. Informed customers are better positioned to avoid engaging with companies that have potential long-term ESG risks

03

## **Brand Reputation**

Help customers recognize and support brands that contribute positively to society and the environment.

04

## **Informed Decision-Making**

Help customers make more informed purchasing decisions based on a company's commitment to sustainable practices.

05

## **Regulatory Compliance**

Aware customers on evolving regulatory requirements related to sustainability reporting

06

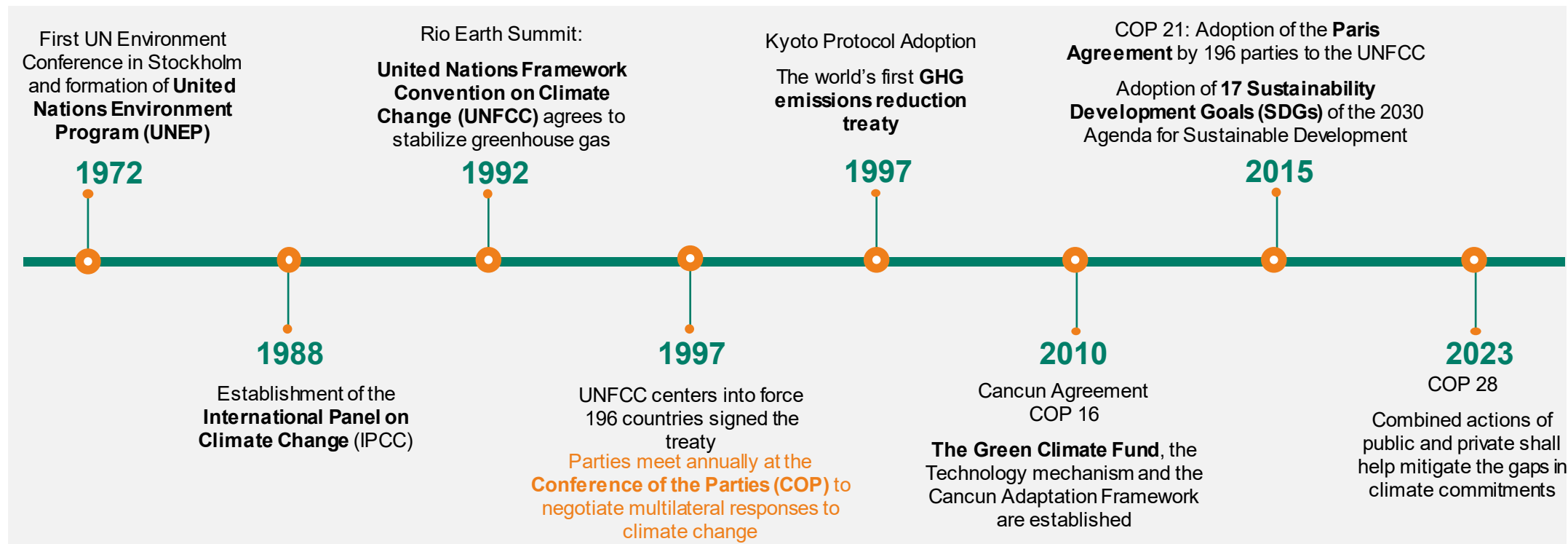
## **Market Demand for Sustainability**

Align customers with the growing demand for sustainability products and services.



# **Evolving Global ESG Landscape**

## The Evolution of ESG



Global Reporting Initiatives started in 2000 provides framework for disclosing sustainability performance



Capital markets are starting to reward companies making systematic investments in climate change and sustainability efforts



Investors are increasingly using non-financial disclosures to make investment decisions



India has mandated top 1000 companies to disclose on their sustainability performance through BRSR

# The Soup of ESG Frameworks and Standards

## Standards and guidelines

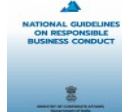
### Strategy



TASK FORCE ON  
CLIMATE-RELATED  
FINANCIAL  
DISCLOSURES



### Reporting



## Rating agencies & benchmarks



SUSTAINALYTICS

MSCI



ecovadis



## Commitments & Memberships



Responsible Business Alliance



## Policies & Global Agenda



EU Taxonomy



EU Green Bond Standard

## Assurance Standards









International Auditing  
and Assurance  
Standards Board







# ESG Frameworks and Rating: Overview





*ESG reporting has become increasingly important for companies as investors, customers, and other stakeholders demand greater transparency and accountability around a company's sustainability practices. Here are some frameworks commonly used for ESG reporting:*

Frameworks		Why Report	Who Report?
	<b>Global Reporting Initiatives (GRI)</b>	Amongst the oldest widely adopted reporting methodology in the world. Declared as the official reporting standard of the UN Global Compact	Cities, government agencies, hospitals, universities, public and private companies and NGOs.
	<b>Business Responsibility and Sustainability Reporting (BRSR)</b>	A mandatory disclosures for listed companies in India. It helps organization to transparently communicate with stakeholders on its ESG performance, targets and commitments	The top 1000 listed companies in India are mandated to disclose on BRSR from 2023.
	<b>Task Force and Climate Related Financial Disclosures (TCFD)</b>	Helps companies align their climate related risks and opportunities in a structured manner	Cities, government agencies, public and private companies
	<b>Sustainability Accounting Standards Board (SASB)</b>	Helps align organizations and investors on financial impact of ESG. Offers guidelines on material information to report and can be used in conjunction with other frameworks.	All organisation can use SASB for disclosure
	<b>World Economic Forum (WEF)</b>	Helps measuring stakeholder capitalism towards common metrics and consistent reporting of sustainable value creation	Business, Government and Universities
	<b>International Sustainability Standards Boards</b>	General principles, including proposed requirement to report across all significant sustainability-related risks and opportunities (not just climate). Climate standard (first topic-specific standard) • Climate-first option in first year of reporting	Company's board and executive leadership

# ESG Frameworks and Rating: Overview

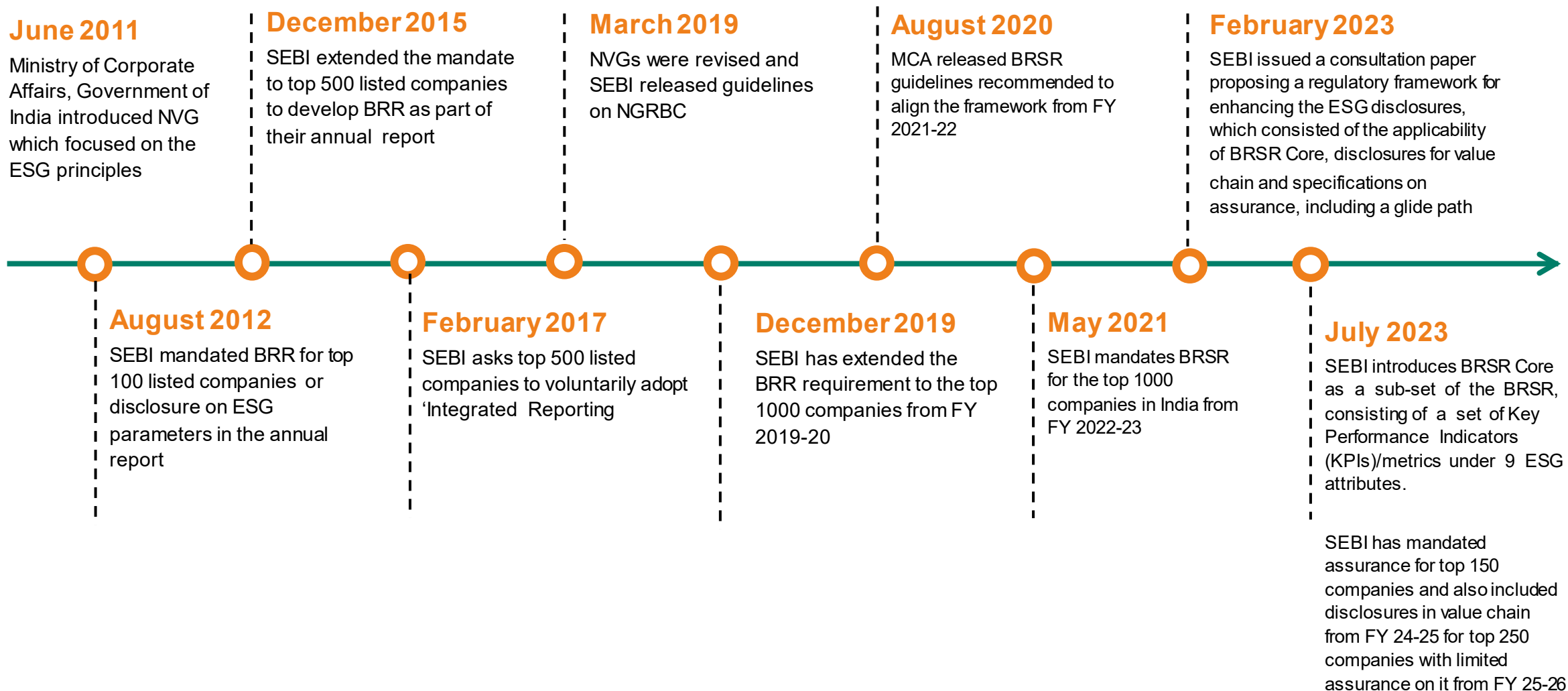
Frameworks		Why Report?	Who Report?
	<b>United Nations Sustainability Development Goals (UN SDG)</b>	The Sustainability Development Goals report helps track regional and global performance of organizations towards the implementation of 2030 agenda for sustainability development across globe.	Public and Private companies, Government and regulators, cities, NGOs, among others.
	<b>IFC Performance Standards</b>	The Performance Standards help to identify and manage environmental and social risks and improve performance through outcome-based approach and increase the sustainability in the business operations	All the IFC'S Investment and Advisory clients
	<b>European Sustainability Reporting Standards (ESRS)</b>	ESRS are an upcoming set of EU compliance and disclosure requirements first previewed by the EU and the European Financial Reporting Advisory Group (EFRAG). The ESRS are designed to make corporate sustainability and environmental social governance (ESG) reporting more like financial accounting and reporting.	Large listed companies, banks, and insurance companies with more than 500 employees
	<b>United Nations Global Compact (UNGC)</b>	Reporting is a key component of your commitment to the UN Global Compact. The benefits include integration of corporate sustainability into operations, improving your reputation, enhancing the commitment of your CEO, internal information sharing and strengthened relationships with your stakeholders and investors.	All the public and private organisations can show commitment towards the UNGC

# ESG Frameworks and Rating: Overview

Rating Agencies		Why Participate?
	<b>Dow Jones Sustainability Indices (DJSI)</b>	DJSI represents the top 10% of the largest companies in S&P Global Board Market Index. It was regarded as the world's second most credible sustainability rating after CDP
	<b>Carbon Disclosure Project (CDP)</b>	CDP disclosures are used to address information related to organisation's greenhouse gas emissions and energy usage. It was regarded as the world's most credible sustainability rating.
	<b>Morgan Stanley Capital International (MSCI)</b>	MSCI ESG rating measures a company's management of financially relevant ESG risks and opportunities.
	<b>Sustainalytics</b>	Sustainalytics ESG risk rating provides insights into company-level ESG risks by measuring the size of organization's unmanaged ESG Risk.

# **BRSR Deep Dive**

# Evolving Indian ESG Regulation





# From BRR to BRSR!

	Business Responsibility Report (BRR)	Business Responsibility and Sustainability Report (BRSR)
Reporting Sections	Five Reporting Sections: <ul style="list-style-type: none"><li>• General Information</li><li>• Financial Details</li><li>• Other Details</li><li>• BR Information</li><li>• Principle-wise performance</li></ul>	Three Reporting Sections: <ul style="list-style-type: none"><li>• General Disclosures</li><li>• Management and processes</li><li>• Principle wise performance</li></ul>
Format	Universal/Single format	<ul style="list-style-type: none"><li>• Essential Indicators</li><li>• Leadership Indicators</li></ul>
Disclosure	Annual Report	<ul style="list-style-type: none"><li>• Annual Report</li><li>• MCA21 portal (preferably in XBRL format)</li></ul>
Indicators	Mostly Qualitative	Qualitative and Quantitative

BRSR Core, a sub-set of the BRSR added from FY 2023-24, consisting of a set of KPIs under 9 ESG attributes.



## Introduction

The Securities and Exchange Board of India (SEBI), in May 2021 introduced **BRSR for top 1000 listed companies**.



## The Basis

BRSR seeks disclosures from listed entities on their performance against nine principles of **'National Guidelines on Responsible Business Conduct' (NGRBC)**.



## The Purpose

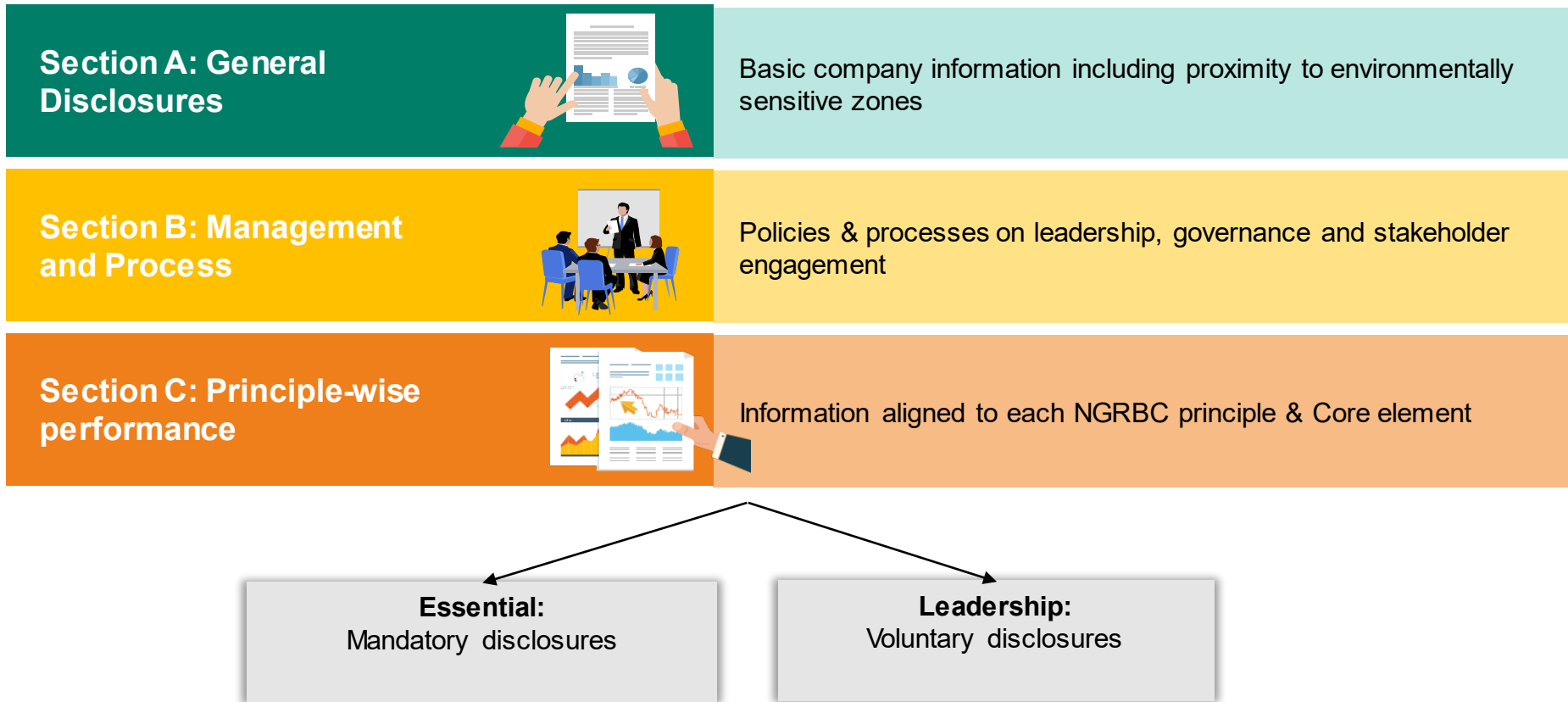
BRSR is intended towards having **quantitative and standardized disclosures on ESG parameters** to enable comparability across companies, sectors and time.



## The Outcome

The disclosures will **help investors in better investment decision making**, along with businesses to **effectively engage with their stakeholders** on non-financial aspects.

## Components of Business Responsibility and Sustainability Report (BRSR)





























- ❑ The Governance structure should have policies for all the principles that are **approved at the highest level and cover all the core elements**
- ❑ The **key performance indicators** (KPI) of the business should **incorporate all the principles and core elements** that significantly impact or are impacted by the business
- ❑ The **standard operating procedures** (SOP's) of the business should also **cover Core Elements** that significantly impact or are impacted by the business.






































Guidelines refers to the integration of the Principles and Core Elements into the core business strategy of an enterprise.

# Closer look at the BRSR format (1/2)

BRSR Principle		Illustrative disclosures	Key Stakeholders	Linkage to SDGs
P1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable	<ul style="list-style-type: none"> <li>Director/ Directors responsible for overseeing BR performance</li> <li>Ethics Code/Code of Conduct</li> </ul>	Employees	 
P2	Businesses should provide goods and services in a manner that is sustainable and safe	<ul style="list-style-type: none"> <li>Sustainable/Green procurement policy</li> <li>Innovative solutions for socially marginalized sections</li> </ul>	Communities and Regulators	         
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains	<ul style="list-style-type: none"> <li>No. of employees and contract staff</li> <li>No. of women employees and employees with disabilities</li> </ul>	Employees	      
P4	Businesses should respect the interests of and be responsive to all its stakeholders	<ul style="list-style-type: none"> <li>Mapping of internal and external stakeholders</li> <li>Engagement mechanisms with internal and external stakeholders</li> </ul>	Prioritized internal and external stakeholders	   
P5	Businesses should respect and promote human rights	<ul style="list-style-type: none"> <li>Human Rights policy</li> <li>No. of stakeholder complaints on human rights issues</li> </ul>	Employees, suppliers and marginalized communities	  

# Closer look at the BRSR format (1/2)

BRSR Principle		Illustrative disclosures	Key Stakeholders	Linkage to SDGs
P6	Businesses should respect and make efforts to protect and restore the environment	<ul style="list-style-type: none"> <li>Environment policy</li> <li>Waste management (Hazardous and Non-Hazardous)</li> </ul>	Communities and Regulators	         
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	<ul style="list-style-type: none"> <li>Trade/industry association memberships</li> <li>Issues advocated through these memberships</li> </ul>	Peers and Regulators	       
P8	Businesses should promote inclusive growth and equitable development	<ul style="list-style-type: none"> <li>Community development/CSR expenditure</li> <li>Community Impact Assessment</li> </ul>	Communities	           
P9	Businesses should engage with and provide value to their consumers in a responsible manner	<ul style="list-style-type: none"> <li>Percentage of customer complaints</li> <li>Product/service information disclosure</li> </ul>	Customers	    

## SEBI Consultation Paper on BRSR-ESG Disclosures, Investing and Ratings



### Scope of Disclosures -Key Requirements

Need for assurance and expanding the scope of disclosures beyond the stand-alone listed entity are key requirements.



### Opportunities and Impact-ESG Ratings

To assign ESG ratings accurately, it's crucial to consider the domestic context due to varying NDCs, transition paths, and operational realities across jurisdictions.



### ESG Investing

Under ESG Investing, there is a need to ensure robustness of disclosures and undertake measures to mitigate the potential risk of green-washing and mis-selling.



### Supply Chain

Visibility and transparency is required for ESG disclosures by Supply Chain Participants of Companies.

### Emerging BRSR Trends

Shifting few Leadership Indicators to Essential Indicators

Sector Specific Disclosures

Limited Set of ESG Disclosures for Supply Chain

Assurance for BRSR- Limited or Reasonable to enhance credibility

# Reasonable assurance on BRSR Core on a glide path

The SEBI framework provides that the listed entities should obtain a mandatory reasonable assurance on the BRSR Core and disclosures by an independent assurance provider based on a glide path

**FY  
2023-24**

Reasonable  
assurance on  
BRSR Core  
mandatory for top  
150 companies\*

**FY  
2024-25**

Reasonable  
assurance on  
BRSR Core  
mandatory for  
top 250 companies\*

**FY  
2025-26**

Reasonable  
assurance on  
BRSR Core  
mandatory for  
top 500 companies\*

**FY  
2026-27**

Reasonable  
assurance on  
BRSR Core  
mandatory for  
top 1000  
companies\*

\*As per market capitalisation





## General Disclosures

### Q 14 & 15:

Name of assurance provider and type of assurance obtained



## Principle 1

### Essential Indicator 8:

Number of days of accounts payable.

### Essential Indicator 9:

Openness of business - Provide details of concentration of purchases and sales with trading houses, dealers, and related parties, along with loans and advances & investments with related parties.



## Principle 3

### Essential Indicator 1.c:

Cost incurred on well-being measures as a percentage of total revenue of the company.



## Principle 9

### Essential Indicator 7:

Details regarding data breaches (it was a leadership indicator in the earlier BRSR format)



## Principle 5

### Essential Indicator 3.b:

Gross wages paid to females as a percentage of total wages.

