



Sustainability
SDG & ESG
Concepts & Implementation

April 23, 2023

For Institute of Company Secretaries of India (ICSI)
Thane Chapter

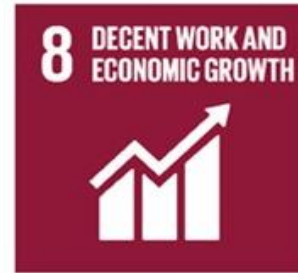
▶ Objective

- ▶ Clarity and Awareness (Concepts)
- ▶ Encourage to take initiatives in this directions

▶ Agenda

- ▶ United Nations Sustainable Development Goals (UNSDG)
- ▶ Why a global initiative was required?
- ▶ Environment Social Governance (ESG)
- ▶ ESG compliant products & services – General Idea

United Nations - Sustainable Development Goals



SUSTAINABLE DEVELOPMENT GOALS

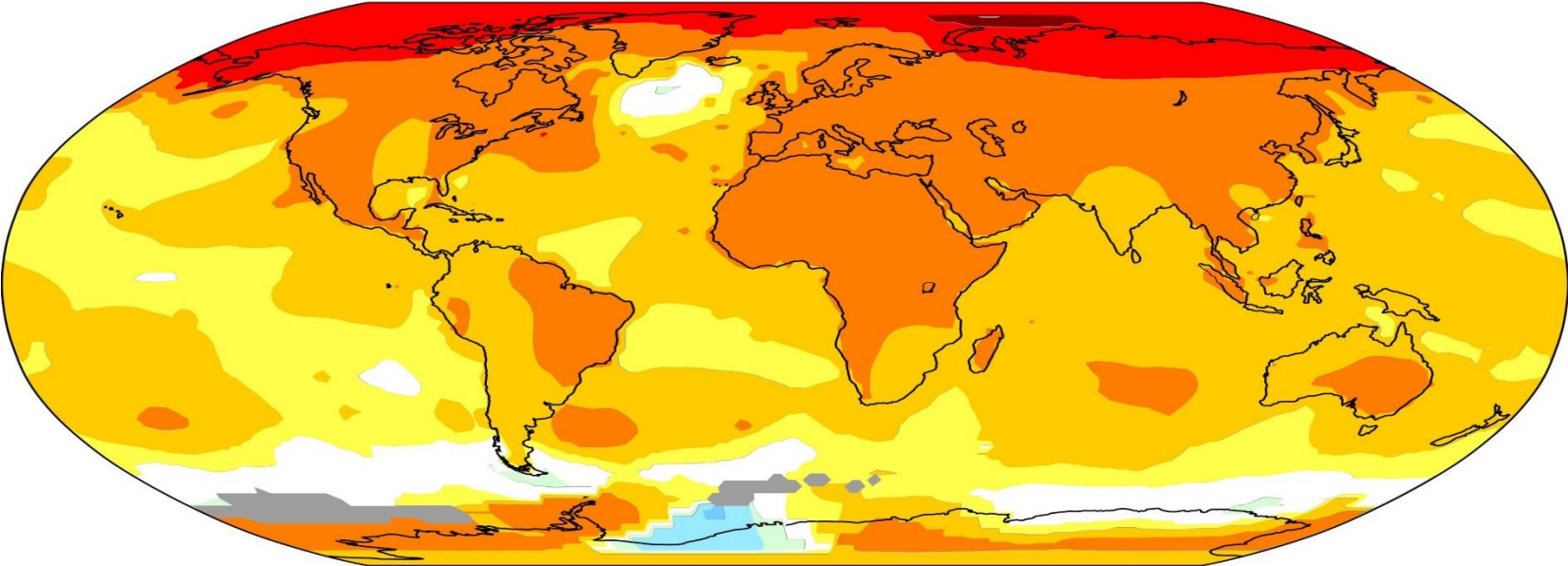
Need for a Global initiative?

- ❑ We will have to briefly look at the history of our planet earth
- ❑ Three Epochs
 - ❑ Pleistocene – 2.6 Million years (bit lesser)
 - ❑ Holocene - 11,700 years (slightly more)
 - ❑ Anthropocene – Last 300 years
- ❑ Industrial Revolution – Urbanisation, Methods of Farming, Migration to Cities, Demand of resources
- ❑ Apart from the Environment, effect was also on the Social fabric (Inequality, Gender Biasedness, Exploitation etc.) and Business outlook (Top Line...Bottom Line....Targets.....Growth)
- ❑ As a result.....depleted resources, disturbed social fabric, unreasonable growth
- ❑ Challenging the very sustainability of Society....Business.....Existence

