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Instituted in 2006, the CII-ITC Sustainability Awards recognize and reward excellence in businesses that are seeking ways to be more sustainable and inclusive in their activities, to support the most significant contributions and encourage the leaders of this revolution. Winners of this Award are those that demonstrate Excellence in Sustainable Business – role models that inspire all business to follow suit. The Awards are a part of continued efforts by the CII-ITC Centre of Excellence for Sustainable Development (CESD) to create awareness on sustainability practices and create the capacity to mainstream them. To us, sustainability is serious business and that is what makes the Awards unique. Applicants must make a serious, organisation-wide commitment to the process – both in terms of their time and money.

The Awards are guided by the Awards Jury, which was reconstituted in 2018 with a new Jury Chair. The Award categories include Corporate Excellence, Environment Management, Biodiversity, and Corporate Social Responsibility. In March, the process started with inviting Applications of Intent (AoI) from companies. At this stage, companies had to identify which turnover category they fell under and specify which Award category they wanted to apply for through the online tool. Once all the AoIs were submitted by the companies, they were given access to the Awards questionnaire, the answers to which would be the basis for the desk assessment. To facilitate the process of filling up the Awards questionnaire, webinars for companies were organized in June to help navigate and understand the online tool and the questionnaire. The completed questionnaires were submitted in June for Domain Excellence and Corporate Excellence categories.

During the time when companies were filling the application document, CESD trained a pool of Sustainability Assessors that would go on to carry out the desk and site assessments of the applicants. Two Assessor Training Workshops were conducted in May for those who wanted to become Sustainability Assessors. In total, 55 assessors were trained. In June, 123 assessors were divided into teams, with each team comprising new and experienced assessors while ensuring they would be assigned an organisation, not from the sector to which they belonged.

Once the questionnaire was submitted by applicants, CESD analyzed each application to check for any information gaps based on which it got selected for desk assessment. Once CESD finalized the companies that would move on to the next stage, access to their questionnaires was provided to the assessment teams. From July to the beginning of August, the teams assessed applications on the online tool.
With the completion of desk assessment, a Jury meeting was held in August, where each applicant’s case was discussed in detail. Based on these discussions the Jury decided which of the applicants qualified for the site visits. Following this meeting, CESD scheduled the site visits which were carried out from September to October. During the site visits, assessment teams addressed any site visit issues they had identified during the desk assessment as well as corroborated the information applicants had provided in the Awards questionnaire. Based on their findings during the site visits, the teams revised their assessment on the tool and submitted the final results.

Final Jury meeting was held in November to decide the winners. This decision was based on the revised assessment results of the assessors.

In 2019, the Awards received 75 AolS from auto, cement, engineering, energy, metals, real estate and steel industries to name a few. Of these, 72 applications qualified for assessment and 29 received recognition.
Executive Summary

CII-ITC Sustainability Awards are uniquely designed to put organisations on the relentless pursuit of embedding sustainability into governance, operations, and strategy. These are essential fundamentals to future-proof business. Businesses have not really managed a come-back in the aftermath of the financial crisis but reliance on businesses has increased more than ever. Hence it is imperative for businesses to reinvent their business models, instigate shifts in consumer preferences, and invest in next generation technologies.

The Awards provide an opportunity to organisations to not only get this fresh perspective but also a comprehensive Model to pursue goals towards a sustainable business through the Sustainable Business Excellence Model. This Model has helped companies assess their sustainability performance and disseminate best practices among future-minded corporations. As more companies go through the rigours of the Awards assessment process, both internal learning and external credibility have become a source of competitive parity.

It is seen that, with respect to Corporate Governance, sustainability is inculcated into decision-making by various different methods, both top-down as well as bottom-up. Organisations are witnessing a decreased participation by women in top management positions as well as general workforce. Organisations are thus taking steps to bring about gender diversity in their workforce.

In majority of the organisations, the Code-of-Conduct acts as a driving mechanism to communicate and foster values of the organisation in their leaders and employees. A well-written Code-of-Conduct clarifies an organisation’s mission, values and principles, linking them with standards of professional conduct.

It has been observed that risk management is generally dependent on the organisational structure and companies have appointed a Chief Risk Officer who is responsible for organisation-wide risk management. Trickling down from the organisation structure, companies have been focused on training their employees to handle risks associated with business operations at different levels.

Organisations understand the importance of disclosures in helping mitigate information asymmetry. This results in increased trust of stakeholders on the organisation. Though reporting on sustainability parameters is gaining a lot of recognition, reporting is still done
through a Sustainability Report, separate from the Annual Report. It is important to note that Materiality issues are being identified thoroughly and reported by organisations as a part of their sustainability reporting.

Organisations understand that in today’s scenario, it is a dire need to work with stakeholders and respond to their needs. This is crucial for survival of the business in both short and long term. In view of this, they focus on strategizing development and engagement strategy respectively for internal stakeholders i.e. employees as well as external stakeholders. Stress is given on making employees efficient as it leads to efficient processes and results in reduced risks and costs to the organisation. Organisations focus on imparting trainings, both work-related and life-skills related, to all their employees. Engagement strategy with external stakeholders includes identifying important stakeholders who have greater influence on business operations and engagement with whom may bring in risks and threats along.

Health & Safety are issues of paramount importance for organisations as any incident may have a tremendous impact on the business. Organisations have policies which propagate safe business practices/procedures. A governance structure around health and safety is also constituted by some organisations in which the ultimate responsibility of health & safety lies with a Board member.

It is well understood that most of the organisations address human rights issues through a company-wide policy in place that adheres to the United Nations Declaration on Human Rights. The human rights policy is well communicated to all the relevant stakeholders.

Organisations are increasingly aligning their CSR strategies with their business strategies. This helps them in managing community relations leading to risk reduction, developing corporate reputation and social legitimacy. CSR strategies typically revolve around ensuring that business operations have a minimum impact on communities around which they operate.

Supply chain management is dealt with a focused approach due to its implications pertaining to increased financial risks in an ever-changing global arena. Organisations are engaging first with critical suppliers as a part of supply chain management. Ascertaining parameters for criticality of suppliers vary among organisations with some common ones like volume of purchase, amount of purchase and non-substitutability.

Organisations are adopting product responsibility as a voluntary tool to improve their sustainability performance. They cover most of their products to perform LCA in
accordance with ISO 14040:2006 and ISO 14044:2006. Benefits accrued by LCA helps them identify hotspots, quantification of which makes the organisation move to a cradle-to-cradle aspect of product lifecycle.

Biodiversity management has evolved as an important aspect of for organisations in order to improve their overall sustainability performance. They are moving towards having a biodiversity champion whose responsibility is to overlook all activities related to biodiversity. Organisations are also imparting trainings on biodiversity to employees to reduce the impact on the same by its operations.

To manage the environmental impacts of their operations, organisations are moving towards developing strategies towards energy consumption, recycling waste materials, reducing SOx, NOx and other polluting gases. Organisations have increased expenditure on R&D to develop technologies required for better environmental management.
Corporate Governance

Corporate governance involves balancing the interests of the many stakeholders in an organisation - these include shareholders, management, customers, suppliers, financiers, governments, and communities. It is the system of rules, practices, and processes by which an organisation is directed and controlled.

Governance in organisations has matured over time. Simple practices of having a balanced number of executive directors and independent directors on the Board, an independent chairman; having Board committees responsible for different Board tasks; documentation of responsibilities of the Board as a whole and its committees and appropriate meetings of the Board and committees have become basic necessities of a good corporate governance system. Most of these are requirements under the Companies Act. There are a few procedures which, when adopted makes the governance more independent, fair, transparent and diverse.

In all the top performing companies under the aspect of Corporate Governance, there has been a consistent pattern of decreased women participation over the years in both the top-management positions as well as in the entire workforce of the companies. Various initiatives have been taken by the following companies to improve upon the deteriorating gender-diversity:

1. **Reliance Industries Limited**: The company has affirmed its stance on improving gender diversity among its ranks. On the recommendation of the Committee and Board, the members of the Company, at an Annual General Meeting held recently, approved appointment of a woman director on the Board.

2. **Ultratech Cements Limited**: The terms of reference of nomination and remuneration committee include devising a policy on Board diversity that considers the following factors: a) Gender b) Race or Ethnicity c) Nationality or country of region.

3. **Hero MotoCorp Limited**: The Nomination and Renumeration Committee is tasked with identifying eligible candidates for appointment at a senior position in the company. The Committee also lays down the criteria and devises a policy on diversity of Board directors. Currently, there is one woman director on the Board of the Company.

It is important to analyze the processes the companies adopt to assess their sustainability performance. For example, at Hindalco Industries, there is a Sustainability Committee...
that reviews the sustainability performance of the company based on a number of Key Performance Indicators (KPIs) set every month by the Chairman of the Board, the Managing Director of the company, along with other committee members.

The Committee directs and reviews sustainability aspects including disclosures, stakeholder concerns, and subsequently reports to the Board. One of the prominent aspects of the committee is that it provides future proofing on sustainability and Annual Plans based on its observations.

At ACC Limited, the structure is somewhat different with a more integrated committee. The company has a Sustainable Development Council which is chaired by the MD and CEO and consists of cross-functioning representatives who, together drive the sustainable development agenda for the entire organisation. Selected aspects of this agenda are reviewed periodically and certain other aspects of the agenda are discussed with key stakeholders and are reviewed in council meetings from time to time.

A core group of the council advises it on broad target setting and reporting, including review of the annual sustainable development report. There are teams at the plant level who help to monitor implementation of unit level goals. Explicitly, sustainable development issues are reviewed at least twice a year by the top management/Board. The output in regard to the meetings is used to enhance the performance of the organisation and earmarked in the business decision making processes.

In all of the applicant companies, there was a noticeable absence of an independent Chairman in the Board as concluded from Chart 1 below.
Most of the companies have a separate Chairman of the Board from the Chief Executive Officer (CEO)/ Managing Director (MD) of the company. Such an action helps in the easy flow of power within the company to avoid the accumulation of power within the grasp of a single person (Chart 2).
Business Ethics

Business ethics are implemented in order to ensure that a certain required level of trust exists between consumers and various forms of market participants with businesses. This includes business policies and practices regarding potentially controversial issues, such as corporate governance, insider trading, bribery, discrimination, corporate social responsibility.

A well-written Code-of-Conduct clarifies an organisation’s mission, values and principles, linking them with standards of professional conduct. The code articulates the values the organisation wishes to foster in leaders and employees and, in doing so, defines desired behaviour. As a result, written Code-of-Conduct or Ethics can become benchmarks against which an individual and organisational performance can be measured. It also acts as a guide and reference for employees to support day-to-day decision making. Hence, communicating the policy, training employees on it, using various tools as well as motivating them to abide by it, lies at the center of ensuring an ethical work environment.

In majority of the companies, there are certain mechanisms based on Code-of-Conduct/Ethics for both the internal and external stakeholders. For example, at ACC Limited, there is a mechanism to seek advice / feedback on their Code-of-Conduct from time to time from both internal and external stakeholders. Requests for advice, review and approval must be submitted through the Compliance Officer.

If there is no Compliance Officer, the same can be escalated to the Regional Compliance Officer of Lafarge Holcim and, if none is in place, to the Head of Lafarge Holcim Group Compliance. It is a very well-defined and structured mechanism designed for both the internal and external stakeholders. Protected disclosures can be made by a whistle blower through several channels to report actual or suspected frauds and violation of the company’s Code-of-Conduct and/or Ethics Policy.

At Grasim Industries Limited, in the case of any violation of the Code-of-Conduct the organisation takes up the matter with the help of a third-party inquiry before preparing a verdict on the matter. The Code-of-Conduct is duly approved by the Board. The same is circulated to all the employees through email and is also available on the ABG (Aditya Birla Group) POORNATA portal.
There are provisions for awareness during the induction period to familiarize with the details of the Code-of-Conduct and the consequences for violating the same. For external stakeholders they send the Code-of-Conduct in Purchase Order.

Reliance Industries Limited, on the other hand, has a mechanism for seeking advice on Code-of-Conduct from internal and external stakeholders (Government and Regulatory Authorities, Employees, Customers, Local Communities, Suppliers, Trade unions, Investor & Shareholders). The Code-of-Conduct has the facility for obtaining feedback from the employee through an email specifically for this purpose, (ethics.taskforce@ril.com).

Table 1 shows the adoption of a Code-of-Conduct by all the applicant companies and how the certain Code-of-Conduct are communicated by these organisations to relevant stakeholders.

Different companies have covered different areas under their Ethics Policy. It has become increasingly crucial to look at these aspects of a company because of a growing order of misconduct among the employees around the world.
At Hero MotoCorp, Reliance Industries Limited, ACC Limited; the Code-of-Conduct ensures a smooth regulatory passage in the following spheres of environmental protection, insider trading, anti-trust, data privacy, bribery and corruption, conflict of interest, health and safety and discrimination.

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<th>Employees</th>
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<th>Suppliers</th>
<th>Contractors</th>
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*Table 2*

*Table 2* shows applicability of the Code-of-Conduct to the top players for various stakeholders. While employees remain the focus group for implementation of the code, a lot of companies have a more evolved code that also covers other stakeholders. Such companies take extra measures to ensure wider implementation of the policy. For example, Hero MotoCorp and ACC Limited have ensured that their detailed code is shared with their external stakeholders including NGOs, joint ventures, subsidiaries etc.
Risk Management

Risk management is the identification, assessment and prioritization of risks, and then deployment of resources to mitigate them or their impacts. It involves in increased awareness in recognition of ‘sustainability’ risks, mainstreaming them in enterprise risk management, and valuation of non-tangible risks.