### Essential Indicator 7:

Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, including details of complaints on POSH as a percentage of female employees/workers.



## Principle 8

### Essential Indicator 4:

Percentage of input material (inputs to total inputs by value) sourced from suppliers directly from within India (the previous requirement of procurement from within & neighboring districts is replaced by this).

### Essential Indicator 5:

Job creation in smaller towns - Disclose wages paid as a percentage of total wage cost in rural, semi-urban, urban & metropolitan areas.



## PRINCIPLE 6

**01**

### Essential Indicator 01

Bifurcation of energy use into non-renewable and renewable(it was a leadership indicator in the earlier BRSR format)

**02**

### Essential Indicator 01

Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)

**03**

### Essential Indicator 03

Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP).

**04**

### Essential Indicator 04

Details of water discharge by destination and level of treatment (it was a leadership indicator in the earlier BRSR format)

**05**

### Essential Indicator 07

Total Scope 1 and 2 emissions intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)

**06**

### Essential Indicator 09

Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)

# Understanding BRSR Core Attributes

## BRSR mandates Reasonable Assurance on BRSR Core Principles and KPIs

**P-1**

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

**P-3**

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

**P-5**

Businesses should respect and promote human rights

**P-6**

Businesses should respect and make efforts to protect and restore the environment

**P-8**

Businesses should promote inclusive growth and equitable development

**P-9**

Businesses should engage with and provide value to their consumers in a responsible manner



Green-house Gas (GHG) footprint



Energy Footprint



Water Footprint



Embracing circularity - details related to waste management by the entity



Enabling Inclusive Development



Fairness in Engaging with Customers and Suppliers



Enabling Gender Diversity in Business



Enhancing Employee Wellbeing and Safety



Open-ness of business

 Environment

 Social

 Governance

# Greenhouse Gas (GHG) Footprint

# Greenhouse Gas (GHG) Footprint

The term 'greenhouse gas' covers the following gases:

**CO<sub>2</sub>** Carbon Dioxide

**CH<sub>4</sub>** Methane

**N<sub>2</sub>O** Nitrous Oxide

**HFCs** Hydrofluorocarbons

**SF<sub>6</sub>** Sulphur Hexafluoride

**PFCs** Perfluorocarbons

**NF<sub>3</sub>** Nitrogen Trifluoride

## Key points to consider:

- The unit for the disclosures shall be metric tonnes of CO<sub>2</sub> equivalent.
- Entities should be prepared the standards, methodologies, assumptions and/or calculation tools used, including sources of the global warming potential (GWP) rates and emission factors used.
- A company must exclude any GHG trades (purchase, sale, or transfer of GHG emissions) from the calculation of Scope 1 and Scope 2 GHG emissions.

### Scope 1

#### Stationary Emissions:

Burning fuels in stationary machines, equipment, boilers, kilns/furnaces, smelters etc. (Including Captive Power Generation)

#### Process Emissions:

Chemical/physical changes in the materials during the manufacturing process such as electrolysis

#### Mobile Emissions:

Combustion of fuels in the mobile equipment/vehicles owned by the company.

### Scope 2

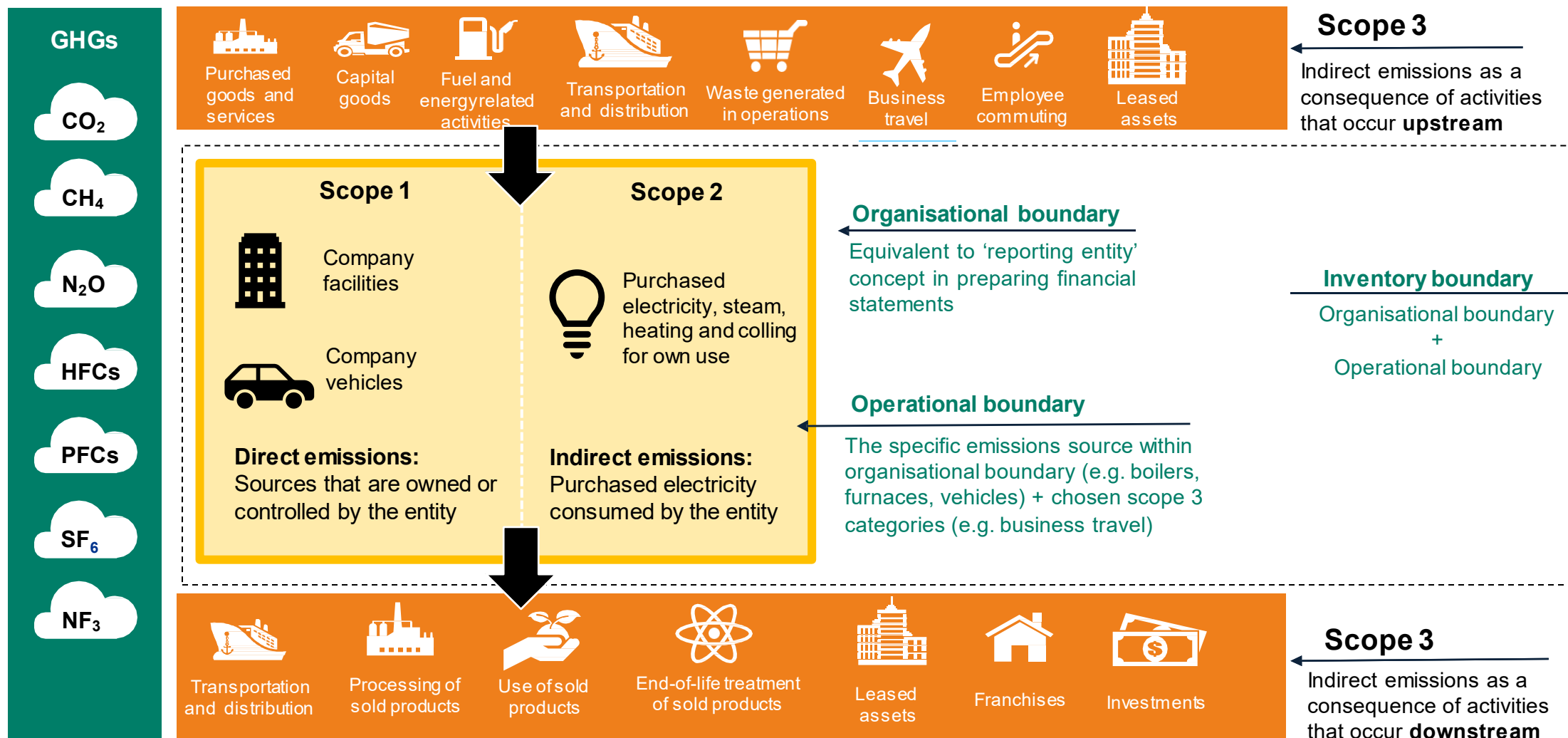
**GHG emissions from the generation of purchased electricity consumed by the company.**

Purchased electricity is defined as electricity that is purchased or otherwise brought into the organizational boundary of the company.

### Scope 3

**GHG emissions** that are not produced by the company itself, and not the result of activities from assets owned or controlled by them, but **by those that it's indirectly responsible for, up and down its value chain**. Some of the Scope 3 emissions include the Production of purchased materials, employee business travel, employee commute, disposal of waste.

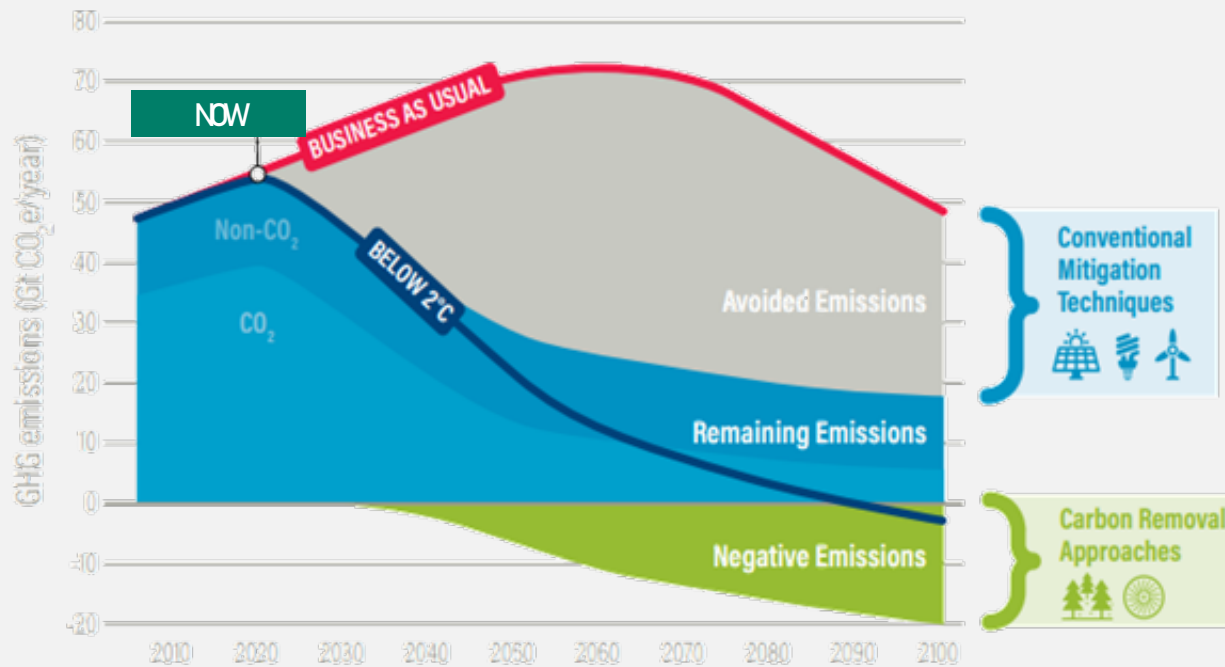
# Types of emissions



# Net Zero by 2050 is a pathway to control Global Warming

Achieving net zero GHG emissions by 2050 is essential to stop global temperature to rise in excess of 1.5°C (as per the Paris Agreement)

## How to get to Net Zero



Source: Complementary Role of Carbon Removal to Emissions Reductions – World Resources Institute

1

**Transition to a low-carbon economy** through mitigation techniques

2

### Carbon removal

any remaining emissions are balanced with an equivalent amount of carbon removed or 'sequestered', leading to 'negative emissions' (forests restoration or direct air capture and storage technology)

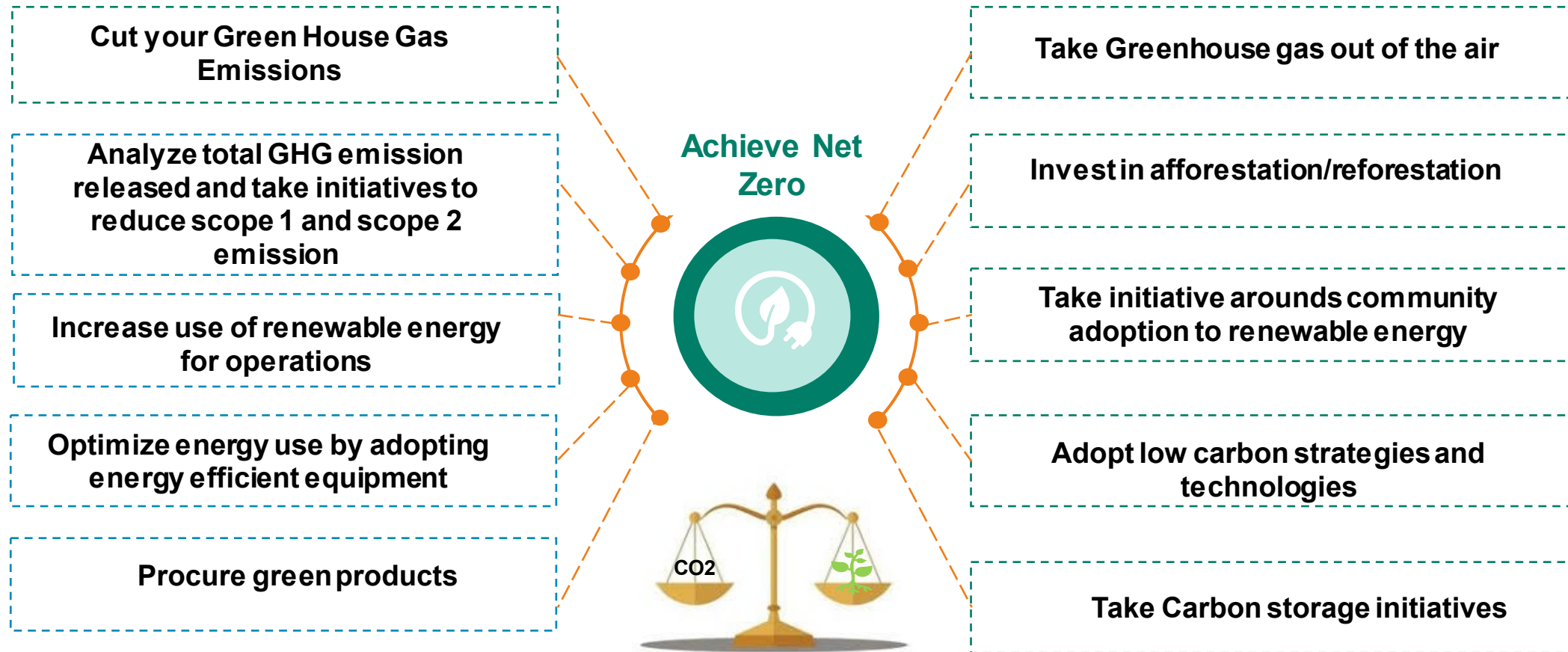
3

### Net zero emissions

Achieving net zero emissions means removing an equal amount of carbon from the atmosphere as we release into it.



# Achieving Net Zero Emissions



	Parameter	Reporting requirements	Reporting process
<b>Greenhouse Gas footprint</b>  <i>Greenhouse gas emissions may be measured in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard</i>	<b>Scope 1</b>	<ul style="list-style-type: none"> <li>Total Scope 1 emissions (Break-up of the GHG into Carbon Dioxide (CO<sub>2</sub>), Methane (CH<sub>4</sub>), Nitrous oxide (N<sub>2</sub>O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulphur Hexafluoride (SF<sub>6</sub>) and Nitrogen Trifluoride (NF<sub>3</sub>), if available)</li> <li>Unit: Metric tonnes of CO<sub>2</sub> equivalent</li> </ul> <div>Total Scope 1 GHG Emissions: Total Fossil Fuel Consumption x Emission Factor</div>	<ul style="list-style-type: none"> <li>Define organisational boundary</li> <li>Identify and classify Sources:                             <ul style="list-style-type: none"> <li>Stationary Combustion Sources</li> <li>Fugitive Emission Sources</li> <li>Mobile Combustion Sources</li> </ul> </li> <li>Fuel Consumption:                             <ul style="list-style-type: none"> <li>Quantity of fuel consumed for combustion purposes</li> </ul> </li> <li>Fuel characteristics:                             <ul style="list-style-type: none"> <li>Determine the emission factor data</li> </ul> </li> </ul>
	<b>Scope 2</b>	<ul style="list-style-type: none"> <li>Total Scope 2 emissions (Break-up of the GHG into Carbon Dioxide (CO<sub>2</sub>), Methane (CH<sub>4</sub>), Nitrous oxide (N<sub>2</sub>O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulphur Hexafluoride (SF<sub>6</sub>) and Nitrogen Trifluoride (NF<sub>3</sub>), if available)</li> <li>Unit: Metric tonnes of CO<sub>2</sub> equivalent</li> </ul> <div>Total Scope 2 GHG Emissions: Total Consumption x Emission Factor</div>	<ul style="list-style-type: none"> <li>Identify Emission Source:                             <ul style="list-style-type: none"> <li>Electricity</li> <li>Steam</li> <li>Heat</li> <li>Cooling</li> </ul> </li> <li>Determine whether the market-based or location-based method applies for company operations</li> <li>Determine the emission factor across all purchased energy sources</li> </ul>

	Parameter	Reporting requirements	Reporting process
<b>Greenhouse Gas footprint</b>  <i>Greenhouse gas emissions may be measured in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard</i>	<b>GHG Emission Intensity (Scope 1 &amp; 2)</b>	<ul style="list-style-type: none"> <li>GHG Emission (Scope 1 and 2) intensity per rupee of turnover adjusted for PPP</li> </ul> <div>Total Scope 1 and Scope 2 emissions (MT)/Total Revenue from Operations adjusted for PPP</div>	<ul style="list-style-type: none"> <li>Track and calculate total emissions (Scope 1 &amp; 2)</li> <li>The total revenue from operations should be from the audited financial statements</li> <li>The Purchasing Power Parity (PPP) is to be determined in terms of USD/INR</li> </ul>
		<ul style="list-style-type: none"> <li>GHG Emission (Scope 1 and 2) intensity in terms of physical output</li> </ul> <div>Total Scope 1 and Scope 2 emissions (MT)/Total Output of Product or Services</div>	<ul style="list-style-type: none"> <li>Track and calculate total emissions (Scope 1 &amp; 2)</li> <li>Total output of products would be company and sector-specific (i.e., number of vehicles produced, MT of material produced, data in Mn TB, etc.)</li> </ul>

# Water Footprint

Water withdrawal  
(input water)

Water discharged  
(output water)

Water consumption

Water consumption  
intensity

## Sources of Water



### Surface water

Water that occurs naturally on the Earth's surface in ice sheets, ice caps, glaciers, icebergs, bogs, ponds, lakes, rivers, and streams

### Groundwater

Water that is being held in, and that can be recovered from, an underground formation

### Third party water

Municipal water suppliers and municipal wastewater treatment plants, public or private utilities, and other organizations involved in the provision, transport, treatment, disposal, or use of water and effluent

### Seawater/ desalinated water

It refers to the water in a sea or in an ocean.  
(This can also sometime be referred as brackish water).

### Others

Entities can specify other sources, in case they are significant  
(e.g. bottled water, purchased drinking water etc.)

## What is water consumption?

- Water consumption measures water used by an entity such that it is no longer available for use by the ecosystem or local community in the reporting period.
- Reporting the volume of water consumption can help an entity to understand the overall scale of its impact due to water withdrawal on downstream water availability.

## Measurement

- This includes water that has been withdrawn and incorporated into products or has evaporated or is polluted to the point of being unusable by other users, and is therefore not released back to surface water, groundwater, seawater, or a third party.
- It also includes water that has been stored during the reporting period for use or discharge in a subsequent reporting period.
- If the entity cannot directly measure its water consumption, it may calculate this using the following formula:  
$$\text{Total water consumption} = \text{Total water withdrawal} - \text{total water discharge (i.e., Input Water - Output Water)}$$

## What is discharged water?

Sum of effluents, used water, and unused water released to surface water, groundwater, seawater, or a third party, for which the entity has no further use, over the course of the reporting period.

## Objective

Quantifying the volume of water discharge can help an entity understand its negative impacts on the receiving waterbody.

## Reporting in terms of treatment levels

Reporting water discharge by level of treatment can provide insight into the effort an organization is making to improve the quality of its water discharge. The organization can break down its water discharge by the following treatment levels:

- Untreated water
- Primary treatment – It refers to the removal of material that floats or settle out i.e, filtration, screening, sedimentation etc.
- Secondary treatment – It refers to removal of dissolved organic matter i.e. oxidation, digestion etc.
- Tertiary treatment - It refers to disinfecting water i.e. removal of pathogens, phosphorous, nitrogen etc.

## What is a Zero Liquid Discharge?

A zero liquid discharge system involves using advanced waste-water treatment technologies to recycle, recover, and then re-use the treated wastewater; towards ensuring that there is no discharge of the wastewater to the environment.

