

The ESG Yearbook

An Indian Landscape

2022

BOARD INDEPENDENCE

GREEN HOUSE GAS REDUCTION

EQUAL PAY

BOARD DIVERSITY

BIO-DIVERSITY CONSERVATION

RESPONSIBLE SOURCING

WATER & WASTE MANAGEMENT

LABOUR RIGHTS

CEO PAY



FOREWORD

ESG as a concept has moved beyond the Boardrooms and from good to have, to one of the key differentiators – not only for investors and lenders but also for the corporates. As more and more economies are waking up to the adverse effects of climate change, poorly governed businesses, labour unrest, human rights violations, the effect of the pandemic on employment quality, etc. ESG assessments are clearly the tool to monitor the transition towards sustainability and India is not far behind in making this transition. The BRR and subsequently the BRSR guideline issued by the SEBI for the top 1000 listed companies is a landmark step in the journey.

ESGRisk.ai, India's first ESG Rating Provider and a wholly owned subsidiary of Acuité Ratings & Research, aids this process. We assess companies based on the disclosures made by them and provide independent and unbiased ESG ratings, based on an objective framework to measure their relative performance within and across industries. ESGRisk.ai has aimed to bring discipline to an area that is struggling with a lack of standardisation, common benchmarks, and quality data. Our ESG Assessments provide corporates not only the option to monitor where they are through comprehensive assessments which consider over 1000 indicators but also provide them with relevant Indian and global benchmarks.

Through the Yearbook we bring to you a comprehensive ESG analysis of the top 1000 NSE Listed companies across 54 sectors. It also contains the list of the 21 award winners as a part of the second edition of our annual awards ceremony - ESG India Leadership Awards 2022. The ESG Yearbook is an interesting read not just for ESG experts but for investors, the financing community, business leaders, government institutions, and think tanks. India still has a long way to go to tap into its potential as an ESG-forward country but according to our estimates, the AUM invested into ESG funds is expected to grow by 30% which is quite a figure to look forward to.

Hope we are able to add value through this publication. Please share your reviews at knowledge@esgrisk.ai

- **Mr. Sankar Chakraborti, Chairman, ESGRisk.ai, Group CEO, Acuité**

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INTRODUCTION

ESG Risk Assessments and Insights Limited ([ESGRisk.ai](https://www.ESGRisk.ai)) is India's first ESG Rating Provider and the first to be empanelled with Association of Mutual Funds in India (AMFI) for ESG ratings of mutual funds. We have adopted an India specific assessment framework aligned with global ESG assessment standards. The company is a wholly owned subsidiary of Acuité Ratings and Research Limited and part of the Acuité Group. The Acuité Group comprises of three entities, Acuité Ratings & Research Limited, SMERA Gradings & Ratings Private Limited and ESGRisk.ai. Acuité Ratings & Research Limited is a full-service credit rating agency registered by SEBI and accredited by RBI that specializes in bank loan and bond ratings. SMERA Gradings and Ratings Private Limited is approved by Ministry of MSME & Government of India for the rating and grading of SME in India. ESGRisk.ai draws on Acuité Group's experience in rating of more than 9,300 companies & a total of 50,000 plus SMEs. Our objective is to provide investors, companies, governments, development agencies, and research bodies access to ESG assessments and data for Indian companies.

Sustainability has become a priority for the global society with the risk landscape changing rapidly. Frequent and intense droughts, heat waves, rising sea levels, melting glaciers, warming oceans, violation of human rights and labour strikes have paved the way for the investing community to move towards socially responsible investment practices and ethical consumerism. India is one of those countries which is going to be adversely impacted with ESG related risks because of rising population burden, dependence on agriculture and long coastline. Our honourable PM has committed India to become Net Zero by 2070 and we believe that ESGRisk.ai will catalyse this sustainable transformation by encouraging responsible businesses.

Having launched our first product in June 2021, we successfully rated top NSE 500 companies, and have since expanded our portfolio to top NSE 1000 companies. Our ESG rating is an objective, independent & unbiased opinion on a company's ability to manage future/emerging risks on Environment, Social, & Governance issues that have material financial impact. Our rating methodology evaluates a company's ESG performance across 3 categories, 19 themes, 35 key issues and 1000 indicators. Our assessments are based on company's public disclosures.

Several organizations have actively embraced ESG, but it is important that the corporate sustainability story be communicated to their stakeholders, as not only will this drive the ESG journey, but also inspire others. Our assessment indicates that the average ESG disclosure rate of NSE 1000 companies is 58%, while the highest ESG disclosure rate stands at 94%.