Risk Management has a few core elements. First is risk governance which is, generally, dependent on the organisational structure and hence varies for different organisations. However, every risk governance structure must have a senior executive as the topmost person responsible for risk management, i.e. a Chief Risk Officer.

At Reliance Industries Limited, an independent Director of the Board heads the Risk Management Committee which is responsible for reviewing risks periodically every six months. It is integrated into the individual Key Result Areas in the appraisal system. Periodic monitoring and review at the Board level and operations down the line enables in implementation of plans for its effectiveness. Ownership at functional and operational levels ensures alignment and provides the flexibility to manage risks at different levels effectively. An important step taken up by the company is to identify the top three risks (Strategic & commercial, Safety & Occupational and Compliance & Control) that may have an impact on the organisation in the 3-5 years horizon.

Hero MotoCorp Limited (HCML) adopted the following approaches to adopt a risk-culture: (a) Focused training throughout the organisation on risk management principles, (b) Annual Risk Refresher exercise to identify more and newer risks. HMCL has a Risk Management Policy and a framework for risk management covering Strategic business risks (Technology shift, Supply chain, BS VI transition deadline), Operational risks (industrial unrest, natural disaster), Compliance risks (GST implementation and compliance), and Financial & Reporting risks (Market risk – currency, interest rate and price risks, credit risk, liquidity risk). All identified risks are mapped with the related functions, and risk mitigation measures developed. HMCL’s Risk Management Committee and a team of senior executives oversee risk management activities. Board reviews risk management process at least once every six months.

At Grasim Industries Limited, focused training throughout the organisation on risk management principles have been implemented. The Chief Risk Officers at the units along with members of the facilitating teams meet the concerned person individually and also in teams to explain the gravity of the risks. The mitigation plans are explained for the
ease of implementation. Inclusion of risk management criteria in the HR review process for employee evaluations is also prevalent in the organisation.

Table 3

Table 3 talks about the identification of risks by the top performing companies under this category which include Reliance Industries Limited, NTPC Limited, Grasim Industries Limited and Hero MotoCorp. In any organisation, it is important to carry out this process because it helps in suggesting the potential risk zones for future allocation of resources to contain them.
Transparency and Disclosure

How transparent an organisation is, is the extent to which stakeholders have ready access to any required financial and non-financial information such as price levels, market depth, audited financial reports, environmental and social performance. Today, increasingly, there are mandatory disclosure requirements by buyers, regulators, and markets.

One of the founding blocks of any organisation is gaining confidence of the public as well as its employees and investors over its operations. In this context, a need for transparency and disclosure arises on the part of the organisation to keep all stakeholders informed about the information that may need to be disclosed.

Sustainability reporting has evolved a lot over the years; from no sustainability reporting, to smaller sections on the website to separate sustainability reports, to the current best practice of Integrated reports (IR). A trend was observed in all of the top performing companies that instead of publishing Integrated Reports, they publish Separate Reports: 1) Annual Report 2) Sustainability Report (Chart 3).
In Chart 4, it can be inferred that in majority of the applicant’s sustainability reports are externally assured to assure its validity and credibility. Reports being assured internally are liable to bias and may thus, lose their credibility in the corporate sector.

It is noteworthy that all but one applicant under the aspect of ‘Transparency and Disclosure’ have externally assured their Sustainability Reports. This provides a greater credibility of the same, since external agencies would not have any bias with respect to any of the companies.

The top performing companies under the aspect have the following in common:

- Externally assured in line with international standards such as AA1000 and ISAE 3000
- Sustainability reporting in accordance with GRI G4 Guidelines/ GRI Standards
- All but one is in accordance with SEBI guidelines on business responsibility reporting.

One of the important areas of sustainability disclosures are the issues on which disclosures are made. In order to arrive at these issues, materiality analysis is undertaken by companies. Materiality analysis is a part of the GRI based reporting but can otherwise be also adopted to understand issues which are equally important to the business and its stakeholders.
NTPC Limited has a structured approach for identifying its material issues which is a combined output of stakeholder engagement and enterprise risk management framework and is divided into following stages as described in Figure 1. Based on the above materiality analysis, the organisation has identified following risks to be material for them:

1. Safety and security of people and property
2. Inadequate fuel supply
3. Water availability
4. Timely execution of projects
5. Compliance of emissions, ash utilization and regulatory norms

At Hindalco Industries, steps are taken on transparency among the internal and external stakeholders of the company. The company maintains transparency among its employees through interaction and online surveys. The interaction occurs at least on a six-monthly basis during performance evaluation.

Also, there is an Individual Vibes Survey which takes place once in two years and another, Team Vibes Survey also takes place once in two years. Actions are planned by teams
based on the feedback both at the plant as well as corporate functions. Feedback from customers on account of transparency happens every two years while in the case of suppliers or service providers, it happens during the suppliers meet.
Employee Development

Employee development includes initiatives taken by the organisation to upgrade the existing skills and knowledge of employees. Employee development goes a long way in training, sharpening the skills of an employee and upgrading his/her existing knowledge and abilities. It helps in developing and nurturing employees to become reliable resources and eventually benefit the organisation.

Employees are the most valuable assets to an organisation and as such it is of utmost importance for the employees to keep themselves abreast with the latest developments in the industry so as to survive cut-throat competition. Employee development programme not only helps the organisation improve its productivity/efficiency, but also increases employee morale, satisfaction and retention, which again benefits the organisation.

Hindalco Industries has a robust training need identification process in place. The major inputs for training are taken from the following:

1. Review and brainstorming of organisation-wide learning activities with the Managing Director and the Chief Human Resources Officer.
2. Informal discussion with Business heads and Unit heads on business requirement
3. Inputs from unit HR teams on unit specific competency focus
4. Analysis of "My Development Plan" of individual employees - This is an integrated part of performance management system.