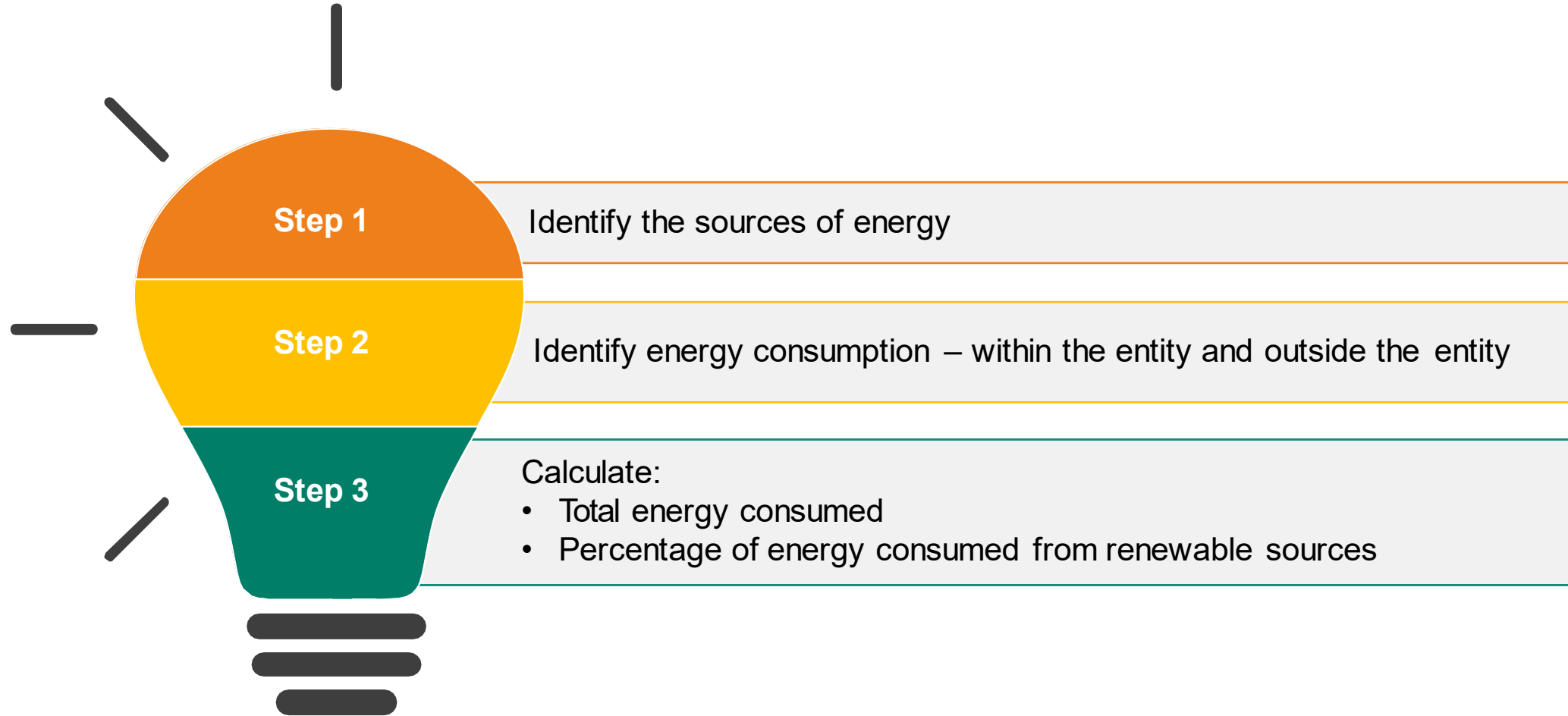
	Parameter	Reporting requirements	Reporting process
Water footprint	Total Water Consumption	<ul style="list-style-type: none"> <li>Measure the entity's water consumption and if the entity cannot directly measure, it may calculate this using the following:</li> <li>Input water flow meter logs (Calibrated Meters)</li> <li>Output water flow meter logs (Calibrated Meters)</li> <li>Measured in Mn Lt or KL</li> </ul> <p><b>Water consumption:</b> Input Water (water withdrawal) - Output Water (water discharge)</p>	<ul style="list-style-type: none"> <li>Measure and report the water withdrawn for any use from the following sources:                             <ul style="list-style-type: none"> <li>Surface water</li> <li>Ground water</li> <li>Third-party water</li> <li>Sea-water/desalinated water</li> <li>Other sources</li> </ul> </li> <li>Measure and report the water discharge by destination and level of treatment</li> </ul>
	Water consumption intensity	<ul style="list-style-type: none"> <li>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</li> </ul> <p>Total water consumption/Revenue from operations adjusted for PPP</p>	<ul style="list-style-type: none"> <li>Measure water consumption in Mn Lt or KL</li> <li>The total revenue from operations should be from the audited financial statements</li> <li>The Purchasing Power Parity (PPP) is to be determined in terms of USD/INR</li> </ul>
		<ul style="list-style-type: none"> <li>Water intensity in terms of physical output</li> </ul> <p>Total water consumption/ Total Output of Product or Services</p>	<ul style="list-style-type: none"> <li>Measure water consumption in Mn Lt or KL</li> <li>Total output of products would be company and sector-specific (i.e., number of vehicles produced, MT of material produced, data in Mn TB, etc.)</li> </ul>

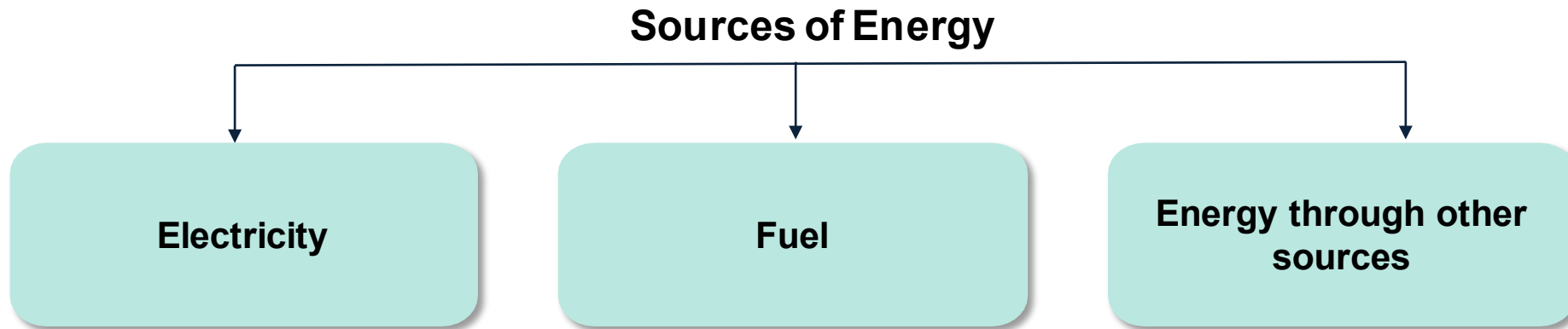


	Parameter	Reporting requirements	Reporting process
<b>Water footprint</b>	<b>Water Discharge by destination and levels of Treatment</b>	<ul style="list-style-type: none"><li>Report the total water discharged i.e., the total effluents, water released (unused or after use) for which the organization has no further use, along with a break-up by destination (to surface water, groundwater, seawater, sent to third parties or others and by level of treatment.</li></ul>	<ul style="list-style-type: none"><li>The organization can break down its water discharge by the following treatment levels:<ul style="list-style-type: none"><li>Untreated</li><li>Primary treatment</li><li>Secondary treatment</li><li>Tertiary treatment</li></ul></li><li>In case an organization withdraws and discharges water of good quality that does not require treatment, the same can be explained</li><li>Entity should be prepared with any contextual information necessary to understand how the data has been compiled, such as any standards, methodologies, assumptions and/or calculation tools used.</li><li>Water discharged measured in Mn Lt or KL</li></ul>

# Energy Footprint

# Steps for Determining Energy Consumption





## Non-renewable energy sources

These cannot be replenished, reproduced, grown or generated in a short period through ecological cycles or agricultural processes

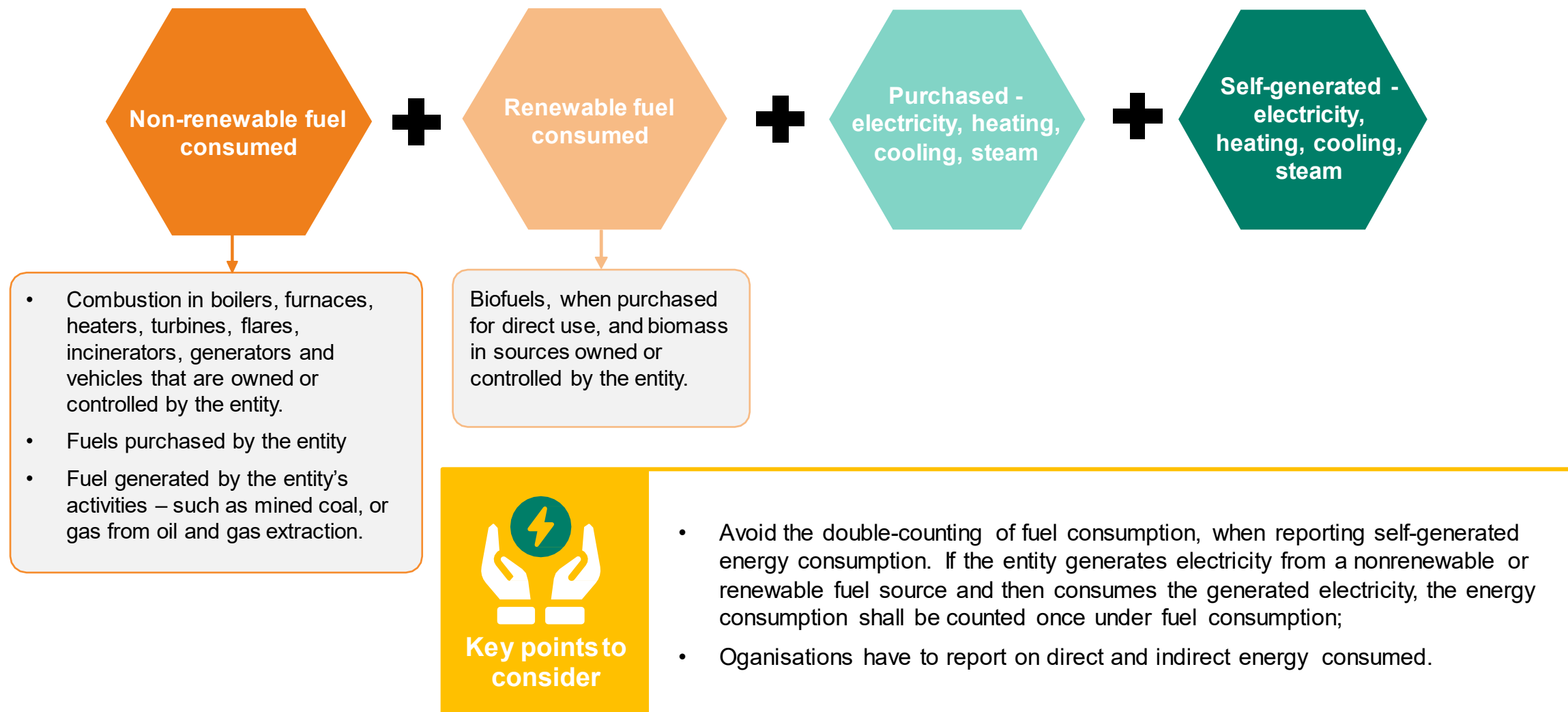
**Examples:** coal, fuels distilled from petroleum or crude oil, such as gasoline, diesel fuel, jet fuel, and heating oil, fuels extracted from natural gas processing and petroleum refining, such as butane, propane, and liquefied petroleum gas (LPG); natural gas, such as compressed natural gas (CNG), and liquefied natural gas (LNG); nuclear power

## Renewable energy sources

These are capable of being replenished in a short time through ecological cycles or agricultural processes

**Examples:** biomass, geothermal, hydro, solar, wind

# Sources of Energy Consumption Within the Entity



- Energy consumption could occur outside an entity, i.e., throughout the entity's upstream and downstream activities associated with its operations.
- This could include consumers' use of products which the entity sells and the end-of-life treatment of products.

## Upstream categories

1. Purchased goods and services
2. Capital goods
3. Fuel- and energy-related activities (not included in consumption within the entity)
4. Upstream transportation and distribution
5. Waste generated in operations
6. Business travel
7. Employee commuting
8. Upstream leased assets
9. Other upstream

## Downstream categories

1. Downstream transportation and distribution
2. Processing of sold products
3. Use of sold products
4. End-of-life treatment of sold products
5. Downstream leased assets
6. Franchises
7. Investments
8. Other downstream

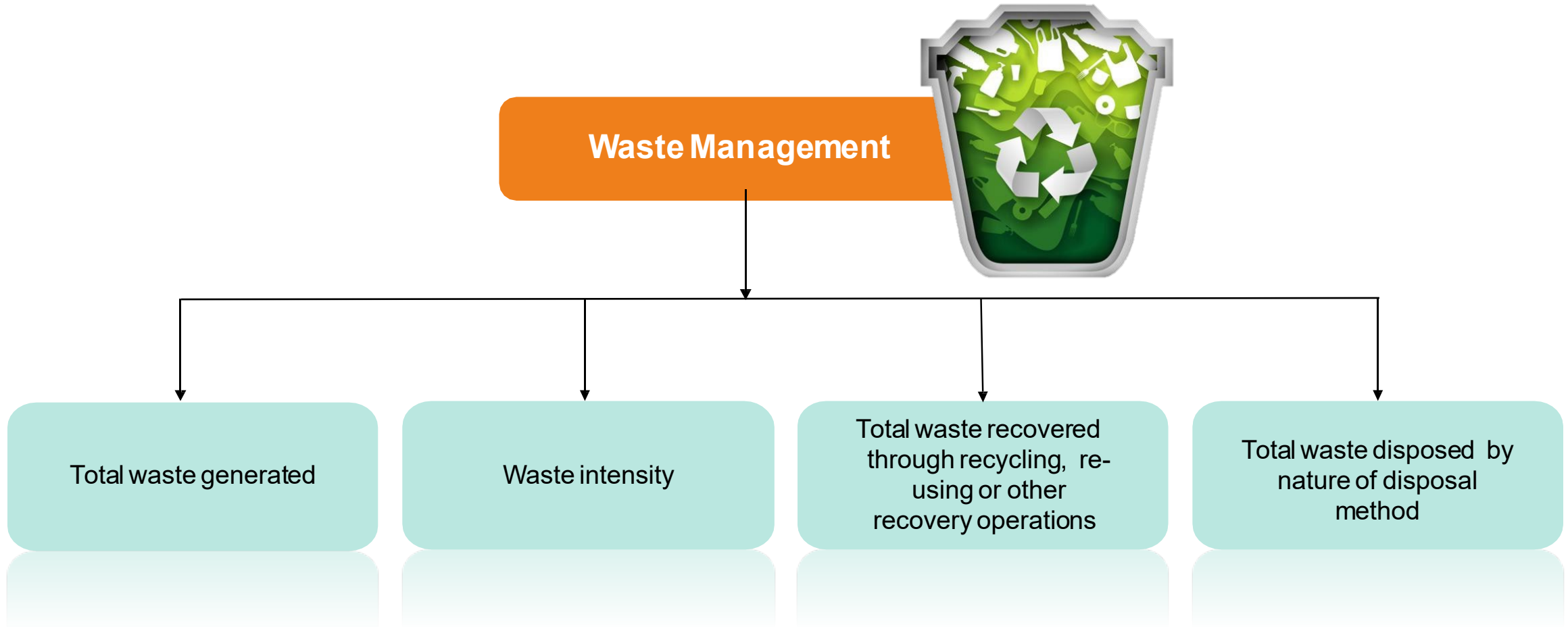
- For each of these categories and activities, the entity could calculate or estimate the amount of energy consumed.
- The entity should report energy consumption separately for non-renewable sources and renewable sources.

	Parameter	Reporting requirements	Reporting process
Energy footprint	Total energy consumed	<ul style="list-style-type: none"><li>Report the total electricity consumed, fuel consumed, and energy consumed from other sources</li></ul> <div>Total energy consumption: non-renewable fuel consumed + renewable fuel consumed + purchased electricity, heating, cooling, steam + self-generated electricity, heating, cooling, steam</div>	<ul style="list-style-type: none"><li>Identify the sources of energy consumption:<ul style="list-style-type: none"><li>Non-renewable fuel consumed</li><li>Renewable fuel consumed</li><li>Purchased electricity, heating, cooling, steam</li><li>Self-generated electricity, heating, cooling, steam</li></ul></li><li>The data shall be reported in terms of Joules or multiples such as Giga Joules.</li><li>Entity should consistently apply conversion factors, for converting fuel consumption into Joules, for the data disclosed.</li><li>Entity should be prepared with any contextual information necessary to understand how the data has been compiled, such as any standards, methodologies, assumptions and/or calculation tools used.</li></ul>

	Parameter	Reporting requirements	Reporting process
Energy footprint	% of energy consumed from renewable sources	<ul style="list-style-type: none"> <li>Calculate % of energy consumed from renewable sources</li> </ul> <div>Energy consumed through renewable sources/total energy consumed</div>	<ul style="list-style-type: none"> <li>Measure energy sourced from renewable sources in %</li> </ul>
	Energy Intensity	<ul style="list-style-type: none"> <li>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</li> </ul> <div>Total energy consumption/Revenue from operations adjusted for PPP</div>	<ul style="list-style-type: none"> <li>Measure total energy consumed in Joules or multiples</li> <li>The total revenue from operations should be from the audited financial statements</li> <li>The Purchasing Power Parity (PPP) is to be determined in terms of USD/INR</li> </ul>
		<ul style="list-style-type: none"> <li>Energy intensity in terms of physical output</li> </ul> <div>Total energy consumption/Total Output of Product or Services</div>	<ul style="list-style-type: none"> <li>Measure total energy consumed in Joules or multiples</li> <li>Total output of products would be company and sector-specific (i.e., number of vehicles produced, MT of material produced, data in Mn TB, etc.)</li> </ul>

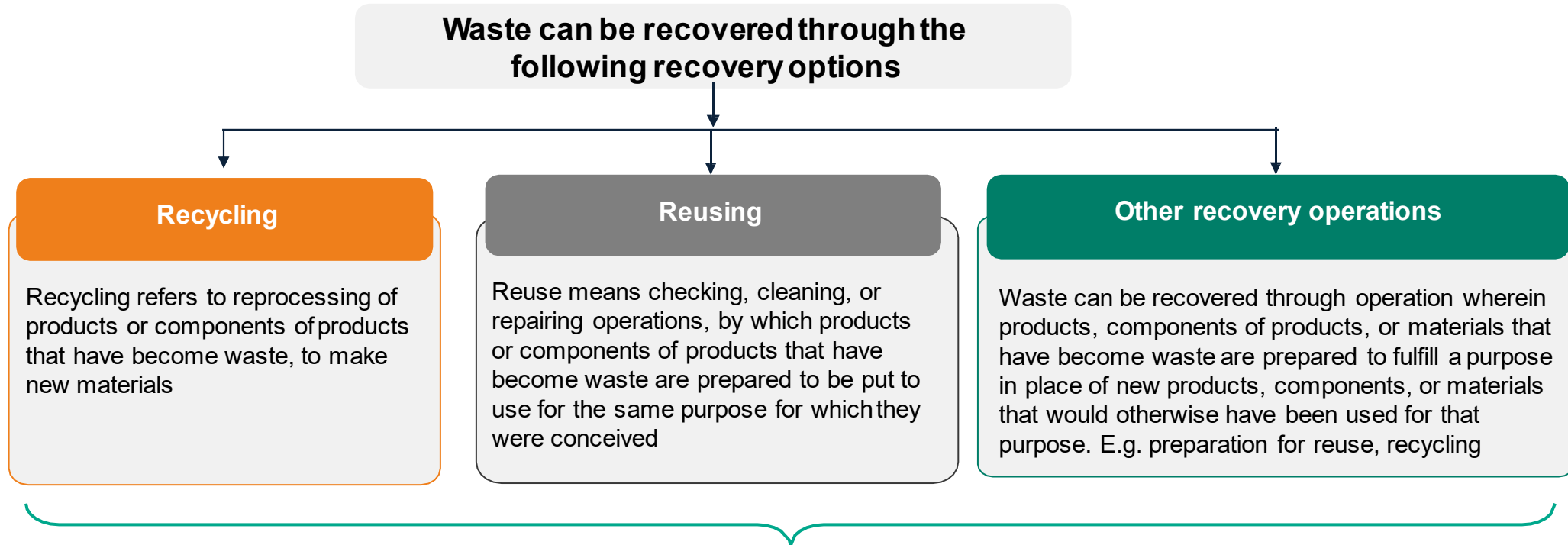


# Embracing Circularity



# Identify the Types of Waste

<b>Plastic waste</b>	Absolute weight of the packaging material (Bags, Bottles, Pallets etc.) discarded as defined under the plastic waste management rules 2016 and amendments thereof
<b>E-waste</b>	Discarded Computers, televisions, cell phones, VCRs, stereos, DVD players, copiers, and fax machines etc. as listed under e-waste management rules 2016 and amendments thereof
<b>Bio-medical waste</b>	Solids and liquid waste including its container and any intermediate product, which is generated during the diagnosis, treatment or immunization of human beings or animals or research activities as listed under Bio-medical waste management rules 2016 and amendments thereof
<b>Construction and demolition waste</b>	Construction waste as per C&D waste management Rules 2016 and amendments thereof like concrete, plaster, metal rods / wires, wood, plastics etc.
<b>Battery waste</b>	Discarded batteries i.e., Li-ion, Alkaline, Lead Acid etc used in vehicles, computers & laptops, mobiles other electronics, UPS, Power Back up etc. as per Battery Waste management Rules 2016 and amendments thereof
<b>Radioactive waste</b>	Discarded material such as paper, plastic, clothes, equipment, machine parts etc. having exposure to radiation across Nuclear Power Plants, Hospitals, Research Laboratories, Industrial Applications etc.)
<b>Other Hazardous waste</b>	Specify the waste. This is as per hazardous waste management rules of Central Pollution Control Board(CPCB)
<b>Other Non-hazardous waste generated</b>	Specify the waste. Further, provide break-up by composition i.e., by materials relevant to the sector This is as per waste not identified as hazardous as per CPCB



Total waste recovered through recycling, re-using or other recovery operations should be reported in absolute quantity (Kg or MT) for each category of waste generated



Note: Disclosure may be provided if certificates from vendors have been relied upon for assurance of KPIs on waste management

Waste can be disposed through the following disposal options

## Incineration

This refers to controlled burning of waste at high temperatures.

Note: Incineration of waste can be carried out with or without energy recovery. Incineration with energy recovery is also known as waste to energy. In the context of waste reporting, incineration with energy recovery is considered a disposal operation

## Landfilling

This refers to final depositing of solid waste at, below, or above ground level at engineered disposal sites.

Note: In the context of waste reporting, landfilling refers to depositing of solid waste in sanitary landfills, and excludes uncontrolled waste disposal such as open burning and dumping

## Other disposal Operations

Entities may specify the other disposal options

Total waste disposed should be reported in (Kg or MT) for each category of waste generated

	Parameter	Reporting requirements	Reporting process
Embracing Circularity	Waste Generated	<ul style="list-style-type: none"> <li>• Provide details related to waste management by the entity, in the following format:</li> <li>• Total Waste generated (in metric tonnes)                             <ul style="list-style-type: none"> <li>○ Plastic waste</li> <li>○ E-waste</li> <li>○ Bio-medical waste</li> <li>○ Construction and demolition waste</li> <li>○ Battery waste</li> <li>○ Radioactive waste</li> <li>○ Other Hazardous waste. Please specify, if any.</li> <li>○ Other Non-hazardous waste generated</li> </ul> </li> </ul> <div> <b>Total Waste Generated:</b> Plastic waste + E-waste + Bio-medical waste + Construction and demolition waste + Battery waste + Radioactive waste + Other Hazardous waste + Other Non-hazardous waste                 </div>	<ul style="list-style-type: none"> <li>• Report the total waste generated in its activities, with a break-up as per the categories specified in various Waste Management Rules issued by the Ministry of Environment, Forest and Climate Change (MOEFCC), with the break-up of the disposal method, as follows:                             <ul style="list-style-type: none"> <li>○ Waste that is incinerated</li> <li>○ Waste that is sent to a landfill</li> <li>○ Other disposal operations:</li> </ul> </li> <li>• For each respective category of waste generated, the entity shall report the waste that is recovered through recycling, preparing for re-use or through other recovery operations.</li> <li>• Waste generated to be measured in Kg or MT</li> <li>• Entity should be prepared with any contextual information necessary to understand the data, such as any standards, methodologies, assumptions and/or calculation tools used.</li> </ul>

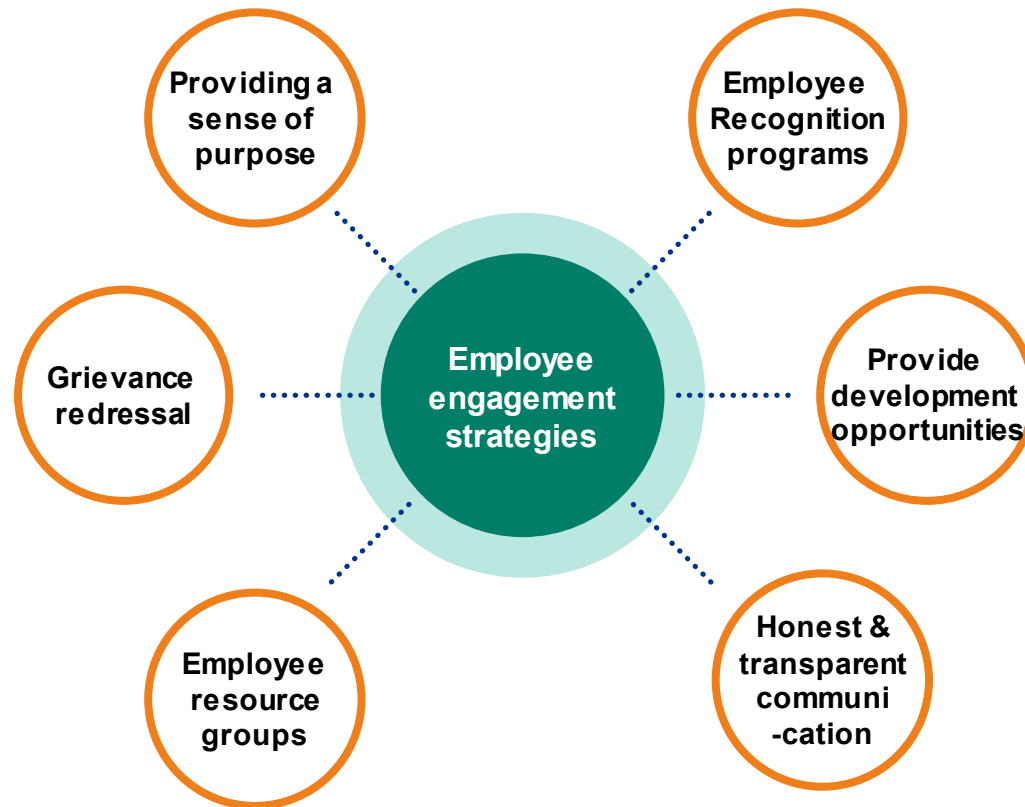
	Parameter	Reporting requirements	Reporting process
<div>Embracing Circularity</div>	Waste Intensity	<ul style="list-style-type: none"> <li>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</li> </ul> <div>Total waste generation/Revenue from operations adjusted for PPP</div>	<ul style="list-style-type: none"> <li>Measure total waste generated in Kg/MT</li> <li>The total revenue from operations should be from the audited financial statements</li> <li>The Purchasing Power Parity (PPP) is to be determined in terms of USD/INR</li> </ul>
		<ul style="list-style-type: none"> <li>Waste intensity in terms of physical output</li> </ul> <div>Total waste generation/Total Output of Product or Services</div>	<ul style="list-style-type: none"> <li>Measure total waste generated in Kg/MT</li> <li>Total output of products would be company and sector-specific (i.e., number of vehicles produced, MT of material produced, data in Mn TB, etc.)</li> </ul>

	Parameter	Reporting requirements	Reporting process
Embracing Circularity	Waste Recovery	<ul style="list-style-type: none"> <li>Waste recovery intensity</li> </ul> <p><b>Intensity:</b> Kg of Waste Recycled or Recovered/Total Waste generated</p>	<ul style="list-style-type: none"> <li>Total waste generated</li> <li>Track and calculate total waste recovered through recycling, re-using or other recovery operations</li> </ul>
	Waste Disposal	<ul style="list-style-type: none"> <li>Waste disposal intensity</li> </ul> <p><b>Intensity:</b> Kg of Waste disposed/Total Waste generated</p>	<ul style="list-style-type: none"> <li>Total waste generated</li> <li>Track and calculate the amount of material disposed through incineration, landfill or any other disposal method</li> </ul>

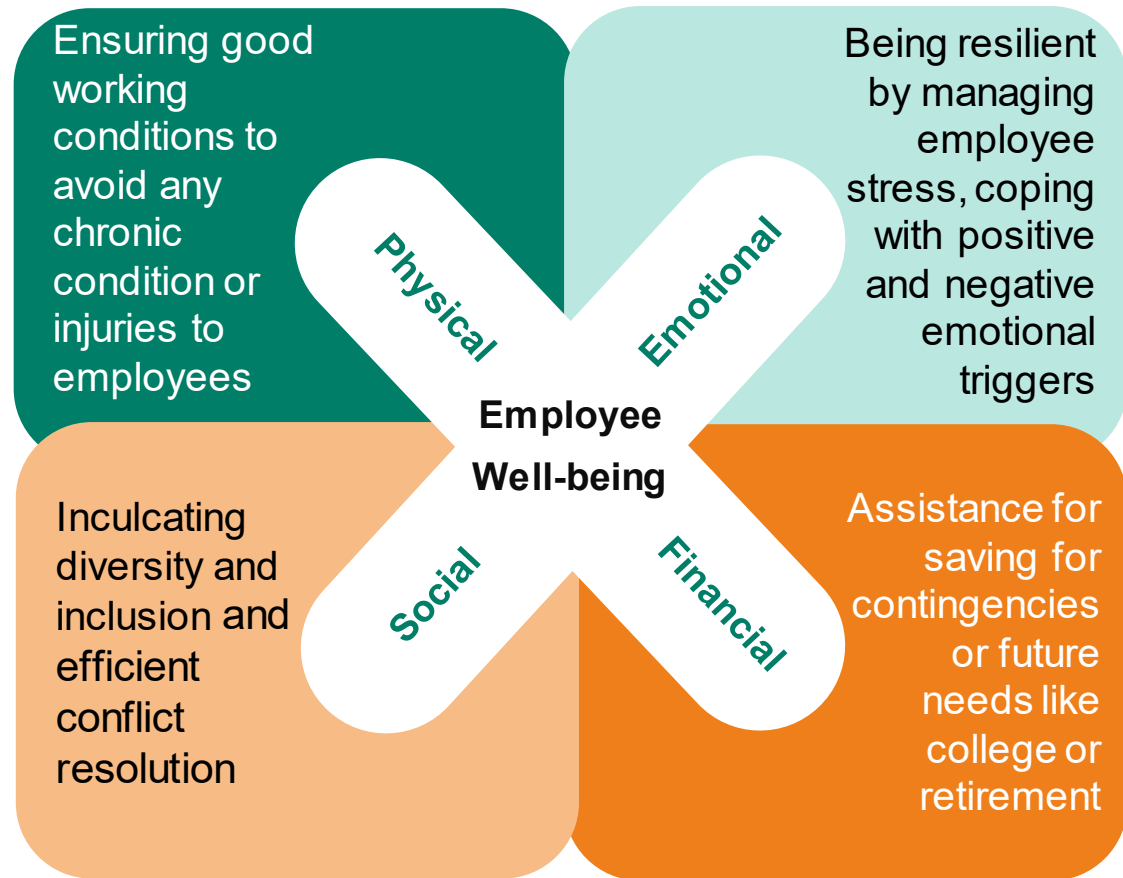


# Enhancing Employee Well-being and Safety

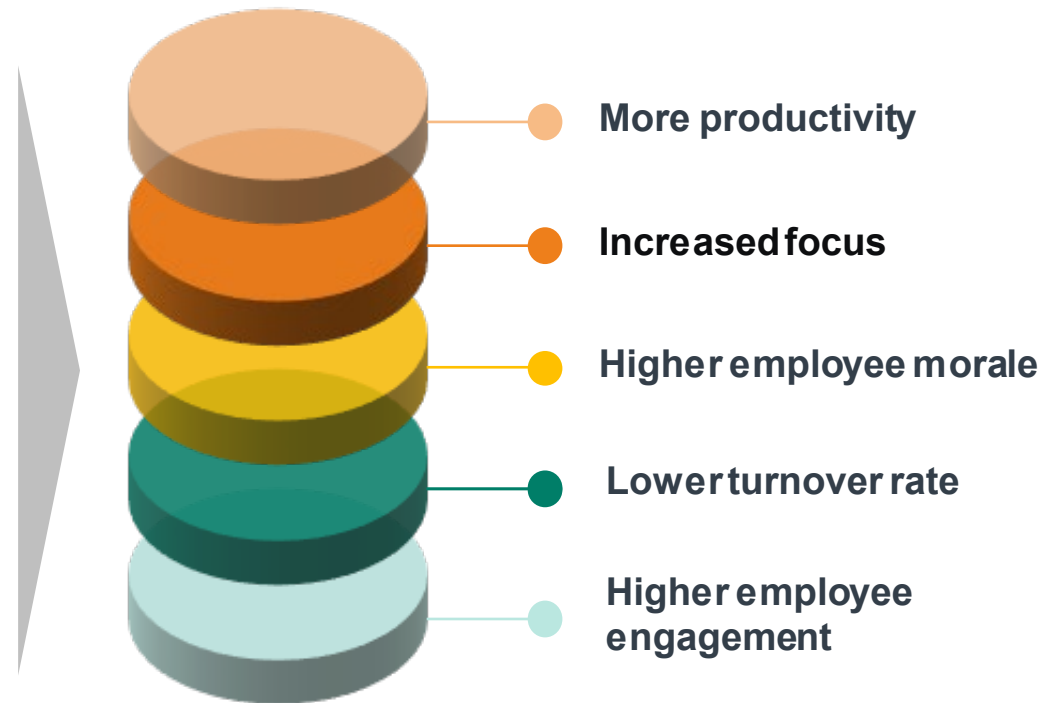
Employee engagement is necessary to boost work productivity and ensure that the entire workforce is engaged. Engaged employees are not only more professionally invested but are also more emotionally invested with a positive work culture.



The employee wellbeing definition refers to the **state of employees' mental and physical health**, resulting from dynamics within – and sometimes outside – the workplace.

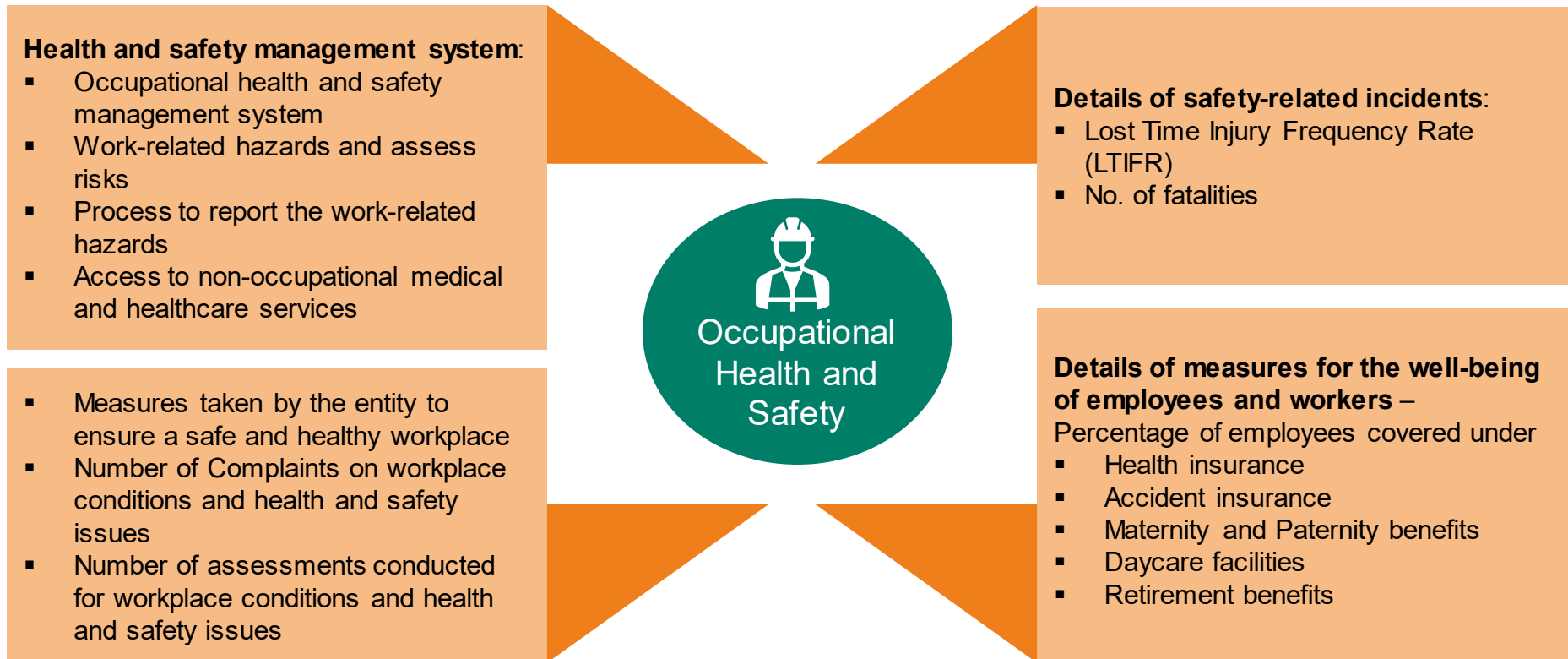


## Benefits of Employee Well-being



Employee health and safety is of paramount importance. It is also important to make sure that the workplace is nurturing, nurturing and safe.

A Company needs to have a robust system of policies and processes to ensure the wellbeing of its employees. However, it is also important to disclose about health and safety risks, processes used to identify work-related hazards and assess risks on a routine and non-routine basis and occupational health and safety system is a systematic approach to manage such risks.



# Enhancing Employee Well-being and Safety

	Parameter	Reporting requirements	Reporting process
Enhancing Employee Well-being and Safety	Spending on measures towards well-being of employees and workers	<ul style="list-style-type: none"> <li>Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company</li> </ul> <div> <math display="block">\text{Spend on measures towards well-being of employees and workers} \times 100 / \text{Total revenue of the company}</math> </div>	<ul style="list-style-type: none"> <li>Track the amount (in rupee) spent on health and well-being measures undertaken by the entity, which may include:                             <ul style="list-style-type: none"> <li>health insurance</li> <li>accident insurance</li> <li>maternity benefits</li> <li>paternity benefits</li> <li>day-care facilities</li> <li>health and safety measures, including access to mental health</li> </ul> </li> <li>The total revenue of the company should be from the audited financial statements</li> </ul>
	Details of safety-related incidents for employees and workers	<ul style="list-style-type: none"> <li>Disclose safety-related incidents for employees and workers (<i>including contract workforce e.g., workers in the company's operational sites</i>)                             <ul style="list-style-type: none"> <li>Number of Permanent disabilities</li> <li>Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)</li> <li>No. of fatalities</li> </ul> </li> </ul> <div> <math display="block">\text{LTIFR: (Total number of lost time injuries} \times 10,00,000) / \text{Total No. of working hours}</math> </div>	<ul style="list-style-type: none"> <li>Track lost time injuries (i.e., the loss of productivity for an organization as a result of a work-related injury or ill-health)</li> <li>Monitor and calculate the total number of working hours (<i>can be calculated from the timesheet or punch in/out machines</i>)</li> <li>Track and report the number of permanent disabilities and fatalities due to its operations</li> </ul>

# Enabling Gender Diversity in Business



Businesses should ensure that their employees feel valued, welcome, and respected, and one way to do this is through a strong commitment to diversity, equity, and inclusion at place — also known as DE&I.

## Diversity

Diversity refers to having an inclusive environment welcoming all genders, ethnicities, backgrounds, age, caste, religion, marital status, colour, state/location, sexual orientation, language, disabilities, varied experiences, skills, perspectives, etc.

## Equity

Equity refers to ensuring all individuals are provided fair treatment, access, opportunity, and advancement

## Inclusion

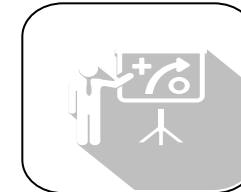
Inclusion refers to creating an environment that makes all individual feel welcome, supported, and valued.

## The Benefits of strong DEI at the workplace

**Increased employee productivity**



**Extensive and Diverse Talent Pool**



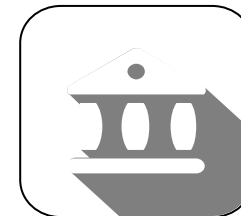
**Better Financial Gains**



**Competitive Business Advantage**



**Better Decision making**



**Higher Employee Retention**





## What is Gender Equity?

**Gender equity** is defined as women and men having **equal conditions, treatment and opportunities** for realizing their full potential, human rights and dignity, and for **contributing to (and benefiting from) economic, social, cultural and political development**.



## Importance of Gender Equity

**Gender disparities intensify unequal opportunities** for women to participate fully in economic life.

The gaps in opportunity between men and women pose a real cost to society. According to ILO, **doubling the percentage of women in the workforce could boost India's growth rate** from 7.5% to 9% and raise the country's GDP to **\$700 billion by 2025**.



## Addressing Gender Imbalance

Global frameworks are increasingly working to address the gender imbalance, including targets for gender equity under the United Nations Sustainable Development Goal (SDG). The framework also highlights the connectedness of gender equity with other dimensions of economic and social equity.

However, more relevant to the workplace are the **'Women Empowerment Principles'** developed by UN Women and the **UN Global Compact to advance women's empowerment in the workplace**.



# Enabling Gender Diversity in Business

	Parameter	Reporting requirements	Reporting process
<b>Enabling Gender Diversity in Business</b>	<b>Gross wages paid to females</b>	<ul style="list-style-type: none"> <li>Gross wages paid to females as % of wages paid</li> </ul> <div>(Gross wages paid to females*100) / Total wages paid</div>	Calculate: <ul style="list-style-type: none"> <li>Total wages paid to all employees (male + female)</li> <li>Gross wages paid to females</li> </ul>
	<b>Complaints on POSH</b>	Disclose on: <ul style="list-style-type: none"> <li>Total Complaints of Sexual Harassment (POSH) reported</li> <li>Complaints on POSH as a % of female employees/workers</li> <li>Complaints on POSH upheld</li> </ul>	<ul style="list-style-type: none"> <li>'Sexual Harassment' includes any one or more of the following unwelcome acts or behaviour (whether directly or by implication) namely:               <ul style="list-style-type: none"> <li>physical contact and advances</li> <li>a demand or request for sexual favours</li> <li>making sexually colored remarks</li> <li>showing pornography</li> <li>any other unwelcome physical, verbal or non-verbal conduct of sexual nature</li> </ul> </li> <li>Track complaints registered through various mechanisms:               <ul style="list-style-type: none"> <li>Internal Compliance Committees (ICC) or Trade Union</li> <li>Hotlines</li> <li>Other channel</li> </ul> </li> </ul>

# Enabling Inclusive Development

## Input material

Includes all types of procurement such as raw material, spares, services, capex procurement items, etc.

