

Theme Paper & Best Practice Compendium **ESG AND SUSTAINABILITY LEADERSHIP**

Embedding ESG for Sustainable and
Resilient Business and Supply Chains





Foreword

The global economy is undergoing a profound transformation driven by escalating environmental risks, widening social inequities, and evolving governance expectations. In this era of uncertainty, businesses are expected to go beyond traditional measures of success and adopt a purpose-driven approach that aligns profitability with responsibility. Environmental, Social, and Governance (ESG) principles have emerged as a strategic imperative, not merely as a compliance requirement, but as a foundation for resilience and long-term value creation. This theme paper by UN Global Compact Network India (UN GCNI) seeks to guide organizations in embedding ESG within their strategic and operational frameworks, shaping business models that are ethical, transparent, and future-ready.

Executive Summary

Today, the demand for sustainability leadership is stronger than ever. Integrating ESG principles into the DNA of organizations is no longer optional; it is a necessity that determines competitiveness, stakeholder trust, and business continuity. Leading global and Indian companies recognize that pursuing short-term profits at the cost of social and environmental well-being is an outdated model. Instead, they are adopting the triple bottom line approach, balancing People, Planet, and Profit.

This paper highlights why ESG and sustainability leadership matter, how they can be operationalized across governance and supply chains, and the transformative role of technology and collaboration. It provides a roadmap for embedding ESG into organizational culture, supported by global and national regulatory frameworks such as SEBI's BRSR and international standards like GRI, SASB, and TCFD.

The discussion further explores key themes including digital innovation in ESG compliance, water stewardship as a strategic advantage, and the critical intersection between sustainability and public health. Real-world examples and best practices demonstrate that ESG integration strengthens risk management, reduces costs, improves resilience, and fosters societal well-being.

Ultimately, this paper advocates a shift from reactive compliance to proactive transformation—where sustainability leadership becomes the cornerstone of business strategy and an enabler of systemic change across industries and value chains.

Introduction

Businesses today face a “polycrisis”—an interlinked web of climate disasters, biodiversity loss, water scarcity, socio-economic disparities, and geopolitical tensions. These systemic challenges are reshaping the global economic landscape and exposing vulnerabilities in corporate and supply chain structures. The urgency to act is amplified by tightening regulatory requirements, increasing investor scrutiny, and growing consumer demand for transparency and accountability.

Against this backdrop, ESG has evolved from a voluntary practice to a mandatory expectation. Globally, sustainable investment has surpassed \$30 trillion, signalling investor confidence in ESG-compliant organizations. In India, SEBI’s Business Responsibility and Sustainability Reporting (BRSR) framework represents a landmark regulatory shift, compelling companies to disclose detailed ESG metrics and align their operations with the UN Sustainable Development Goals (SDGs).

The Case for ESG and Sustainability Leadership

The rationale for ESG integration extends beyond ethical imperatives; it is a strategic lever for risk mitigation, operational excellence, and competitive advantage. Companies with strong ESG performance demonstrate higher equity returns, lower capital costs, and enhanced stakeholder trust. Consumers are increasingly aligning their purchasing decisions with sustainability values, with nearly half willing to pay a premium for eco-friendly products.

Moreover, supply chains—often responsible for the bulk of an organization’s environmental and social footprint—are becoming focal points for ESG interventions. Disruptions caused by pandemics, climate events, and geopolitical conflicts have underscored the need for resilient, transparent, and sustainable supply networks. By embedding ESG principles into procurement, logistics, and supplier engagement, companies can reduce vulnerabilities, enhance continuity, and create shared value across ecosystems.

Leadership as the Catalyst for Change.

Sustainability leadership begins at the top. Boards and senior executives must drive ESG integration by setting ambitious targets, instituting governance structures, and linking leadership incentives to sustainability outcomes. This requires moving beyond compliance-driven reporting to fostering an organizational culture that views ESG as a core business driver.

Leaders who champion ESG prioritize long-term impact over short-term gains, nurture stakeholder collaboration, and embed ethical practices in every decision. They view challenges such as climate change, social inequities, and resource scarcity as opportunities for innovation and growth. In this context, Chief Sustainability Officers and ESG committees are becoming pivotal in aligning business strategies with global best practices and local priorities.

Embedding ESG in Strategy and Governance

Operationalizing ESG involves integrating it into governance frameworks, strategic planning, and day-to-day operations. Indian companies are responding to SEBI's BRSR mandate, which requires comprehensive disclosures on environmental metrics such as energy consumption, water withdrawal, and emissions; social parameters including diversity and wages; and governance indicators like ethics and compliance. Complementary frameworks such as GRI and SASB further enable companies to report transparently, assess material risks, and enhance stakeholder engagement.

Embedding ESG in strategy yields tangible benefits. Studies confirm that companies with strong ESG performance not only attract investment but also experience improved risk management, innovation opportunities, and cost efficiencies. For instance, ESG-driven energy optimization reduces operational costs, while responsible sourcing mitigates reputational risks. These outcomes underscore that ESG is not a cost centre but a value creator.

Supply Chain Resilience Through ESG

Supply chains represent both a challenge and an opportunity in the ESG journey. Incorporating ESG criteria into procurement and vendor selection ensures ethical labour practices, sustainable resource use, and reduced environmental impact. Digital technologies such as IoT, blockchain, and AI are transforming supply chain governance by enabling real-time monitoring of emissions, water use, and labour conditions. These tools enhance traceability, strengthen compliance, and foster accountability across multiple tiers.

By investing in supplier training and collaborative innovation, companies can create resilient ecosystems that withstand disruptions and recover faster. Aligning ESG objectives with supply chain strategies also contributes to systemic benefits such as reduced carbon footprints, improved resource efficiency, and enhanced social equity.

Priority Themes: Water Stewardship, Digital Innovation, and Public Health

Water Stewardship:

Water has emerged as a defining ESG priority, particularly in India, one of the world's most water-stressed nations. Companies are increasingly adopting advanced technologies for water risk mapping, leak detection, and wastewater recycling to secure long-term supply and reduce operational risks. These initiatives not only mitigate the risk of water scarcity but also support national development goals such as Jal Jeevan Mission, while enhancing corporate credibility and resilience in the face of climate change.

Digital Innovation:

Digital transformation is revolutionizing ESG management by enabling organizations to move from manual reporting systems to AI-driven platforms that streamline data collection, improve accuracy, and reduce compliance burdens. Blockchain-based systems are providing

unprecedented visibility into supplier networks, ensuring transparency, ethical sourcing, and traceability across the value chain.

However, these digital solutions are not without environmental trade-offs. Increased reliance on AI and blockchain requires significant energy consumption for data storage and processing, leading to a higher carbon footprint and greater demand for critical raw materials used in data centres and electronic infrastructure. To offset these impacts, businesses should adopt renewable energy sources for powering data centres, implement energy-efficient algorithms, and promote circular economy practices such as recycling and reusing electronic components. Leveraging green cloud solutions and carbon-neutral hosting can further help in reducing the environmental costs of digital transformation.

Public Health:

In the social domain, public health has become integral to ESG commitments. Through mandated CSR under the Companies Act, businesses are funding healthcare programs that address maternal and child health, sanitation, nutrition, and disease prevention in underserved communities. These interventions not only improve health outcomes and enhance societal well-being but also strengthen stakeholder trust and reinforce the social license to operate.