Once the training needs are identified by companies, imparting the same and deploying resources for it becomes critical for the organisation. Trainings can be specific to job, they can be on behaviour and soft skills, or around leadership and management. Top performing companies in this aspect provide training across all dimensions, as mentioned in Table 4.
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<tr>
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<th>On the Job Training</th>
<th>Leadership Training</th>
<th>Life Skills Training</th>
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<tr>
<td>Hindalco</td>
<td>Hindalco Technical University (HTU) has been established to enhance functional competencies of the employees</td>
<td>Hindalco in association with Gyanodya (Aditya Birla Group's exclusive leadership center) provides high-quality learning and leadership solutions</td>
<td>There is defined behavioural competencies &amp; skills at each level. All the programmes are designed on the basis of the same framework</td>
</tr>
<tr>
<td>Reliance Industries</td>
<td>The on the job training includes training in field, panel operation/ workshop, parallel with shift engineer and technical/ functional project</td>
<td>RIL has a ‘STEP UP Programme’ to assure the development of leaders to assume next-level leadership roles</td>
<td>Soft skills programmes like Effective Communication and Teamwork, Work-Life balance, Time management etc. are conducted on a regular basis as part of overall training effort</td>
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<tr>
<td>ACC</td>
<td>Several on-the-job training programmes were conducted for people across departments. Talent development efforts are also made</td>
<td>The ‘People for Tomorrow’ (PFT) programme is designed to groom talent for succession planning for critical roles</td>
<td>Several Life Skills trainings were given through Accelerated Learning Model which brings in a blended learning approach making learning more inclusive and enriched</td>
</tr>
<tr>
<td>NTPC</td>
<td>The flagship ‘Executive Trainee Programme’ is a robust and detailed programme and much of the company’s success is owed to it. This one year long extensive programme has 50 % classroom inputs whereas 50 % happens on the job</td>
<td>A certain Young leaders 10X Programme to select potential young leaders. Under ‘Planned Interventions’ there are programmes administered at different stages of career of employees</td>
<td>A number of programmes have been held with Isha Foundation, Art of Living, Prasanna Trust, etc. which the company can help in decision making of the employees</td>
</tr>
</tbody>
</table>

Table 4

An important part of employee development is employee performance management. This is an area which gives a lot of insights to the company around individual employee training and development needs, further engagements that an employee needs for better performance, productivity and satisfaction. It is important for companies to have a holistic performance management system in place. ACC Limited has a comprehensive annual Performance Management System (PMS) process in place wherein the training needs for all management levels i.e., Top, Middle and Lower levels are identified. As per the
procedure, processes were revised as per which employees are expected to take the initiative to proactively work with their respective managers to identify their strengths and align with the organisational needs and opportunities through the Individual Development Programme (IDP).

NTPC Limited has a talent management system comprising of Performance Management System, Leadership Development System, Career Development Scheme and Succession Planning Scheme to ensure meaningful growth of employees. To assure the effectiveness of this system, the top management:

1. Reviews the process once in a quarter for any addition or modification in existing programmes
2. Participates in training need analysis and identification of organisational / departmental need
3. Encourages employees to participate in competitions, business games, seminars, conferences, present/publish papers/articles and professional and quality circle meets; and then takes feedback from the learners

A well-defined employee development programme helps in retention and motivation of employees. Another factor that helps further, is a just and agreed upon performance management system. All applicants have a performance evaluation system covering at least management level employees. However, companies like Hindalco Industries Limited, Reliance Industries Limited, NTPC Limited and ACC Limited cover all employees across all levels under their performance evaluation system.
Stakeholder Engagement

Stakeholder is an individual or group who affects/or could be affected by an organisation’s activities, products or services, and associated performance. Stakeholder Engagement is a commitment to inclusivity which means giving stakeholders the right to be heard and accepting the obligation to account to them.

Working in coordination with the stakeholders and responding to their needs, is essential for the survival and long-term success of an organisation. Organisation must, therefore, identify its stakeholders, prioritize them, understand their impact on the business, and accordingly engage with them.

ACC Limited has a policy to engage closely with key stakeholder groups across all functions at different levels depending on the nature of relationship and transactions. It includes a detailed exercise of stakeholder identification, mapping their interface & influence and thereafter prioritization. Members of senior management also participate in the process.

As the first step ACC Limited, prepares a matrix that maps stakeholders’ importance, influence and threat to the organisation against their own engagement, co-operation and influence on stakeholders. Figure 2 identifies key stakeholders of ACC Limited which are high in engagement and influence. The top right quadrant, indicating shareholders, local communities, government/ regulators, investors and few others on high priority for the company.

Hindalco Limited recognizes the needs and benefits of meaningful engagement with its stakeholders – both internal and external. The management moves with a vision of creating shared
value, by understanding and expanding meaningful partnerships between businesses and stakeholders. The organisation engages with stakeholder groups that have an impact on its business and vice-versa. Such an assessment is conducted internally, there is a mechanism in place for engagement with stakeholders on-need basis. Based on the feedback from stakeholders, action plans are prepared and implemented by respective teams.

At Hero MotoCorp, stakeholder engagement is a key part of achieving triple bottom line benefits. The organisation engages with its stakeholders to uncover the economic, environmental and social issues that are most important in order to improve decision-making and accountability. It has also developed robust policies and systems for various stakeholders and engagement strategies. Hero MotoCorp has a structured framework for engaging with its stakeholders and fostering an enduring relationship with each one of them.

Its engagement approach is anchored on the principles of materiality, completeness and responsiveness. To make this process more engaging, they have included all the employees in the materiality matrix. In addition to this, various employee engagement platforms such as: ‘Annual townhalls’, ‘Hyphen’, ‘Great place to work surveys’ etc. are deployed. For the dealers and vendors, the company has a Green Partner Development programme in place to engage them on various of sustainability issues.

NTPC has a detailed Stakeholder Management Guideline which mentions a well-defined three-layered approach for identification and prioritization of stakeholders and the engagement approach for prioritized stakeholders. NTPC conducts brainstorming sessions at their respective locations to identify different categories of stakeholders and their owners. Identified stakeholders are further prioritized on the basis of power – interest matrix.

A detailed engagement process with information about frequency, agenda, touch points, analysis, review etc. for high priority stakeholders is created. The data of this process is captured through an IT tool and the whole process and outcome is reviewed every two years.
Human Rights

Human rights are rights inherent to all human beings, irrespective of nationality, place of residence, sex, national or ethnic origin, color, religion, language, or any other status. Everyone is equally entitled to their human rights without discrimination. These rights are all interrelated, interdependent and indivisible.

Ensuring human rights is an undeniable duty of every organisation towards its employees. Hence, organisations are expected to be committed to human rights irrespective of their business and industry. A good practice evolving is adherence to national/international standards like United Nations Declaration of Human Rights (UNDHR) related to human rights along with organisation specific Human Rights Policy. Chart 7 suggests that 78% organisations have a policy in place which enumerates their commitment to human rights adhering to the UNDHR.

![% of Organisations committed to Human Rights](chart)

**Chart 5**

Most of the organisations that have a Human Rights Policy, indicate certain important points:

1. **Covers all relevant stakeholders**: policies of all the organisations were applicable to all their employees, suppliers and contractors. ACC Limited also extended the
policy to joint ventures, subsidiaries and NGOs while Hindalco Industries extended to subsidiaries and joint ventures only.

2. **Covers all relevant aspects:** including equal opportunity, child labour, forced labour, sexual harassment, right to freedom of association, right to collective bargaining, reasonable working hours and right to minimum wage.

3. **Communicating human rights policies:** in all of the top performers of this aspect, an effective communication is through the following means:

   a) Human rights is a part of the induction programme for new employees.
   b) Refresher emails sent out to employees regularly
   c) Policy document available to employees over intranet
   d) Compliance to HR Policies is a part of the contract of employment
   e) Compliance is considered in the performance evaluation of employees.

After having designed an adequate policy, organisations must also ensure that the Board or top management has an oversight over related issues. Board/top management of all organisations, but one, have an oversight on the compliance to human rights policies as well as actions taken to address them.

Ensuring that the policies are communicated to employees is equally important as having an exhaustive policy in place. While including it in the induction of employees has been done by 92% organisations, having the policy available on the intranet and including it in the employment contract also seems to be a common practice. Organisations must evaluate the reach and effectiveness of methods used for communication.

Many organisations go beyond setting and communicating policies and also identify and manage human rights risk in the organisation. For example: ACC Limited has identified a series of potential repercussions on account of failing to comply with human rights issues. Hence, it conducts a human rights risk assessment.

Details of their process on human rights risks assessment have been listed below:

1. **Frequency:** Assessment repeated every three years after initial assessment to evaluate progress on identified issues and identify new potential human rights risks.

2. **Leadership:** CEO is the ultimate person responsible. Human rights risk assessment done with help of self-assessment led by CSR department or person in-charge of managing communities and stakeholder activities.
3. Process: Figure 3 below briefly shows the process at ACC Limited:

![Diagram]

**Domestic Textiles Unit of Aditya Birla Group (ABG) offers a different route to handle their human right policy. The process is described as follows:**

1. Two of its units including the Jayashree Textiles Unit have implemented the ABG Technical Standard on Human Rights at site.
2. This Technical Standard is reviewed in the form of Self-Assessment Questionnaires (SAQs) on a software platform.
3. The compliance to this SAQs is monitored on a weekly basis and review is done on a monthly basis.
4. The overall responsibility of implementing the Human Rights Standard lies with the Human Resource department of Domestic Textiles Units.
5. The opportunity for improvements thus identified are further taken into as action points and implemented at site accordingly. Open house communication meeting is organized every year.
6. Verbal feedback is taken from the employees and their representatives. 81.36% employees are members of some or the other independent trade union organisations/collective bargaining agreements, thus helping protect their rights.
7. Inputs are taken from SA 8000 Certification External Audits and corrective action is taken. To improve on diversity, goals are being assigned to Top Leadership Team for recruitment of women employees.
Health and Safety

Ensuring health and safety requires anticipating, evaluating and controlling of hazards arising in or from the workplace that could impair the health and well-being of workers, taking into account the possible impact on surrounding communities and the general environment.

In a workplace, health and safety regulations are paramount to the well-being of employees and the employer. Any accidents/incidents can have a tremendous impact on not just the business but also the employees with the underlying effects of distress. Understanding this need and importance, many national/ international standards have also come up to promote occupational health and safety.

Table 5 below table displaying the various amenities in place by the top performing companies under this category:

<table>
<thead>
<tr>
<th></th>
<th>Hero MotoCorp</th>
<th>Ultratech Cements Limited</th>
<th>Reliance Industries Limited</th>
<th>NTPC Limited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work-related stress management advice</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Fitness facilities</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Flexible working hours</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Work-from home facility</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regular health check-ups</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Healthy lifestyle, inputs, assistance, support</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Ergonomically designed workplace</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>
It is also important for the company to have all of its employees attend health and safety training programmes. In the Chart 5 below, it has been displayed how many employees did attend these trainings:

![Attendance at Health & Safety Training](chart)

A commitment to having safe business practices/procedures and a policy for the same is the beginning to a more advanced health management system. A health management system should also identify a senior executive, preferably, a Board member as the ultimate person responsible for health and safety.
Chart 6 gives a picture of the person with whom lies the ultimate responsibility of health and safety for all of the applicant organisations. It has been observed that in more than a third of the companies, the ultimate responsibility for OHS rests with a Board Member which validates the situation positively for those companies.

At NTPC Limited following are the processes to measure the effectiveness of health and safety management systems:

1. Safety audits are conducted by internal and external parties to find feedback and opportunities of improvement.
2. Safety has been listed in high risk of the company, which is monitored by top management in RMC (Risk management).
3. Safety review and sharing areas of improvements with all sites through video conferencing by management on monthly basis.
4. Day to day pep-talk with workers and contractors to follow safety during work at sites.
5. Safety standards, processes, films, recommendations are regularly made and circulated at site.
6. Safety policy has been revised.

However, at Tasty Bite Eatables Limited the procedure is a little different. To measure the effectiveness of health and safety management system, there are reviews by:

1. Safety committee meeting (Where the members are of 50% worker-representative & 50% senior management) does the review of all aspects of health and safety once in a month and this meeting is chaired by the unit head (GM Works).
2. Safety performance review along with production by the managing director once in a month, for which MD visits the plant and reviews the KPIs.
3. Review with parent company Mars Foods and customers in their video conference meeting. All the observations discussed in the meeting are then taken up with a target date and responsibility to rectify whatever is necessary in time.

4. All review meetings are organised by the Safety Manager while the General Manager, Works is responsible for ensuring compliance within the timelines.
Corporate Social Responsibility

Corporate Social Responsibility (CSR) is an organisation’s sense of responsibility and contribution towards the community and environment in which it operates. It has also been defined in the Companies Act, 2013 – Section 135 and Schedule VII.

CSR should be understood as more than corporate philanthropy and should be ingrained in the values and culture of the organisation. It is important to understand if the CSR areas of companies are aligned with the business strategy or not. In most of the cases, where CSR is looked upon as corporate philanthropy, there is no alignment of it with the business strategy. Alignment with business strategy can be established in multiple ways: CSR areas are also the business areas of the company, the primary beneficiaries of CSR activities are also the suppliers, customers, consumers of the company, CSR areas de-risk business from community or any other stakeholder backlash, or even if there is a correlation between CSR areas & products / services of the organisation.

NTPC’s focus areas of CSR are aligned with its business strategy by means of managing community relations resulting in risk reduction, developing corporate reputation and legitimacy and gaining competitive advantage. Being a public sector undertaking, NTPC Limited is obligated to align with national priorities. Figure 4 below depicts the focus areas of NTPC:

![Figure 4](image)

ACC Limited has its CSR strategy and focus areas aligned to the organisation’s business strategy by ensuring that their operations will have minimum / zero impact from
influencing stakeholder groups. This, on the other hand, would aid them to retain their social consent to operate.

Governance and monitoring of CSR activities is an important area from the leadership point of view. As mandated by section 135 of the Companies Act 2013, a Board-level CSR committee with at least one independent director is required to monitor the CSR activities. The best practice is to have a Board member or the MD/CEO lead and be responsible for the CSR activities of a company. As seen in Chart 8 below, most of the organisations adhere to the requirements of the Companies Act 2013 and have a Board-level CSR Committee with one Independent Director. Though CSR activities are managed by other departments at Tasty Bite Eatables Limited, as a practice, the overall responsibility lies with the CSR Committee and Board of Directors of the organisation.

The responsibility of the Board/top management in decision making around CSR activities are manifold. These can range from monitoring the progress to even visiting the project location and seeking stakeholder feedback.
As seen in the Chart 9 above, most of the organisations focus on having a full Board meeting at least once a year to monitor the progress of CSR activities. An oversight of the Board helps in aligning CSR as a core business strategy.

When a company aims to align its CSR areas with its business strategy, it becomes critical as to how CSR activities are identified. Identification of CSR activities can be done in multiple ways viz. formal and structured need assessment to directions of the management or based on adhoc requests. Having a holistic strategy and a process to identify the CSR activities is the key. The process at NTPC is elaborated in Figure 6 below:
Mahindra & Mahindra also has a comprehensive process to identify its CSR activities as seen in Figure 7.

Figure 5

Figure 6
Results of CSR activities can be monitored through output, outcome and impacts. The top performing companies have monitored and reviewed the output and outcomes for most of the projects, impact is measured for few projects.
Supply Chain Management

Supply chain sustainability is the management of environmental, social and economic impacts, and the encouragement of good governance practices throughout the lifecycle of goods and services. The objective of supply chain sustainability is to create, protect and grow long-term environmental, social and economic value for all stakeholders involved in bringing products and services to the market.

Supply chain management is dealt with a focused approach due to its implications pertaining to increased financial risks in an ever-changing global arena and respond to a variety of stakeholder requirements, ranging from stockholder profits to compliance regulators to meeting customer expectations. Failure to manage supplier risk can result in significant monetary losses from damage to the company’s reputation, regulatory penalties, production delays, product recalls, or catastrophic health and safety fails. In an extremely complex global marketplace such as that we have today, an increased supplier risk management represents a greater challenge with higher stakes.

An organisation has several tiers of suppliers which bring along with them certain risks at each tier. Individually managing these risks at each level can be a cumbersome process and also unmanageable. In order to manage suppliers and streamline the expectations, both of organisations from suppliers and of suppliers from organisations, it is important to define and understand critical suppliers of an organisation. A critical supplier can vary across organisations and hence a standard definition for a critical supplier does not exist. However, as depicted in Chart 10, general understanding of critical suppliers for organisations are enlisted as follows: volume of purchase, amount of purchase, dependency on business operations, non-substitutability, quality concerns, perceptive risks. On these factors, organisations define critical suppliers for them. It is with these critical suppliers that companies can start a
systematic management including rolling out expectations of a sustainable supply chain, as a starting point.

ACC Limited and Hero MotoCorp identify critical suppliers by the perceived risks dealing with these suppliers may bring to the organisation. The de-risking strategy that Hero MotoCorp employs is ‘plan for every part’. The organisation has developed a separate plan to manage risks associated with procurement for every part being used in assembling/manufacturing of their product. The organisation is also constantly working on developing alternate sources as currently nearly 70% of their suppliers fall under critical category for them. ACC Limited carries out a risk assessment for identifying critical suppliers post which they work on carrying out a spend analysis. The result of risk analysis coupled with spend analysis leads to suppliers which are super-critical to them and with whom they engage into self-certification on various sustainability criteria. If deviations are found during self-certification from the suppliers Code-of-Conduct, the organisation may go on to terminate the suppliers’ contracts.

NTPC Limited records supplier’s diversity and publicly discloses the same. The organisation records the gender diversity among their suppliers. Out of all the suppliers, 1.16% of the businesses are owned by females. In the year 2018-19, NTPC procured 37% from MSME’s out of which 1.6% was from SC/ST and 0.21% from women suppliers. The diversity data helps the organisation to focus on its efforts to bring inclusivity in their suppliers from all social backgrounds. Also, the organisation has 99% of its procurement from local suppliers. The organisation is focused on local sourcing and reducing the share of import from foreign countries.
Organisations understand the importance of Code-of-Conduct as a means to manage the sustainability performance of suppliers. Having a Supplier Code-of-Conduct allows the organisations to maintain standard and uniformity in the products and services for which it relies upon suppliers. Chart 11 above suggests various sustainability parameters organisations cover while drafting their Code-of-Conduct. These parameters have a direct correlation with sustainability performance as it touches upon the basics of the triple bottom line where organisations work towards the benefit of people, planet and value creation.

On the other hand, the scope of application that the suppliers Code-of-Conduct covers becomes critical in analyzing the performance of the suppliers. Best case scenario would be maximum number of parameters in an organisation’s Code-of-Conduct while applicability if the same on large number of supplier categories. Hero MotoCorp has an elaborate suppliers’ Code-of-Conduct that covers parameters including environmental issues, child labour, forced labour, non-discrimination, right to freedom of association/collective bargain, living wages and health & safety. The Code-of-Conduct is applicable to all suppliers (Tier-I, II and III), Vendors, Distributors, Franchises and Retailers.
Organisations undertake comprehensive risk assessment of their suppliers in order to identify sustainability risks these suppliers bring in with them. All but one has undertaken this assessment and designed mitigation strategies to deal with the risks identified (Chart 12).

Reliance Industries Limited has an organization-wide risk management programme that is adopted by the procurement team. Senior leadership of procurement is involved in conducting the risk assessment and define risk mitigation strategies. The process is linked with the highest leadership in the organisation through a Business Risk and Assurances Committee (BRAC). As part of mitigation, vendor performance management programme is run which includes key aspects of measuring the performance. The scores generated at the end of this process help the organisation assess the nature of engagement that they have with the supplier and how it shall be carried forward. The suppliers are classified based on a unique risk profile which regulates further decision-making on terms of engagement with the supplier.

The supply chain is a critical aspect for many organisations who are in the process of making their business operations sustainable. The need of the top management or Board to review the initiatives of the organisation with respect to sustainable practices is of paramount importance. In line with the same, Ultratech Cement tries to align with the Aditya Birla Group framework for its supply chain management. ABG framework runs sustainability initiatives of the parent company of Ultratech Cements. A centralized approach to sustainability helps the organisation have an overview of top management on its initiatives which have listed sustainable supply chain as one of the areas that demand constant improvement. The procurement practices and selection criteria of the suppliers are focused on and borrow from issues like environment protection, social interest and cost-effective procurement. With increasing demand and expanding capacities, Ultratech Cement considers managing supply chain both as a challenge and an opportunity to reduce costs and carbon footprint.
Product Responsibility

Product Responsibility is a concept in which the producer of any product considers the life-cycle environmental impacts of its products or services, including the effects associated with ultimate disposal. Organisations are expected to exercise due care in the design of their products/services to ensure they are fit for their intended use and do not pose unintended hazards to health and safety of consumers or any hazard to the environment during use-phase or end-of-life disposal. Product Responsibility is thus a narrower concept in which organisations take responsibility of the products they manufacture and externalities arising out of the product during the different life-stages, ranging from extraction, transportation, manufacture, use to end-of-life disposal.