## Small Producers

Small producers' mean those where the owner herself/himself is a worker and includes informal and/or producers such as self-help groups and home-based workers as well as producer-owned entities such as cooperatives and producer companies

## MSMEs

According to the Union Ministry of Micro, Small and Medium Enterprises:

- Enterprises with ₹1 Crore of investment and Rs. 5 Crore of turnover are termed as micro manufacturing and services units
- Enterprises with ₹10 Crore of investment and ₹50 Crore of turnover are termed as small units
- Enterprises with ₹50 Crore of investment and ₹250 Crore of turnover are termed as medium units

	Parameter	Reporting requirements	Reporting process
<b>Enabling Inclusive Development</b>	<b>Input material sourced</b>	<ul style="list-style-type: none"> <li>The entity shall disclose percentage of input material (inputs to total inputs by value) sourced from suppliers for current and previous financial years from:                             <ul style="list-style-type: none"> <li>Small producers - Directly sourced from MSMEs</li> <li>Local communities within the district and neighbouring districts.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Monitor and calculate the input material sourced from the following sources as percent of total purchases – Directly sourced from Ministry of Micro, Small and Medium Enterprises (MSMEs)/small producers and from within India.</li> </ul>
	<b>Job creation in smaller towns</b>	<ul style="list-style-type: none"> <li>Wages paid to persons employed in smaller towns (permanent or non-permanent/on contract) as % of total wage cost</li> </ul> <div>(Wages paid to persons employed in smaller towns*100)/Total wages cost</div>	<ul style="list-style-type: none"> <li>Track the place of employment of employees/workers based on:                             <ul style="list-style-type: none"> <li>rural</li> <li>semi-urban</li> <li>urban</li> <li>metropolitan</li> </ul> </li> <li>Consider the payment made as salaries or payments made to vendors for contractual labour/staff for reporting</li> </ul>

# Fairness in Engaging with Customers and Suppliers

With the advent of digitization, Information Technology systems are crucial to the success of business operations and help improve overall productivity, but they also pose a key risk in terms of failure of systems, information security failures, and the possibility of cyber-attacks.

It is important to have robust IT systems, infrastructure, and governance to ensure that the data is protected and that there are adequate measures in place to prevent cyber-attacks.

## What data points should a Company focus on?



# Fairness in Engaging with Customers and Suppliers



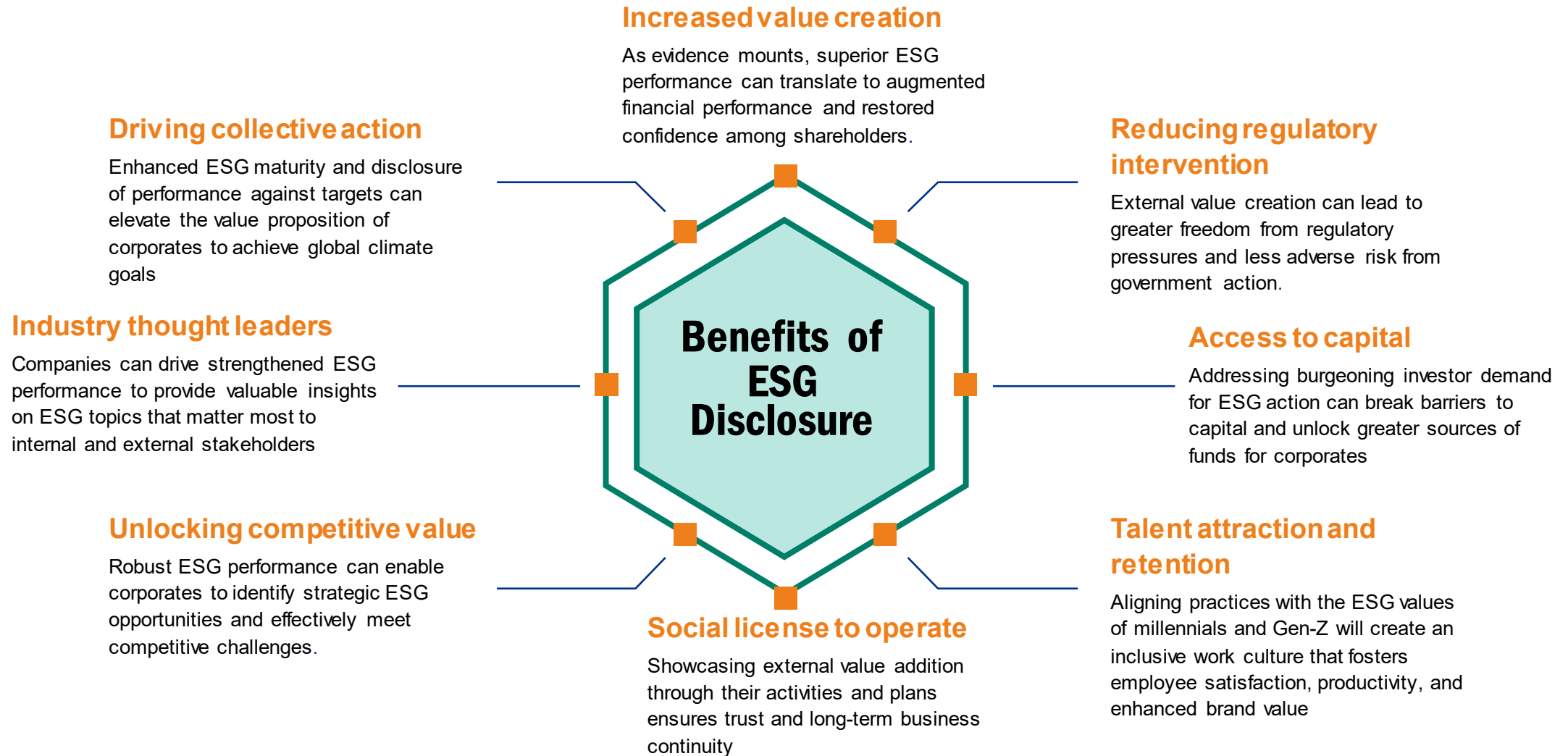
	Parameter	Reporting requirements	Reporting process
<b>Fairness in Engaging with Customers and Suppliers</b>	<b>Instances involving loss/breach of data of customers</b>	<ul style="list-style-type: none"><li>Track and disclose instances involving loss/breach of data of customers as a percentage of total data breaches or cyber security events</li></ul> <div>(Instances involving breach of customer data*100)/Total instances of data breach</div>	<ul style="list-style-type: none"><li>Have a grievance mechanism in place to track incidents of cybersecurity-related events</li><li>Record and report instances of data breaches/cybersecurity-related events</li><li>Calculate instances involving breach of customer data</li></ul>
	<b>Number of days of accounts payable</b>	<ul style="list-style-type: none"><li>Disclose the number of days of accounts payable</li></ul> <div>(Accounts payable*365)/Cost of goods/services procured</div>	<ul style="list-style-type: none"><li>Report number from financial statements</li></ul>

# Open-ness of business



	Parameter	Reporting requirements	Reporting process
<b>Open-ness of business</b>	<b>Concentration of purchases &amp; sales done with trading houses, dealers, and related parties. Loans and advances &amp; investments with related parties</b>	Disclose on the following parameters: <ul style="list-style-type: none"> <li>• Purchases from trading houses as % of total purchases</li> <li>• Number of trading houses where purchases are made from</li> <li>• Purchases from top 10 trading houses as % of total purchases from trading houses</li> </ul>	<ul style="list-style-type: none"> <li>• Consider audited financial statements/report for the data requirements on related-party transactions (RPT)</li> </ul>
		Disclose on the following parameters: <ul style="list-style-type: none"> <li>• Sales to dealers/distributors as % of total sales</li> <li>• Number of dealers/distributors to whom sales are made</li> <li>• Sales to top 10 dealers/distributors as % of total sales to dealers/distributor</li> </ul>	
		Disclose the share of related-party transactions (RPTs) as respective % in - <ul style="list-style-type: none"> <li>• Purchases</li> <li>• Sales</li> <li>• Loans &amp; advances</li> <li>• Investments</li> </ul>	

# **Benefits of ESG Disclosure**



As businesses are heading towards ESG disclosures Investors are looking for quantitative and comparative analysis of company's performance. An Effective BRSR can help through:



**Quantitative  
and Visual  
Comparison  
of Company's  
Performance  
in ESG**

**Ease in  
identification  
of Business  
Sustainability  
Risk**

**Access  
credibility of a  
company/  
business  
along with  
financial  
information**

**Demonstration  
of sustainability  
goals,  
objective,  
status and  
performance  
for better  
decision  
making**

## Holistic Development of Business Process through BRSR reporting

### External Benefit

#### Investor

→ ESG disclosure can improve investor relation and enhance investment decision making.

#### Stakeholder Engagement

→ Transparent disclosures help in building strong stakeholder relationship.

### Internal Benefit

#### Business Resilience

→ Creating a value that enhances business resilience to address unforeseen nuances.

#### Productivity

→ Through increased focused on employee well-being, productivity of employees is improved.

#### Financial Growth

→ Holistic development of company is linked to indirect financial growth of the company.

# SEBI framework on BRSR Core and Value Chain: ESG Disclosures and Assurance

As per Market capitalization as on December 31, 2023 (Rs in Lakhs), IDBI Bank Limited is at 98<sup>th</sup> position

## F.Y. 2024-25

- ESG disclosures as per BRSR Core, for value chain of top 250 companies\* on comply or explain basis
- Assurance not mandatory



## F.Y. 2025-26

- ESG disclosures as per BRSR core, for the value chain of top 250 companies\* on a comply or explain basis
- Limited Assurance on a comply or explain basis



\*As per market capitalization as of 31 March of previous year.

## Composition of value chain

- The value chain should encompass the top upstream and downstream partners of a listed entity, cumulatively comprising 75 percent its purchases/sales (by value) respectively. Such reporting may be segregated for upstream and downstream partners or can be reported on an aggregate basis.
- Listed entities shall report the KPIs in the BRSR Core for their value chain to the extent it is attributable to their business with that value chain partner. Such reporting may be segregated for upstream and downstream partners or can be reported on an aggregate basis
- The scope of reporting and any assumptions or estimates, if any, should be clearly disclosed.

## Reporting format

- Disclosures for value chain should be made by the listed entity as per BRSR Core, as part of its annual report.

## Assurance Provider

Following requirements should be evaluated by the listed entity while appointing an assurance provider:

**Expertise:** The Board of the listed entity should ensure that the assurance provider of the BRSR Core has the necessary expertise, for undertaking reasonable assurance.

**Independence:** The listed entity should ensure that there is no conflict of interest with the assurance provider appointed for assuring the BRSR Core disclosures. Further, it should be ensured that the assurance provider or any of its associates do not sell its products or provide any non-audit/non-assurance related service including consulting services, to the listed entity or its group entities.



Calculating financed emissions is important because they contribute a considerable portion of global GHG emissions. The financial sector can help facilitate the transition in line with a 1.5°C scenario by directing capital to support decarbonization.

## Financed Emissions

Emissions that are generated as a result of financial services, investments, and lending to our customers and their activities.

They form a part of our **Scope 3 emissions - Category 15: Investments** (from the Greenhouse Gas Protocol), which includes emissions associated with the use of a company's products and services.

## How to Calculate Financed Emissions

**Financed emissions** =  
Attribution Factor x Scope 1 & 2  
Emission Per Loan or Investment

**Attribution Factor** =  
% Share of Loan or Investment  
[e.g., Total Loan/(Total Debt + Equity)]

IDBI Bank is a **signatory to the Carbon Disclosure Project (CDP)** - as a part of its initiatives to a responsible business striving towards a low-carbon future.

## The Need for Financed Emission Disclosure



Foster compliance with increasing regulatory requirements



Enhance transparency and meet stakeholders' expectations through voluntary disclosures



Set the baseline emissions for target-setting in alignment with the Paris Agreement.



Reduce portfolio climate impact



Identify and manage climate-related transition risks and opportunities



Improve climate reporting on GHG emissions exposure and increased transparency to stakeholders



Set science-based targets using defined methodologies.



Inform climate strategies and actions to develop innovative products that support the transition toward a net-zero emissions economy

## Funding the transition to a low-carbon economy...

- **Provide services**, resources, and guidance that will help businesses to reach Net Zero. This might involve working with a company to set targets for emissions reductions or helping a company to disclose and evaluate its progress against targets.
- Help businesses build **data collection and management systems**, thereby improving internal systems/processes and managing and reducing emissions.
- Help businesses to **identify and manage climate-related risks and opportunities**.

# Why should you disclose ESG data?

## Emerging Regulatory Compliance

New standards, frameworks, and regulations are driving significant change in the scope and scale of reporting. Additionally, various stakeholders, including investors, are seeking disclosures on non-financial parameters from companies. From FY 2024-25, the value chain of the top 250 companies will be required to disclose ESG data as per BRSR Core.



## Help build data collection and management system

The unavailability of standard operating procedures for non-financial parameters within the organization makes it difficult to measure the output and outcome of business performance.

Developing a data collection and monitoring system will help in updating real-time data on ESG key performance indicators (KPIs). The data can then be used to enhance the internal systems/processes of your company and reduce the overall impact on the environment and society.

## Manage the environmental and social impacts

Disclosing your ESG data will help the bank identify the environmental and social impacts in its value chain and take initiatives to manage those impacts. This will help you to reduce negative impact, if any on the environment and society, thereby creating value for your organisation.



## Ease of Business

Integrating ESG into your business model will help to streamline your business operations and ease business.



# **Annexure: BRSR Principles**

This section is aimed at helping entities demonstrate their performance in integrating the principles and core elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

## PRINCIPLE 1:

Business should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable

## PRINCIPLE 2:

Business should provide goods and services in a manner that is sustainable and safe

## PRINCIPLE 3:

Business should respect and promote the well-being of all employees, including those in their value chains

## PRINCIPLE 4:

Business should respect the interests of and be responsive to all its stakeholders

## PRINCIPLE 5:

Business should respect and promote human rights

## PRINCIPLE 6:

Business should respect and make efforts to protect and restore the environment

## PRINCIPLE 7:

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

## PRINCIPLE 8:

Businesses should promote inclusive growth and equitable development

## PRINCIPLE 9:

Businesses should engage with and provide value to their consumers in a responsible manner



# Principle 1

Businesses should conduct and govern themselves with integrity,  
and in a manner that is Ethical, Transparent and Accountable

BRSR seeks disclosures on the company's approach of managing code of ethics/conduct across the value chain. Disclosures such as anti-bribery or corruption policy, detail on penalties or fines imposed during the year, mechanism in place to avoid/ manage conflict of interests and complaints received on conflicts of interest, etc.

## Disclosures include:

Risk assessment procedures and internal controls



Mechanism to deal with complaints on bribery/corruption



Coverage of trainings on anti-corruption issues



## Current hanging fruit:



- Awareness programmes for value chain partners on any of the 9 Principles during the financial year



- Detail of processes in place to avoid/ manage conflict of interests involving members of the Board
- Number of complaints received in relation to issues of Conflict of Interest/ corruption of the Directors and KMPs during the current reporting year as well as previous financial year.
- Details of corrective action taken or underway on cases of corruption and conflicts of interest
- 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

A business comprises of people, ranging from its internal stakeholders being the employees, workers, senior management, board of directors, other key managerial personnel to external stakeholders being its investors, consumers, suppliers, other value chain partners etc. it becomes imperative to conduct training and awareness programmes for the stakeholders. Training and awareness for the employees, workers, board members etc. is basic responsibility of the organization.

## What data points should a Company collect?



### Who should be trained?

- Board of Directors
- Key Managerial Personnel
- Employees other than Board of Directors and KMPs
- Workers
- Value chain partners



### KPIs to be measured

- Total number of training and awareness programmes held
- Topics/principles covered under the training and its impact
- Percentage of persons in respective category covered by the awareness programmes

### Topics which may be covered under the Training and Awareness programs includes:

- Environment Management such as GHG emissions, energy management, waste, water, etc.
- Health & Safety
- Human Rights
- Customer safety
- Product Stewardship
- Circular Economy, etc.

# Principle 2

Business should provide goods and services in a manner that is sustainable and safe

“Sustainable Sourcing” essentially refers to the integration of social, ethical and environmental performance factors into the process of selecting suppliers.

## Requirement:

Proportion of inputs sourced from suppliers who are either covered by the company’s sustainable sourcing programmes and/or are certified to be compliant with social and environmental standards such as SA 8000, ISO 14001, OHSAS 18001 or relevant labels like Rainforest Alliance, Rugmark, RSPO etc.

## What IDBI Bank can do?

Formulation and periodic review of sustainable sourcing policy covering human rights and reducing environmental and social (E&S) impacts



Make suppliers aware about compliance with identified E&S principles



Identify if existing suppliers are compliant with any E&S standards



Enlist suppliers who are compliant with a Company’s policy or E&S standards



Calculate inputs sourced from these suppliers against total materials sourced



Product Life Cycle refers to all the stages of a product from extraction or acquisition of raw materials through manufacturing and processing, distribution and transportation, use and reuse, recycling and disposal.

## Requirement:

- Name of product and boundary for which the Life Cycle Perspective / Assessment was conducted
- % of total turnover contributed by respective products
- Whether conducted by independent external agency

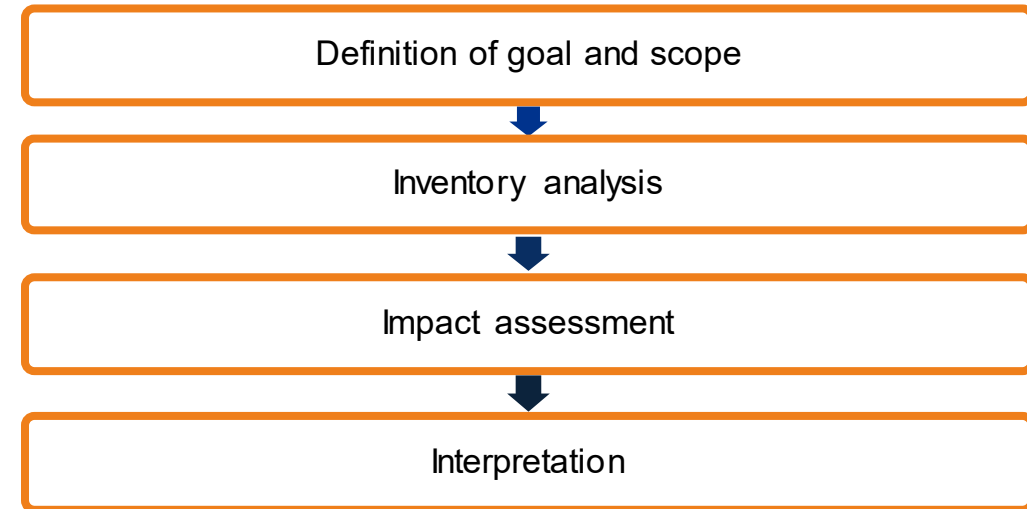
**The assessment will require designing a boundary which can be –**

**Cradle to Grave** - Full LCA from resource extraction to use phase to disposal phase

**Cradle to Cradle** - The last step is the recycling process

**Cradle to gate** - Partial LCA from resource extraction to factory gate

**The study of LCA are conducted in the following four phases –**





# Principle 3

Business should respect and promote the well-being of all employees,  
including those in their value chains.



Businesses should ensure that their employees feel valued, welcome, and respected, and one way to do this is through a strong commitment to diversity, equity, and inclusion at place — also known as DE&I.

## Diversity

Diversity refers to having an inclusive environment welcoming all genders, ethnicities, backgrounds, age, caste, religion, marital status, colour, state/location, sexual orientation, language, disabilities, varied experiences, skills, perspectives, etc.

## Equity

Equity refers to ensuring all individuals are provided fair treatment, access, opportunity, and advancement

## Inclusion

Inclusion refers to creating an environment that makes all individual feel welcome, supported, and valued.

### Key elements of a robust DEI strategy

Access own practices and eliminate inherent bias from business operations

Embed diversity and inclusion into hiring process

Commit to fair compensation

Provide accessibility of office premises to differently abled employees/ visitors

Create an open communication culture across the organization

Deploy an effective grievance redressal mechanism against DEI issues

BRSR requires to disclose the total number of employees and workers, along with the associated break-up by gender (male/female) and into permanent/other than permanent. Along with this, BRSR also requires disclosure of differently abled employees at the company.