Strategic Recommendations for ESG-Driven Business Transformation

1. Strategic Integration of ESG into Business Models

- **Elevate ESG to a Boardroom Priority:**
Make ESG a strategic agenda item at the board level. Establish dedicated ESG committees to ensure continuous oversight and accountability.
- **Link ESG Performance to Executive Compensation:**
Tie leadership incentives to measurable ESG outcomes such as carbon reduction targets, gender diversity ratios, and ethical sourcing compliance.
- **Embed ESG in Core Strategy, Not CSR Alone:**
Move beyond treating ESG as a compliance or CSR activity. Integrate it into core business plans, risk assessments, and innovation strategies.

2. Regulatory Compliance and Transparent Reporting

- **Adopt Global and Local Frameworks:**
Implement SEBI's BRSR Core framework and align with international standards like GRI, SASB, and TCFD to ensure consistency and credibility.
- **Build Internal ESG Data Governance:**
Establish robust data collection systems across business functions to ensure accuracy, completeness, and audit readiness for disclosures.

- **Third-Party Assurance and Verification:**

Engage external auditors for ESG assurance to enhance transparency, reduce greenwashing risk, and build investor confidence.

3. Strengthening Supply Chain ESG Readiness

- **Supplier Capacity-Building Programs:**

Offer training and tools to Tier-1 and Tier-2 suppliers on ESG reporting, labor standards, and environmental compliance.

- **Mandatory ESG Clauses in Procurement Contracts:**

Require suppliers to adhere to ESG norms as part of contractual obligations, including adherence to ethical labor practices & sustainable sourcing.

- **Adopt Digital Traceability Solutions:**

Deploy IoT sensors, blockchain platforms, and AI dashboards to monitor supplier compliance in real-time, track emissions, & detect risks across the value chain.

4. Sector-Specific ESG Actions

Manufacturing & Heavy Industry

- Transition to low-carbon technologies, renewable energy sourcing, and circular production models to reduce environmental impact.
- Introduce waste heat recovery systems, energy-efficient machinery, and closed-loop recycling to minimize resource consumption.

FMCG & Retail

- Commit to sustainable packaging (biodegradable or recyclable), responsible sourcing (palm oil, paper), & scope 3 emission management.
- Encourage consumer education campaigns on sustainability and create eco-labelling for transparency.

Pharmaceuticals & Healthcare

- Promote responsible use of antibiotics to prevent antimicrobial resistance (AMR), which is worsening due to climate change and affects vulnerable communities the most. This includes ensuring proper prescription practices and regulating inappropriate fixed-dose combinations (FDCs).
- Embed health equity initiatives in ESG strategy such as improving access to medicines and infrastructure in underserved regions; build health service centres/units/dispensaries resilience-- against disaster and climate catastrophes-- through innovative infrastructure and human resource solutions; support transformative initiatives for health, with considerations of social and commercial determinants of health.

- Invest in green chemistry, safe disposal of hazardous waste, and water stewardship in production units.

Textiles & Apparel

- Shift towards sustainable fibres (organic cotton, recycled polyester), chemical-free dyeing, and fair labour certifications across global supply chains.
- Adopt water-saving dyeing technologies and enforce zero-discharge wastewater policies.

5. Digital Transformation for ESG Compliance

- **Automated ESG Reporting Platforms:**
Implement AI-powered reporting systems to manage BRSR and global disclosures, reducing manual errors and compliance burden.
- **Predictive Analytics for ESG Risk:**
Use data analytics to predict ESG risks in supply chains (e.g., climate-related disruptions, labor violations) and build contingency plans.
- **Blockchain for Ethical Sourcing:**
Enable blockchain-based certification for traceability in raw material sourcing, especially for minerals, textiles, and agriculture.

6. Water Stewardship as a Strategic Imperative

- **Water Risk Mapping:**
Assess water stress zones for all facilities and supplier locations to prioritize interventions.
- **Technology Deployment:**
Adopt IoT-based smart meters for real-time monitoring of water use, leakage detection, and reuse optimization.
- **Community Engagement:**
Invest in watershed management and rainwater harvesting programs in local communities to secure shared water resources.

7. Linking ESG to Finance and Investment

- **Green Financing and ESG-linked Loans:**
Access ESG-linked credit lines and sustainability bonds that offer lower interest rates for meeting ESG performance metrics.
- **ESG Score as Investment Criterion:**
Position ESG compliance as a critical factor for attracting investors, ensuring alignment with institutional investors' sustainability mandates.

8. Public Health and Social Responsibility Integration

- **Occupational Health and Safety:**
Strengthen workplace safety standards, provide health insurance for workers, and implement wellness programs.
- **Community Health Programs:**
Extend ESG-driven CSR efforts to primary healthcare, telemedicine, sanitation, and menstrual hygiene initiatives to build societal resilience.
- Improve quality and access to appropriate community health services; support in establishing proximity care models such as midlevel health providers, mobile clinics and telemedicine; support local governments in tackling community health issues as per emerging needs; embed responsiveness through improved disease screening and surveillance via technological and human resource

9. Capacity Building and Knowledge Sharing

- **ESG Literacy Programs for SMEs:**
Develop training modules and toolkits for small suppliers to enable ESG compliance and reporting.
- **Cross-Sector Collaborations:**
Form industry alliances & collective action platforms to share resources, best practices, and innovations for ESG implementation.
- **Academic Partnerships:**
Collaborate with universities and research institutions to build ESG-focused curricula and skill-building programs.

10. Policy and Advocacy

- Advocate for simplified ESG compliance frameworks for SMEs without compromising on transparency.
- Recommend government incentives such as tax rebates for green investments, low-interest loans for ESG projects, and mandatory ESG disclosures for private firms over a certain threshold.

While progress is evident, challenges remain, including data gaps, limited ESG literacy among small and medium enterprises, and the misconception that sustainability initiatives erode profitability. Overcoming these barriers requires collective action—policymakers must incentivize green finance, industry leaders must champion systemically change, and technology providers must democratize access to ESG solutions.

Embedding ESG into business and supply chains is a transformative journey that requires leadership commitment, technological innovation, financial alignment, and collective action. Businesses that embrace ESG as a strategic priority will not only future-proof their operations but also enhance competitiveness, stakeholder trust, and long-term value creation.