Product responsibility should not be an obligation in terms of regulations but a self-chosen way of business. Every opportunity that the organisation considers for improving the performance of its products, environmentally and socially, also converts to financial benefit and risk reduction for the business. Organisations commit to responsible products in a number of ways that includes working on financial resources, focus on research & development, compliance with regulatory requirements and communicating product information by necessary labelling. Some organisations go to the extent of engaging with customers through satisfaction surveys to evaluate their standing in quest of responsible products. Grasim Industries have 100% of their revenues realized from sustainable products. Moreover, 100% of their committed resources to R&D go in development of new responsible products. Grasim Industries also go above and beyond regulatory requirements in labelling and displaying product information.

Lifecycle Assessment (LCA) is a tool used to assess the environmental impacts of a product/service through all stages of its life i.e. cradle-to-grave. Hero MotoCorp emphasizes the importance of conducting an LCA in accordance to ISO 14040:2006 and ISO 14044:2006 for over 63% of its products. The LCA study done by Hero MotoCorp on its two-wheelers helped the organisation identify hotspots which was quantified in terms of carbon emission, acidification, eutrophication, ozone depletion gases and abiotic depletion which eventually helped the organisation move to a cradle-to-cradle aspect of product lifecycle. It helped them identify opportunities for improving product design capabilities by exploring alternative materials with potentially low environmental impact. Through a comprehensive LCA study, design for environment philosophy is conceptualized throughout Hero MotoCorp while a new product in planned.
Organisations conduct LCA of their products/services in accordance with the standards ISO 14040:2006 and ISO 14044:2006. The scope of LCA may be to selected products/services or all. Tata Chemicals and Hindalco Industries perform LCA to respectively 100% and 99% of their products (Chart 13). Benefits accrued from LCA in general are reported as identifying hotspots for intervention to improve environmental performance, reduction in resource use consumption and identifying alternate materials for operations. Clearly, LCA helps organisations to build long-term plans on tackling product responsibility issues which directly affects their sustainability performance.

There are a number of resources that organisations employ to have an effective approach to product responsibility including dedicated human resource, R&D, financial resource, etc. NTPC Limited has about 75 personnel posted in their R&D wing NETRA, who are responsible to think innovatively and bring out economically and environmentally friendly methods and technology to improve the process, efficient resource use, utilize the waste and conserve energy. NTPC Limited invests considerable financial resources on developing sustainable use of fly-ash based products, wastewater & sea-water purification, renewable energy, etc. The organization, through its R&D developed necessary equipment/infrastructure leading to resource efficient processes, thereby contributing to the need to responsible products. NTPC has additionally undertaken non-financial efforts in product improvement by inviting technology giants and power utilities from India and abroad and engage with them to share best practices, technology and knowledge transfer.
Organisations opt to communicate about their products/services which result in greater transparency of the product attributes which eventually add up to the holistic concept of responsibility towards the customers leading to a better brand value. All organisations are not only required to manage their responsibility towards the customer in terms of product quality and product impact but are also required to meet some level of disclosure requirements. Organisations like NTPC Limited, Hero MotoCorp, Domestic Textiles Aditya Birla and ACC Limited have included sourcing information, content information, safety declaration, product disposal and environmental/social impact in their procedure for product/service information and labelling. Moreover, none of these best performing organisations have had any incidents or paid any fines for non-compliance on matters related to product/service information and labelling. Grasim Industries have 100% of their products labelled in compliance to international standards Oeko-Tex Standard 100 and ATWA & European Flax logo.

Chart 14 depicts customer-satisfaction surveys are undertaken by around 64% of organisations once in two years while 14% do it once in three years. These surveys help organisations build necessary data to improve service level to customers and feedback helps the organisation ascertain whether or not the initiatives with respect to product responsibility are well communicated to the customers. Reliance Industries Limited undertakes the customer satisfaction survey once every two years and encourages direct feedback taken by visiting managers or personnel at the customers’ premises or factories during visits. Direct feedback enhances the receptiveness of the feedback which is then used to analyze various parameters of customer satisfaction.
Environment Management

Organisations through their business operations have an impact on living and non-living natural systems, including ecosystems, land, air, and water. Environment management is thus being aware of how the operations affect the environment. Regardless of the size and type of business, impact to the environment shall be managed to keep at minimum.

Organisations’ outlook towards bettering environmental performance should start with its integration to the corporate strategy. An environment management policy shows commitment of the organisation towards environment conservation. Some common practices for environmental management include reduction of energy consumption and emissions while transitioning to use of renewable energy. Mindful use of ecosystem services, most commonly water, air and land, help in better performance of organisations towards environment. Waste management is also a part of environment management and is practiced widely by organisations. Using recycled materials with an aim to send least waste to the landfill is a strategy that helps organisations post better financial performance by saving on costs incurred to buy virgin raw materials.

A majority of the organisations have their sites certified by the international standards of ISO 14001 which systematically improves environmental management for the organisation. ISO 14001 certification also makes the organisation fulfil compliance obligations. According to Chart 19, over 87% of the organisations that applied under the domain of Environment Management have all of their sites certified.

Most of the top performing companies have also studied their exposure to environment related risks through a system where environmental management risks and opportunities are integrated into the multidisciplinary organisation wide risk management process. The risks identified have been classified as physical and regulatory. Physical risks are those arising due to physical changes associated with
climate change (such as floods, droughts, and heat-related illness), regulatory risks include those which arise due to changes in the regulatory landscape.

ACC Limited has identified risks pertaining to regulatory compliances, climate change and availability of material. The organisation has also considered changing consumer preferences due to climate change as a risk to their business operations. ACC Limited has also studied opportunities available for the business to sustain despite these risks. The organisation is adopting latest technologies which would make them energy efficient and improve environmental impacts. ACC also focusses on R&D in order to come up with alternate materials to meet the risk of availability of raw materials in the future. In response to risk of availability of water to Kings International, various strategies including recycling and reusing water, rainwater harvesting and electro-oxidation processes to recycle wastewater have been adopted. This comes as a best practice from an organisation whose operations are heavily dependent on water.

Kirloskar Brothers Limited and Tasty Eatables Limited with 26% and 23% respectively, exhibit greater concern for clean air by transitioning to use of renewable energy in their business operations. Chart 20 depicts use of renewable energy as a part of total energy needs of the organisation. Use of renewable energy by organisations which are expected to have greater energy demands for their business operations contribute to the cleaner air by substituting the energy generation from coal & petroleum-based sources with wind or solar energy as a source. Moving to renewables also allows organisations to post better bottom-lines as their dependence on conventional and costlier grid electricity decreases.
Waste management is an aspect of environmental management that has long been persistently practiced by organisations. The recent developments in waste management relate to producing less waste rather than looking for avenues for safe disposal of waste. Organisations focus on zero-waste in order to manage their environmental performance. Recycling waste to obtain raw materials is a strategy that helps organisations improve their environmental performance as well as that converts to cost-savings as well.

Organisations have been extensively substituting virgin raw materials with recycled raw materials. Tata Chemicals go up to using nearly 90% of their raw material as recycled ones. Cement companies like Ambuja Cements (different units), ACC Limited and JSW Cement, Nandyal also show good amount of share in usage of recycled raw materials (Chart 21).
Biodiversity

Biological diversity - or biodiversity - is the term given to the variety of life on earth and the natural patterns it forms. It forms the web of life of which we are an integral part and upon which we so fully depend. Businesses depend on biodiversity for genes, species, and ecosystem services as critical inputs into their production processes. Threats to biodiversity include habitat loss, unsustainable use of ecosystems and over-exploitation of biodiversity. Climate change and pollution add up to the factors affecting biodiversity.

Biodiversity has evolved as an important aspect of for organisations to manage in order to improve their overall sustainability performance. While many organisations have included biodiversity conservation in environmental policies, some have developed separate policy on organisation-wide approach towards biodiversity.

It has been recognized among the top performing organisations that a key resource is deployed in the form of a dedicated biodiversity champion. The biodiversity champion is a designated person tasked to overlook all the relevant activities related to biodiversity in a company.

*Chart 15* indicates that majority of organisations insist on having a biodiversity champion among their ranks. A biodiversity champion emphasizes the interests of the organisation towards the conservation of a vast variety of flora and fauna present across their project areas.
Apart from having a biodiversity champion, organisations are also using employee trainings as a strategy to reduce their biodiversity impact. *Chart 16* depicts the coverage of employees in the trainings related to biodiversity. Organisations may choose to either keep environmental and ecosystem service training restricted to the employees involved in sensitive projects or may choose to keep it as a part of environmental training. Best case would be if organisations cover all employees for the environmental and ecosystem services training. Reliance Industries Limited trains all its employees on biodiversity and ecosystem services. The training includes a sustainability training module and a sustainability newsletter which trains employees on critical aspects of biodiversity and ecosystem services. With all employees trained on biodiversity and ecosystem services, the organisation intends to realize better impact assessment of their projects on biodiversity.

Some organisations have set up long-term biodiversity plans in order to emphasize upon the growing importance of the natural surroundings regarding the aspect. ACC Limited has set up a Biodiversity Management System at the organisation level that defines the methodology to develop Biodiversity Management Plan (BMP). The organisation developed a BMP for an identified sensitive site and are in the process to develop similar BMPs for three more sites. Additionally, ACC Limited has set a long-term target of developing BMP for all active sites by 2020.
Table 6

Table 6 above suggests briefly how ACC Limited approaches its Biodiversity Management Plan (BMP). Starting with a risk map, the organisation identifies sites which are susceptible to biodiversity risks. Consequently, the BMP is prepared based upon risks and involvement of relevant stakeholders. These plans include both short-term and long-term targets. There is a rehabilitation plan that is developed which considers both business process and the BMP. It integrates with extraction/mining plans of the organisations and aims at meeting objectives defined in the BMP.

Reliance Industries Limited has a future oriented strategy in place aimed at biodiversity conservation. It is based on regular impact assessment studies for each operational site. These sites then develop an annual plan around development of green belt as well as management of impacts on ecosystems due to operations of these sites. These plans are aimed at exerting an incremental improvement in the quality of ecosystem services in and around the area where the plants are located. Additionally, the organisation’s sustainability strategy to manage its natural capital is well aligned with the Natural Capital Coalition (NCC) Protocol. Reliance Industries Limited continues to actively pursue collaborations with various reputed institutes/partners in India and overseas on matters related to biodiversity.

Organisations which have strong forward and backward linkages are expected to engage with their suppliers to assess their impact on biodiversity. Accordingly, the organisations plan activities which result in better management of the biodiversity and ecosystem services for suppliers.
40% of organisations engage with their suppliers to gather information about their impacts on biodiversity (refer Chart 17).

ACC Limited gathers and understands information from critical suppliers in accordance to their policy and standard. The organisation is mandated by its ‘Sustainable Procurement Directive’ which makes it compulsory for the organisation to understand the environmental impact of their suppliers which includes impact to biodiversity as a critical aspect. If need be, the organisation deputes its personnel for physical visits to suppliers for fact finding. Likewise, Grasim Industries also engage with their suppliers, both critical and non-critical, in order to ensure that the raw materials they use are certified as per designated international standards which include impact on biodiversity as a component of the certification.
Chart 18 represents the number of organisations that evaluate the impact of its activities, products or services, supply chain, logistics, etc. on protected or similar areas. Most of the organisations evaluate the impact mentioned only due to their own operations. ACC Limited and Reliance Industries Limited represent the best practice of monitoring and assessing the impacts on biodiversity due to their own operations, the supply chain, products and services while also the transportation & distribution of their products or services.

Figure 8 represents the process through which top management reviews the initiatives of ACC Limited towards biodiversity and ecosystem services. To start with, a well laid governance structure is there in the organisation for biodiversity. ACC Limited has plant level and corporate level Sustainable Development Council and Sustainable Development Committee which looks after aspects of biodiversity and ecosystem services. Quarterly meetings are conducted where biodiversity related risks and opportunities are discussed. Based on the feedback of the committee, relevant actions are undertaken, and progress is updated periodically.
Winners 2019
CII-ITC Centre of Excellence for Sustainable Development is a not-for-profit, industry-led institution that helps business become sustainable organisations. It is on a mission to catalyze innovative ideas and solutions, in India, and globally, to enable business, and its stakeholders, in sustainable value creation. It’s knowledge, action and recognition activities enable companies to be future ready, improve footprints profiles, and advocate policymakers and legislators to improve standards of sustainable business through domestic and global policy interventions.

CESD leverages its role of all-inclusive ecosystem player, partnering industry, government, and civil society. It has been a pioneer of environment management systems, biodiversity mapping, sustainability reporting, integrated reporting, and social & natural capital valuation in India, thus upgrading business in India to sustainable competitiveness.

With two locations in India, CESD operates across the country and has also been active in parts of South and South East Asia, Middle East, and Africa. It has held institutional partnerships and memberships of the United Nations Global Compact, Global Reporting Initiative, International Integrated Reporting Council, Carbon Disclosure Project, development agencies of Canada, the USA, the UK, and Germany.