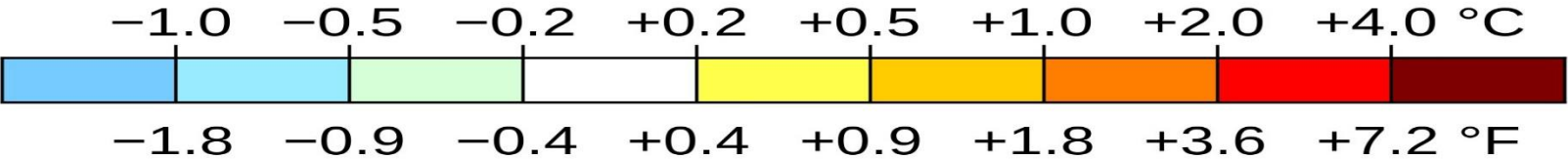
Holocene v/s Last 50 years

Holocene (11,600 years) –Temperature variation +/- 1 degree

Temperature change in the last 50 years






2011–2021 average vs 1956–1976 baseline



Pandemic and Lock-down – Positive changeTemporarily

ESG Principles

 Environmental: Sustainability and resource efficiency		 Social: More Equitable societies and respect for human rights		 Governance: Accountable governance and transparent operations	
Pollution and Waste		Gender & Diversity Policies		Corporate Behavior	
Climate Change		Safety & Quality Controls		Corporate Governance	
Energy Efficiency		Human Rights & Labor Standards		Accounting Practices	
Natural Resources		Privacy & Data Security		Board Practices	
Example Issues					
Greenhouse Gas Emissions	Energy Efficiency	Health & Safety	Labor Rights	Board Independence	Executive Pay
Example Metrics					
CO2 Emissions per Unit Produced	Energy Use Per Square Meter	Employee Accidents Relative to Total Hours Worked	Number of Active Controversies	Independent Members Relative to Affiliated Members	Executive Pay Ratio & Disclosures

Environment

- ❑ Each Business contributes to Carbon Emission impacting the environment in negative way
 - ❑ Reducing Carbon footprint without impacting Business
- ❑ Reduction of Carbon would not make positive impact as the level would remain the same when the Business demands grow
 - ❑ Dynamic approach to attain Carbon Neutrality – NetZero
- ❑ Cannot reduce the usage of energy without impacting the Business
 - ❑ Optimise / reduce use of traditional energy
 - ❑ Usage of renewable energy and green energy
- ❑ Energy is not the only factor impacting the Environment
 - ❑ Effective waste management (specifically non-biodegradable material)
- ❑ Earth may be 3/4th water surface, but usable water???
- ❑ Water conservation, optimal utilization can make positive impact
- ❑ All problems cannot be solved but Net Zero attainment is a must
 - ❑ Water Treatment, Forestation / Tree plantation, Soil Treatmentcompensating measures
 - ❑ Long-term restoration plans (at least 5 years before we can see compensating effects)

Social

- ❑ Diversity and Inclusion at workplace – Verify, Focus and correct
 - ❑ Strategic plan for supported work culture – Equality, Human Rights & Inclusivity
- ❑ Workforce Balance
 - ❑ Equal Opportunities – Only Male Female?Specially abled, disabled, LGBTQT etc.
 - ❑ Reduce Gender workforce gap
 - ❑ Without compromising on Merit principles
- ❑ Physical and mental well-being
 - ❑ Review and assess the factors impacting these parameters
 - ❑ Arrive at practical solutions, if any such factor is observed
- ❑ Enabling and accessible product design / services
 - ❑ Multi-channel service delivery model...convenience of use
 - ❑ Business focused and neutral design principles
 - ❑ Anyone (blind, disabled, partially educated) should be able to use the products
- ❑ Engagement with communities
 - ❑ Commitment towards community development beyond compliance requirement
 - ❑ Focus on aspirational districts, while doing what is being done

Governance

- ❑ Fair Governance Principles – To be practiced in Spirit
- ❑ Disclosures and Transparency in business communication & operations
 - ❑ Accessibility to the information about the company, its stakeholders and investors
 - ❑ Providing ability to investors to check governance practice
- ❑ Monitor policy implementation and report performance
 - ❑ Monitoring & measurement metric and periodic review
- ❑ Government ESG regulations
 - ❑ Working with the regulator on prescribed sustainable frameworks and procedures
 - ❑ Adhering to the guidelines regarding responsible reporting
 - ❑ Publishing the posture reports annually
- ❑ Business Ethics
 - ❑ Not allowing Corruption & Instability
 - ❑ Not Lobbying taking unethical approach

Product

- ❑ Aligned to all the three principles of ESG i.e. “Environment, Social and Governance”
- ❑ Green & Social Products:
 - ❑ Invest in technology to improve the environmental and social impacts of product
 - ❑ Encourage Digital Mode - e-statements, online and mobile applications etc.
- ❑ Provide multi-channel service delivery option
 - ❑ Provide service delivery through multiple channels popular with the consumers
 - ❑ Extend regional language support across various delivery platforms
- ❑ Product Lifecycle Assessment:
 - ❑ Assessment with focus to Impact throughout the stages of service / products offered
 - ❑ Map the services and products blending to organisation objective and customer needs / market demand
- ❑ Stakeholders Group:
 - ❑ Formalize the process to identify stakeholder groups to capture periodic feedback
- ❑ Value chain partners:
 - ❑ Enable value chain partners to reflect the organizational tone and culture while offering the services
 - ❑ Periodically assess understanding and contribution - Re-train, if necessary

THANK YOU

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