BEST PRACTICES OF LEADING BUSINESSES

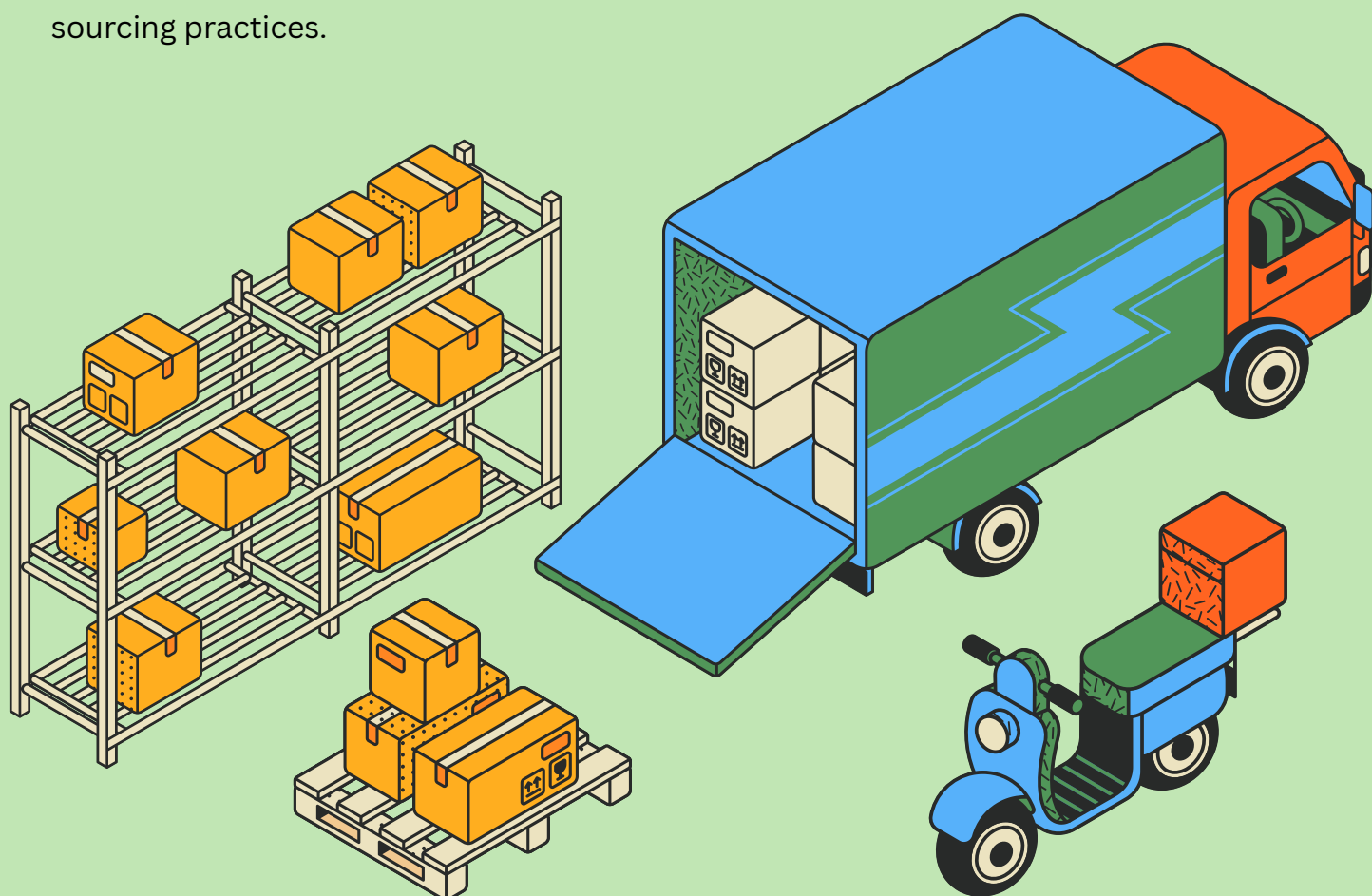
TVS MOTOR COMPANY



DRIVING SUSTAINABLE VALUE CHAINS – TVS MOTOR COMPANY'S ESG-INTEGRATED RESPONSIBLE SOURCING FRAMEWORK

TVS Motor Company is the third largest two-wheeler manufacturer in India and a globally recognized manufacturer of two and three-wheelers. The company has a strong presence in various international markets, including the Middle East, Africa, Southeast Asia, and Latin America. TVS Motor is known for its focus on innovation, quality, and sustainable mobility solutions.

In today's rapidly evolving regulatory and stakeholder landscape, Original Equipment Manufacturers (OEMs) face growing expectations to demonstrate sustainability across their entire value chains. For Indian OEMs, this expectation is reinforced by mandates such as SEBI's Business Responsibility and Sustainability Reporting (BRSR) Core, which requires companies to disclose select supply chain-related ESG indicators, along with mandatory reporting of Scope 3 emissions and compliance with Extended Producer Responsibility (EPR) obligations. International trade regulations, such as the European Union's Carbon Border Adjustment Mechanism (CBAM), add further impetus to establish transparent, climate-aligned sourcing practices.



To address these challenges, TVS Motor Company (TVSM) has developed and institutionalized a comprehensive ESG-integrated responsible sourcing framework. The foundation of this strategy lies in its Sustainable Procurement Policy and Supplier Code of Conduct, formalized in FY 2023–24. These documents outline TVSM’s expectations from its suppliers in the areas of environmental stewardship, labour and human rights, health and safety, and ethical business conduct. By FY 2024–25, more than 99% of the company’s strategic and production-critical suppliers had formally acknowledged and committed to these standards—a significant milestone in embedding sustainability deeply across its value chain.

To translate policy into measurable impact and align supplier management with internationally recognised best practices, TVSM developed its proprietary My Sustainability Index (MSI) – a five-stage ESG assessment model grounded in global frameworks including UN Global Compact principles, OECD Guidelines for Multinational Enterprises, Social Accountability Standard “SA8000 : 2014”, and relevant ISO management system standards such as ISO 14001 for environment, ISO 45001 for occupational health & safety, ISO 50001 for energy management. TVSM itself is already certified against these rigorous standards and is now extending this commitment by integrating them across its supplier base through MSI.

This holistic approach ensures that TVSM’s responsible sourcing not only meets domestic regulatory requirements but also resonates with evolving global expectations on corporate responsibility and supply chain transparency.

The MSI process begins with a supplier self-assessment followed by rigorous on-site audits conducted by cross-functional teams to verify disclosures and identify improvement opportunities. Suppliers receive one of four ESG ratings: Platinum, Gold, Silver, or Not Met. A minimum Gold rating is mandatory for onboarding new strategic suppliers and continued engagement of existing ones. Those scoring below must submit robust time-bound corrective action plans that are re-assessed post-implementation—embedding continuous improvement into supplier relationships.

In FY 2024–25 alone, TVSM assessed 112 suppliers approximately 57% of supplier spend through MSI’s Phase I rollout. Of these critical suppliers targeted initially (30 out of 445), all have been engaged with tailored action plans addressing identified gaps. Parallely, environmental impact assessments were conducted for 95 out of 100 targeted dealers who are actively working towards closing sustainability gaps with hands-on support from TVSM via capacity building initiatives. Looking ahead, the company aims to extend its MSI coverage across all tier -1 suppliers and progressively scale it across Tier -2 suppliers, embedding ESG Principles comprehensively across its global value chain.

Understanding that multi-stakeholder collaboration drives meaningful transformation beyond compliance, TVS Motor invested significantly in supplier capability building during FY 2024–25—conducting around 25 focused training sessions reaching over 250 suppliers. These programs covered vital sustainability topics including water stewardship to address stress mapping insights; waste reduction; road safety protocols; energy efficiency measures; and facilitating transition pathways towards renewable energy adoption. On-site mentorship by ESG experts ensured contextualized support enabling practical implementation tailored to each supplier's operational realities.

To ensure accountability and data-driven decision-making across its supply network, TVSM digitized supplier monitoring through its in-house SaaS platform. The tool consolidates audit results; tracks closure of non-conformities; monitors key indicators such as ISO certification coverage; renewable energy uptake; and supplier contributions to Scope 3 decarbonization efforts—thereby embedding transparency and traceability essential for robust ESG governance in complex multi-tier value chains.

TVSM's responsible sourcing framework is already setting industry benchmarks by making supplier ESG ratings a prerequisite for business engagement—significantly reducing risk exposure through early detection and remediation mechanisms embedded within MSI. Suppliers' progressive adoption of renewable energy solutions combined with improved alignment to international sustainability standards exemplify how Indian manufacturers can lead in ESG-led transformation while enhancing long-term business resilience.

By embedding globally aligned ESG principles into procurement strategies alongside digital oversight capabilities and sustained investments in supplier empowerment programs, TVS Motor Company has built a resilient, transparent, and future-ready supply chain ecosystem. This model not only addresses immediate compliance imperatives under frameworks like BRSR Core and CBAM but also creates enduring value through innovation leadership and global competitiveness—positioning TVSM as a trailblazer among Indian OEMs driving sustainable industrial transition.

Key Leanings and Action Roadmap

Institutionalize ESG in Procurement Frameworks

Develop a formal **Sustainable Procurement Policy** and **Supplier Code of Conduct** that outline environmental, social, health & safety, and ethical requirements for all suppliers.

Adopt a Structured ESG Assessment Model

Implement a transparent supplier evaluation system (e.g., rating tiers like Platinum, Gold, Silver) linked to international best practices (UNGC, OECD, ISO, SA8000) and make minimum ESG ratings mandatory for onboarding and retention.



Promote Continuous Improvement Across the Value Chain

Require corrective action plans for suppliers who do not meet ESG standards and re-assess post-implementation to embed ongoing performance enhancement.

Invest in Supplier Capacity Building

Conduct targeted training, workshops, and on-site mentorship on sustainability themes such as renewable energy adoption, waste reduction, water stewardship, and workplace safety.

Digitize ESG Monitoring and Traceability

Use digital platforms to track audit results, non-conformity closures, ISO certifications, renewable energy usage, and supplier contributions to Scope 3 decarbonization goals.

Integrate Domestic and Global Compliance Requirements

Align supply chain sustainability frameworks with local mandates like BRSR Core and EPR, while meeting international trade regulations like CBAM for global competitiveness.

Make ESG Performance a Business Prerequisite

Link commercial engagement directly to suppliers' ESG performance, incentivizing proactive adoption of sustainability practices.

Foster Multi-Stakeholder Collaboration

Engage with suppliers, dealers, regulators, and industry bodies to share knowledge, drive sector-wide sustainability adoption, and address systemic challenges collectively.

Shirin Kujur

Principle Program Manager – Sustainability Within & Beyond
TVS Motor Company

LEADERSHIP IN WATER SUSTAINABILITY

Carlsberg India is a subsidiary of the Carlsberg Group, a globally respected brewer from Denmark with a legacy spanning over 178 years. Governed by the Carlsberg Foundation, a not-for-profit entity that reinvests in science and society. The Group is known for its commitment to quality, innovation, and sustainability. Carlsberg's pioneering spirit is rooted in its Research Laboratory, which has contributed significantly to brewing science, including the invention of the pH scale and breakthroughs in yeast purification, ensuring consistently high-quality beer for consumers around the world. In line with the Carlsberg Group's global ESG initiative, Together Towards ZERO and Beyond, Carlsberg India is working towards a ZERO Farming Footprint by promoting regenerative agriculture, improving soil health, and reducing environmental impact. The broader programme also targets ambitious goals such as ZERO Carbon Footprint, ZERO Water Waste, ZERO Packaging Waste, ZERO Irresponsible Drinking, and fostering a ZERO Accidents Culture.

Water is one of the most critical resources for the brewing industry, not only as an ingredient but also as an integral part of the production process, cleaning systems, and cooling operations. For Carlsberg, whose global presence spans diverse geographies and communities, water sustainability is not simply an operational concern—it is a core business imperative. Recognizing the increasing global and regional challenges around water scarcity, climate change, and ecosystem degradation, Carlsberg India has embedded the Zero Water Waste goal as a cornerstone of its operations under its flagship global sustainability framework, Together Towards Zero and Beyond (TTZAB).

The TTZAB program is built on the principle that business growth and environmental stewardship can and must be mutually reinforcing. Its "Zero Water Waste" pillar is aimed at minimizing water use in brewery operations while

replenishing the same amount of water back into the surrounding ecosystems and communities. This is achieved through a combination of process efficiency, technology adoption, and high-impact community water projects. By doing so, Carlsberg India not only meets regulatory and environmental expectations but also builds long-term resilience for its business in an increasingly resource-constrained world.

From a leadership perspective, the company's commitment reflects an understanding that ESG is not an add-on or a compliance exercise—it is an operational strategy that directly supports risk management, brand trust, and social license to operate. Water scarcity can pose severe risks



to production continuity, community relations, and even corporate reputation. By addressing these risks proactively, Carlsberg India positions itself as a forward-thinking leader in the food and beverage sector, where sustainable resource management is becoming a competitive differentiator.

Carlsberg's leadership approach is also deeply community-oriented. Rather than focusing solely on in-plant efficiencies, the company looks beyond the brewery walls to the ecosystems and communities that share the same water resources. This is critical in a country like India, where water scarcity is not evenly distributed but often disproportionately impacts rural and peri-urban areas with limited infrastructure. Carlsberg's projects are designed to replenish aquifers, restore traditional water bodies, improve access to safe drinking water, and strengthen local capacity for sustainable water management.

In 2023, Carlsberg India strengthened this approach through a partnership with WaterAid, an internationally recognized non-profit specializing in water, sanitation, and hygiene (WASH) solutions. The first project under this collaboration began in Mysuru, Karnataka, targeting five Gram Panchayats. The intervention is designed not just as a short-term infrastructure upgrade but as a holistic program that addresses water access, sanitation facilities, hygiene behaviour change, and source sustainability. Once complete, the Mysuru project will benefit over 34,000 people and replenish 85,000 cubic meters of water annually—equivalent to tens of millions of Liters returned to local aquifers and water bodies.

The success and learning from Mysuru provided a model for expansion to other water-stressed states, including West Bengal, Telangana, and Maharashtra. These additional projects cover 30 villages and benefit 51,000 people, with an annual conservation target exceeding 320,000 cubic meters. Collectively, Carlsberg India's community water projects have already recharged an impressive 1,84,000 cubic meters of water—a tangible metric demonstrating the scale and seriousness of the company's commitment.

The operational design of these projects reflects a blend of traditional knowledge and modern techniques. Carlsberg supports the restoration of traditional water bodies such as ponds and lakes, many of which had fallen into disrepair due to neglect or changing land use patterns. By reviving these water bodies, the company enhances natural storage capacity and helps restore ecological balance in the surrounding areas.

At the same time, the initiatives include source sustainability measures such as rainwater harvesting structures designed to recharge deeper aquifers, ensuring a reliable water source even during dry months. Rooftop rainwater harvesting systems are installed to meet drinking and domestic water needs, with surplus water channelled into aquifers to boost long-term water availability. Water budgeting exercises are conducted with community participation to help local residents understand water availability, seasonal variations, and optimal usage patterns, fostering a culture of conservation.

Beyond infrastructure and conservation measures, Carlsberg India invests in awareness campaigns, training sessions, and stakeholder engagement meetings to build local ownership and ensure the sustainability of interventions. This community-led approach is critical in avoiding the common pitfall of abandoned or under-maintained infrastructure.

Carlsberg's commitment is not limited to India. At the global level, the company has partnered with Water.org to provide 247 million Liters of safe water and sanitation access to more than 112,000 people across the Ganges River Basin—which includes water-stressed states such as Haryana, Rajasthan, Uttar Pradesh, and Bihar—by 2028. This global partnership leverages both financial and technical expertise to address water challenges at scale, integrating social impact with measurable environmental benefits.

The broader impact of these initiatives extends beyond immediate beneficiaries. By reducing pressure on local water sources, replenishing aquifers, and improving sanitation infrastructure, Carlsberg's programs contribute to better public health outcomes, enhanced agricultural productivity, and greater resilience to climate variability. They also foster goodwill and trust among local stakeholders, from government bodies to village councils, NGOs, and residents—critical relationships for any company operating in resource-sensitive geographies.

From an ESG reporting standpoint, Carlsberg's water initiatives provide a rich portfolio of measurable indicators: cubic meters replenished, number of beneficiaries, Liters of safe water provided, number of water bodies restored, and community engagement activities conducted. These metrics not only enhance the credibility of Carlsberg's sustainability disclosures but also serve as internal performance benchmarks to drive continuous improvement.

The leadership at Carlsberg India recognizes that water stewardship is a long-term journey requiring ongoing investment, innovation, and collaboration. The company's willingness to engage with local communities, leverage NGO partnerships, adopt technology, and align with global sustainability goals places it in a leadership position within the industry. Moreover, by framing water stewardship as both an environmental and a business priority, Carlsberg India demonstrates how ESG principles can be operationalized into impactful, measurable action.

In 2023, Carlsberg Group entered into a strategic partnership with WaterAid, initiating its first project in Mysuru, Karnataka. This project focuses on improving access to safe water, sanitation, and hygiene for over 34,000 individuals across five Gram Panchayats, with an annual replenishment capacity of 85,000 m³ upon completion. Encouraged by this success, similar projects have been launched in West Bengal, Telangana, and Maharashtra, covering 30 villages and reaching 51,000 people, with an expected conservation of 320,000 m³ of water annually. Collectively, these projects have already recharged 1,84,000 m³ of water.

Carlsberg's integrated approach includes:

- **Restoration of traditional water bodies** to enhance storage capacity and improve natural water flow.
- **Source sustainability measures** such as rainwater capture to recharge deeper aquifers.
- **Rooftop rainwater harvesting** for safe drinking and domestic use, with surplus directed toward aquifer recharge.
- **Water budgeting** to enable communities to assess availability and manage consumption responsibly.
- **Awareness and training** through campaigns, stakeholder engagement, and capacity-building initiatives.



At the global level, Carlsberg has also partnered with Water.org to provide 247 million Liters of safe water and sanitation access to more than 112,000 people across the Ganges River Basin (Haryana, Rajasthan, Uttar Pradesh, and Bihar) by 2028.

Leadership Lessons

Carlsberg India's work offers key takeaways for ESG-driven corporate leadership:

- **Vision Integration** – Embedding sustainability goals like Zero Water Waste into the core business plan.
- **Community-Centric Approach** – Ensuring local ownership of initiatives for sustained impact.
- **Measurable Targets** – Tracking progress in quantifiable terms (e.g., m³ replenished) to maintain transparency and accountability.
- **Strategic Partnerships** – Collaborating with credible organizations to scale solutions and leverage expertise.

Key Learnings and Action Roadmap

1. **Leverage Technology for Monitoring** – Deploy IoT sensors, GIS mapping, and dashboards for real-time tracking of water recharge and consumption.
2. **Extend Stewardship Across the Value Chain** – Involve suppliers and partners in water-positive practices.
3. **Integrate Water and Climate Goals** – Link water conservation projects with carbon footprint reduction for holistic sustainability outcomes.
4. **Publish an Annual Water Stewardship Report** – Include third-party validation to strengthen credibility.
5. **Develop a Replication Blueprint** – Share best practices as a model for other industries, encouraging large-scale adoption.

Conclusion

Through decisive leadership and a well-integrated sustainability strategy, Carlsberg India has proven that environmental stewardship and business growth can go hand in hand. By restoring ecosystems, enabling community participation, and setting measurable goals, the company is securing both operational resilience and environmental health. With the addition of technology integration, supply chain engagement, and transparent reporting, Carlsberg India's water initiatives can serve as a benchmark for industry-wide adoption—demonstrating that responsible leadership is the key to long-term business sustainability in the ESG era.

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BSI

ACCELERATING PROGRESS TOWARDS A SUSTAINABLE WORLD

BSI is a business improvement and standards company that partners with more than 77,500 clients globally across multiple industry sectors. BSI provides organizations with the confidence to grow by working with them to tackle society's critical issues – from climate change to building trust in AI and everything in between – accelerating progress towards a fair society and a sustainable world.

For over a century, BSI has been recognized for its positive impact on organizations and society, building trust and enhancing lives. Today, BSI engages with a 15,000-strong global community of experts, industry and consumer groups, organizations, and governments to deliver on its purpose by helping its clients fulfil deliver on their commitments and purpose.

BSI is appointed by the UK Government as the National Standards Body and represents UK interests at:

- International Organization for Standardization (ISO)
- International Electrotechnical Commission (IEC)
- European Standards Organizations (CEN, CENELEC, and ETSI)



Learn more: www.bsigroup.com

BSI's Sustainability Commitment: Accelerating Progress Towards a Sustainable World

Sustainability is both a guiding principle and a central focus for BSI, embedded into the very fabric of the organization. Upholding our Royal Charter, we are dedicated to positively impacting people and the planet.

We aim to be a sustainability leader, using our own sustainability-centric standards and solutions wherever possible. We're also committed to achieving an ambitious Net Zero 2030 target in our own operations.

BSI actively supports global sustainability goals and initiatives, including the UN Global Compact, and seeks to integrate the UN Sustainable Development Goals (SDGs) into our strategy and implementation.

Best Practices and Thought Leadership in Sustainability

1. Embedding Sustainability into Governance and Practice

Sustainability is a multifaceted and fast-evolving topic that includes environmental, social, and governance (ESG) concerns—ranging from regulation and moral obligations to financial and operational resilience.

We support organizations in taking meaningful action that benefits both the planet and society, helping them avoid greenwashing by:

- Defining and living their purpose
- Implementing governance structures
- Moving from ambition to action

2. Net Zero Pathway

BSI is facilitating a structured and science-aligned Net Zero pathway using:

- ISO 14064-1 – for greenhouse gas quantification and reporting
- ISO IWA 42 – Net Zero Guidelines

This approach helps organizations:

- Set science-based, sector-specific, and achievable targets
- Design and deploy impactful GHG reduction initiatives
- Monitor progress rigorously toward their net zero goals



3. Green Finance Standards

BSI is at the forefront of green finance standardization, providing insights to senior decision-makers who aim to:

- Drive sustainable, long-term returns
- Align with sustainable development objectives

Key areas include:

- Standardization of products for sustainable investments
- Role of governmental policies in shaping green finance
- Responsible investment management
- Promoting professionalism through the Green Finance Education Charter

4. Environmental Management Systems and ISO 14001

BSI supports organizations in embracing opportunities to progress towards a sustainable world through the implementation of internationally recognized standards. A key enabler is the Environmental Management System (EMS) Standard – ISO 14001, which helps organizations:

- Identify and manage their environmental impacts
- Improve resource efficiency
- Achieve compliance with regulatory requirements
- Drive continual improvement in environmental performance

The adoption of ISO 14001 serves as a foundation for integrating sustainability into core business operations, promoting long-term resilience and environmental stewardship.

5. Advancing Social Responsibility through Audits

BSI conducts social audits to help organizations assess and improve labor practices, workplace conditions, and ethical compliance across their supply chains. These audits play a vital role in promoting transparency, upholding human rights, and building trust with stakeholders.

ESG Policies – Best Practices

While ESG policy development might initially focus internally, external sources are important. Individuals, departments, whole organizations, and communities may be affected, so consider consulting with community members, experts, local government, your customers, and your suppliers as part of the process.

Assessing your organizational peers and their customer needs can also provide insight. Aligning policies with a range of customer requirements, industry standards, best practice, and the laws and jurisdictions of where you operate can also be crucial in creating your standing as a trustworthy organization.

One size doesn't fit all

Accounting for the unique nature of how your organization or your partners operate in different locations around the world can help keep your perspective broad – differing geographies come with different risks, practices and demands.

Try looking at your organization and value chain through a variety of lenses:

- Where do we operate?
- What are the local regulatory requirements?
- How will our organization operate within the constraints and opportunities of this environment (social or otherwise)?
- What are the labour considerations? Are fair, legal and moral working conditions being implemented?
- What are the local organization practices, environmental risks, and future climate change related risks?

Leadership Involvement

ESG policies, like any other, risk failing without a strong commitment from leadership. An effective management system including the following can help to embed them into day-to-day company practice:

- Provide clear guidance to managers and staff.
- Enable cross-functional communication.
- Train managers and people on the policy requirements, particularly in complex areas that significantly impact the organization.
- Establish key performance indicators (KPIs), goals and monitor compliance.
- Re-evaluate the impact on a workforce, community, or organization over time.
- Align incentives against programme objectives and assesses individuals and functions against goals.
- Communicate measurements to leadership and impacted stakeholders.
- Establish systems driving continuous improvement based on ongoing monitoring.

These suggestions are a small part of the complex and wide-ranging issues for consideration when developing ESG policies.

It can look daunting, but by approaching their development as a potentially transformational opportunity, you enable your organization to widen the lens of possibility.

You may also find that your stakeholders are engaged in a way that has the potential to improve relationships, build resilience, and create long-term value for your business.

To know more about how we can partner with you, visit - <https://www.bsigroup.com/en-IN/our-expertise/sustainability/>

Key Leanings and Action Roadmap

Embed Sustainability into Governance and Strategy

- Integrate ESG considerations into corporate purpose, governance structures, and operational decision-making.
- Move from ambition statements to clear, measurable actions backed by strong leadership commitment.

Adopt Recognized International Standards

- Implement standards like ISO 14001 for Environmental Management and ISO 14064-1 for greenhouse gas quantification to ensure credibility, compliance, and continual improvement.

Define and Execute a Science-Aligned Net Zero Pathway

- Set realistic, sector-specific targets using recognized frameworks (e.g., ISO IWA 42).
- Monitor progress rigorously and communicate results transparently.

Leverage Green Finance for Sustainable Growth

- Align investment decisions with sustainable development objectives.
- Adopt responsible investment management principles and promote sustainability education across finance teams.

Advance Social Responsibility Across the Value Chain

- Conduct social audits to ensure ethical labour practices, human rights compliance, and safe working conditions.
- Engage suppliers and partners in improving ESG performance.

Tailor ESG Policies to Local Contexts

- Account for local regulatory requirements, environmental risks, and socio-economic conditions in each geography.
- Adapt approaches to the unique risks and opportunities of each operating environment.

Ensure Leadership Engagement and Accountability

- Train managers and employees on ESG policies and expectations.
- Set KPIs, align incentives with sustainability goals, and continuously monitor and improve performance.

Engage Stakeholders in Policy Development

- Involve community members, experts, local authorities, customers, and suppliers in shaping ESG policies.
- Foster collaboration to enhance trust, resilience, and long-term value creation.

Shammi Singh

Head of Social, Internal, Social Supplier Assurance Solution, BSI Group

ENERGY EFFICIENCY AND ESG LEADERSHIP IN ACTION

Bureau Veritas is a French based company and world leader in TIC (Testing, Inspection & Certification) Industries established in 1828. It operates in various sectors, CPS, Certification, building & infrastructure, Agri-food Commodities, Marine & Offshore, Industry and education. With a vision to be the preferred partner for customers' excellence and sustainability, the company innovates to help them navigate change. The company's technical experts support customers to address challenges in quality, health and safety, environmental protection, and sustainability.



Bureau Veritas is present in 140+ countries through a network of over 1,500+ offices and laboratories, and 83,000+ employees. Bureau Veritas generated \$6.34 billion in revenue in 2024. Hinda Gharbi has been CEO of Bureau Veritas since June 2023. As of close of trade December 20th 2024, Bureau Veritas is listed on Euronext Paris and belongs to the CAC 40 ESG, CAC Next 20, SBF 120 indices and is part of the CAC SBT 1.5° index.

Bureau Veritas is honoured and proud to announce that it has improved its ESG performance in the S&P Global Corporate Sustainability Assessment (CSA), achieving a score of 84/100 for 2024. This places the company as #2 among 184 companies in the Professional Services Industry category - which encompasses the TIC sector.

Best Practices:

1. LED Lighting Replacement through the office.

- Description: Complete replacement of fluorescent tubes and traditional lighting with LED panels
- Impact: 10-12% electricity reduction minimum
- Implementation: Multiple locations (India, Taiwan, Indonesia, Spain, Guatemala)

2. HVAC System Upgrades and Controls

Actions:

- Replace aging units with high-efficiency alternatives
- Install Variable Air Volume (VAV) controls
- Temperature control between 23-26°C
- Impact: 14.5% carbon reduction (Buffalo example with heat pumps)

3. Motion Sensors and Smart Controls

- Description: Install motion sensors for lighting in low-traffic areas and meeting rooms
- Benefit: Automatic shut-off when areas are unoccupied
- Locations: Bangladesh, Spain, Mexico, Guatemala

4. Time Switches for High-Power Equipment

- Description: Install automatic timers on frozen test chambers, high-powered fans, and other equipment
- Impact: 11,520-15,360 kWh per year savings (Panyu example)
- Benefit: Prevents equipment running unnecessarily overnight

5. Green Energy Transition

- Description: Switch to 100% renewable electricity where available
- Example: Buffalo lab achieved 426 tons CO2 reduction annually
- Locations: Multiple sites transitioning to solar and green energy certificates

6. Equipment Efficiency Upgrades

Actions:

- Replace fixed frequency air compressors with variable frequency
- Upgrade old microwaves, water heaters, and testing equipment
- Impact: 21,120 kWh per year (air compressor example)

7. Operational Energy Management

Actions:

- Delayed HVAC startup (start 1 hour later)
- Lights and AC off during lunch breaks
- Weekend shutdown protocols
- Impact: 26% electricity improvement (China Quanzhou example)

In process:

1. Compressed Air System Optimization

Key Actions:

- Weekly ultrasonic leak detection and repair
- Pressure optimization (reduce by 1 bar saves ~7% energy)
- Heat recovery from compressor cooling circuits
- Impact: 15-25% energy savings overall

2. Laboratory Fume Hood Optimization

Actions:

- Install Variable Air Volume controls
- Staff training on sash management

3. Thermal Imaging and Insulation Audits

Actions:

- Scan steam lines, boilers, and heat exchangers for hotspots
- Insulate valves/flanges and AC ducts
- Impact: 5-10% steam system efficiency gain, surface temperature reduction by 15°C

Bureau Veritas contributes to sustainability transformation based on 4 pillars:

1. **Capacity Building:** with initiatives such as TFL (To the Finish Line) where participating suppliers receive practical tools and guidance for resource efficiency (energy, water, material).
2. **Facilitating Green Finance:** with technical due diligence and technical assistance for investee.
3. **Verification:** of impact related to environmental and social aspects.
4. **Guidance on Communication of Sustainability characteristics of products:** aligned with UNEP's Retail4Impact initiative.

Key Learnings and Action Roadmap

Prioritize Energy Efficiency Upgrades Across Operations

- Replace conventional lighting with LED systems to achieve measurable electricity savings.
- Upgrade HVAC systems with high-efficiency models, install Variable Air Volume (VAV) controls, and maintain optimal temperature ranges (23–26°C).

Leverage Smart Controls to Reduce Energy Waste

- Install motion sensors in low-traffic areas to automatically switch off lights when not in use.
- Use time switches for high-power equipment to prevent unnecessary overnight energy consumption.

Transition to Renewable Energy Sources

- Switch to 100% renewable electricity wherever feasible, including on-site solar and certified green energy procurement, to significantly cut CO₂ emissions.

Upgrade Equipment for Higher Efficiency

- Replace fixed-frequency air compressors with variable-frequency models.
- Modernize outdated appliances and lab/testing equipment to reduce energy demand.

Implement Robust Operational Energy Management Protocols

- Introduce delayed start-up schedules for HVAC systems, switch off equipment during breaks, and enforce weekend shutdown procedures to avoid idle energy use.

Adopt Continuous Monitoring and Optimization Measures (In Progress at BV)

- Conduct regular compressed air system leak detection and pressure optimization.
- Optimize laboratory fume hoods with Variable Air Volume controls and staff training.
- Use thermal imaging to identify and insulate heat loss points, improving system efficiency.

Integrate Sustainability into Core Business Services

- Offer capacity-building programs like To the Finish Line to guide suppliers in resource efficiency.
- Support clients with technical due diligence for green financing.
- Verify environmental and social impact performance and align sustainability communications with recognized frameworks (e.g., UNEP Retail4Impact).

For more details login to: www.bureauveritas.com

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Bureau Veritas CSPS (I) Pvt. Ltd.

PCI INDIA

WOMEN - LED PATHWAYS TO CLIMATE RESILIENCE AND GREEN LIVELIHOODS

PCI India, has been working in India since 1998. We drive interventions to transform the lives of communities at scale by solving complex social issues – partnering with governments, private sectors, and development organizations. Our decades of deep community connection have equipped us to discover the root causes of social and developmental challenges faced by the communities, including the marginalized ones. Through our evidence-based programming and sophisticated measurements, we design solutions that are efficacious and scalable. We are recognized for providing high-quality technical assistance to both national and state governments.



ESG Best Practices at PCI

Driving Inclusive and Climate-Resilient Livelihoods – PCI India's Gender – Cantered Sustainability Initiatives

In today's sustainability discourse, achieving gender equality, climate resilience, and economic empowerment are recognized as interdependent goals essential for inclusive growth. For organizations working in development and social impact, this means integrating environmental stewardship with livelihood creation, ensuring that vulnerable communities—particularly women—can thrive in a rapidly changing economy. PCI India has been at the forefront of these efforts, leveraging innovation, partnerships, and digital tools to deliver transformative, scalable models. Two flagship initiatives—E-Rozgar and DEWEE (Decentralized Renewable Energy for Women's Economic Empowerment)—illustrate how PCI operationalizes ESG principles across its programs.

E-Rozgar: Inclusive Green Livelihoods for Urban Women

Objective:

To enable economic empowerment for urban poor women through formal participation in the emerging e-waste sector, creating dignified and environmentally responsible livelihoods while fostering institutional collaborations for a sustainable circular economy.

Key Features and Approach:

- A 16-month CSR-supported initiative implemented in Bangalore with backing from ABB Trust.
- Targets integration of 250 urban women into e-waste collection, segregation, and recycling roles, combined with entrepreneurial skill development.
- Developed a context-specific training curriculum addressing e-waste categorization, health & safety protocols, pricing, and enterprise management.
- Introduced Naari Circuit, a digital platform for real-time tracking of onboarding, enterprise operations, and e-waste collection.

Impact Highlights:

- 150+ women mobilized through community engagement; 20 formally onboarded, with 35 more expressing interest.
- Three women-led collection centres identified in strategic urban clusters (Banshankari, KR Market, Mahadevapura).
- Partnerships established with BBMP, Karnataka SPCB, and Peenya MSME Association for regulatory and operational support.
- Active digital outreach through Instagram handle @naari.circuit, sharing grassroots stories and promoting responsible e-waste disposal.

Future Roadmap:

- Scale training and operationalize three collection centres as registered women-led enterprises.
- Expand digital registration and partnerships with recyclers, financial institutions, and municipal authorities to create a replicable, sustainable model.

DEWEE: Decentralized Renewable Energy for Women's Economic Empowerment**Objective:**

To promote solar energy adoption among rural women entrepreneurs, enhancing their income generation capabilities, reducing energy costs, and building climate resilience through decentralized clean energy systems.

Key Features and Approach:

- Implemented across 20 districts in Uttar Pradesh with support from GEAPP, HSBC, and the Gates Foundation.
- Targets 10,000 women-led enterprises for solar system integration, backed by financing solutions and capacity-building interventions.
- Developed the DEWEE mobile app for real-time tracking of enterprise onboarding, solar installations, and emissions mitigation.
- Introduced an innovative solar benefits calculator for economic and environmental impact projections.

Impact Highlights (Till Date):

- 1,811 women-led enterprises digitally profiled; 111 solarized, and 753 women trained in solar system management.
- INR 2.86 crore gap funding disbursed for installations in 50 Take-Home Ration units.
- 150+ women trained in solar product use through strategic partnerships (e.g., Prerna OJAS).
- Mapping of 147 Cluster Level Federations (CLFs) and 117 DRE service providers to strengthen service delivery ecosystems.

Future Roadmap:

- Expand solar installations and training to thousands more enterprises in the coming quarters.
- Integrate financing solutions into the DEWEE app for greater accessibility.
- Foster a self-sustaining clean energy ecosystem for rural women entrepreneurs through decentralized channels.

Key Differentiators of PCI's ESG Approach

- **Gender-First Lens:** Both initiatives place women at the centre of green economic transitions.
- **Digital Enablement:** Tools like Naari Circuit and the DEWEE app ensure transparency, traceability, and real-time impact measurement.
- **Multi-Stakeholder Partnerships:** Engagement with government bodies, financial institutions, and private sector partners amplifies sustainability outcomes.
- **Scalability:** Models designed for replication across diverse geographies to drive systemic impact.

Key Learnings and Action Roadmap

Integrate Gender-First Approaches into Sustainability Programs

Place women at the centre of green economy initiatives, recognizing their role as agents of change in driving climate action and economic transformation.

Leverage Digital Platforms for Transparency and Scale

Adopt traceability tools (e.g., Naari Circuit, DEWEE app) to monitor onboarding, operations, and environmental impact in real time, ensuring accountability and scalability.

Foster Public-Private-Community Partnerships

Collaborate with municipal bodies, state agencies, financial institutions, and private sector players to build integrated sustainability ecosystems that ensure both operational viability and community ownership.

Link Climate Action with Economic Empowerment

Develop programs that simultaneously address environmental goals (e.g., renewable energy adoption, circular economy practices) and income generation for marginalized communities.

Invest in Capacity Building for Green Livelihoods

Provide tailored training on technical, business, and environmental aspects to equip community members—particularly women—to manage and expand sustainable enterprises.

Enable Access to Green Finance

Integrate financing mechanisms (gap funding, microcredit, or blended finance models) to ensure the affordability and long-term adoption of clean energy and climate-smart technologies.

Design for Replication and Policy Integration

Develop models that can be replicated in multiple geographies and advocate for policy support to mainstream gender-responsive green livelihood approaches at state and national levels.

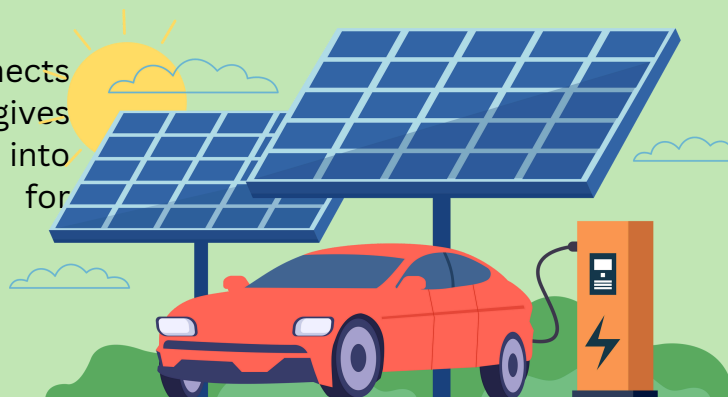
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Director Climate & Strategy

PHD CHAMBER OF COMMERCE AND INDUSTRY (PHDCCI)

PHDCCI'S ESG & SUSTAINABILITY LEADERSHIP: BUILDING RESILIENT BUSINESSES AND SUPPLY CHAINS THROUGH POLICY, CAPACITY, AND MARKET DEVELOPMENT”

PHDCCI is a national industry body that connects business, government, and academia. This gives PHDCCI leverage to turn sustainability ideas into policies, programs, and on-ground help for companies.



The Big Picture

Policy advocacy & standard shaping

- Runs the Carbon Markets Forum to build India's carbon market through working groups, taskforces, events, and policy advice.
- Hosts thematic summits (e.g., Sustainable Cities, MSME Sustainability, Global ESG Advancement) to surface issues and push practical fixes like financing models, BRSR compliance, and health & ethics in supply chains.
- Clear rules + industry input reduces confusion and compliance friction; firms can plan investments with confidence. (India's BRSR Core is the anchor disclosure regime.)

Capability building (training the ecosystem)

- Runs a Certified ESG Practitioner program covering strategy, BRSR/GRI/TCFD reporting, risk, finance, and assurance.
- Centres of Excellence, notably Green Hydrogen (CoE-GH), to upskill MSMEs and link them with tech partners and funders.

Hands-on advisory & compliance support

- Through the Centre for Sustainability, PHDCCI provides BRSR Core readiness, GHG inventory & assurance, SBTi target-setting, CBAM preparedness, ESG ratings/scorecards, and water/energy audits.
- Operates a Water Audit Centre; PHDCCI is listed/extended among CGWA-recognized auditor bodies. This helps industries meet groundwater norms (>100 m³/day abstraction).
- Companies (especially MSMEs) get end-to-end help—from measurement to assurance—so disclosures are accurate and bankable, and penalties/operational risks drop.

Market development & innovation

- The Carbon Markets Forum builds trading literacy, designs working groups, and supports carbon credit/project development—practical steps to make decarbonization investable.

- The Green Hydrogen CoE de-risks new tech adoption for MSMEs via training, safety/process know-how, and global linkages (e.g., Greenstat Norway).
- Markets and technology lower the cost of cutting emissions; forums + CoEs help companies turn targets into projects they can finance and scale.

Convening & knowledge sharing

- Sustainable Cities Summit launched a knowledge report on city financing; MSME Sustainability Summit brought BEE, SIDBI, and large buyers together; Global ESG Summit focused on integrity, health, and BRSR compliance. These gatherings translate policy into checklists companies can act on.

Real-Life Examples

- MSME Sustainability Summit (Sept 2024): Dialogues on green credit, product ratings, and financing lines (e.g., SIDBI). Outcome: clear asks for MSME-friendly policies and procurement signals.
- Sustainable Cities Summit (Aug 2024): Shared models like municipal/green bonds and EV corridors; launched a financing report. Benefit: city projects find realistic funding paths; suppliers see demand signals.
- ESG Practitioner Course (2024 cohort): 30-hour program covering BRSR/GRI/TCFD, ESG risk, sustainable finance, and assurance—building internal talent to run ESG like finance or quality.
- Carbon Markets Forum sessions (2024–25): Focus on India's CCTS and practical compliance/offsets, helping firms prepare for trading and project pipelines.
- Water Audit Centre: Supports CGWA-mandated audits for high groundwater users; ties efficiency savings to regulatory compliance.



How PHDCCI's work maps to India's ESG rulebook

- BRSR/BRSR Core (SEBI): PHDCCI training and advisory align with SEBI's 2023 circular (assurance on "Core" KPIs, value-chain disclosures, phased rollout to top 1,000 listed firms).
- Carbon markets: PHDCCI's forum supports industry readiness as India operationalizes CCTS and a national carbon market.
- Water stewardship: CGWA notices recognize PHDCCI among auditor bodies; the Centre's audits help companies meet groundwater conditions and cut costs.

PHDCCI's initiatives are closely aligned with the United Nations Sustainable Development Goals (SDGs), which provide a universal framework for balancing economic growth with environmental and social responsibility:

- **SDG 6** – Clean Water & Sanitation: Through its Water Audit Centre, PHDCCI promotes efficient water use and compliance with groundwater regulations, directly supporting sustainable water management.
- **SDG 7** – Affordable & Clean Energy: The Centre of Excellence in Green Hydrogen helps industries, especially MSMEs, shift toward clean fuel adoption, contributing to low-carbon energy transitions.
- **SDG 8** – Decent Work & Economic Growth: By training companies in ESG compliance and sustainable finance, PHDCCI fosters responsible growth that attracts investment and secures long-term competitiveness.
- **SDG 9** – Industry, Innovation & Infrastructure: Carbon markets, green financing models, and innovation forums drive industrial decarbonization and resilient infrastructure.
- **SDG 11** – Sustainable Cities & Communities: The Sustainable Cities Summit highlights urban sustainability, clean mobility, and financing solutions for green infrastructure.
- **SDG 12** – Responsible Consumption & Production: ESG disclosures (BRSR Core, assurance, supply chain reporting) encourage companies to manage resources more responsibly and reduce waste.
- **SDG 13** – Climate Action: The Carbon Markets Forum and GHG management services directly empower companies to measure, reduce, and offset emissions in line with national climate goals.
- **SDG 17** – Partnerships for the Goals: By partnering with Government, Industry, Development Sector organisations and Academia, PHDCCI strengthens collaboration to accelerate sustainability.

Key Learnings and Action Roadmap

Integrate ESG into Procurement:

- Encourage Tier-1 and Tier-2 suppliers to adopt BRSR Core-aligned disclosures.
- Develop supplier ESG scorecards for transparency and monitoring.

Strengthen MSME Capacity:

- Provide financial incentives and training for MSMEs on green credit, GHG reduction, and circular economy practices.
- Create mentorship linkages between large corporations and MSMEs to drive compliance readiness.

Adopt Science-Based Targets:

- Encourage companies and suppliers to set SBTi-aligned emission reduction goals and link them to supply chain operations.

Promote Water & Resource Stewardship:

- Expand water and energy audits across supply chains, integrating them into procurement standards.
- Incentivize suppliers that demonstrate measurable savings and compliance.

Facilitate Carbon Market Readiness:

- Build supplier literacy on carbon credit mechanisms and low-carbon project financing.
- Pilot collective supply-chain carbon reduction projects that can be monetized through trading.

Ensure Ethical & Inclusive Supply Chains:

- Adopt codes of conduct on labour rights, health, and workplace ethics across suppliers.
- Promote gender-inclusive entrepreneurship within value chains.

Leverage Partnerships:

- Foster industry-government-academia collaborations to reduce costs of compliance and accelerate innovation adoption.
- Use multi-stakeholder platforms like PHDCCI's summits to share replicable best practices.

By embedding SDG principles into its programs, PHDCCI ensures that sustainability is not treated as a separate compliance burden but as a roadmap for long-term growth, resilience, and global competitiveness. Businesses working with PHDCCI can directly link their ESG actions to measurable global goals, improving credibility with regulators, investors, and consumers.

Dr. Jatinder Singh

Deputy Secretary General
PHDCCI

UN GCNI advocates a future where ESG integration becomes synonymous with business excellence. This theme paper and best practice compendium is a step towards creating a knowledge ecosystem that empowers businesses to embed ESG deeply into their operations and value chains. By aligning ambition with action, India Inc. can lead the global movement for sustainable, inclusive, and resilient growth.

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“This collective endeavour underscores the power of partnership and shared commitment to advancing ESG and Sustainability Leadership for a resilient and inclusive future”





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