IDBI Bank should provide these details at the end of the reporting period i.e., as of 31st March of the reporting/financial year.

## What KPIs to be collect, track and monitor?

1	Breakdown of employees as per gender, full-time employees and workers and whether the employees are permanent or other than permanent.	
2	Disclosures on number differently-abled employees and workers	
3	Whether a Company's premises accessible to differently abled employees, workers and visitors, as per the requirements of the Rights of Persons with <b>Disabilities Act, 2016</b>	
4	Whether a Company has an Equal Opportunity Policy as per the Rights of Persons with Disabilities Act, 2016	

### Note:

Data for a breakdown of the number of employees should be provided for the current FY as well as the previous FY



## BRSR requires detailed disclosures on the following:

- Persons employees per designation level
- Performance and career development
- Parental leave, Return to work and Retention rates
- Turnover rate

## How can IDBI Bank calculate the data points?



### Persons employed in a category

(Persons employed in the category at the beginning of FY + Persons employed in the category at the end of FY) / 2

### Persons employed

(Total number of employees retained 12 months after returning to work following a period of parental leave \* 100) / (Total number of employees returning from parental leave in the prior reporting period)

### Turnover rate

(No. of persons who have left the employment of the entity in the FY \* 100) / Average no. of persons employed in the category

### Return to work

(Total number of employees that did return to work after parental leave in the reporting period \* 100) / (Total number of employees due to return to work after taking parental leave in the reporting period)

### Performance and career development

Regular review based on criteria known to the employee / worker and his or her superior. Such a review is undertaken with the knowledge of the employee

Note: Data should be provided for current or reporting FY as well as previous FY

# Case study: Propelling diversity and inclusion

ABC bank was facing issues in increasing women representation across its offices. But in FY2022, their share of women was bolstered by 12% than compared to last year as they adopted the following measures:

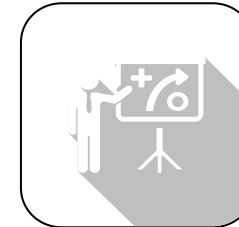
- 1 ..... Developing a Diversity, Equity and Inclusion Policy
- 2 ..... Building a cultural shift by developing inclusivity workshops
- 3 ..... Enabling family friendly policies
- 4 ..... Ensuring safety through robust POSH policy
- 5 ..... Developing a 12-month group level program for future women leaders

## The Benefits of strong DEI at the workplace

Increased employee productivity



Extensive and Diverse Talent Pool



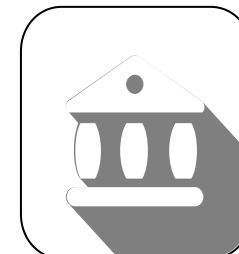
Better Financial Gains



Competitive Business Advantage



Better Decision making



Higher Employee Retention

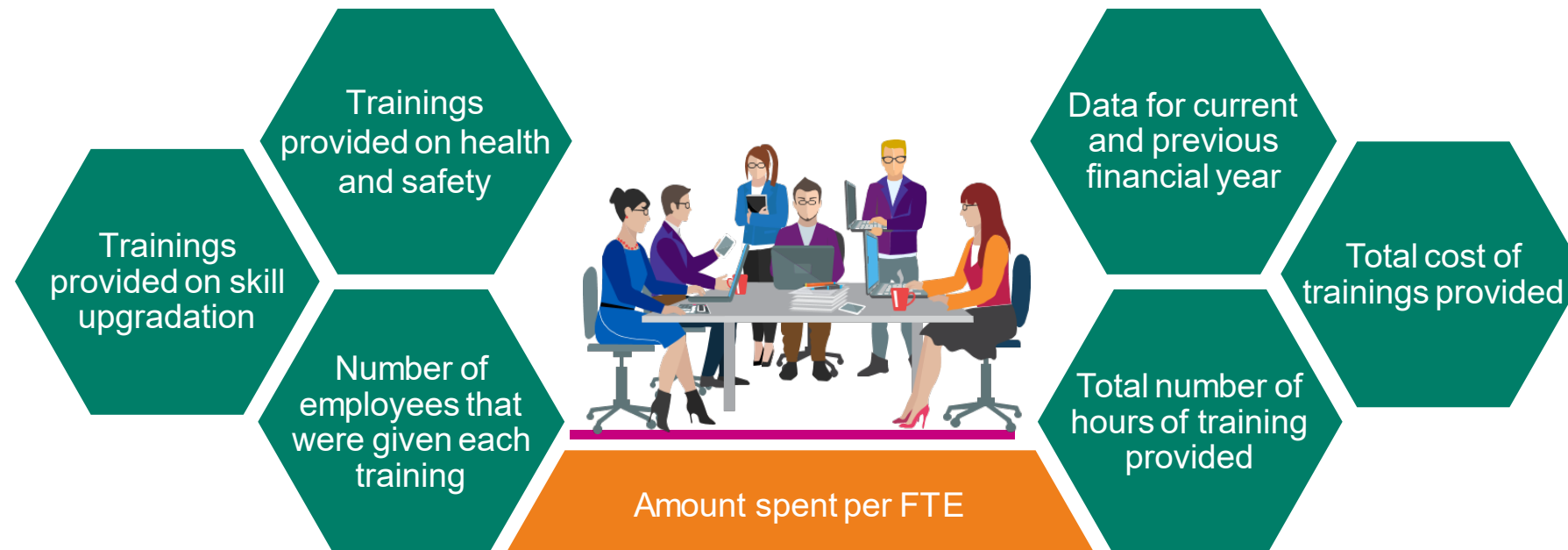


BRSR requires details of training imparted to the employees and workers on health and safety measures and on skill upgradation.

**Criteria:**

- Training on health and safety can include general training on health and safety as well as training on specific work-related hazards, hazardous activities, or hazardous situations. It can also include training on mental health.
- Training programs on skill upgradation can include both internal training courses and funding support for external training or education.

**What data points should a Company collect?**



# Case study: Talent development

XYZ bank was determined to enhance the talent and development of its employees. It adopted the following measures:

Talent management 3.0 policy with focus on talent segmentation, talent development, talent engagement and talent council

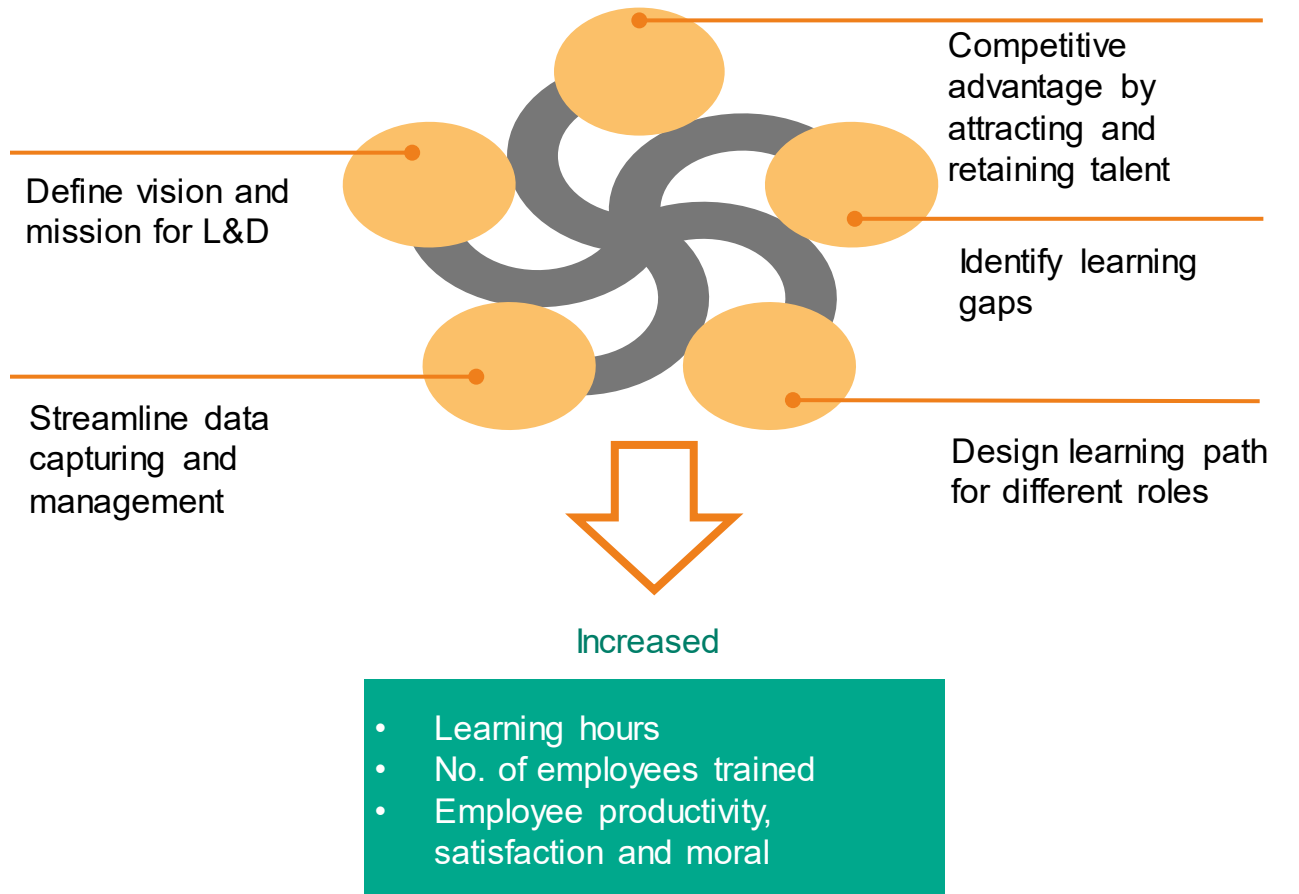
Leadership program to build future leaders

Robust employee feedback mechanism

Employee survey to understand employee satisfaction

Build customized training calendar based on the identified knowledge gaps

## Benefits of a learning and development strategy



In order to ensure that proper occupational health and safety management system has been implemented within the organisation, it becomes essential to assess plants and offices based on health and safety and working conditions.

## What data points should a Company track, collect, and monitor?



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

- Working Conditions
- Health & Safety



**% of your plants and offices that were assessed (by entity or statutory authorities or third parties)**

- Working Conditions
- Health & Safety



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





# Principle 4

Business should respect the interests of and be responsive to all its stakeholders

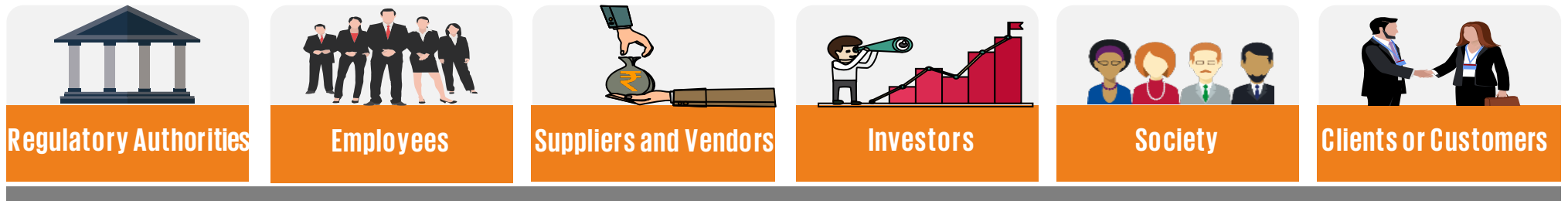
## 01

### Stakeholder Identification

**Stakeholder** is an entity or individual that can reasonably be expected to be significantly affected by the reporting organization's activities, products, and services, or whose actions can reasonably be expected to affect the ability of the organization to successfully implement its strategies and achieve its objectives.

On the basis of Principles of Sustainability context & Stakeholder Inclusiveness Identify -

- Vast pool of stakeholder groups & representatives.
- Areas that interest, impact or involve the stakeholders



## 02

### Stakeholder Prioritization

Based on Principles of Sustainability context & Stakeholder Inclusiveness-

- Narrow down the selection of stakeholders identified
- Select stakeholders that help the organization prioritize the identified topics
- Typical stakeholder mapping charts look as follows:



03

## Stakeholder Interaction and Validation

- Conduct stakeholder and management interviews to capture their outlook
- Seek stakeholder inputs using surveys, questionnaires, focus group discussions and interviews
- Based on Principles of Completeness and Stakeholder Inclusiveness, final consultation with internal stakeholders and decision-makers



04

## Analysis of Stakeholders' Inputs

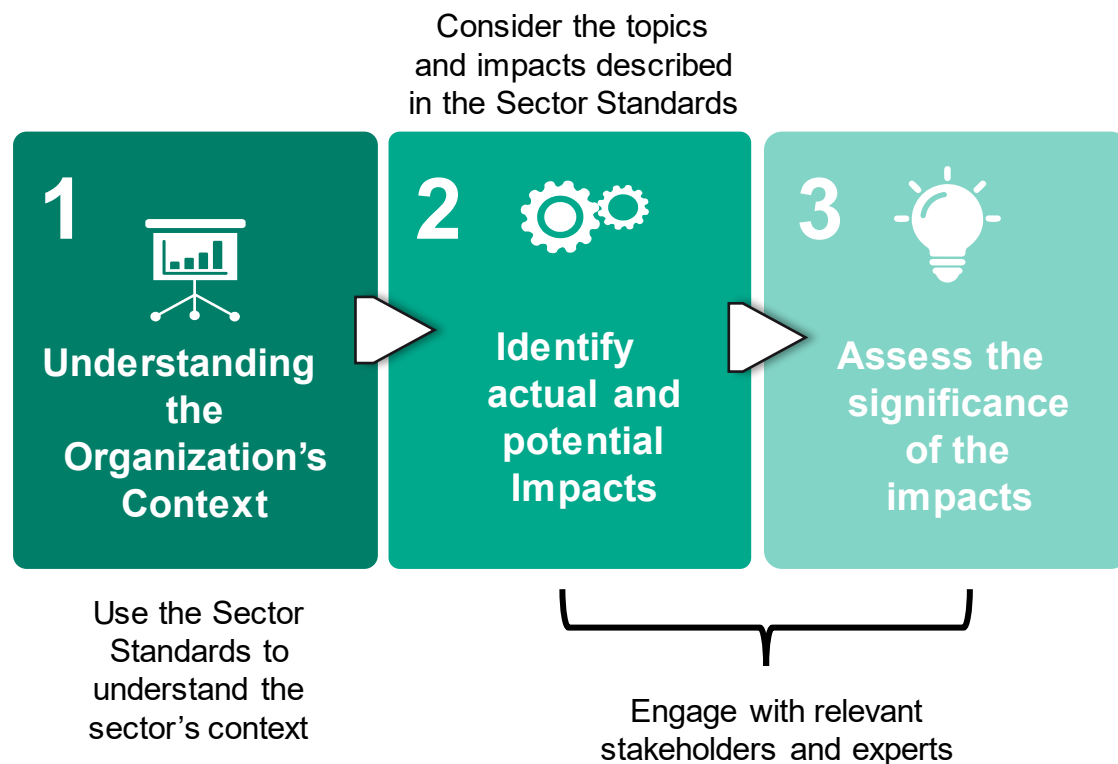
- Collate the responses and analyze the effectiveness of the process and identify the focus areas
- Based on Principles of Sustainability context & Stakeholder Inclusiveness- Collect feedback from stakeholders



# Steps for Materiality Assessment

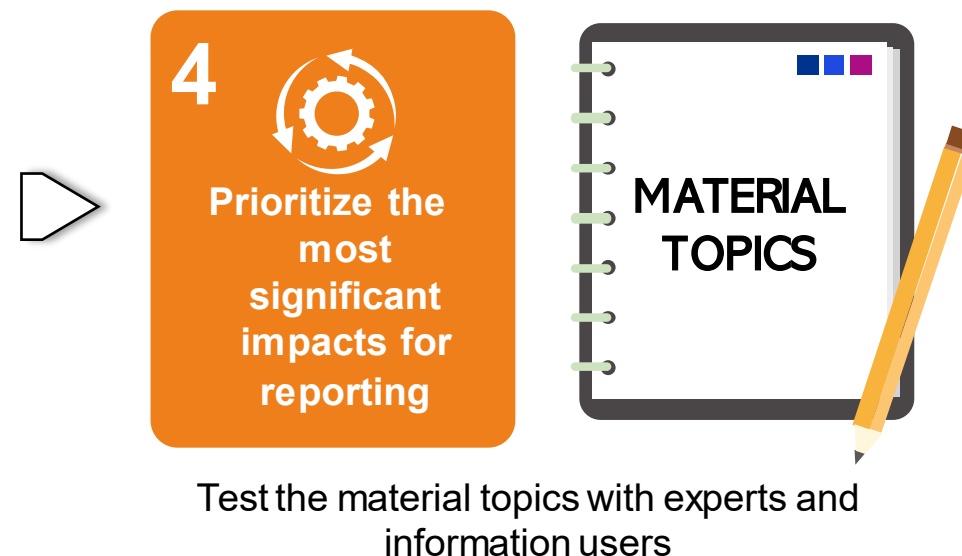
A company's materiality assessment sets the framework for its sustainability strategy. It also helps focus their efforts on substantial ESG topics that affect their longevity.

## Identify and assess impacts on an ongoing basis



## Determine material topics for reporting

Test the material topics against the those in the Sector Standards



# Principle 5

Business should respect and promote human rights

# What are Human Rights?

“ The idea of human rights is as simple as it is powerful: that people have a right to be treated with dignity. Human rights are inherent in all human beings, whatever their nationality, place of residence, sex, national or ethnic origin, colour, religion, language, or other status

- UN Guiding Principles on Business and Human Right ”

Child labor

Forced or compulsory labor

Human Trafficking

Discrimination

Freedom of association

Right to collective bargaining

Safe and healthy working conditions

Fair remuneration



## Stakeholders impacted by Human Rights



## Risks arising from Human Rights violations

### Reputational Risk

Human Rights violations can harm the public image and the business reputation of a company in turn affecting business opportunities.

### Financial Risk

Penalties from Human Rights lawsuits can make companies lose money hand over fist.

### Regulatory Risk

Human Rights violations can lead to litigations and lawsuits costing companies valuable time and resources.

Training programs on human rights issues and policies for employees and workers could include aspects of human rights that are relevant to operations, including the applicability of the human rights policies or procedures to the work done by employees / worker.

## What data points should a Company collect and report?



### Who should be trained?

- Employees
  - Permanent
  - Other than permanent
- Workers
  - Permanent
  - Other than permanent



### KPIs to be measured

- Total number of training programmes conducted in the past two financial years
- Topics covered under each of the training programmes
- Number of employees and workers trained
- Percentage of employees covered under the training programmes as compared to the total number of employees in the organization

### Topics which may be covered under the Training and Awareness programs includes:

- POSH
- Child labour
- Forced labour
- Discrimination and harassment
- Equal opportunity
- Equal remuneration
- Others

Addressing human rights involves resolving the concerns of associated people over the matters of human rights. Therefore, reporting entities are required to formulate an effective grievance redressal mechanism to address the human rights concerns. An organization should have a formal mechanism in place to address and redress human rights-related issues.

## What data points should a Company collect and report?

- Number of complaints made by employees and workers
- Internal mechanisms to redress grievances related to human rights issues

Details of remuneration/salary/wages for Board of Directors (BoD), Key Managerial Personnel, Employees and Workers

Focal point (Individual/ Committee) responsible for addressing human rights impacts or issues

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

### Policies:

- Human Rights Policy
- Policy on Prevention of Sexual Harassment



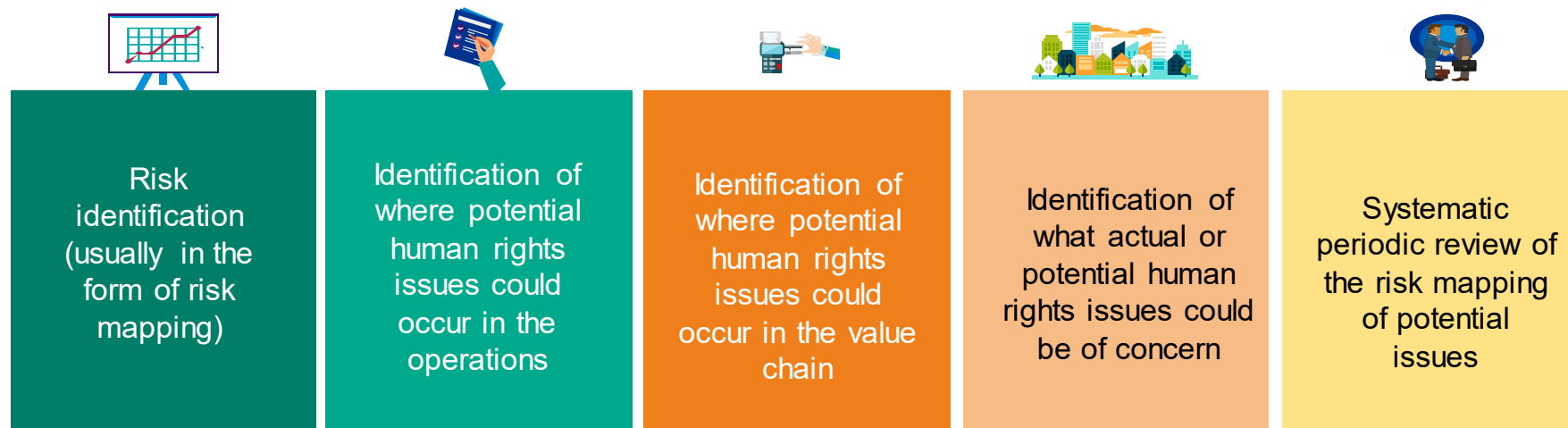
Human rights requirements as part of your business agreements and contracts



# Human rights assessments and due diligence

The next actionable that arises is the assessment of compliance with human rights in the organization and its various units. Human rights assessment, also known as human rights due diligence, is defined to mean formal or documented assessment process that applies a set of human rights performance criteria.

**A due diligence process to proactively identify and assess potential impacts and risks relating to respecting human rights for different groups. The process covers the following:**



Disclosure required by BRSR:

**Percentage of plants and offices and Value chain partners that were assessed** (by entity or statutory authorities or third parties) **on Human rights issues** such as:

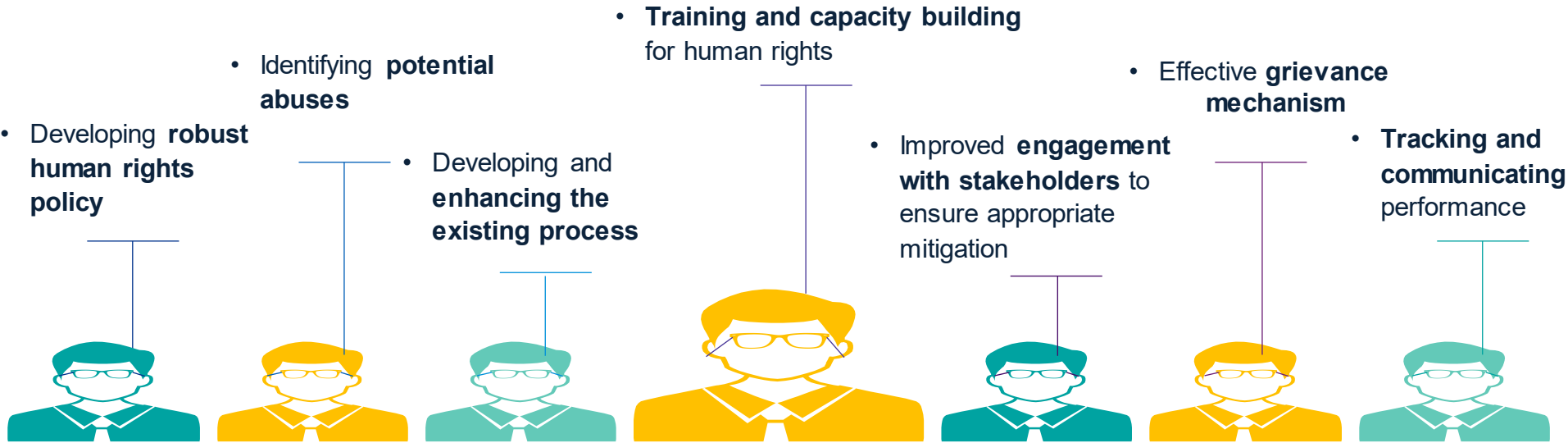
- Child labour
- Forced/involuntary labour
- Sexual harassment
- Discrimination at workplace
- Wages
- Others.

ABC bank was facing several human rights issues across its offices. This year, it adopted a comprehensive human rights due diligence system by:

Purpose

Understanding prospects of human rights violations in their offices

Process

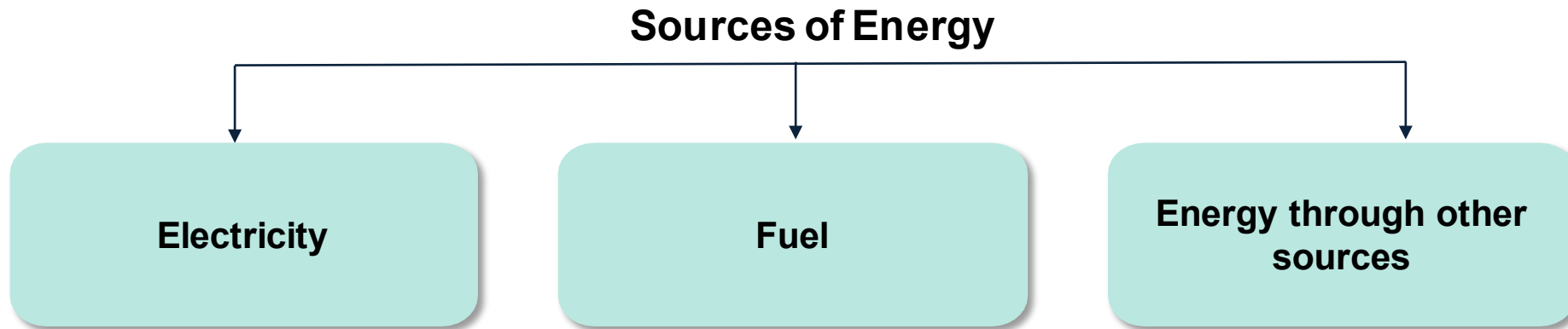


Outcome

A 'social license' to operate and general acceptance of the bank across communities

# Principle 6

Business should respect and make efforts to protect and restore the environment



## Non-renewable energy sources

These cannot be replenished, reproduced, grown or generated in a short period through ecological cycles or agricultural processes

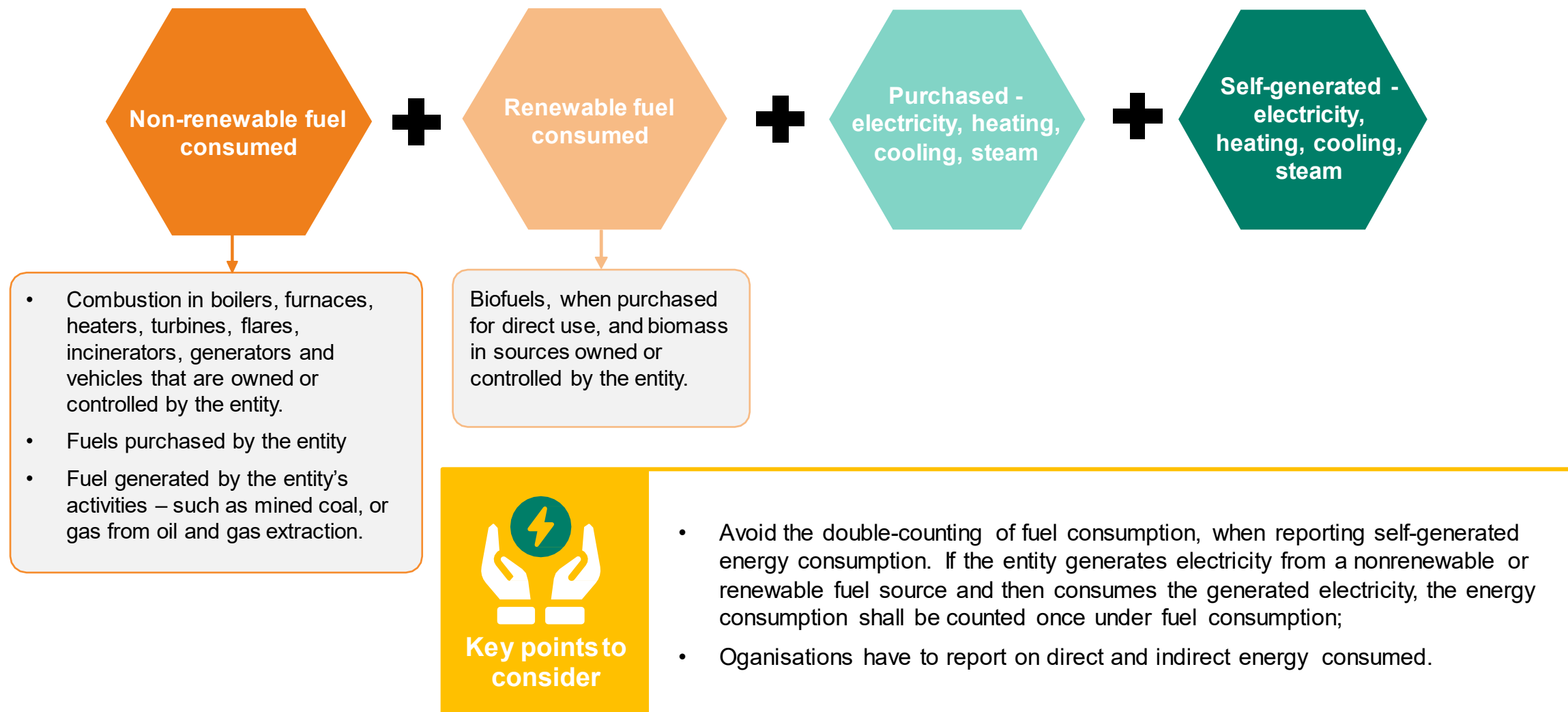
**Examples:** coal, fuels distilled from petroleum or crude oil, such as gasoline, diesel fuel, jet fuel, and heating oil, fuels extracted from natural gas processing and petroleum refining, such as butane, propane, and liquefied petroleum gas (LPG); natural gas, such as compressed natural gas (CNG), and liquefied natural gas (LNG); nuclear power

## Renewable energy sources

These are capable of being replenished in a short time through ecological cycles or agricultural processes

**Examples:** biomass, geothermal, hydro, solar, wind

# Sources of Energy Consumption Within the Entity



- Energy consumption could occur outside an entity, i.e., throughout the entity's upstream and downstream activities associated with its operations.
- This could include consumers' use of products which the entity sells and the end-of-life treatment of products.

## Upstream categories

1. Purchased goods and services
2. Capital goods
3. Fuel- and energy-related activities (not included in consumption within the entity)
4. Upstream transportation and distribution
5. Waste generated in operations
6. Business travel
7. Employee commuting
8. Upstream leased assets
9. Other upstream

## Downstream categories

1. Downstream transportation and distribution
2. Processing of sold products
3. Use of sold products
4. End-of-life treatment of sold products
5. Downstream leased assets
6. Franchises
7. Investments
8. Other downstream

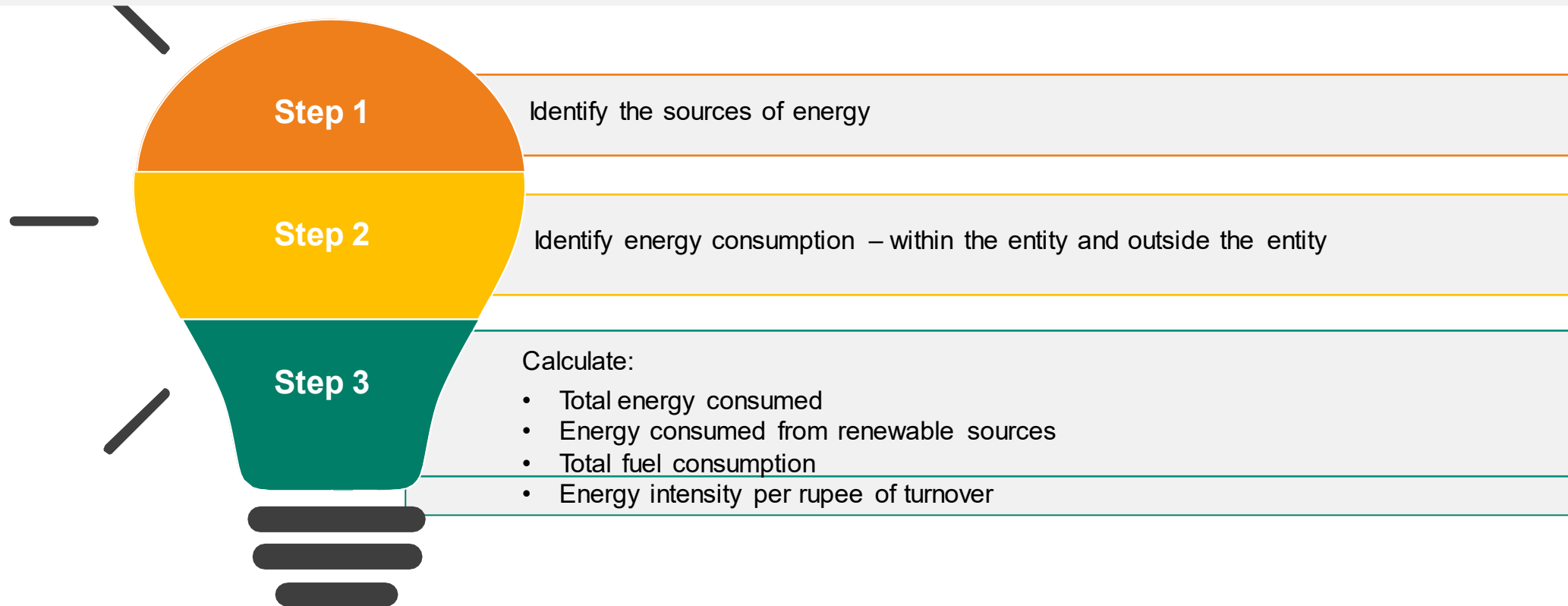
- For each of these categories and activities, the entity could calculate or estimate the amount of energy consumed.
- The entity should report energy consumption separately for non-renewable sources and renewable sources.

# Steps for Determining Energy Consumption

“Energy can be purchased from sources external to the organization or produced by the organization itself (self-generated). If the organization generates electricity from a non-renewable or renewable fuel source and then consumes the generated electricity, the energy consumption shall be counted only once.

## Requirement:

The above data shall be reported in terms of Joules or multiples such as Giga Joules. The company should consistently apply conversion factors, for converting fuel consumption into Joules, for the data disclosed. In case, different standards and methodologies are used, the same should be disclosed. Also, the company must disclose any contextual information necessary to understand how the data has been compiled, such as any standards, methodologies, assumptions, and/or calculation tools used.



Water withdrawal  
(input water)

Water discharged  
(output water)

Water consumption

Water consumption  
intensity

## Sources of Water



### Surface water

Water that occurs naturally on the Earth's surface in ice sheets, ice caps, glaciers, icebergs, bogs, ponds, lakes, rivers, and streams

### Groundwater

Water that is being held in, and that can be recovered from, an underground formation

### Third party water

Municipal water suppliers and municipal wastewater treatment plants, public or private utilities, and other organizations involved in the provision, transport, treatment, disposal, or use of water and effluent

### Seawater/ desalinated water

It refers to the water in a sea or in an ocean.  
(This can also sometime be referred as brackish water).

### Others

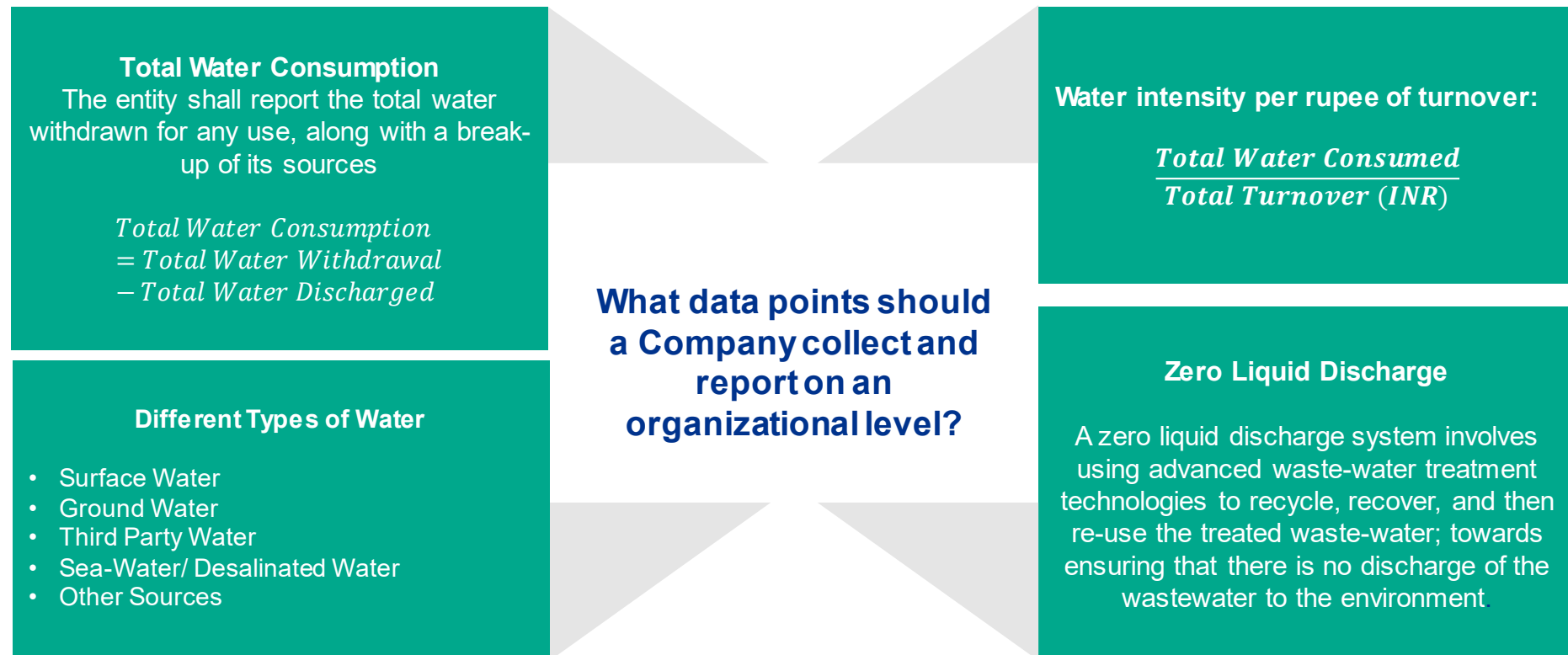
Entities can specify other sources, in case they are significant  
(e.g. bottled water, purchased drinking water etc.)



# Total water withdrawn, consumed and intensity

Water use is a fundamental commodity for nearly every step of the manufacturing and production processes in a plant. Depending on the product being manufactured and the raw water quality in the region, different levels of treatment technologies will be needed.

IDBI Bank must maintain all the required data an organizational level.



# Greenhouse Gas (GHG) Footprint

The term 'greenhouse gas' covers the following gases:

**CO<sub>2</sub>** Carbon Dioxide

**CH<sub>4</sub>** Methane

**N<sub>2</sub>O** Nitrous Oxide

**HFCs** Hydrofluorocarbons

**SF<sub>6</sub>** Sulphur Hexafluoride

**PFCs** Perfluorocarbons

**NF<sub>3</sub>** Nitrogen Trifluoride

## Key points to consider:

- The unit for the disclosures shall be metric tonnes of CO<sub>2</sub> equivalent.
- IDBI Bank should be prepared with the standards, methodologies, assumptions and/or calculation tools used, including sources of the global warming potential (GWP) rates and emission factors used.
- IDBI Bank must exclude any GHG trades (purchase, sale, or transfer of GHG emissions) from the calculation of Scope 1 and Scope 2 GHG emissions.

### Scope 1

#### Stationary Emissions:

Burning fuels in stationary machines, equipment, boilers, kilns/furnaces, smelters etc. (Including Captive Power Generation)

#### Process Emissions:

Chemical/physical changes in the materials during the manufacturing process such as electrolysis

#### Mobile Emissions:

Combustion of fuels in the mobile equipment/vehicles owned by the company.

### Scope 2

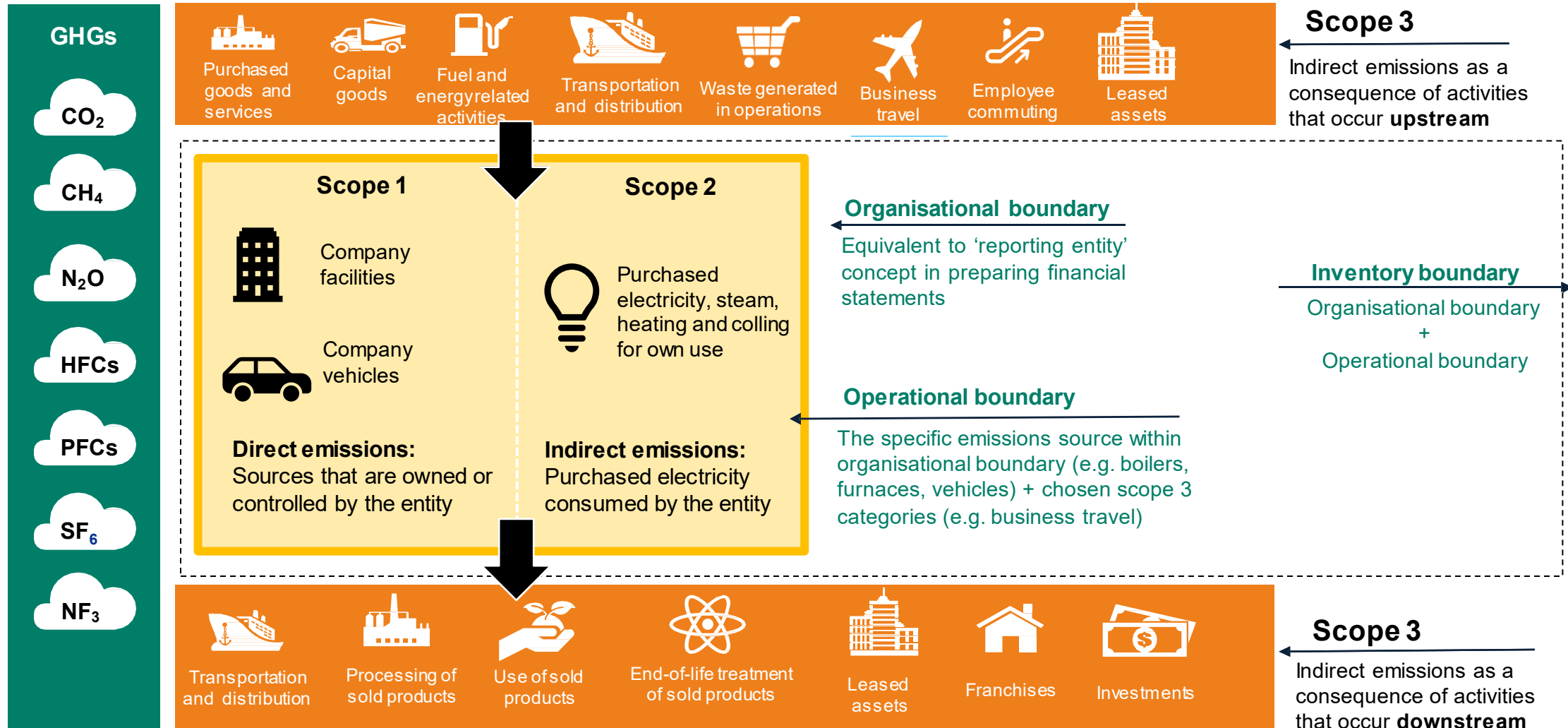
**GHG emissions from the generation of purchased electricity consumed by the company.**

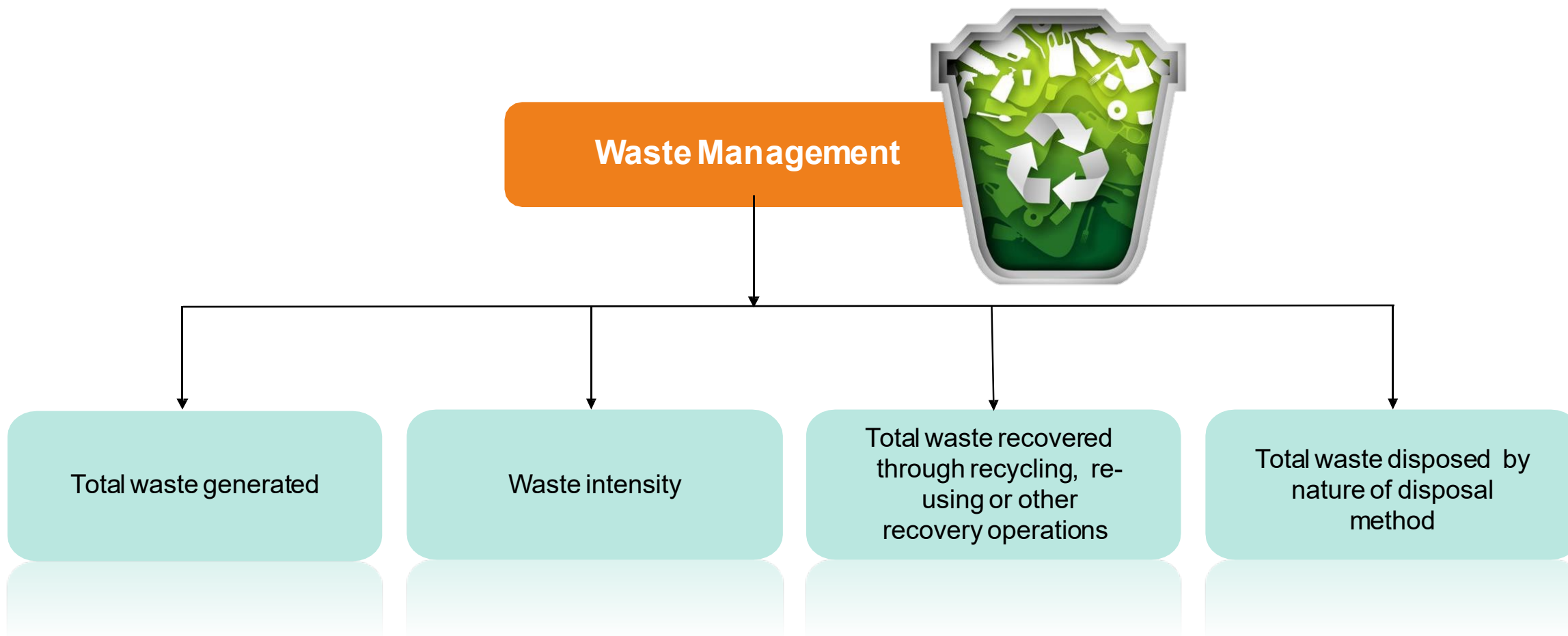
Purchased electricity is defined as electricity that is purchased or otherwise brought into the organizational boundary of the company.

### Scope 3

**GHG emissions** that are not produced by the company itself, and not the result of activities from assets owned or controlled by them, but **by those that it's indirectly responsible for, up and down its value chain**. Some of the Scope 3 emissions include the Production of purchased materials, employee business travel, employee commute, disposal of waste.

# What are emissions?





# Identify the Types of Waste

<b>Plastic waste</b>	Absolute weight of the packaging material (Bags, Bottles, Pallets etc.) discarded as defined under the plastic waste management rules 2016 and amendments thereof
<b>E-waste</b>	Discarded Computers, televisions, cell phones, VCRs, stereos, DVD players, copiers, and fax machines etc. as listed under e-waste management rules 2016 and amendments thereof
<b>Bio-medical waste</b>	Solids and liquid waste including its container and any intermediate product, which is generated during the diagnosis, treatment or immunization of human beings or animals or research activities as listed under Bio-medical waste management rules 2016 and amendments thereof
<b>Construction and demolition waste</b>	Construction waste as per C&D waste management Rules 2016 and amendments thereof like concrete, plaster, metal rods / wires, wood, plastics etc.
<b>Battery waste</b>	Discarded batteries i.e., Li-ion, Alkaline, Lead Acid etc used in vehicles, computers & laptops, mobiles other electronics, UPS, Power Back up etc. as per Battery Waste management Rules 2016 and amendments thereof
<b>Radioactive waste</b>	Discarded material such as paper, plastic, clothes, equipment, machine parts etc having exposure to radiation across Nuclear Power Plants, Hospitals, Research Laboratories, Industrial Applications etc.)
<b>Other Hazardous waste</b>	Specify the waste. This is as per hazardous waste management rules of Central Pollution Control Board(CPCB)
<b>Other Non-hazardous waste generated</b>	Specify the waste. Further, provide break-up by composition i.e., by materials relevant to the sector This is as per waste not identified as hazardous as per CPCB

Waste can be recovered through the following recovery options

## Recycling

Recycling refers to reprocessing of products or components of products that have become waste, to make new materials

## Reusing

Reuse means checking, cleaning, or repairing operations, by which products or components of products that have become waste are prepared to be put to use for the same purpose for which they were conceived

## Other recovery operations

Waste can be recovered through operation wherein products, components of products, or materials that have become waste are prepared to fulfill a purpose in place of new products, components, or materials that would otherwise have been used for that purpose. E.g. preparation for reuse, recycling

Total waste recovered through recycling, re-using or other recovery operations should be reported in absolute quantity (Kg or MT) for each category of waste generated



Note: Disclosure may be provided if certificates from vendors have been relied upon for assurance of KPIs on waste management

Waste can be disposed through the following disposal options

## Incineration

This refers to controlled burning of waste at high temperatures.

Note: Incineration of waste can be carried out with or without energy recovery. Incineration with energy recovery is also known as waste to energy. In the context of waste reporting, incineration with energy recovery is considered a disposal operation

## Landfilling

This refers to final depositing of solid waste at, below, or above ground level at engineered disposal sites.

Note: In the context of waste reporting, landfilling refers to depositing of solid waste in sanitary landfills, and excludes uncontrolled waste disposal such as open burning and dumping

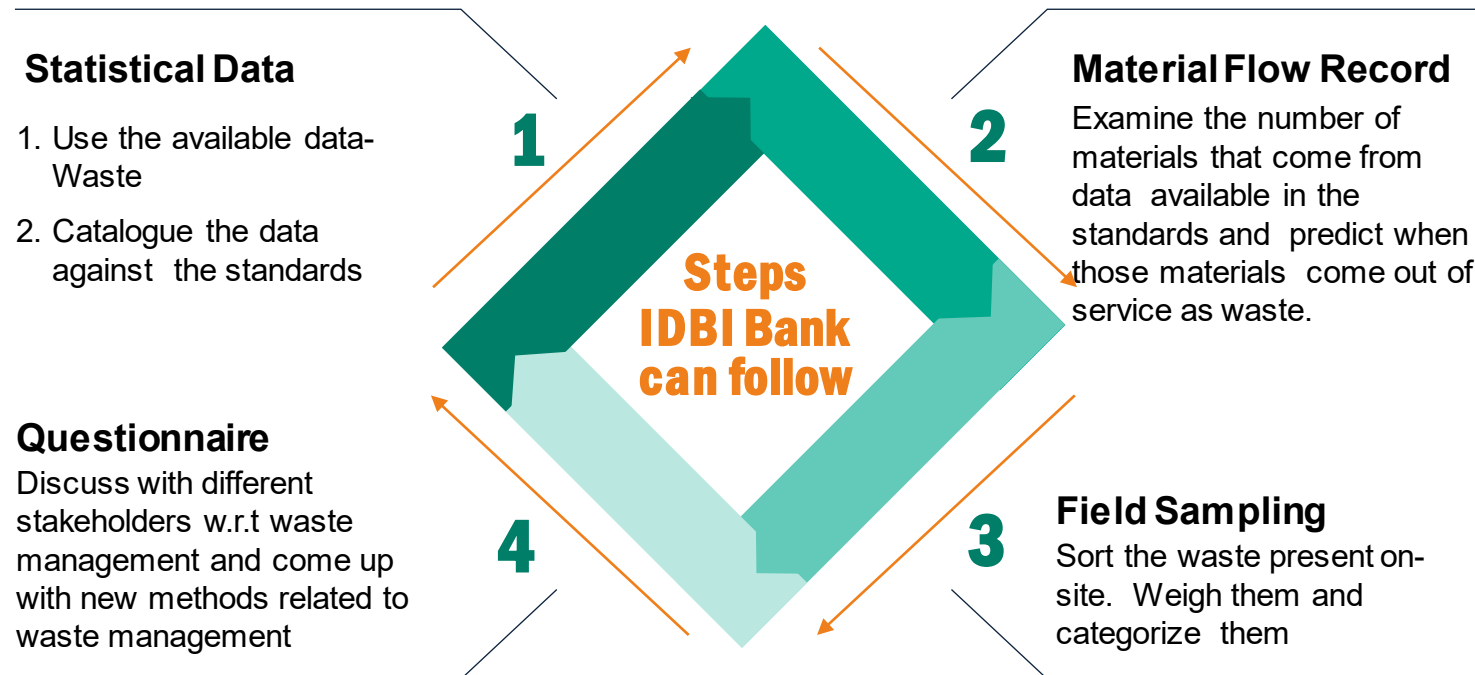
## Other disposal Operations

Entities may specify the other disposal options

Total waste disposed should be reported in (Kg or MT) for each category of waste generated

# Steps a Company can follow

IDBI Bank shall report the total waste generated in its activities, with a break-up as per the categories specified in various Waste Management Rules issued by the Ministry of Environment, Forests & Climate Change.

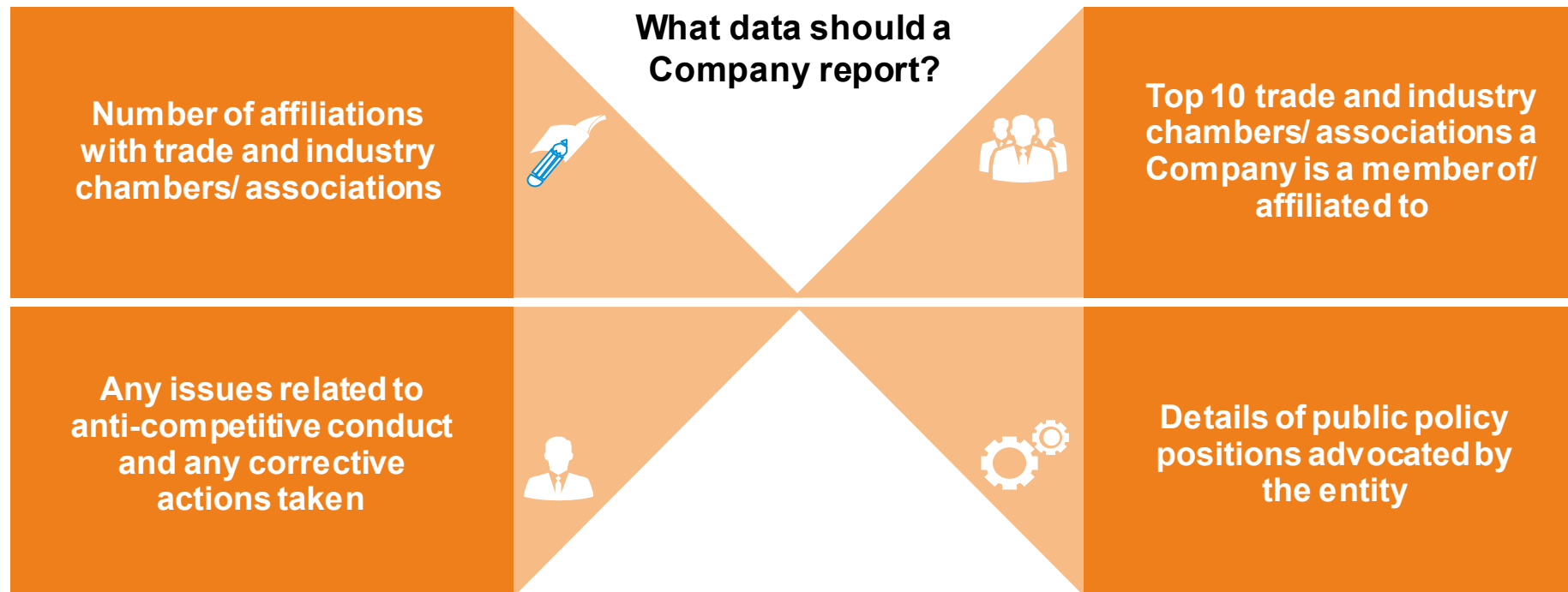




# Principle 7

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

Organizations have a greater responsibility towards the public at large whom it is influencing in some way or the other. Except for some large business entities, the corporates generally do not engage with the public directly. Instead, they prefer to be associated with large associations/ institutions/ trade and industry chambers. Therefore, in order to determine the degree of influence an organization has over the public, and the manner in which the influence is being exercised, it is necessary to look into the institutions with which they are associated.



# Principle 8

Businesses should promote inclusive growth and equitable development

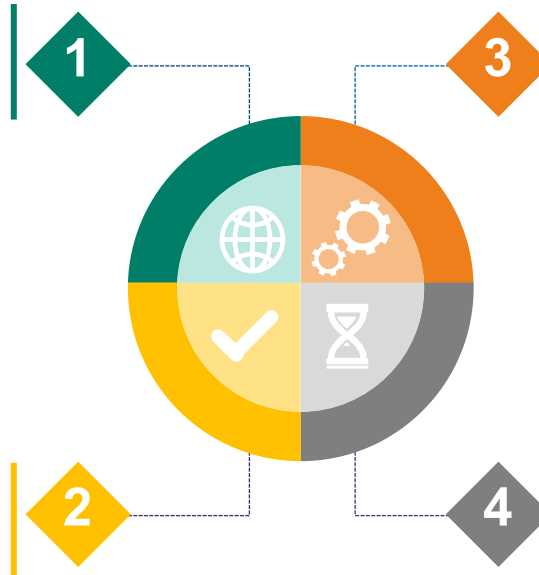
The Principle recognizes the value of the energy and enterprise of businesses and encourages them to innovate and contribute to the overall development of the country with a specific focus on disadvantaged, vulnerable and marginalized communities, as articulated in Section 135 of the Companies Act, 2013

The Principle also emphasizes the need for collaboration amongst businesses, government agencies and civil society in furthering this development agenda in line with the Sustainable Development Goals (SDGs).

## What data points should a Company report on?

Details of Social Impact Assessments (SIA) of projects undertaken by a Company based on laws such as the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013

Details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Leadership indicator)



Details of beneficiaries of CSR Projects –

- Total number of persons benefitted from CSR Projects
- Percentage of beneficiaries from vulnerable and marginalized groups

Details on Rehabilitation and Resettlement project, if any

# Grievance Redressal Mechanism (GRM)

Close communication with stakeholders is vital for an organization's success. It is important to understand and address their needs and concerns which, in turn, helps build long-term relationships and create value for all stakeholders.

Grievance Redressal Mechanism refers to a mechanism for any stakeholder individually or collectively to raise and resolve reasonable concerns affecting them without impeding access to other judicial or administrative remedies. The mechanism should be:

- Transparent and unbiased
- Accessible
- Based on dialogue and mediation

**An effective grievance resolution mechanism shall have the following elements:**



The company should have a governance mechanism in place to ensure confidentiality and protection of whistle blower from any harassment/victimization like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the whistle blowers right to continue to perform his duties/functions including making of any further protected disclosure

## What data points should a Company track, collect, and monitor?



**Detail of mechanism available to receive and redress grievances for the following categories stakeholders:**






- Permanent Workers
- Other than Permanent Workers
- Permanent Employees
- Other than Permanent Employees
- Communities
- Investors (Other than Shareholders)
- Shareholders
- Customers
- Value Chain Partners
- Others (Please specify)

# Principle 9

Businesses should engage with and provide value to their consumers in a responsible manner

Consumers are always a significant aspect of any business. Consumer complaints are inevitable to any business. Therefore, it is important to put time, effort and resources into customer complaint resolution. BRSR asks for information related to consumer complaints and product recalls to ensure transparent disclosure.

## What data points should a Company collect and report on?

 Consumer complaints	 Turnover of products and services	 Number of consumer complaints	 Consumer awareness	 Discontinuation of products/services
<ul style="list-style-type: none"><li>• Mechanisms in place to receive and respond to consumer complaints and feedback</li></ul>	<p>Turnover of products and/ services as percentage of turnover from all products/ service that carry information about:</p> <ul style="list-style-type: none"><li>• Environmental and social parameters</li><li>• Safe and responsible usage</li><li>• Recycling and/or safe disposal</li></ul>	<p>Number of consumer complaints in respect of</p> <ul style="list-style-type: none"><li>• Data privacy</li><li>• Advertising</li><li>• Cyber-security</li><li>• Delivery of essential services</li><li>• Restrictive Trade Practices</li><li>• Unfair Trade Practice</li></ul>	<ul style="list-style-type: none"><li>• Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.</li></ul>	<ul style="list-style-type: none"><li>• Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services</li></ul>



It is important to provide the necessary information about the products and services to the consumers. This can be done through channels/platforms where information on goods and services of the business can be accessed, for e.g., websites of the company, Mobile Apps, Help Desks, Call Centers, etc.

## What data points should a Company collect and report on?

### Product recalls

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

- Voluntary recalls
- Forced recalls

It is important to record the number and reasons for product recall.



### Information about products and services

Channels / platforms where information on products and services of the entity can be accessed



### Information on packaging

Number of consumer complaints in respect of Data privacy, Advertising, Cyber-security, Delivery of essential services, Restrictive Trade Practices, Unfair Trade Practice, etc.



### Consumer awareness

- Product information displayed on the product over and above what is mandated as per local laws
- Consumer satisfaction relating to the major products / services



With the advent of digitization, Information Technology systems are crucial to the success of business operations and help improve overall productivity, but they also pose a key risk in terms of failure of systems, information security failures, and the possibility of cyber-attacks.

It is important to have robust IT systems, infrastructure, and governance to ensure that the data is protected and that there are adequate measures in place to prevent cyber-attacks.

## What data points should a Company focus on?

Framework/policy on cyber security and risks related to data privacy

Corrective actions taken on issues relating to advertising, delivery of essential services, cybersecurity and data privacy of customers, penalty/action taken by regulatory authorities

Information relating to data breaches:  
a. Number of instances of data breaches along-with impact  
b. Percentage of data breaches involving personally identifiable information of consumers