

→ Examples from Annual Integrated Reports of Indian Corporates

Ⓐ HCL Technologies

- 12 ESG topics → Material
- 100 Performance metrics
- Board level ESG Committee
- Global head of Sustainability
- Committee to approve goals
- Short - medium & long term goals
- Director responsible for BRSR
- Enhancing the ESG skills of employees.

Ⓑ Tata Motors

- Safety, health & Sustainability Committee
- Board guides & oversees value-creation process.
- Co. carried out a detailed materiality assessment in FY21
- engages with internal & external stakeholders.
- identifies material issues that impact our ability to create value.

Ⓒ Asian Paints

- BOD approved & adopted vision & mission statements.
- Co. maximizes returns by propelling ESG strategies
- ESG linked targets for performance strategies
- Targets to make supply chain partners ESG complaint.
- Key Focused areas → Emission reduction & energy conservation.
- Principle of materiality to review strategic priorities & determine significant ESG topics.

Ⓓ Bharti Airtel

- Enhanced supplier engagement.
- Increased ESG awareness & training programs for suppliers.
- To drive long term sustainability vision, Co. has been following ESG Governance mechanism.

## → Identification of ESG Risks & Opportunities :-

Tata Steel (Annual Rep. 21-22)      Bharti Airtel (Annual Rep. 21-22)

- |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>① <u>Supply chain policy</u> →</p> <p>a) Identified 450 critical suppliers.</p> <p>b) Supplier belongs to all the categories, like - procurement process consumables, maintenance, repairs, operations, services &amp; transportations.</p> <p>c) Factors while deciding critical suppliers are as follows - spend value, critical to the business &amp; potential &amp; actual ESG risk</p> <p>d) Co. has initiated sustainability assessment for supply chain partners through an independent 3<sup>rd</sup> party.</p> | <p>① Board level ESG Committee</p> <p>② Critical ESG Risks → Climate Change.</p> <p>③ Target initiative → Reach net zero emission by 2050</p> <p>④ Annual evaluation by BOD → An annual of evaluation of co.'s risk management framework work is conducted by the BOD.</p> <p>⑤ Function of RMC → Formulation of detailed risk management policy &amp; monitor its implementation.</p> <p>⑥ Role of CRO → Work closely with RMC on an independent basis &amp; conduct complete review.</p> <p>⑦ Materiality assessment by independent 3<sup>rd</sup> party.</p> |
| <p>② <u>Strategic Objective</u> → Co. has identified 4 strategic objective to create sustainable &amp; profitable growth.</p> <ul style="list-style-type: none"> <li>• One specific long term goal<sup>is</sup> on carbon emission</li> <li>• Decarbonisation strategy is to be achieved in 3 time horizon (i.e, short term → 2025, medium term → 2030, Long term → 2050)</li> </ul>                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <p>③ TCFD → Co. is signatory to the TCFD for climatic change &amp; has identified transition risk &amp; opportunity</p>                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |