CII
Confederation of Indian Industry

CII-ITC Centre of Excellence for Sustainable Development

CII-ITC SUSTAINABILITY AWARDS 2016

YEAR BOOK

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Process 2016

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 to 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, company-wide commitment to the process – both in terms of their time and money.

The Awards are guided by the Awards Jury, which got reconstituted in 2016. Additionally, a new domain category on Biodiversity was launched during the year. The existing categories include corporate excellence, environment management, corporate social responsibility and sustainable supply chain. In March, Awards started 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. Three Assessor Training Workshops were conducted in February, May and June for those who wanted to become sustainability assessors. In total 110 assessors were trained. In June, 180 assessors were divided into teams, with each team comprising new and experienced assessors while ensuring they would be assigned an organization, 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 August-beginning the teams assessed the applications on the online tool.

With completion of desk assessment 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, the 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 2016, the Awards received 96 AOIs from cement, auto, real estate, energy, refinery, banking, steel, and engineering industries to name a few. Of these, 86 applications qualified for assessment and 23 received recognition.

The Awards Ceremony was held on 5 December in New Delhi with representatives from the winning companies attending. 23 corporate winners and 7 winner assessors were conferred recognition by Mr. Prakash Javadekar, Minister of Human Resource Development, Ambassador Shyam Saran, Jury Chair and Chairman, Research and Information System for Developing Countries, Mr. Sanjiv Puri, Chief Operating Officer, ITC Ltd., Ms. Seema Arora, Executive Director, CII-ITC Centre of Excellence for Sustainable Development.

"*Sustainability Awards have truly become a benchmark, covering 250 indicators encompassing all aspects of sustainability. Sustainable innovation can happen only in educational institutions and that sustainable practices would become a part of the school curriculum so that demand is created for sustainable products*" **Mr Prakash Javadekar**, Minister of Human Resource Development, Government of India.

"Contrary to the view that development and ecological sustainability are contradictory, sustainability has now become a pre-condition for development. Businesses are realizing the risks associated with the neglect of environment and acknowledging their responsibility towards society and the environment" **Ambassador Shyam Saran** Jury Chair and Chairman, Research and Information System for Developing Countries.

"Businesses have the resources to innovate solutions as well as make their operations ecologically and socially compatible. Responsible Competitiveness is the way forward. However, given the scale of challenges, for sustainability to be mainstreamed, businesses need to be incentivised through government policies through sustainable practices policy framework" **Mr Sanjiv Puri***, Chief Operating Officer, ITC Ltd.

Executive Summary

CII-ITC Sustainability Awards are uniquely designed to put organizations on 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 more than ever increased, whether it is to continue to maintain Earth suitable for human habitation or to make Mars suitable for human habitation. Hence it is imperative for businesses to reinvent their business models, instigate shifts in consumer preferences, and invest in next generation technologies.

The Awards gives an opportunity to businesses to not only get this fresh perspective but also provide a comprehensive Model to pursue its 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.

As investors, governments and civil society get increasingly interested in governance of sustainability by organizations, it has created a new normal of top management involvement and focus towards sustainability getting integrated in the business strategy of organizations. The short-termism or focus on financial performance is finding comparatively less weight as main discussion points in corporate board rooms where debates are now getting steered towards non-financial performance and embedding sustainability in the core strategies. This is reflected in 67% companies that qualified for site assessment stage incorporating a board-level sustainability committee to drive the organization towards sustainability integrated vision.

Sustainability risks are getting increasingly reflected in the risk management strategies of several companies. Many have started integrating sustainability in their enterprise risk management frameworks. Almost all the companies which qualified for the site assessment stage have sustainability risks integrated in their risk management framework

Companies have started realizing that employee development, safety and engagement have to go beyond occupational health and safety management systems. While, all the top players have OHSAS 180001, most of these companies are keenly working on providing overall well-being facilities to its employees. Among them, all ten companies have fitness facilities and counselling facilities, nine have ergonomically designed workplaces and five have flexible working hours for child and elderly care. Companies have adopted a more structured approach towards employee trainings; going beyond job-skill trainings; companies are imparting behavioral, health and safety, environment and soft skills trainings.

There has been an increasing market for environmentally conscious consumers and companies have undertaken measures to showcase and improve their product responsibilities. Automobile and cements sectors companies have initiated Life Cycle Analysis (LCA) to improve environment performance of their products. Tata Motors has completed LCA for several product models and Ambuja Cements has initiated LCA for some of its manufacturing plants.

On CSR, few companies have aligned their initiatives with government initiatives like Skill India, Swachh Bharat etc. There has been an increased adoption of various methodologies like SROI (Social return on investment) and other methodologies/ tools with the objective of making CSR activities more impact and outcome oriented. Companies like Maruti Suzuki have third-party audits of their impact assessment report, thereby setting a benchmark for others to follow.

As companies are working towards becoming sustainable business, most of them are disclosing relevant information through various channels. 78% companies that qualified for site assessment follow GRI framework for sustainability reporting and have their reports audited by external assurance providers which are in line with international standards.

Gender diversity, supply chain sustainability and biodiversity remain areas of improvement for several companies. Initiatives towards increasing women in the workforce are lacking. Majority of the companies have large supplier/ vendor base and this entrusts a huge opportunity as well as responsibility on the companies to green its supply chain. Steps towards capacity building of their vendor/ supplier on making their business sustainable, or setting environment and social goals for them or reviewing their progress on the goals are key parameters for companies to work towards a sustainable supply chain. Biodiversity is a new topic for Indian industry and notable initiatives have been taken by few companies. However, the approach to Biodiversity should be more structured through effective governance mechanisms, biodiversity policies, biodiversity impact assessments and review mechanisms.

Assessment criteria of the Sustainable Business Excellence Model include seven attributes. Among these, applicants of Corporate Excellence category have demonstrated good performance for process attribute indicating that more and more organizations have policies, plans, and objectives to internalize the concerns of society and environment. Their processes are systematic and helping them drive sustainability agenda across the organization. For Environment Management and CSR domains additionally, applicants have performed well against the Leadership attribute. Most of the applicants in these domains are led by environment management system, environment policy, CSR policy and a structured governance mechanism mandated by the government. Environment risks for most of the applicants are integrated in a company-wide comprehensive risk management process. Such integration is not possible without leadership commitment in driving an organization towards managing its environment impacts.

Result attribute has scope for improvement for most of the companies across all award categories. Result attribute measures people (employees, customers, suppliers, vendors, etc.), society, environment, and financial. While companies have started to institutionalize processes, results are ad-hoc, not measured or targeted. This gives companies a broad canvas to take a step forward to ensure that results, both financial and non-financial get measured systematically and get reflected in their short-term and long-term goals.

Top three players in each Aspect

CG: Ambuja Cement, Tata Housing, Vedanta Jharsuguda

HS: Tata Housing, Mahindra Susten, ACC

TD: Ambuja Cement, ACC, Vedanta Jharsuguda

ED: ACC, Apollo Gleneagles, Reliance Industries

BE: Reliance Industries, Vedanta Jharsuguda, ACC

HR: Reliance Industries, Siemens, Tata Motors

PR: Tata Housing, Ambuja Cement, JSW Steel Ltd - Vijayanagar

SC: HZL, Exide Industries, Griffith Foods

RM: Reliance Industries, Tata Power, JSW Steel Ltd - Vijayanagar

SE: Ambuja Cement, Vedanta Jharsuguda, ACC

CC: Tata Power, Ambuja Maratha, ACC

EM: Ambuja Maratha, Ambuja Bhatapara, ACC

BD: ACC, Tata Power, Vedanta Jharsuguda

Graph 1

Corporate Governance

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

The governance of sustainability issues has emerged as one of the most important focus areas of business in recent times. This has created a new normal for top management involvement and focus towards getting sustainability integrated in the business strategy of organizations.

An organization's focus on sustainability issues can be driven through various approaches. The best practice is to have a board-level sustainability committee which ensures that sustainability issues find a place in the board room. 67% companies that qualified for site assessment stage have a board-level sustainability committee. A sustainability committee led by the top management is the second-best option and third best option is to have an advisory committee (not a board-level).

% of companies which have a board-level sustainability committee

67%
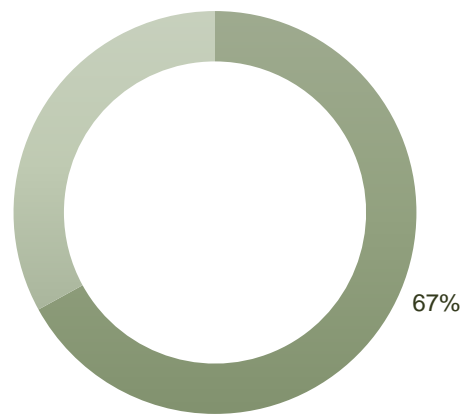
Graph 2

For top players' the level at which sustainability is addressed is highlighted in figure 1.

A board-level Sustainability Committee	• NTPC, SAIL, Tata Housing, Siemens, SKF India, Kings International

Sustainability committee led by the top management	• ACC, Domestic Textiles Business - Aditya Birla Group, Ambuja Cement, Mahindra Susten, Tata Power
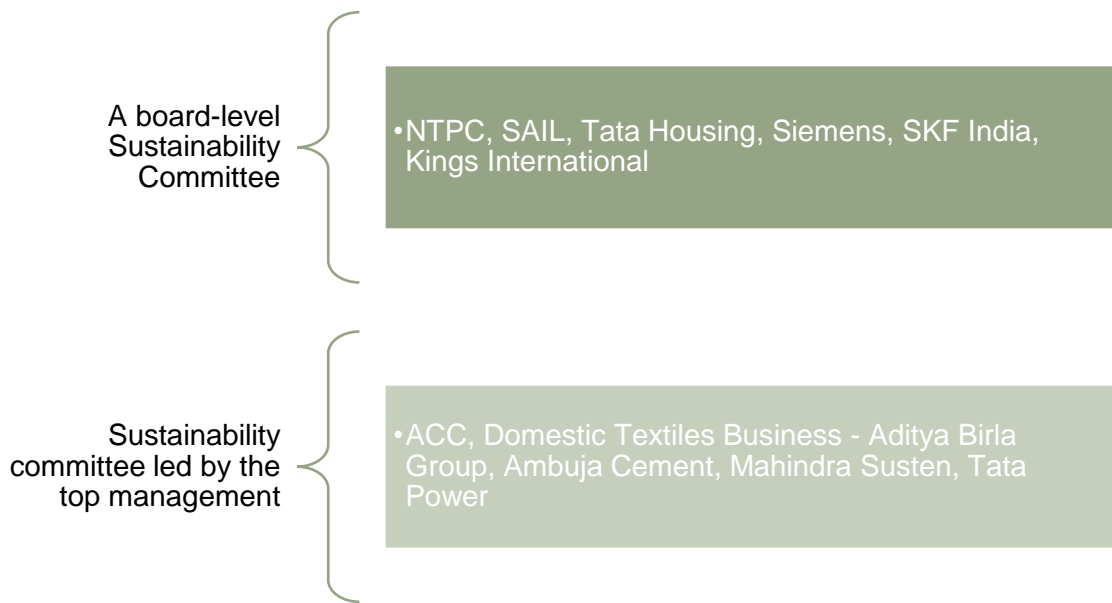
Figure 1

Sustainability elements are best reflected in vision statements of following companies: Tata Housing, Domestic Textiles Business - Aditya Birla Group's vision, Mahindra Susten, and NTPC. Following are some of the examples.

Tata Housing	• "we would build sustainability into everything we do, so that our profitable growth helps reduce inequality and rejuvenates the environment. This inequality would mean the disequilibrium of all kind including social and economic"
Mahindra Susten	• "to be the world's most admired brand in Sustainable Infrastructure and Renewable Energy"
Domestic Textiles Business - ABG	• "to be committed to be socially responsible with continuous improvement in business practices by balancing economic growth and constantly reducing environmental footprint for the benefit for all stakeholder."

Figure 2

For **Ambuja Cement** sustainability agenda is driven by the top management which further flows to regions and their various units. Figure 3 represents different levels in the organization which deals with sustainability issues.

Corporate: MD & CEO and Executive Committee Members have day-to-day oversight

Regional: cluster manufacturing heads spearhead all coordination, monitoring and implementation of decisions

Unit: risk assessment and programme execution through Unit Sustainability Steering Committee (USSC) meetings

Figure 3

Sustainability performance is a constant agenda item in every quarterly Board Meeting. The Corporate Sustainability Steering Committee meets every quarter with the following mandate:

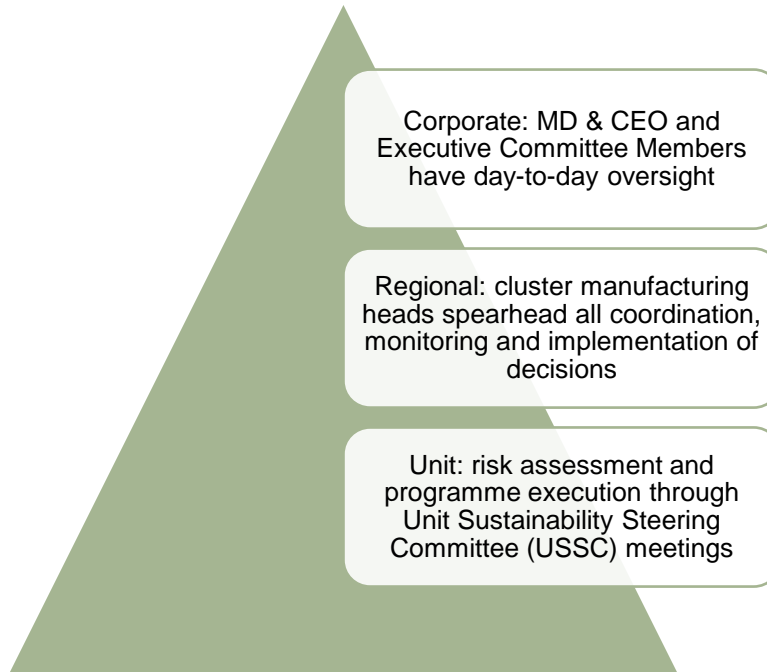- Drive on the sustainability strategy, systems, processes, and outcomes
- Identify prime sustainability issues, opportunities and prioritization
- Work with relevant departments and functions at corporate as well as unit levels for issue redressal and to reap on opportunities
- Recommend to Exco and take up issues in Exco meetings at least three times a year

The organization follows UNGC Principles in all of its activities, besides some plants complying with SA 8000 guidelines. They have specific management systems to address various sustainability aspects including social issues, environmental, health & safety, quality and energy in most of its plants.

At **NTPC** sustainability performance is regularly reviewed and monitored by top management through board meetings, sustainability committee, and risk management committee meetings. Key sustainable development projects such as renewable energy projects, water conservation programs/ ecological services, biodiversity conservation and community empowerment are gauged on a defined set of objectives. The gap between the desired output of project and actual outcome is analyzed and reviewed in top management meetings. Further, related department heads at corporate and stations prepare action plan for improvements. The evaluation system of sustainability performance is also reflected in MOU signed with the government.

% of companies where the board chairman is separate from CEO/ MD

69%
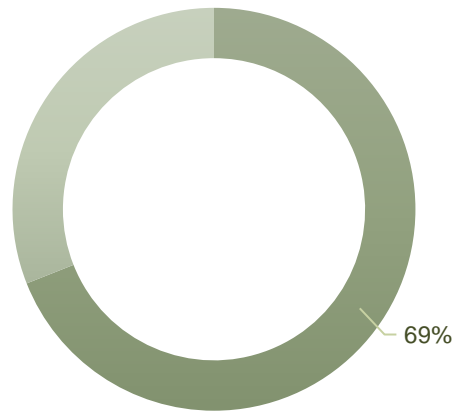
Graph 3

For the companies that qualified for site assessment stage, 69% have board chairman separate from CEO/ MD. **Ambuja Cement** and **Tata Housing** have a board chairman separate from CEO/ MD. Additionally, in **Tata Housing**, the chairman is an independent director. Both the companies have not incurred any expenses on non-audit fees. This implies that the scope of external auditors/ audit firms was limited to auditing work and no consulting work like tax management/ business related was undertaken, this is a good indicator to the independence of audit firms in auditing the organization.

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. It includes business policies and practices regarding potentially controversial issues, such as corporate governance, insider trading, bribery, discrimination, corporate social responsibility and fiduciary responsibilities.

Vedanta Group's business ethics covers aspects like human rights, insider trading and political contributions, competition, conflicts of interest and confidentiality. The group provides guidelines for all businesses to assist employees in meeting high standards of personal and professional integrity. Training in the code of conduct is mandatory for all new hires. During the year, all business units are reviewed for risks related to corruption and bribery, and employees are trained in the organization's anti-corruption policies and procedures. The Board-led audit committee reviews actions taken by the management in elimination of fraudulent practices and promote ethical working practices.

A code of conduct policy can apply to employees as well as external stakeholders that the organization may have identified. If unethical practices prevail with external stakeholders, it might be a risk to business. **Tata Motors** ensures that the Tata Code of Conduct (TCoC) is followed throughout the organization and every employee conducts himself/ herself in an ethically acceptable way. TCoC serves as a guide to the organization, its directors, and employees and is supplemented with an appropriate mechanism of 'Whistle Blower Policy' to report any concern pertaining to non-adherence to the said Code.

For the top players in this aspect, the policy is applicable to a variety of stakeholders and same is mentioned in table 1.

	Employee	Joint Ventures	Suppliers	Contractors	NGOs
ACC	√	√	√	√	√
Vedanta Jharsuguda	√	√	√	√	
Reliance Industries	√	√	√	√	
Tata Housing	√	√	√	√	√
Tata Power	√	√	√	√	√

Table 1

For 89% companies, that qualified the site assessment stage, their whistle blower mechanism extends to relevant external stakeholders.

% of companies whose whistle blower mechanism to report on code of conduct breaches extends to external stakeholders

89%
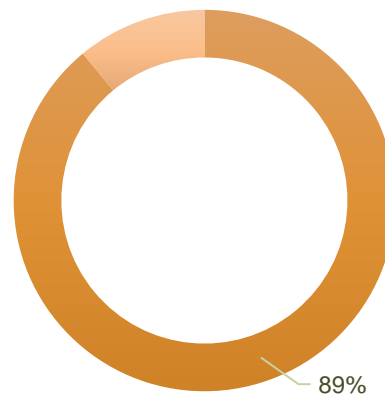
Graph 4

Reliance Industries has an Ethics & Compliance task force which consists of the Reliance Group Head of Audit, the Reliance Group Controller, the Reliance Group Head of HR and representative from Chairman's office and secretarial and a senior lawyer. The task force reports to the Audit Committee. A senior lawyer serves as the Chair of the Ethics & Compliance task force.

ACC has processes and systems in place to identify potential business ethics risks. Identified risks arising out of fraud or misconduct are communicated to relevant top management personnel and process gaps are corrected. The risk management process continuously identifies and manages risk situations. The organization has detailed control processes that are continuously monitored and updated with clearly defined control description, testing plans with defined periodicity. Based on this, corrective and preventive actions are taken from time to time.

At **Tata Housing**, ethics structure is headed by the MD & CEO, Head HR as the Ethics Counselor and Regional Ethics Counselors. Awareness on TCoC (Tata Code of Conduct) for employees is done during induction, where employees are given a copy of TCoC Policy. The senior leadership team encourages integrity, transparency, and respect in dealing with employees, customers, and suppliers so that these values are deeply rooted within the organization. Tata Housing's Ethics Counselor contact information is communicated to suppliers/ partners to voice their concerns. Head HR maintains a register for recording and monitoring the ethical issues raised. Key process monitoring parameters and ethics system effectiveness are listed which shows larger levels sensitization. Learning from violations is analyzed by the ethics committee and case studies are made and shared with employees maintaining confidentiality of names and identity of employees involved so that future occurrences of such incidences are minimized.

Coverage of employees on ethics training for top performing companies is detailed in table 2. In most of the organizations 100 percent employees are covered on this training.

% of employees trained on ethics	RIL	Vedanta Limited	HZL	Tata Housing	ACC	Ambuja Cement
	100	100	100	100	96	90

Table 2

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 growth in recognition of 'sustainability' risks, mainstreaming them in enterprise risk management, and valuation of non-tangible risks.

An organization can assess its risks through various tools such as risk maps, sensitivity and stress testing, and enterprise risk management. Top players in this aspect adopted the tools listed in table 3 to assess their risks.

Tools	Organizations
Risk Maps	Ambuja Cement, Reliance Industries, ACC
Sensitivity and Stress testing	Reliance Industries, ACC
Others:	
SAP Governance and Risk Compliance	Reliance Industries
Turnbull Matrix	Hindustan Zinc, Vedanta Jharsuguda
True Value	Ambuja Cement
Enterprise/ Business Risk Management	Tata Housing, ACC

Table 3

Companies have come to a point where sustainability risks are part of risk tools adopted by them and hence business risks and sustainability are being looked at together by some of the top players.

% of companies whose risk management framework include sustainability risks

100%
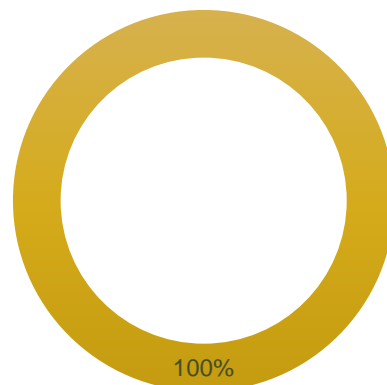
Graph 5

ACC has a Business Risk Management (BRM) framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impacts on business objectives and enhance the organization's competitive advantage. The business risk framework defines risk management approach across the organization at various levels including documentation and reporting. The framework has different risk models which help in identifying risks trend, exposure, and potential impact analysis at an organization level as also separately for business segments, viz. cement and ready-mix concrete. Risk management forms an integral part of the organization's mid-term planning cycle. Key sustainability risks identified by the organization are:

- Compliance risk
- Emission risk
- Energy risk

While an effective structure of risk management is essential, the need for strong risk culture throughout the organization is essential to ensure that the importance of risk is understood by all employees. An organization can pursue various strategies to promote and enhance an effective risk culture. Best practices are.

Financial incentives which incorporate risk management metrics for employees
•Tata Housing: risk effectiveness score is part of organization's KPIs and included in goal sheet of management review committee members

Focused training throughout the organization on risk management principles
•ACC: employees are engaged and trained on BRM model, fraud risk management, anti-bribery corruption directive and CoC
•Vedanta Jharsuguda: every year training is provided by risk officer and feedback is recorded
•Tata Housing: periodic risk awareness sessions are held at each project site

Risk management criteria in the HR review process
•Vedanta Jharsuguda: inclusion of risk management criteria in HR review process for employee evaluation

Measures allowing individual employees proactively to identify and report potential risks throughout the organization
•ACC: employees are encouraged to identify and report potential risk in areas of operations, safety and business. This is promoted through recognition programs
•Tata Housing: risk perception template is circulated to all employees to identify any risk not included in the risk register

Figure 4

It is important to evaluate the efficacy of risk management framework so as to understand its limitations, its implementation processes and how an organization is achieving results. Such a process may include periodic review meetings, regular submission of reports to the board for analyzing and measuring output, internal and external audit. **Reliance Industries** has established Reliance Management System (RMS). RMS incorporates an integrated framework for managing risks and internal controls. Internal financial controls are documented, embedded and digitized in business processes. Internal controls are regularly tested for design and operating effectiveness. Reliance's management systems, organizational structures, processes, standards, code of conduct and behaviour together form the RMS that governs how Reliance conducts its business and manages associated risks. Structurally, the process is mentioned in figure 5.

Executive-level

- Executive Committee level through various committees looking after specific areas of risk

Board-level

- Through Risk Management Committee

Functional-level

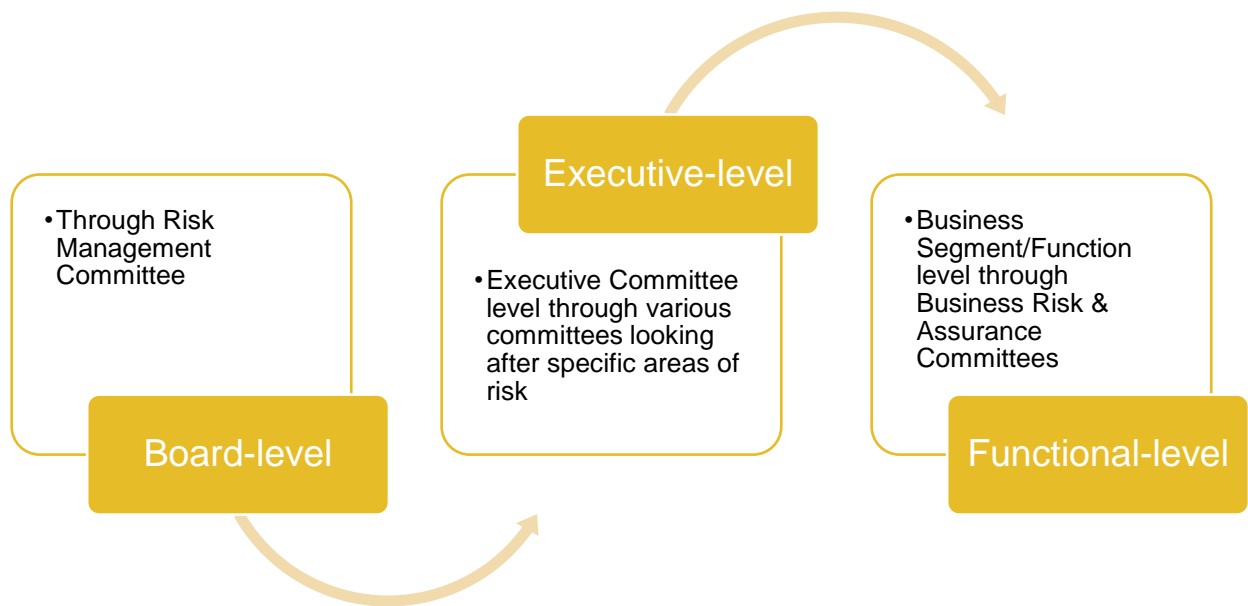- Business Segment/Function level through Business Risk & Assurance Committees

Figure 5

All the above-mentioned committees meet and review on a regular basis.

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.

Occupational health & safety management system enables an organization to identify key health & safety risks relevant to the organization and identify measures to avoid or mitigate them. Having a management system in accordance with OHSAS 18001 or any other national or international standard ensures all the issues or aspects of health & safety are covered and addressed. The management system should cover:

- Health & safety policy and objectives of the organization
- Allocated key management roles and responsibilities for implementation of the management system
- Significant OHS hazards/ risks arising from the organization's activities, and arrangements for their prevention and control

% of companies that are certified for OHSAS 180001 standards

94%
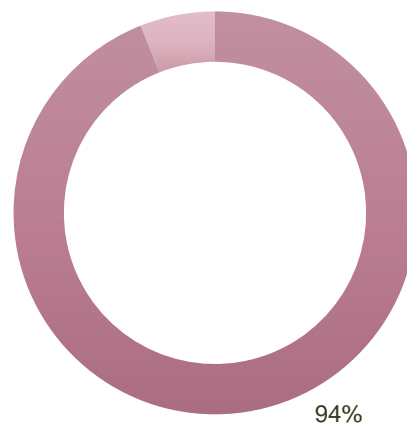
Graph 6

Tata Housing, NTPC, Mahindra Susten, ACC, Hindustan Zinc Ltd (HZL) are certified in accordance with OHSAS 18001 standards. **HZL** additionally has sustainability framework aligned with International Finance Corporation (IFC), International Council on Mining and Metals (ICMM), United Nations Global Compact (UNGC) Principles.

Process of identification of health & safety risks and strategies to deal with them are different for different organizations. However, the best process involves the top management as well as consultation with stakeholders. Risks coverage should be wide and there should be regular
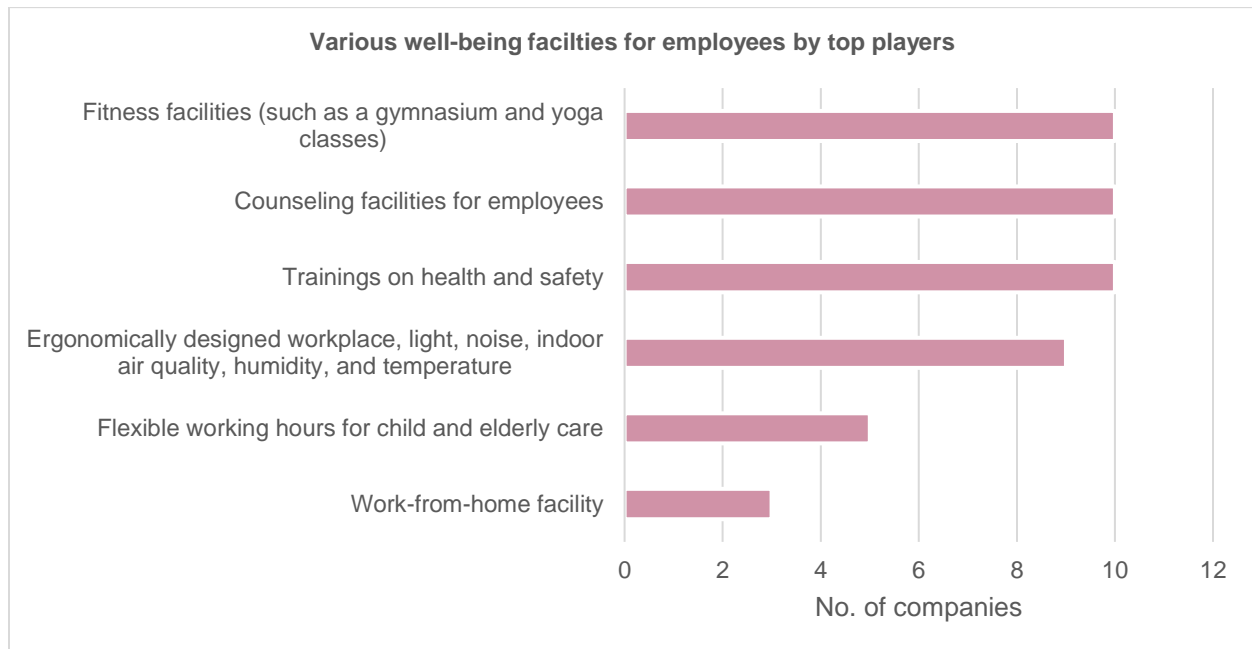
training given to all employees (permanent & contractual) so as to prevent accidents. Responsibility should be systematically allocated across all levels of management. The process of identification of health & safety risks and mitigation strategies adopted by the top players in this aspect are listed in table 4.

Company	Tata Housing	Mahindra Susten	NTPC	Tata Power
Process of identification of health & safety risks	Hazard identification, risk assessment and determining control (HIRAC) register for every site	Standard Hazard Identification and Risk Assessment Plan (S-HIRA) for three stages: project execution, project operations & maintenance and office operations	HAZOP study and HIRA audits	Enterprise Process Model and audits to identify risks
Strategies to deal with risks	Risk control measures are determined through elimination, substitution, engineering control administrative control and PPEs	S-HIRA reviewed for each project by a team comprising head-QHSE, head project & engineering. Additionally, a recognition program for employees and workers for their adherence to safety practices	Based on HIRA audits conducted by third-party, suggestive initiative or preventive actions are formulated	Procedures for carrying the job safely are internally developed and reviewed periodically to ensure up-to date controls are incorporated. Regular specialized supervisions carried out
Method of communication of health & safety risks to employees	Induction, safety briefing for visitors, EHS management system communicated to all concerned, EHS portal, mobile app, special trainings, site visits and communication	Mandatory safety induction module for visitors and daily wage workers, use of local language, sign boards, visual-aids	Circulation of safety policy and pamphlets on safety, display of instructions in plant area, distribution of shorter version of disaster management	Routine & specialized safety trainings are conducted to ensure workers are aware of procedures & same are implemented in daily job.

	conducted by senior management		plan in local languages,	

Table 4

Other than health & safety related communication and trainings, well-being of employees is gaining momentum. This is reflected through various amenities which organizations provide to their employees to remain productive while maintaining overall well-being. Various facilities provided by top players to their employees are given graph 7.

Various well-being facilties for employees by top players

Facility	No. of companies
Fitness facilities (such as a gymnasium and yoga classes)	10
Counseling facilities for employees	10
Trainings on health and safety	10
Ergonomically designed workplace, light, noise, indoor air quality, humidity, and temperature	9
Flexible working hours for child and elderly care	5
Work-from-home facility	3

Graph 7

The process of regular review and monitoring of health & safety management system is important to measure and improve its effectiveness through continuous learning. For Tata Housing, this review takes place at four levels.

Apex safety steering meeting	
Half-yearly	Chaired by MD & CEO

Regional safety implementation meeting	
Quartely	Chaired by regional head

Project safety committee meeting	
Monthly	Chaired by project head

Project review meeting	
Monthly	Chaired by corporate/ regional project head and EHS head
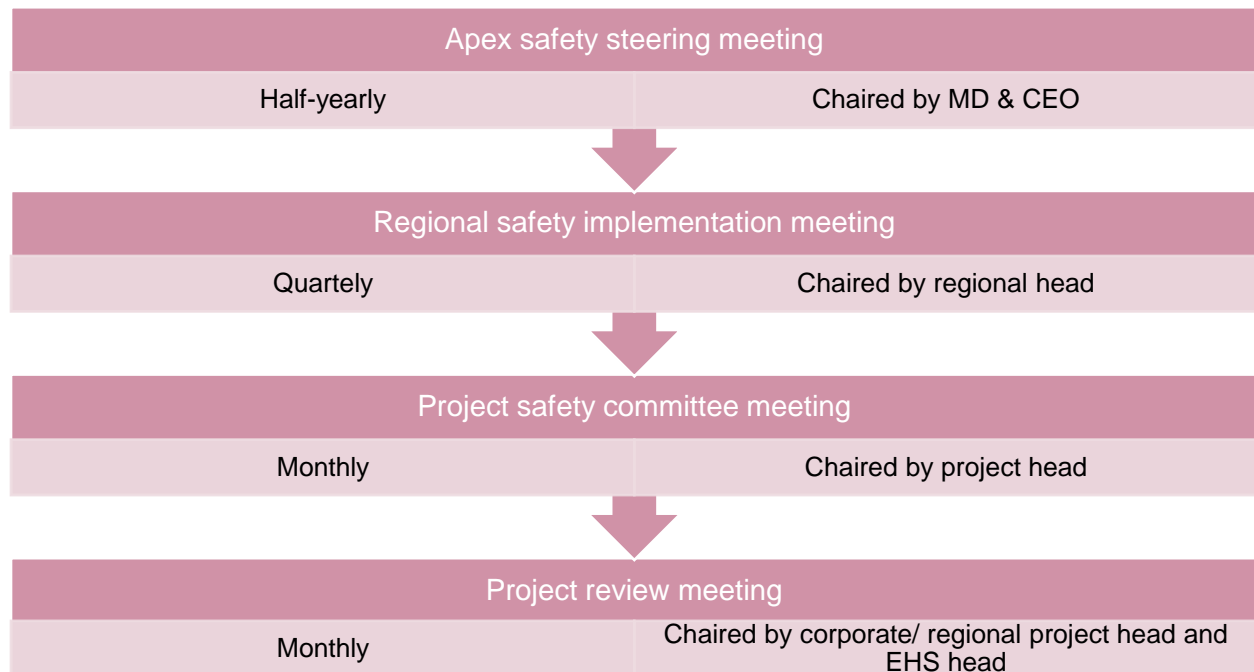
Figure 6

Every year, corporate EHS balanced scorecard is developed to decide strategic action and decision on health & safety. This is percolated to functional and individual goals. Review of these goals is done at regional, functional and individual levels. Additionally, on a yearly basis EHS MIS is reviewed with additions of learning and best practices from companies across Tata Group and external industry.

Mahindra Susten measures the effectiveness using the safety pyramid or safety triangle. Daily and monthly data is collected and reported on three lead indicators of the safety pyramid, namely, near-miss, minor incident and accident. The objective of capturing data is to benchmark health and safety practices against international standards. Learning comes through customer feedback, audit cycles, feedback from employees and data captured at sites. Learnings are incorporated in training calendars and audits to make the safety exercise more full-proof. There are avenues like daily and monthly reporting, audit findings and risk analysis communication through which the learnings are communicated and documented.

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.

General awareness of the role of business in upholding and promoting international standards for human rights has increased. One of the best practices in this area is to have a comprehensive policy and make it publicly available. A comprehensive human rights policy must cover some of issues listed in figure 7.
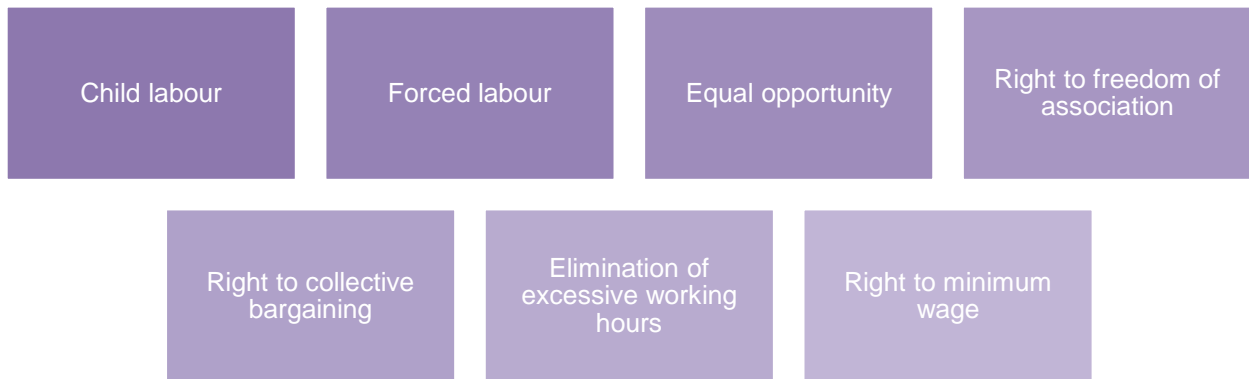
Figure 7

% of companies that have a human rights policy and it is publicly available

78%
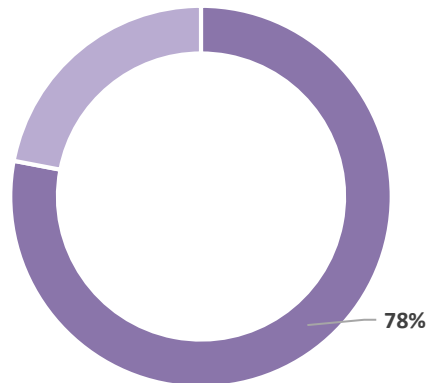
Graph 8

Best practices of publicly available comprehensive policies are evident in **Tata Motors**, **Siemens, Reliance Industries and Apollo Gleneagles. Ambuja Cement**, being part of Holcim group, follows the Holcim approach to manage business related human rights risks.

Reliance Industries has made long-term commitments to increase gender diversity and aims to have 15% of female workforce by the year 2030. Through its Diversity and Inclusion policy, the organization promotes equal opportunity for all its employees. Diversity initiatives taken at the corporate level include:

- Extension of maternity leave
- Introduction of adoption leave
- Launch of a radio show at RIL to hold discussion on gender diversity
- Organizing self-defense workshops for women
- Introduction of Internal Complaints Committee
- Pan-India toll free helpline for safety & security

Apollo Gleneagles has a Chief Operating Officer as a nodal officer for processing complaints related to ethics and human rights. The hospital supports an environment that allows free discussion of concerns without fear of retribution. Components of this system in which the basic human rights of the organization are addressed are mentioned in figure 8.
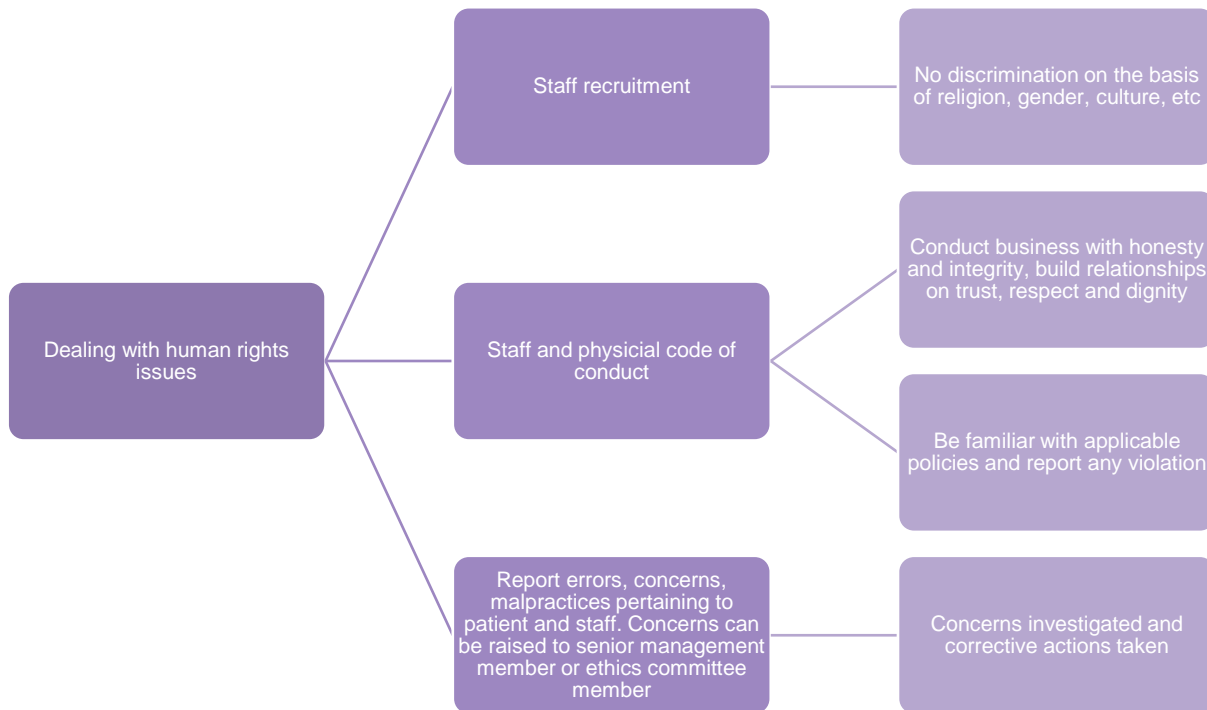
Figure 8

The above system helps healthcare providers and its staff to report on clinical errors and raise ethical concerns with freedom, including disruptive staff behavior related to clinical/ operational and personal conduct.

Human rights policy is not an internal document and can extend to relevant external stakeholders. It is actually beneficial for an organization to extend its human rights policy externally to ensure that its key stakeholders are aligned to organization's values. Tata Motors, Reliance Industries, Siemens, Apollo Gleneagles extend their policy to suppliers (vendors and distributors, among others), joint ventures and contractors. Additionally, Apollo Gleneagles extends it to all patients and their families.

Stakeholder Engagement

> **Stakeholder is an individual or group who affects/or could be affected by an organization'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.**

Stakeholder engagement process begins with identification, selection, and prioritization of stakeholders relevant to business. The purpose of stakeholder engagement is to understand the interests/ expectations of the stakeholder group including those who are unable to articulate their views (such as future generations and environment). **Ambuja Cements, Vedanta Jharsuguda, and NTPC** have a well-defined approach for identification and selection of stakeholders with whom the organization engages.

At **Ambuja Cement**, stakeholders are identified in following ways: peer company stakeholders, relevant stakeholders for Ambuja Cement and interactions with the senior management. Stakeholders are then rated based on five criteria which are listed in figure 9.

Contribution	Legitimacy	Willingness to Engage	Influence	Necessity of Involvement
• Does the stakeholder have information, counsel, or expertise on the issue that could be helpful to the company?	• How are they directly affected by the company's activity?	• How keen is the stakeholder to engage?	• What is the stakeholder's sphere of impact?	• How critical is their inclusion in the engagement process?

Figure 9

Stakeholders are prioritized based on their importance to the organization. The major criteria in prioritizing stakeholders are their criticality to the business growth, their power to influence, the organization's influence on them, stakeholder dependency, stakeholders' potential for cooperation and those who can pose a threat. This process helps in defining the importance of stakeholder for Ambuja and the sequential manner in which the organization should start engaging with them. Key stakeholders identified, their engagement mechanism and benefits derived from engagement are detailed in table 5.

Stakeholders	Mechanism for engagement	Benefits derived from engagement

Employees	• Employee engagement survey • In-house trainings • Internal communication online and off-line • Departmental meets • Town hall meeting, functions, and programs	These initiatives help employees to achieve professional excellence, acquire wide skills, knowledge enhancement, and personal growth
Customers	Ambuja knowledge initiative, Griha Shilpi – Housing Solutions, The Customer Support Group (CSG)	Educated customers and enhanced satisfaction level
Investors	Investor grievance cell, AGM, press release	Increased trust and goodwill
Community	Ambuja Cement Foundation (ACF), the CSR wing of the company undertakes various initiatives to engage with local community	There are various benefits like improvement in availability of resources, education, better living standard, improved income

Table 5

NTPC has recorded 100% results on the customer satisfaction survey index over the past five years. Customer satisfaction is a key parameter w.r.t. to MOU with Government and NTPC. The slab "Excellent" covers 87.5 to 100% satisfaction level and is given a round off rating of 100%. The survey is conducted by regional commercial groups through various customer meets and feedback sessions. Customer satisfaction index is an indicator representing the quality of the supply and services of NTPC as experienced by their customers. NTPC engages with its customers through regional meetings once in two years, regional power committees quarterly and customer support services.

ACC, **Ambuja Cement**, **Vedanta Jharsuguda**, **Domestic Textiles Business - ABG** and **Reliance Industries** undertake stakeholder perception analysis for the corporate brand or products/ services. **ACC** conducts Brand Equity Index (BEI) survey; a brand health study through research agencies, with end-consumers in the cement category with the objective to capture respondents' perception/ image of the organization and key competing players in the sector on social or environmental aspects.

BEI survey is generally conducted once in two years but **ACC** runs these studies based on specific requirements also. Figure 10 has examples of attribute statements on which responses from end-consumers are recorded. These responses are captured, analyzed and internally circulated and tracked over the years to check status, changes and used to better understand how the organization is perceived on these fronts.
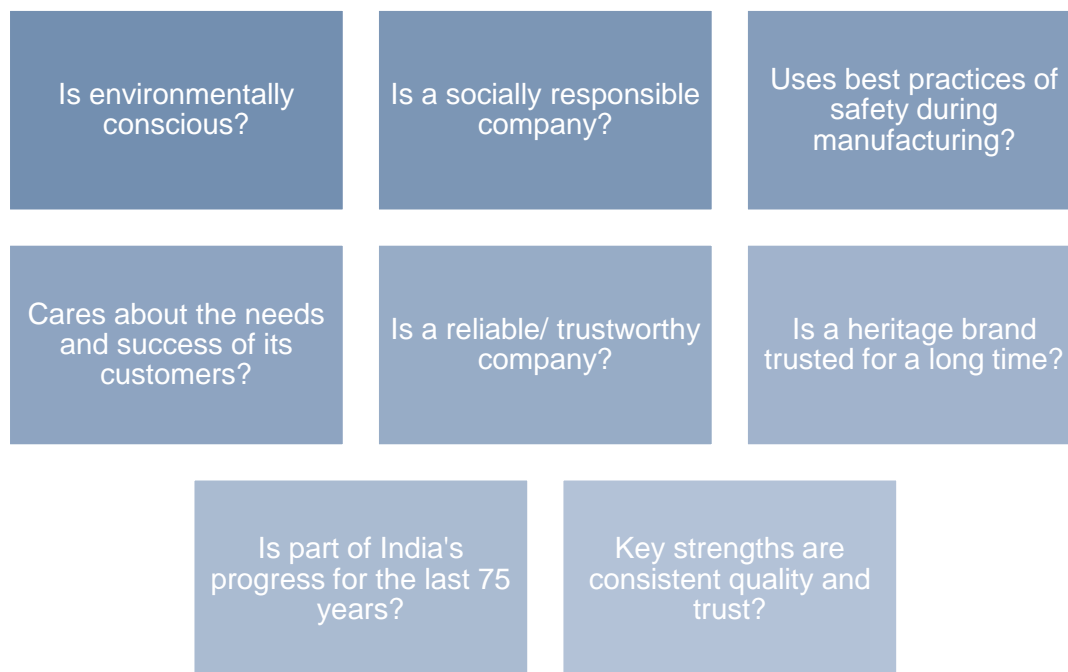
Is environmentally conscious?	Is a socially responsible company?	Uses best practices of safety during manufacturing?
Cares about the needs and success of its customers?	Is a reliable/ trustworthy company?	Is a heritage brand trusted for a long time?
Is part of India's progress for the last 75 years?	Key strengths are consistent quality and trust?	

Figure 10

Vedanta Jharsuguda undertakes a regular review process (every six months at least) in which the stakeholder engagement plan is monitored and updated regularly. In order to achieve this, feedback is requested from the stakeholders so as to provide an indication of the effectiveness of the implementation of the stakeholder engagement process. Overall responsibility of the entire process of stakeholder engagement lies with the Public Relations Department. The unit was able to positively respond to the community concerns through the stakeholder engagement mechanism. The case was also reported by the unit in media. An example of the same is mentioned in table 6.

Case of Vedanta Jharsuguda on resolving concerns arising from community	
Issue identified	A concern was raised by few residents from Kurebaga village that their rice crops are damaged due to emission of fumes from smelter plant. Villagers reported the issue to the company, district collector & media
Concerned stakeholder	Village Community, District Collector, Media, Vedanta Jharsuguda CSR, PR & Environment Department
Response to the issue	As soon as the issue was brought to the notice of Vedanta Jharsuguda, a team of all investigators were formed including Vedanta PR, CSR, Environment and SBU Head. After thorough investigation, it was found that the rice field were somehow close to the company's dross yard. It was doubted that the damage may be due to dross fumes although this was not reported before.

The unit collaborated with Central Rice Research Institute for further investigation in the above matter. CRRI conducted all the research on the above matter & concluded that since the rice seeds were of |

	poor quality, therefore, the damage took place at such stage. Hence, dross had no negative impact on Rice fields.
Reported publicly	This information was communicated to media, local village community people & District Collector

Table 6

Transparency and Disclosure

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

Top players in this aspect including **JSW Steel Ltd - Vijayanagar Works, ACC, Ambuja Cement and Vedanta Jharsuguda** publish a separate sustainability report and it is audited by external assurance providers in line with international standards such as AA1000 and ISAE 3000.

% of companies whose sustainability report is audited by external assurance providers in line with international standards (AA1000 and ISAE 3000)

78%
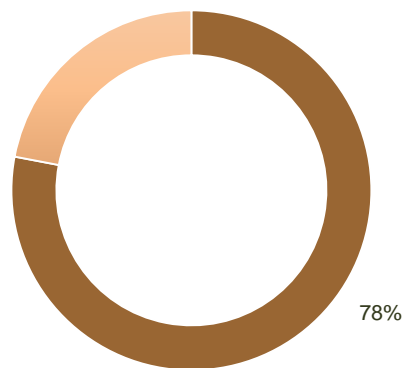
Graph 9

These companies use recognized standards to report on sustainability issues. NTPC, SAIL, Mahindra Susten and ACC follow Global Reporting Initiative (GRI) guidelines for disclosure, Ambuja Cement, and Tata Motors additionally uses SEBI guidelines on business responsibility reporting. 78% companies that qualified for site assessment stage follow GRI framework for sustainability disclosure.

% of companies that use GRI framework for sustainability reporting

78%
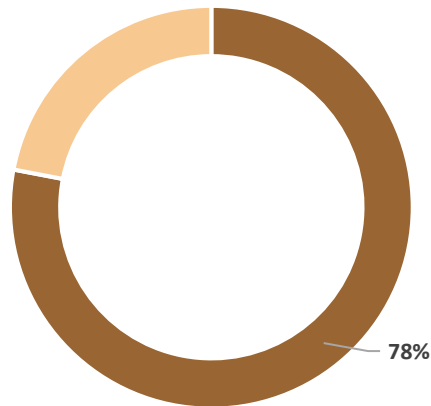
Graph 10

These companies conduct materiality analysis to identify issues which are material to their business and key stakeholders. Figure 11 mentions key material issues identified by the top players in this aspect.

ACC	Ambuja Cement	Reliance Industries	Mahindra Susten	JSW Steel, Vijayanagar works
☐ Compliance	☐ Competition	☐ Occupational health & safety	☐ Resource conservation	☐ Energy conservation and management
☐ Occupational health & safety	☐ Availability of raw materials	☐ Fuel security	☐ Occupational health & safety	☐ Occupational health & safety
☐ Emissions	☐ Occupational health & safety	☐ Energy, biodiversity, water effluents & waste, emissions	☐ Innovation and value engineering	☐ Employee engagement

Figure 11

Reliance Industries identified its material issues through a structured process of materiality analysis. This process takes care of key concerns and priorities of all the relevant stakeholder groups. The process involves identification of issues using primary as well as secondary information as elaborated in figure 12.

Stakeholder Engagement

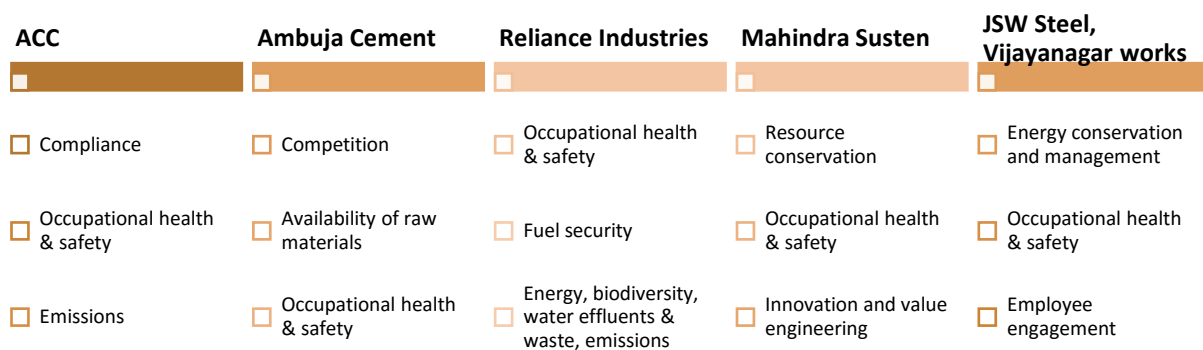- Inputs for internal and external stakeholders help RIL in identifying broader topics related to sustainability that are critical to them

Peer Benchmarking

- Topics relevants to RIL's peers give RIL a head start in identifying the complete universe of sustainability topics to consider

Alignment

- Identified topics aligned to RIL's risk framework and strategic priorities

Filteration & Prioritization

- Identified issues filtered based on: impact on business, impact on stakeholders and impacts related to value chain

Figure 12

In order to receive feedback from various stakeholders about its transparency, **Reliance Industries** has set up dedicated channels for receiving feedback from various groups of stakeholders regarding its sustainability performance. The stakeholder grievances committee receives and handles all the feedback received from the financial stakeholders. The CSR & Governance Committee is responsible for receiving and resolving queries on the company's Business Responsibility policies and practices. The Centre of Excellence - Sustainability is made responsible for receiving and resolving feedback with respect to sustainability reporting. At the operational level, each plant has maintained open channels of communication with the external and internal stakeholders.

Employee Development

Employee development includes initiatives taken by the organization 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 organization.

Reliance Industries has instituted sustainable practices to identify and develop high calibre talent who will lead RIL on its next growth path into the future. Over the last 2 years, RIL has changed the way it looks at its internal talent development and external hiring. Wave 4, which is a part of HR transformation journey, has helped the organization move to an integrated learning architecture that enables RIL to focus its learning investment on developing the technical, functional, and leadership capabilities needed to drive future business growth. Wave 4 aligns all RIL's learning to strategic priorities through a single learning entity called R-University. Details on R-University are mentioned in figure 13.

Governance Structure	• Group learning council • R-University council • Academy council
Partnerships for updated content and approach	• Corporate executive board, Skillsoft, Bersin by Deloitte
Tools for training	• E-learning including cloud-based learning management systems, social, collaborative
Training levels: learning hubs	• Ethics and compliance academy • Functional academy • Manufacturing academy

Figure 13

The formation of R-University provides a base for a holistic approach towards development of employees, contract workmen, and nearby communities. Three learning hubs ensure comprehensive coverage of key learning branches aligned to the vision of the organization, including health, safety and environment. Contractor staff gets exposure to health and safety, processes and job related skill trainings. The use of cloud-based learning management system, investment in learning infrastructure – virtual and physical, partnerships with global organizations

to get content are helping the organization to create a strong learning culture. The process of review of effectiveness of employee development initiatives is undertaken by the top management with annual frequency. RIL has imparted 15 lacs man-hours of training to its people in FY 2015-16 out of which 7.5 lacs man-hour of training is on health, safety and environment.

ACC has a systematic performance management system (PMS) from which the training needs of an individual (TNI) are identified, through a development dialogue document (DDD). Based on the TNI the training calendar is prepared by in-house training academy called ACC ACL Learning Academy (AALA) which develops the calendar for the whole year. The organization undertakes three types of training for its employees which are; functional, behavioral, safety & environment and soft skills development training. The organization extends specific training for high performing employees. ACC also has special programs for workmen for developing their technical and behavioural aspects. The top management also takes lead in development of hi-potential employees for coaching and evaluating performance. Employee feedback survey reveals that 80% of the employees are satisfied with training and development initiatives of the organization.

ACC's top management frequently reviews the effectiveness of employee development practices (trainings and performance evaluation). The top management is involved in development of hi-potential employees as well as line managers across levels to undertake coaching on a regular basis with their direct reports.

At **Apollo Gleneagles**, the board/ top management along with group training committee reviews the effectiveness of training programs. The board-level Remuneration and Nomination Committee monitors and reviews the effectiveness of employee development practices on an ongoing basis. Training progress for respective departments are discussed in management committee meetings; where the training manager meets the Chief Executive Officer, the head of Human Resource and other respective department heads. HR evaluates the training objectives and requirements all around the year.

Different organizations invest in employee development through various training programs. Strong employee development practices are considered an important source of competitive advantage. The coverage of employees for skill development trainings at different levels of hierarchy for the top players is mentioned in the table 7.

% of employees at different levels who attended skill development trainings					
Particulars	Apollo Gleneagles	Vedanta Jharsuguda	Reliance	SAIL	ACC
Top Management	95	80	72.39	70	48
Middle management	90	86	72.39	70	80
Lower management	90	91	72.39	70	81
Others	95	-	-	29.6	74

Table 7

Supply Chain

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 policy/ code of conduct sets out overarching principles of conduct of the organization's suppliers. It defines the acceptable behaviour and standards that are common to everyone involved with supply chain activities. Having a supply chain policy/ code of conduct ensures a level of conduct required from its supply chain partners that adds value to the organization. It helps suppliers understand the organization better, while also improving their understanding on the commitment required. Presence of a policy/ code also describes monitoring of suppliers on their adherence to the code of conduct. For **Griffith Foods** and **Exide Industries** the policy/ code of conduct for suppliers include following issues.
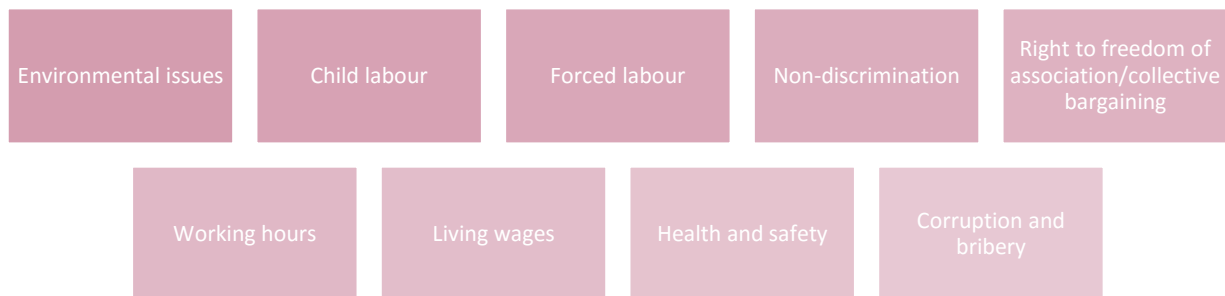
Environmental issues	Child labour	Forced labour	Non-discrimination	Right to freedom of association/collective bargaining
	Working hours	Living wages	Health and safety	Corruption and bribery

Figure 14

For both these organizations the code of conduct applies to the tier 1, tier 2, tier 3 suppliers and vendors. The organizations require its suppliers and associated partnerships to measure and disclose their sustainability performance. At both the organizations, Chief Procurement Officer is responsible to drive the supply chain and procurement staff is incentivized to integrate sustainability factors into everyday decisions.

For a sustainable supply chain, an organization must set for itself sustainability-related goals and targets in its supply chain and create an action plan to achieve these goals. These goals can be environmental or social. By progressing towards promoting sustainability in its supply chain an organization can improve its own performance as well as influence the performance of its supply chain partners. An organization can set multiple goals and their respective action plans.

% of companies that have sustainability factors integrated in suppliers selection and retention both and there is a minimun threshold required for adherence to sustainability factors

60%
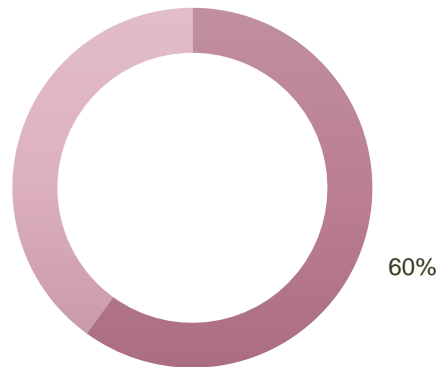
Graph 11

Hindustan Zinc Ltd (HZL) and **Tata Motors** have set sustainability related goals and action plans for its supply chain. Health and safety is a prime element of HZL's supply chain and hence focus is on the use of protective equipment along with use of technology for supplier and contractor management. Tata Motors Project Sankalp is aimed at capacity building of the suppliers.

Hindustan Zinc Ltd	**Use of personnel protective equipment for suppliers**	Good quality PPEs are provided ensuring safe performance Timely replacement of worn out PPEs. Trainings conducted for correct uses of PPEs
	Online portal for supplier and contractor management	Sustainability aspects are incuded during registration and techo-commercial evaluation of supplier and contracters Proper compliance is ensured for contractor/worker compensation and welfare management (PF, insurance, applicable wages, canteen facilities etc.) Operations team monitors the primary supply chain on inspection and quality
Tata Motors Ltd	**Project Sankalp**	Project Sankalp is intended to benefit those suppliers who have low rating in terms of quality, productivity and profitability. Cross functional teams closely engage and work with identified suppliers through capability building, waste elimination (rework, rejections, transit damages, etc.), resource conservation and improving work environment, hygiene and safety.
	Co-processing of hazardous waste in cement industry	Plants at Sanand, Dharwad & Jamshedpur which have cement manufacturing plants in proximity explored the possibility and have commenced disposal of suitable hazardous waste types for co-processing after obtaining the necessary regulatory permissions.

Figure 15

ACC has a defined process for supplier selection. The same is mentioned in figure 16.

Communication of the Supplier Code of Conduct

Communication of company's expectations and terms of engagement to existing and potential suppliers prioritization

Identification of potential high-risk suppliers based on the operating company's judgment of local conditions Risk assessment

Continuous evaluation of risk exposure through self-assessment, fact finding or verification risk mitigation

Supplier development or replacement, as determined by the operating company's scorecard

Figure 16

The organization conducts risk assessment of its existing and potential suppliers to identify sustainability risks. All purchase orders or agreements of the organization incorporate different clauses related to safety, environment management and corporate social responsibility. The organization has started the implementation of sustainable procurement through the supplier code of conduct which is meant to provide clear summary of ACC's expectation from its suppliers in all procurement dealings. This has listed nine standards that suppliers are expected to adhere to, in addition to complying with local and national laws and regulations.

Figure 17

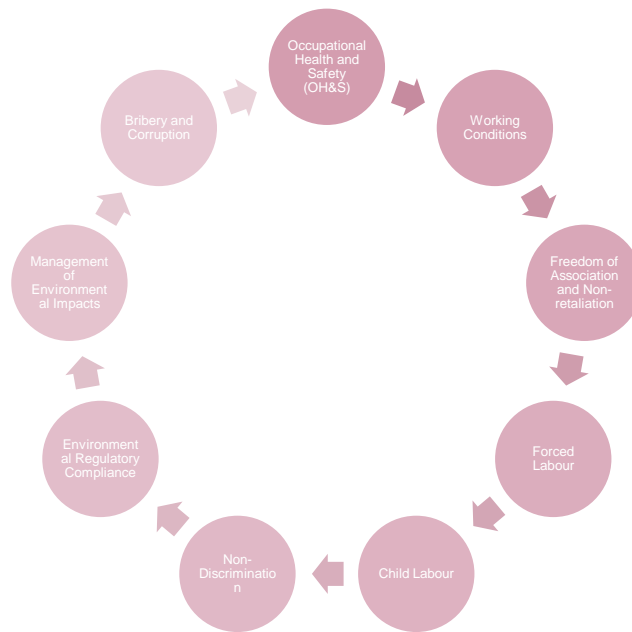ACC has measures to respect human rights across its operations and supply chain. Respecting the rights of women, preventing child labour or any other forms of forced labour and non-discrimination are among the areas of focus. There are mechanisms to report any grievance of human rights violation. During the last year, no cases of human rights violation (viz. incidences of child labour, forced or compulsory labour, overtime without pay etc.) were recorded in organization's operations.

HZL conducts evaluation of competency and sustainability performance for contractors which includes comprehensive risk assessment prior to contract approval and throughout contract duration. Risk assessment is also done during pre-qualification and is evaluated by a committee. Risk assessment is done for all contractors working within the plant premises at the initial phase of contract definition. This process starts with vendor qualification based on the pre-qualification form. For contractors, there are regular field audits as per contractor safety management guidelines. For suppliers, few audits are conducted as a part of SA 8000 initiatives and quality assurance plan initiatives. Further, in case of suppliers, vendors, and contractors the information submitted through supplier relationship management system is assessed at the time of vendor registration wherein sustainability parameters are also covered.

Reliance Industries engages with local villagers and small businesses around its plants in employment especially through vehicle hiring, material handling, housekeeping, waste-handling and horticulture contracts. RIL is committed to the development of local suppliers through vendor visits, meets at regular intervals to educate and apprise them about all aspects of its products, practices, systems and take their feedback in addition to understanding their concerns and for providing assistance in improving productivity. RIL endeavors to provide apt technical/ R&D support and opportunities to local vendors. **Griffith Foods** helps local vendors to tie up with the farmers to source raw materials. The organization provides vendors with necessary samples, free

testing and sensory evaluation of the products with the objective to ensure that the products match import quality and also provide necessary technological inputs by collaborating with offices in different parts of the world.

Griffith Foods annual goals include a set of sustainability goals and this is agreed between the global headquarters and the local subsidiary. Sustainability goals related to supply chain are reviewed once a month. There is a separate fortnightly review which is conducted by the Griffith Continuous Improvement (GCI) team and here all the continuous improvement projects are reviewed by the team. There is a weekly report to the President by Director Procurement, wherein, the major initiatives in sustainability sourcing is also included and reported highlighting any issues or help that may be required by Griffith Sustainability Sourced (GSS) team, which has the responsibility of sourcing spices and herbs for all the other regional offices of the organization located in 16 countries.

**% of companies that require its suppliers and associated partnerships
to measure and disclose their sustainability performance**

80%
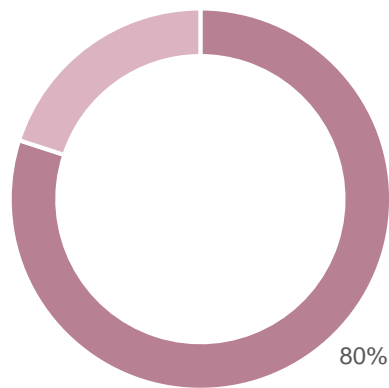
Graph 12

Corporate Social Responsibility

Corporate Social Responsibility (CSR) is a company'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 activities to be sustainable and strategic should align with business strategy. Such activities are not short-term or ad-hoc or one-time interventions. Alignment to business strategy may be in terms of getting a social license to operate, or relate to supply chain or products of the organization, or anything similar. Tata Power, Ambuja Maratha, Axis Bank, SAIL, and ACC have their CSR activities aligned with business strategy.

For **Tata Power**, the focus of CSR efforts is on the geographical focus in the immediate vicinity of its operations. For **Axis Bank**, CSR efforts are leading to higher economic development leading to a higher reach out to a bankable population. For **ACC**, CSR focus is on holistic development of its host communities while creating social, environment and economic value for society. Key CSR areas of these companies are mentioned in figure 18.

ACC	Tata Power	Axis Bank
Livelihood	Augmenting primary education system	Sustainable livelihood
Education	Healthcare facilities including safe drinking water	Measures to eradicate hunger, poverty & malnutrition
Health & Sanitation	Livelihood & Employability	Enhacing vocational skills among children, women, elderly
	Social Capital & Infrastructure	Environment sustainability
	Nurturing Sustainability for Inclusive Growth	

Figure 18

Axis Bank has a clearly defined CSR policy with an elaborate process and periodicity to decide CSR activities. CSR committee of the Bank gives guidelines for carrying out CSR activities and reviews the same periodically. There is an Axis Bank Foundation (ABF) Board of Trustees which strategizes the CSR activities for ABF and reviews the implementation of the same. The methodology to decide on CSR activities is given in Figure 19.
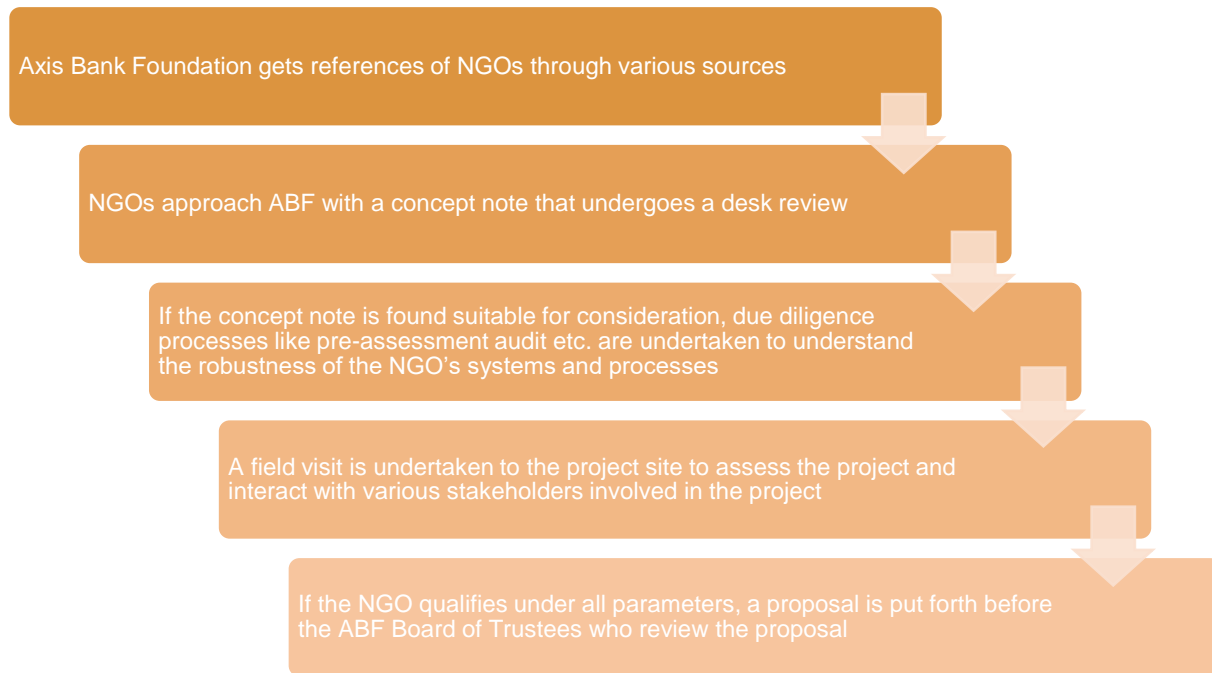
Axis Bank Foundation gets references of NGOs through various sources

NGOs approach ABF with a concept note that undergoes a desk review

If the concept note is found suitable for consideration, due diligence processes like pre-assessment audit etc. are undertaken to understand the robustness of the NGO's systems and processes

A field visit is undertaken to the project site to assess the project and interact with various stakeholders involved in the project

If the NGO qualifies under all parameters, a proposal is put forth before the ABF Board of Trustees who review the proposal

Figure 19

The project duration ranges from three to five years. Financial audits are conducted each year to ensure compliances on all fronts (statutory and legal). The programs undertaken by the Bank are decided based on internal deliberations on possible CSR opportunities, development of program ideas and implementation approach, review by external reviewer for compliance with Section 135 requirements and approvals from the Management Committee/ CSR Committee of the Board. The programs are decided on an annual basis.

Tata Power integrates its business values and operations to meet the expectations of its stakeholders. The organization adopts a scientific approach for undertaking baseline and need assessment in a period of 3-5 years and post the assessment prioritizes the needs in alignment with business objectives and social vision. This is followed by strategic engagement with all location teams to arrive at a plan through community engagement models for partnership and resource mobilization.

Tata Power has internally developed a tool called CR Program Effectiveness Index (CRPEI) and implemented it in select locations to map its effectiveness. This index has key clusters expected from each Corporate Social Responsibility programs like happiness of community, visibility of the organization in the community and recognition of the organization. It has also developed Community Engagement Index (CEI) which helps to determine engagement levels of the various stakeholders across the stages of the social intervention.
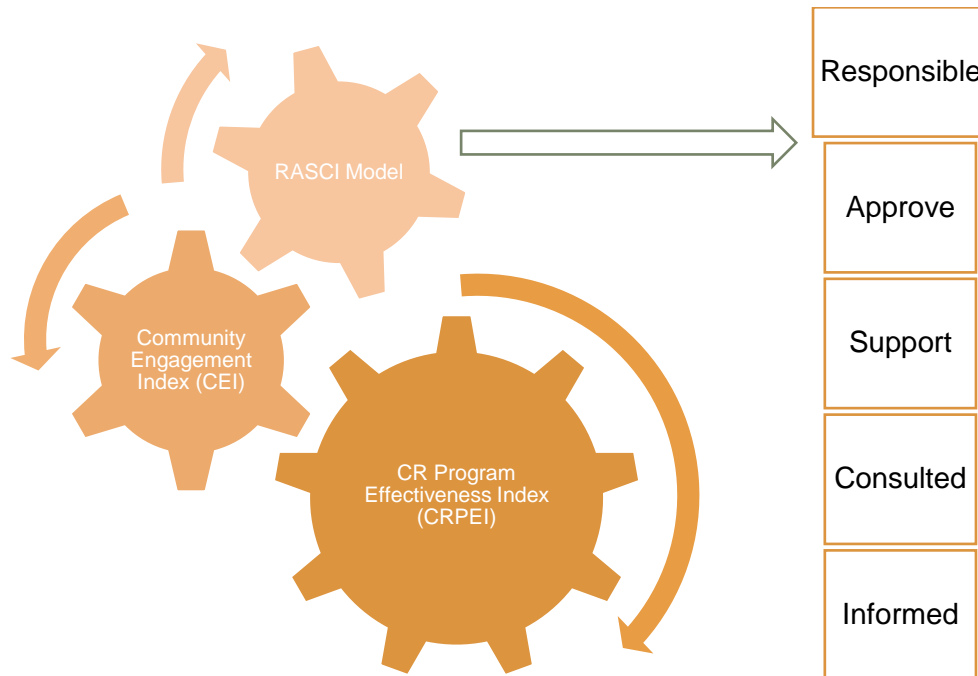
Figure 20

RASCI Model which stands for Responsible, Approve, Support, Consulted and Informed, was customized to determine engagement levels of the various stakeholders. This model was discussed with academicians and internal CSR team to evolve a framework which would go beyond just service delivery and allied satisfaction, to measure the efficacy of engagement with community in CSR program planning, implementation and ownership keeping the sustainability model in mind.

Axis Bank ensures long-term sustainability of its projects through multiple approaches of partnership support, funding support, leveraging government schemes, creating community institution and producer organizations.

Partnership support

- Forge partnership with NGOs for atleast five years
- Provide support in admin, HR, funding
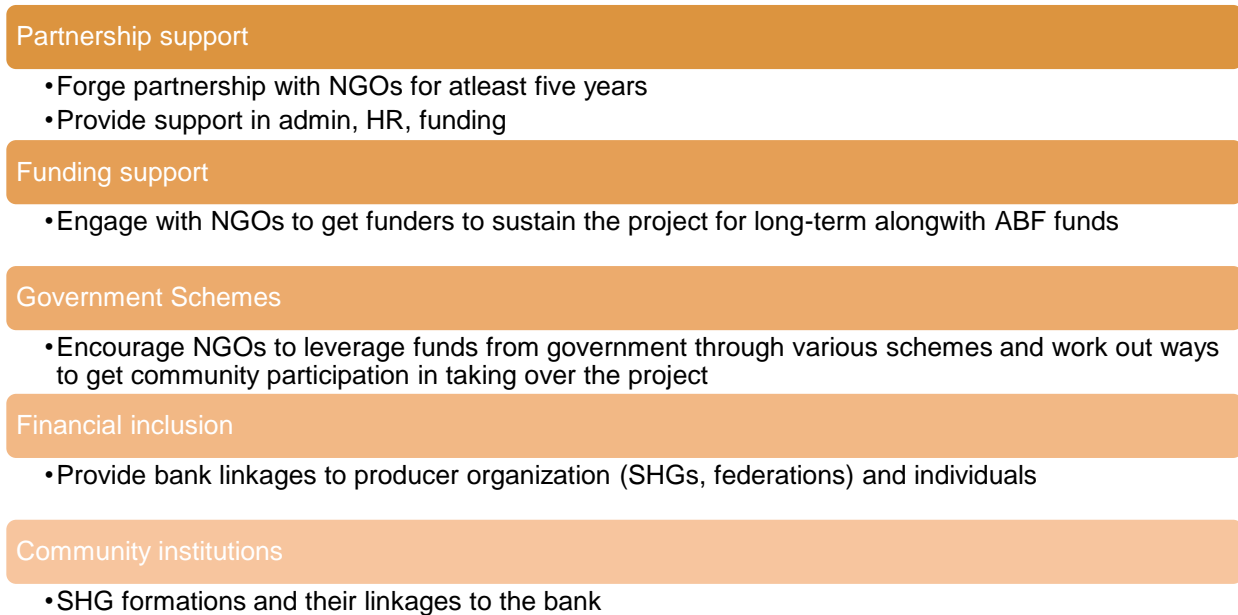
Funding support

- Engage with NGOs to get funders to sustain the project for long-term alongwith ABF funds

Government Schemes

- Encourage NGOs to leverage funds from government through various schemes and work out ways to get community participation in taking over the project

Financial inclusion

- Provide bank linkages to producer organization (SHGs, federations) and individuals

Community institutions

- SHG formations and their linkages to the bank

Figure 21

Maruti Suzuki's CSR activities are carried out in the areas of community development, road safety, and skill development. The organization strengthened its community development and skills development initiatives by aligning itself with the government's goals of promoting "Swachh Bharat Abhiyan" (Clean India Campaign) and Skill Vision. All CSR projects are audited by internal and external statutory auditors for compliance with the law and CSR policy of the organization. The organization has clearly defined systems and processes in place to measure and monitor the progress of all projects. The organization also takes the learning from its past experience and strives to improve upon the same.

Management Review

CSR Committee & Board review all CSR projects

System and Processes

Clearly defined system and processes to measure & monitor the progress of projects

Audit

All CSR projects are audited by internal as well as external statutory auditors
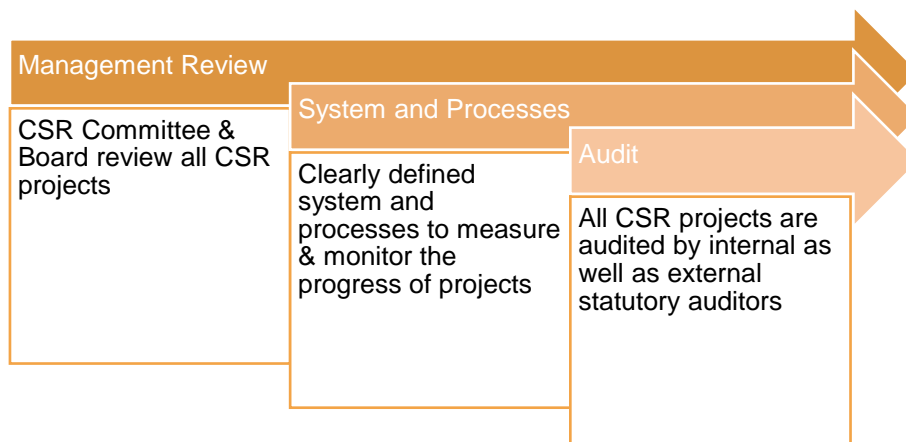
Figure 22

The organization undertakes third-party need analysis and conduct community satisfaction surveys to assess the impact created through its CSR projects in the community. Project impacts are evaluated and presented to the CSR Committee as mentioned in the CSR policy.

Product Responsibility

Organizations are expected to exercise due care in the design of their products and services to ensure they are fit for their intended use and do not pose unintended hazards to health and safety. In addition, communications related to both products and services and users need to take into consideration the information needs of customers and their rights to privacy.

Commitment to developing sustainable products means to develop products which provide environmental, social and economic benefits while protecting public health, welfare and environment over their full commercial cycle; from extraction of raw material to final disposition. Organizations committing to product sustainability take a cradle to grave approach and utilize every stage to embed sustainability. Top players in this aspect have given their clear commitment to develop sustainable products/ product sustainability. These include **Tata Housing, Ambuja Cement, JSW Steel Ltd - Vijayanagar Works, Tata Motors and SAIL.**

Life Cycle Assessment (LCA) which is an integral part of product responsibility can be done as per ISO 14044:2006 which specifies requirements and provides guidelines for LCA studies and Life Cycle Inventory (LCI). All the top players conduct LCA for their products, in accordance with the ISO standard. Tata Motors has conducted LCA of four products viz. Nano-CNG, Safari Storme, ACE-Diesel and ACE-CNG. These companies derived multiple benefits by conducting LCA, the same are mentioned in Figure 33.

Benefits derived	Tata Housing	Indication of the current status of environmental performance of the buildings under consideration which enables optimisation potentials
		Significant contributions from characteristic raw materials, energy source, wastes and effluents for improving the sustainability of future projects
	Tata Motors	Able to assess and compare environmental impacts including carbon footprint of the products
	SAIL	Recommendations for implementation of new technologies for improvement of electrical efficiency, reduction of under firing energy, speed control of fans and pumps and Coal Moisture Control Process (CMCP) in Coke Ovens
	Ambuja Cement	Better resource management and occupational health & safety management
		Encourage target based operational approach
		Hot-spots identification over the various life cycle stages starting from extraction, sourcing, logistics, manufacturing, usage and end of life disposal
		Material comparison during the design stage to look for alternative fuel and raw materials

Figure 23

Ambuja Cements and **Tata Motors** have undertaken initiatives to improve the environment characteristics (eco - friendly nature) of products, there by mitigating environmental impact during usage and disposal.

	Ambuja Cements	Tata Motors
Product 1	Use of Fly ash: a waste product from thermal power station, to manufacture portland pozzolana cement	Compressed Natural Gas (CNG) Series Hybrid Bus
Product 2	Use of industrial waste including plastic, ground nut husk, agro waste, used tyres etc. as alternative fuel in cement kiln for manufacturing cement clinker	Reduction in MEG (Mono Ethylene Glycol) coolant usage which is derived from petroleum (Crude oil) and also developed coolant which uses Molasses (Sugarcane by-product) based MEG
Product 3	Implementing modular curing solution on project sites to conserve water (12000 litres for 1000 sft area) and converting used mines into water storage spaces to increase water level of area	Reduction in quantity of R134a refrigerant gas in passenger cars and commercial vehicles.

Table 8

Organizations must regularly evaluate its product responsibility, brand management, and customer satisfaction initiatives in order to learn from their improvements which can help them become more efficient in their processes thereby yielding better and improved results.

In case of **Tata Housing**, product responsibility is evaluated three-dimensionally; through building material efficiency, through initiatives towards conservation of energy and through initiatives towards conservation of water.

For brand management, the organization conducts "brand health study" each year and evaluates the brand image across its various attributes and undertakes improvements on its brand communication strategies throughout the segmentation, targeting and positioning process. To assess the reputation and image, a third-party Brand Equity Survey is conducted on an annual basis. Organization's brand management promotes green and social initiatives for positioning its products in various segments. Some of the initiatives in this regard are white Santa, BIG – Beautiful is Green, Mumbai Wall Book and Limca book of records.

For customer satisfaction, Tata Housing has various touch points to listen/ interact and observe customers which enumerate action ability on product quality, customer support and transactions across different segments. Tata Housing brand leads on social networking sites like on Facebook the organization has close to 100,000 fans. Various innovative engagement programs for fans, help the organization in getting leads and referrals (20% of sales are through online media). Teams for sales, customer care, and facility management are deployed for each project to ensure follow-up and deliver customer support. There are dedicated teams who monitor the feedback from the customers and reviews happen on a quarterly basis for action.

Environment Management

An organization has an impact on living and non-living natural systems, including ecosystems, land, air, and water. It includes inputs (e.g., material, energy, water) which organization's take to produce and outputs (e.g., emissions, effluents, waste). Management of resources used means using these materials in the most productive and economical way possible, keeping quantities consumed and waste to a minimum.

Environment Management Policy indicates the commitment of organizations towards environment issues. It can be all encompassing by including issues related to water, air, waste management, ecosystem management, biodiversity and natural resource protection or limited to few issues. Organizations can have a single policy including all the mentioned aspects or different policies on aspects. **Infosys, Yes Bank, Asian Paints** and **Ambuja Cements** have an all-encompassing environment management policy and have Environment Management System (EMS) in place.

For most of the top players in this aspect, environment management risks and opportunities are integrated into multidisciplinary company-wide risk management processes. Most companies categorize their environment risk 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 regulatory landscape.

% of companies that have integrated environment risk into multidisciplinary company-wide risk management processes

79%
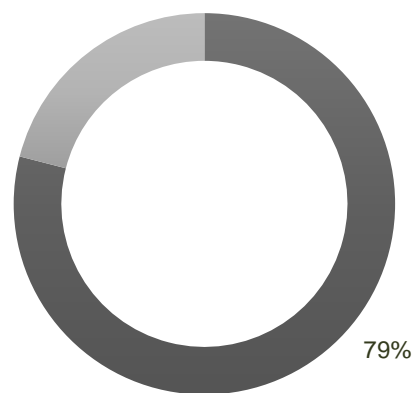
Graph 13

Asian Paints, **Yes Bank and Ambuja Maratha** have due procedures to identify risks and opportunities posed by environment including climate change and have made strategies to deal with these risks.

Company	Risk/ Opportunity	Strategy to deal with them
Yes Bank	Climate Change could lead to loss of productivity of farmlands and this is an opportunity to provide priority sector loans to farmers to invest in weather monitoring stations, warehouse facilities, and other preventive mechanisms	Risk management team is monitoring NPA's in agriculture and allied activities.
	Risk of physical damage to infrastructure due to increased risk of climate change	The bank has been certified to ISO 22301 to manage its business continuity
Asian Paints	Water forms a major constituent of paint products (more than 40%) and change in climate/ rainfall patterns could affect its availability severely	Water conservation initiatives like rainwater harvesting, check dams, desilting of lakes, reuse/ recycle of wash-water, zero liquid discharge from manufacturing
Ambuja Maratha	Energy risks due to escalated coal prices	Efficiency improvement by plugging heat loss at every stage of coal consumption, looking at cost effective fuel mixes and increasing the usage of alternative fuels

Table 9

Different organizations have taken up several process improvements and new initiatives towards environment friendly operations, resource conservation, and waste minimization. **Ambuja Cement** has installed the Alternative Fuel Replacement (AFR) facility. This facility is used for co-processing, which can safely dispose wide range of hazardous and non-hazardous waste in eco-friendly manner, which is preferable over landfills. This process also helps to recover mineral and energy from the waste which ultimately saves natural resources. Key initiatives by top players on reducing emissions/ energy consumption are mentioned in figure 24.
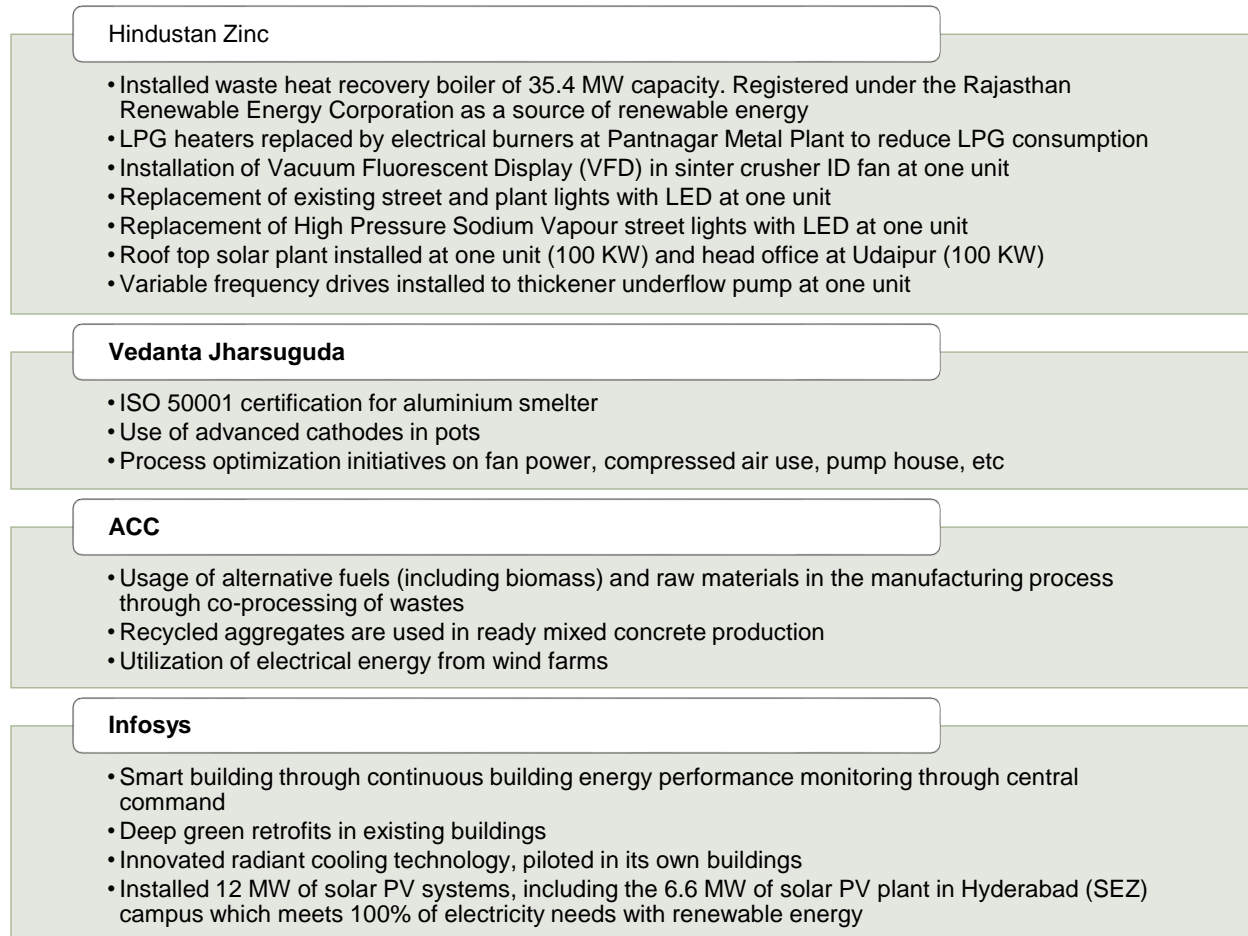
Hindustan Zinc

- Installed waste heat recovery boiler of 35.4 MW capacity. Registered under the Rajasthan Renewable Energy Corporation as a source of renewable energy
- LPG heaters replaced by electrical burners at Pantnagar Metal Plant to reduce LPG consumption
- Installation of Vacuum Fluorescent Display (VFD) in sinter crusher ID fan at one unit
- Replacement of existing street and plant lights with LED at one unit
- Replacement of High Pressure Sodium Vapour street lights with LED at one unit
- Roof top solar plant installed at one unit (100 KW) and head office at Udaipur (100 KW)
- Variable frequency drives installed to thickener underflow pump at one unit

Vedanta Jharsuguda

- ISO 50001 certification for aluminium smelter
- Use of advanced cathodes in pots
- Process optimization initiatives on fan power, compressed air use, pump house, etc

ACC

- Usage of alternative fuels (including biomass) and raw materials in the manufacturing process through co-processing of wastes
- Recycled aggregates are used in ready mixed concrete production
- Utilization of electrical energy from wind farms

Infosys

- Smart building through continuous building energy performance monitoring through central command
- Deep green retrofits in existing buildings
- Innovated radiant cooling technology, piloted in its own buildings
- Installed 12 MW of solar PV systems, including the 6.6 MW of solar PV plant in Hyderabad (SEZ) campus which meets 100% of electricity needs with renewable energy

Figure 24

Depleting ground water table is a major environment concern, especially in metro cities. In this context, Infosys initiatives of constructing artificial lakes and building recharge wells deserves special mention. Ambuja's efforts are focused on to recycle waste water through installing Effluent Treatment Plants (ETPs).

Infosys	Ambuja Cement
• Installed water efficient fixtures • Installed pressure compensating aerators • Waterless urinals • Constructed 25 artificial lakes across different campuses and 149 recharge wells to maximize water sequestration • Recharge wells have a potential to harvest of about 7.4 million liters per day, for groundwater recharge across different campuses in India • Implemented smart water metering initiative in several locations across India to enable online monitoring of water consumption, and identify leakages	• Power Plant - Demineralisation (DM) plant wastewater is treated in neutralization pit. After treatment, the water is reused for dust suppression • Entire effluent is recycled and zero discharge status is maintained • Water flow meters have been installed in makeup water lines to control the losses & optimize water use • Two sewage treatment plants of total capacity 1000 KL per day have been installed. The treated water is reused in greenery development and dust suppression purposes • Garage - oil separators installed • Installed ETP at mine workshop and treated water is recycled completely

Figure 25

% of companies that have water integrated in their comprehensive, company-wide risk assessment process incorporating both direct operations and supply chain

25%
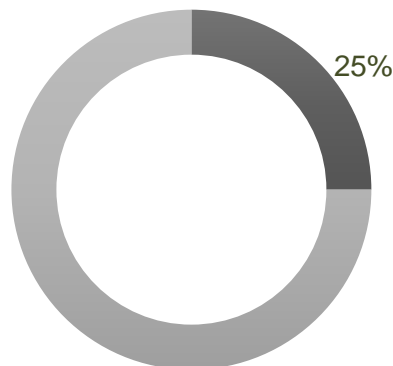
Graph 14

On waste minimization initiatives, Asian Paints has Teflon coating on paint manufacturing vessels to reduce the waste generation due to sticking of paint. Additionally, it has replaced the paper layer separator with plastic layer separator at two plants. As a practice to prevent the damage of packing pails and buckets, paper cardboard is inserted between multiple layers of stack. These paper cardboards are disposed to scrap vendor. Instead, plastic material can get recycled for more than 10 times. Infosys has installed a biogas plant to convert food waste into biogas.

Environment performance on key parameters for top players is mentioned in table 10.

Parameter	JSW Steel Vijayanagar	HZL	ACC	Vedanta Jharsuguda
% Raw materials that are sourced sustainably	66	100	80	100
% Raw materials that are recycled raw materials	2	0.11	22	6
% Renewable energy consumption	7.98	1.28	1.29	0
% Recycled/reused water	25.78	35.00	9.84	77.80

Table 10

HZL and **Vedanta Jharsuguda** 100% source their raw material sustainably. **JSW Steel Ltd - Vijayanagar Works** leads in the renewable energy as a percentage of total energy consumption. **ACC** has highest percentage in terms of raw materials that are recycled raw materials.

Corporate Sustainability Steering Committee (CSSC) at **Ambuja Cement** which reports to the Managing Director has been constituted and is responsible for assessment of upcoming risks and opportunities in the field of business, social and environment. Issues dealing with environment, community development, resource optimization, AFR and energy are part of the mandate for this committee. The organization has adopted PDCA approach i.e. after review areas of opportunity for improvement are identified and necessary actions are ensured for continual improvement of environmental performance.

A key element of Ambuja Cement's approach to environmental management is the organization's environmental assessment system. It has implemented Holcim's Plant Environmental Profile (PEP) system for the annual monitoring of a plant's environment performance.

Unilever launched the sustainable living plan which puts sustainability as central to the business strategy. The objective of Unilever Sustainable living plan (USPL) is to decouple growth from environmental footprint while at the same time increase positive social impacts. The plan result in three significant outcomes by 2020.

- Help more than a billion people improve their health and well-being
- Halve the environmental footprint of their products
- Source 100% of their agricultural raw material sustainability

By focusing on USLP vision Unilever Global Team release yearly environmental targets to cluster level based on last year performance, then its comes to South Asia then country and then factory level.
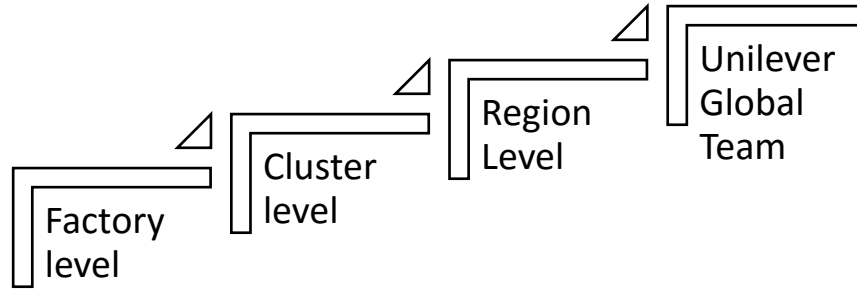
Figure 26

HUL's Khamgaon unit targets are divided into departmental targets which are tracked and monitored on a weekly basis. Environment target is a part of each manager and officer's performance year target, each officer facilitates a group of 15-20 employees on shop floor known as SGA (small group activity) and hence every employee contributes to achieve environmental targets as circle targets. HUL has a system of sharing good practices in form of WOW stories to take learning and implementation at other sites.

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. Threats to biodiversity include habitat loss, unsustainable use of ecosystems and over-exploitation of biodiversity, climate change, and pollution.**

Tata Power has developed a biodiversity strategy which has identified three areas for biodiversity conservation:

- Integrating biodiversity into company's operations
- Additional conservation actions
- Inculcating a culture of care

Biodiversity work is led by a biodiversity expert team within its Corporate Sustainability Department. The Board/ top management is closely involved in decisions pertaining to biodiversity. Any concerns on biodiversity are routed through the Chief Sustainability Officer to the office of the CEO and MD. The organization has a platform for addressing sustainability issues called the Sustainability Advisory Council (SAC). SAC includes senior leadership of the organization along with personalities from the field of environment, CSR as well as biodiversity. SAC meets every quarter and aids the organization in steering its sustainability journey. Issues pertaining to biodiversity are discussed and actions to be taken are trickled down to the ground.

Tata Power has partnered with the IUCN for Biodiversity Management for one of its locations. The organization has become a member of the IUCN Leaders for Nature (LfN) program in order to spread awareness within the organization on biodiversity and get assistance on creating a natural capital roadmap for the organization.

Hindustan Zinc's Rampura Agucha Mine has a separate policy on biodiversity and has done biodiversity risk assessment for the mine and prepared Biodiversity Management Plan (BMP) with the help of a third-party. The biodiversity management process is divided in three major stages at the unit as mentioned in figure 27.
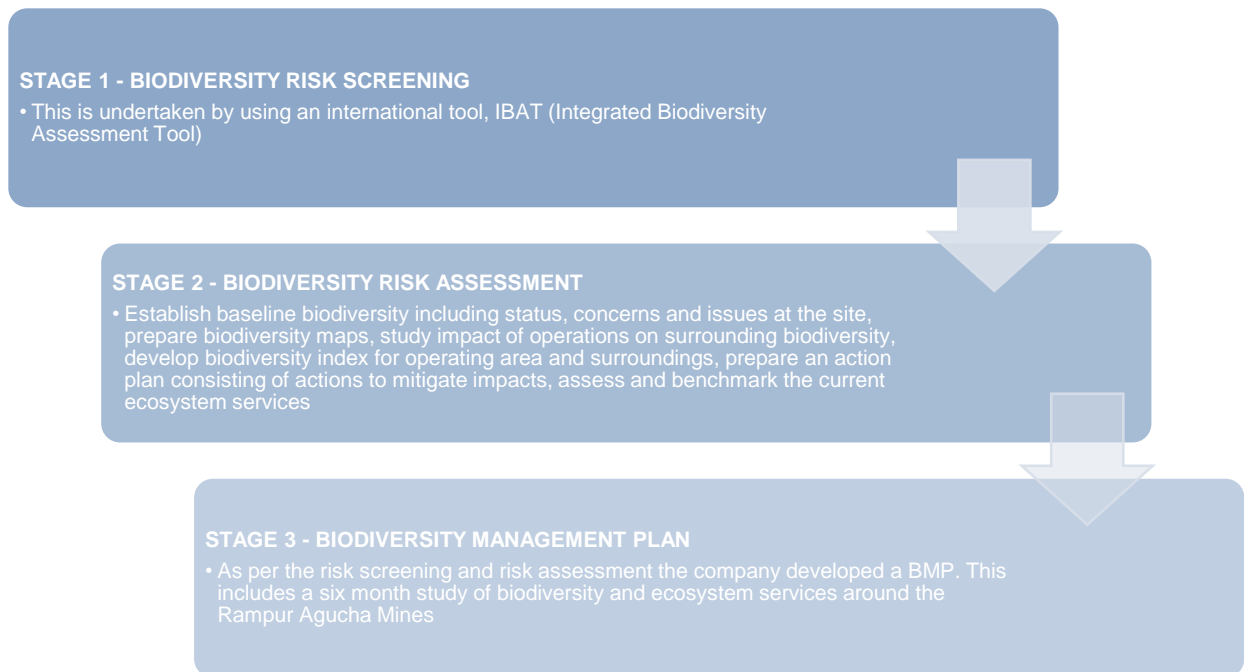
STAGE 1 - BIODIVERSITY RISK SCREENING
• This is undertaken by using an international tool, IBAT (Integrated Biodiversity Assessment Tool)

STAGE 2 - BIODIVERSITY RISK ASSESSMENT
• Establish baseline biodiversity including status, concerns and issues at the site, prepare biodiversity maps, study impact of operations on surrounding biodiversity, develop biodiversity index for operating area and surroundings, prepare an action plan consisting of actions to mitigate impacts, assess and benchmark the current ecosystem services

STAGE 3 - BIODIVERSITY MANAGEMENT PLAN
• As per the risk screening and risk assessment the company developed a BMP. This includes a six month study of biodiversity and ecosystem services around the Rampur Agucha Mines

Figure 27

The outcome of this study is a set of recommendations on conserving biodiversity in the project area. Based on the outcomes of the BMP, management programs are undertaken to enhance flora and fauna of the operating sites and nearby areas.

At **Vedanta Jharsuguda**, Integrated Biodiversity Assessment Tool (IBAT) is used to get initial biodiversity risk rating. Based on this tool it was found that the operations/ mine are in low risk as they are located outside the 15km radius of any important biodiversity area. Based on these findings a long-term biodiversity management plan was prepared keeping in view the sensitivity of forests and wildlife consideration. The plan included:

- Rehabilitation and restoration of the forest areas with adequate soil and moisture conservation measures
- Habitat improvement
- Extensive planting of elephant fodder species in the forest habitats and along the migratory routes
- Creation of water bodies, tanks, water holes and wallowing grounds
- Creation of meadows
- Nallah & gully plugging
- Creation of trenches/ stone walls around the ash pond and at other vulnerable points
- Effective pollution control measures like Effluent Treatment Plants (ETP) and Electrostatic Precipitators (ESPs)
- Awareness campaign, incentives, and compassionate payment for information on poaching.

In order to create greater awareness on biodiversity and ecosystem services among employee's, different companies have different approaches. Best practices are mentioned in figure 28
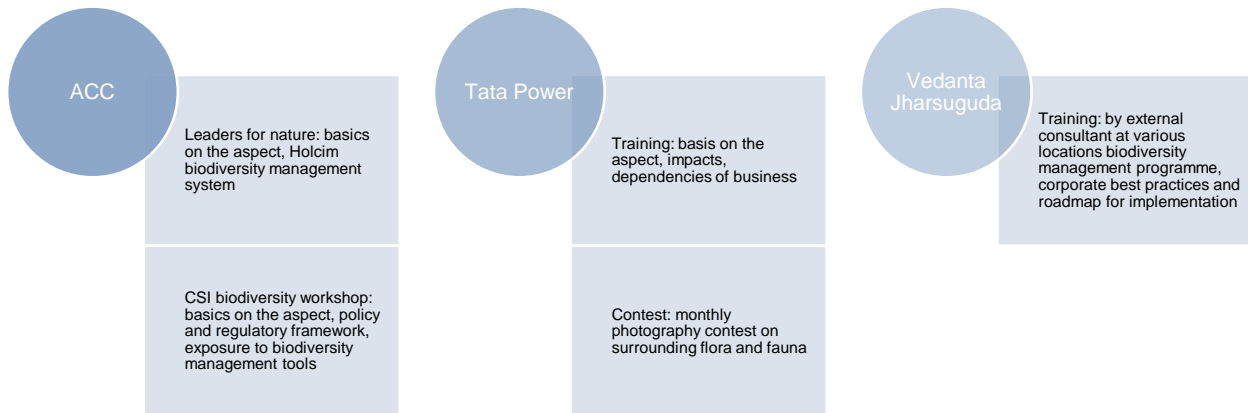

ACC

Leaders for nature: basics on the aspect, Holcim biodiversity management system

CSI biodiversity workshop: basics on the aspect, policy and regulatory framework, exposure to biodiversity management tools

Tata Power

Training: basis on the aspect, impacts, dependencies of business

Contest: monthly photography contest on surrounding flora and fauna

Vedanta Jharsuguda

Training: by external consultant at various locations biodiversity management programme, corporate best practices and roadmap for implementation

Figure 28

Board/ top management review of the initiatives towards biodiversity and ecosystem conservations is important to ensure continuous improvement. **Godrej & Boyce (G&B)** has three departments that conserve biodiversity of Pirojshahnagar in consultation with each other - Wetland Management (Mangroves), Horticulture Management, Environment Engineering Services (EES). These departments are located in the construction division that is responsible for management of G&B campus. Each business unit of G&B based in the campus has assigned the task of addressing biodiversity issues to specific teams with support from these three departments. G&B conducts 'Board of Directors' meeting every year in which biodiversity and environment management updates and issues are presented by a representative of these teams. The directors take strategic decisions at organizational level to support biodiversity conservation.

Endnote

For a business to survive in the long term and retain its competitive advantage, it is imperative that it embeds sustainability in every aspect of its – systems, people, and processes. Business leaders today need to look beyond business-as-usual and pave the way towards building sustainable companies. This Yearbook, based on the winners of CII-ITC Sustainability Awards 2016, showcases companies that have embedded sustainability in their business strategies and practices – driven by the fact that given the rapidly changing markets and industry structures, they need to invest in sustainability to become more competitive and remain relevant.

From a time when companies only adhered to basic environmental regulations, they have now evolved to a stage where being economically, socially, and environmentally responsible is becoming a part of their identity. This has been possible because of the change in mindsets and the proactive role leadership has played to ensure that it percolates to every level and create an environment conducive to transformative thinking and solutions.

Corporate leaders today would not risk disagreeing that their companies need to invest in sustainability as part of their business strategy to become more competitive and remain relevant in rapidly changing markets and industry structures. However, challenges arise in strategy formulation and execution when reconciling doing good with doing well. The Sustainable Business Excellence Model developed by CESD has helped companies assess their sustainability performance and disseminate best practices among future-minded corporations. As more companies go through the rigors of the Awards assessment process, both internal learning and external credibility have become a source of competitive parity.

It is evident from this Yearbook that leadership plays the most important role. Leadership is the element that gives an organization its values and determines the path it will take to realize those values and achieve its sustainability goals. In order for businesses to be sustainable, it is imperative that sustainability be embedded across the value chain of the organization. Sustainability has to be ingrained in the culture of the organization right from imbibing it in its vision and mission to ensuring it is instilled in every employee, in its supply chain partners, and in the products and services it offers.

Awards such as these are vital as they serve to encourage good sustainability performance of companies through recognition. A rigorous process and a comprehensive methodology helps companies identify areas of strengths and weaknesses, and learn how to bridge gaps. Most importantly, winning awards should not be seen as an end in itself but as a yardstick for a company to improve its sustainability performance year-on-year.

ANNEXURE 1: SUSTAINABILITY BUSINESS EXCELLENCE MODEL

The CII-ITC Centre of Excellence for Sustainable Development has successfully pioneered sustainable business excellence and used it to recognize leadership companies and motivate others to follow suit. The latter is realized through the recognized and most comprehensive CII-ITC Sustainability Awards. The Sustainability Awards focus on the strong link between corporate reputation and customer trust and feed into building brand value and public positioning of companies.

The Excellence Model

The assessment of the performance of an applicant is as per the methodology evolved by using and adapting of the European Foundation for Quality Management (EFQM) approach. The Sustainability Award gives equal weight and importance to the process "enablers" and business "results".
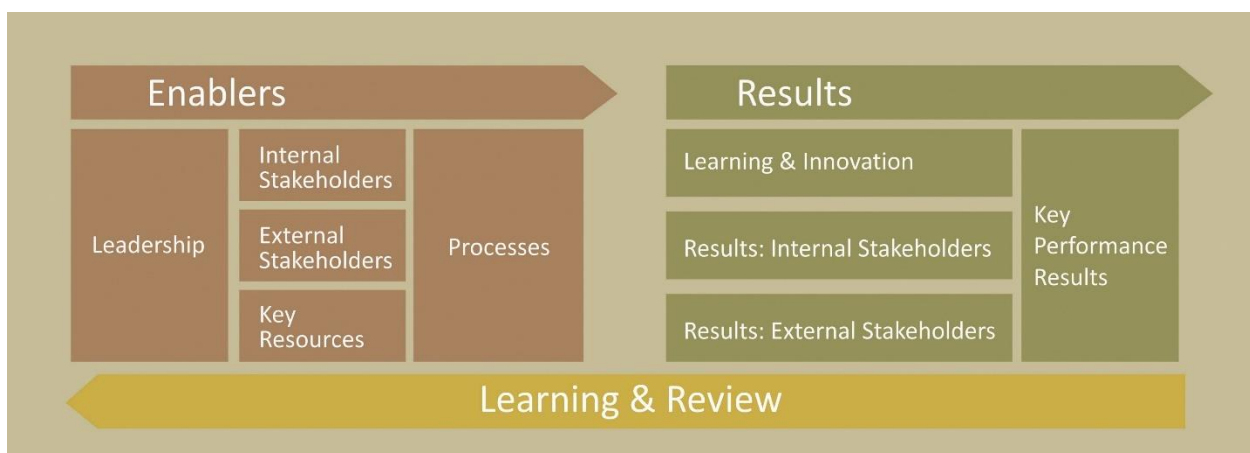
Figure 29

Assessment Criteria

The assessment criteria are based on seven attributes:

Leadership

Excellence in leadership that develops and facilitates achievements of the organization's sustainability mission and vision, values, systems, and partnerships. Shows concern for all stakeholders, including the environment, for sustainable growth, and implement them through behavior and action. It also means retaining constancy of purpose during periods of change. Leadership is one that is able to change the direction of the organization whenever required and inspires others to emulate. Excellent organizations implement their mission and vision by developing a stakeholder focused strategy that takes account of the market and sector in which it operates.

Key characteristics
1. Proactive
2. Strategic
3. Result-oriented
4. Engaging
5. Open
6. Transparent
7. All-inclusive
8. Motivating
9. Delegating
10. Institutionalizing

Sub-attributes
a) Leaders develop the organization's mission, vision, values, and ethics. They are the role models of a culture of excellence
b) Leaders are personally involved in ensuring the organization's governance structure and management system are developed, implemented and continuously improved
c) Leaders are involved with customers, partners and representatives of society
d) Leaders reinforce a culture of excellence with the organization's people
e) Leaders identify and champion change within the organization
f) Give shape to policy and strategy, based on needs/expectations of stakeholders, information from performance measurement, research, learning and external activities

Key Resources

Organizations that plan and manage partnerships with relevant internal and external stakeholders deploy necessary internal resources to support its sustainability policy and strategy and puts in place effective operation of processes to realize the goals of sustainable development. During developing and managing partnerships and resources, they balance the current and future needs of the organization with that of environment and society at large. In this management process, such organizations cover not only the partnerships but also how natural resources, finances, technology and information, knowledge and creativity of people are optimally utilized for sustainable future.

Key characteristics
1. Developing long-term relationships
2. Optimizing and outsourcing
3. Adequate and strategic deployment of internal resources
4. Holistic approach
5. Balancing current and future needs

Sub-attributes
a) Partnerships – internal and external – are managed

b) Finances are managed
c) Building, equipment, and materials are managed
d) Technology is managed
e) Information and knowledge are managed

Stakeholder Internal

Organizations manage, develop and release the full potential of people, working for and on their behalf, at an individual, team-based and at an organizational level. They promote fairness and equity by involving and empowering their people. Such organizations are transparent and caring. They reward and recognize its people, motivate them and create commitment amongst them to use their skills and knowledge for the benefit of the organization and all the stakeholders, including environment within and outside.

Key characteristics
1. Use of team approach
2. Knowledge sharing
3. Empowerment
4. Fairness
5. Equity
6. Transparency
7. Recognizing and caring
8. Capacity building

Sub-attributes
a) Internal stakeholders (employees) are planned, managed and improved
b) Internal stakeholders' knowledge and competence are identified, developed and sustained
c) Internal stakeholders are involved and empowered
d) People and organization have a dialogue e. People are rewarded, recognized and cared for

Stakeholder External

Organizations comprehensively identify, evaluate and address the needs, concerns and inputs of all the stakeholders – including the environment – while demonstrating and achieving measurable results. Such Organizations plan and manage partnerships with relevant stakeholders, including the supply chain. Stakeholders in this context include government, suppliers, customers, civil society, media, community, environment (physical), investors, etc.

Key characteristics
1. Ensuring comprehensiveness
2. Demonstration of measurable results in terms of external stakeholder satisfaction
3. Fairness
4. Equity
5. Transparency
6. Pro-active awareness building

Sub-attributes
a) External partnerships are managed
b) Finances relating to the partnership are managed
c) Communication is ensured

Processes

Sustainable organizations design, manage and improve processes in order to fully satisfy and generate ever-increasing value for all the stakeholders, including ecology and environment. Processes mean those approaches that internalise the concern of the society, environment, and economy and the way products and services are designed and delivered and those that maximize stakeholder satisfaction over the entire life-cycle.

Policies, plans, objectives and processes of excellent organizations are developed and deployed to deliver the strategy.

Key characteristics
1. Value creation and addition
2. Institutionalization
3. Well-structured and systematic
4. Internalizing externalities
5. Having a feedback loop and ensuring preventive and corrective action

Sub-attributes
a) Processes are systematically designed and managed
b) Processes are improved as needs, using innovation in order to fully satisfy and generate increasing value for customers and other stakeholders
c) Products and services are designed and developed based on customer needs and expectations
d) Products and services are produced, delivered and serviced
e) Customer relations are managed and enhanced/CSR advocacy
f) Policy and strategy are communicated and deployed through a framework of key processes

Results - Internal Stakeholders

Excellent organizations comprehensively measure and achieve outstanding results with respect to their people, including measures relating to the social, environmental and economic performance of the organization and the goods and services it produces. Results may affect their stakeholders, including customers, the people within the organization and the society and ecology at large. Sustainable organizations deliver key performance results that do not have adverse environmental and societal footprints. On the contrary, they create measurable positive impacts on all the stakeholders.

Key Characteristics
1. Targets

2. Trends and comparisons including the perception of the stakeholders. Results should be related to key performance targets/benchmarks/trends
3. Positive externalities
4. Positive image and brand

Sub-attributes
a) Perception measures: People's perception of the economic, environmental and social performance of the organization compared to their own values, needs and expectations (obtained, for example, from surveys, focus groups, interviews, structured appraisals), depending on the purpose of the organization.
b) Performance indicators: Internal, used by the organization in order to monitor, understand, predict and improve the performance of the people in CSR issues, and to predict their perceptions of the organization's approach to CSR.

Results - External Stakeholders

Customers: Excellent organizations comprehensively measure and achieve outstanding results with respect to their customers.
a. Perception measures: For the customers' perception of the organization's economic, social and environmental performance of its goods and services compared to their own values, needs, and expectations (e.g., from customer surveys, focus groups, vendor ratings, compliments, complaints, etc.).
b. Performance indicators: These internal measures are used by the organization to monitor, understand, predict and improve its CSR-related performance, and to predict perceptions of its external customers.

Society: Excellent organizations comprehensively measure and achieve outstanding results with respect to society
a. Perception measures: For the society's perception of the social, environmental and economic performance of the organization and the products and services it produces compared to the general values, needs and expectations of society (e.g., from surveys, reports, press articles, public meetings, public representatives, governmental authorities).
b. Performance results: These internal measures are used by the organization to monitor, understand, predict and improve the performance of the organization and to predict perceptions of the society of the environmental, social and economic performance of the organizations and the products and services it produces.

Learning and Innovation

Organizations that challenge status quo do better. That is, those who are always in the learning mode and convert societal, environmental and economic concerns into opportunities through innovation and creativity. These are organizations that learn from their own activities and that of others and share best practices and knowledge all through the organization as well as outside. It is about openness to accept and use ideas from all the stakeholders and stretch current organizational capabilities to safeguard the future of all.

Key Characteristics
1. Continual improvement
2. Converting risks to opportunities
3. Creativity and innovation
4. Open mindedness
5. Resource deployment on R&D

Sub-attributes
a) The company accepts mistakes but does not repeat them.
b) People are encouraged to think beyond the normal scope of work; this may result in a few failures. However, success stories are more in number.
c) Targets are set, measured and people are recognized and rewarded for their ideas.

ANNEXURE 2: WINNERS 2016

CORPORATE EXCELLENCE

Outstanding Accomplishment

ACC Limited | Ambuja Cements Limited

Commendation for Significant Achievement

Reliance Industries Limited | Hindustan Zinc Limited | TATA Housing Development Company Limited | Vedanta Limited Jharsuguda

DOMAIN EXCELLENCE

Excellence In Environment Management

Infosys Limited | Ambuja Cements Limited Unit Bhatapara | Ambuja Cements Limited Unit Maratha Cement Works

Commendation for Significant Achievement In Environment Management

YES Bank Limited | Asian Paints Limited | Hindustan Unilever Limited Khamgaon

Excellence in Corporate Social Responsibility

AXIS Bank Limited | Ambuja Cements Limited Unit Maratha Cement Works

Commendation for Significant Achievement in Corporate Social Responsibility

Maruti Suzuki India Limited | Dalmia Cement Bharat Limited | Mahindra & Mahindra Limited (Automotive & Farm Equipment Sector) | ESSAR Oil Limited | The Tata Power Company Limited | Domestic Textiles Business, The Aditya Birla Group

Commendation for Significant Achievement in Sustainable Supply Chain

Exide Industries Limited | Griffith Foods Private Limited

Commendation for Significant Achievement in Biodiversity

The Tata Power Company Limited

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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 catalyse 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 three 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.