To celebrate the growth of Indian companies in the ESG space, ESGRisk.ai, is presenting the ESG India Leadership Awards 2022. Our 21 ESG award categories (covering Environment, Social, Governance, Transparency and overall ESG performance) ensure that organizations achieving excellence through their ESG practices are honoured. The awardees are chosen after evaluating top 1000 listed companies through a meticulous and rigorous process. A special category award for Transparency is given to the company for disclosing maximum information in terms of their sustainability practices. The awards are purely based on ESG performance of the companies and winners did not have to nominate themselves (or pay a fee) to get evaluated for the awards

The ESG Yearbook 2022

54

INDUSTRIES

1,000

COMPANIES

1,000

INDICATORS

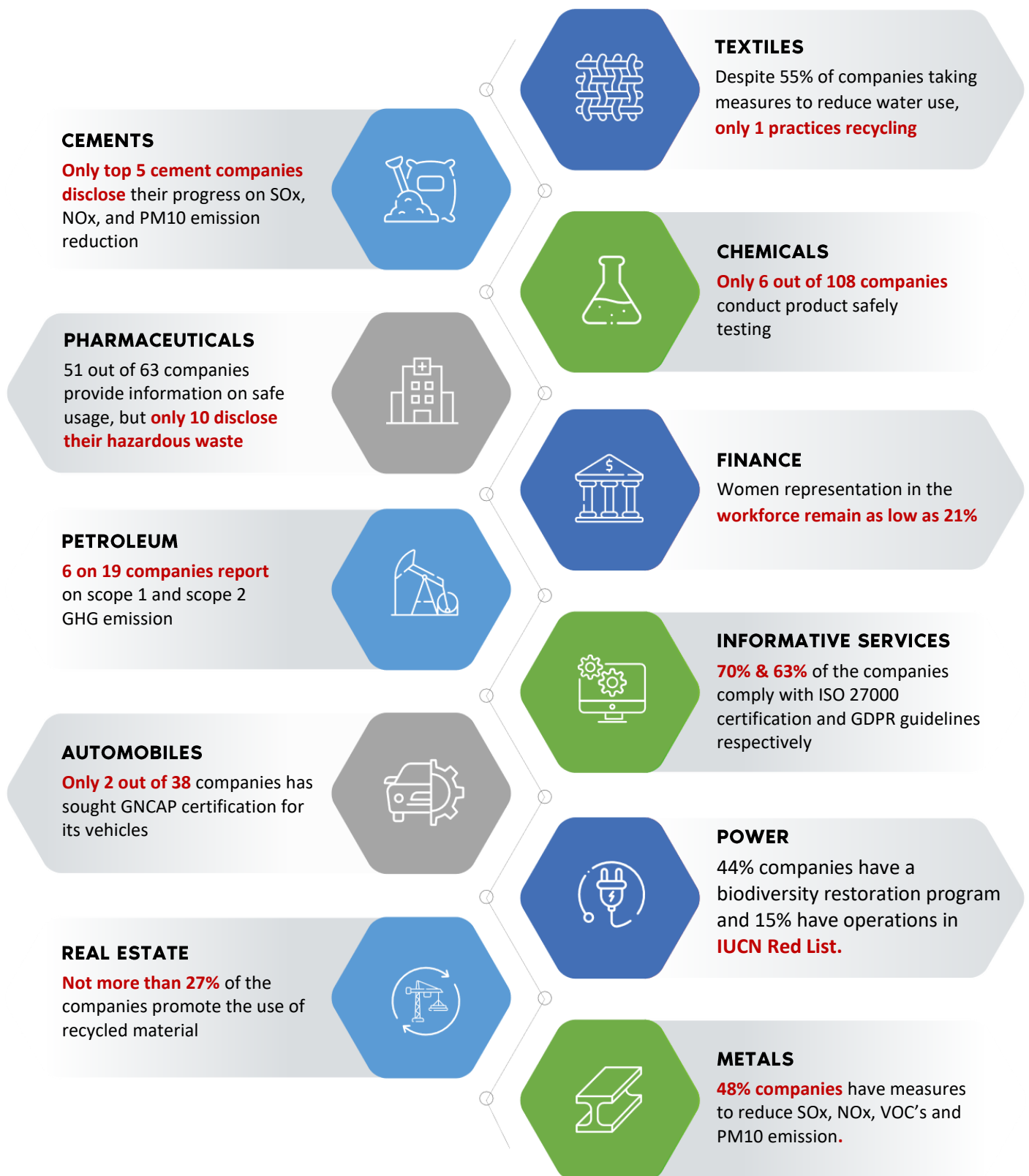
14,000

CALCULATIONS PER COMPANY

19,14,000

INDICATORS COLLECTED

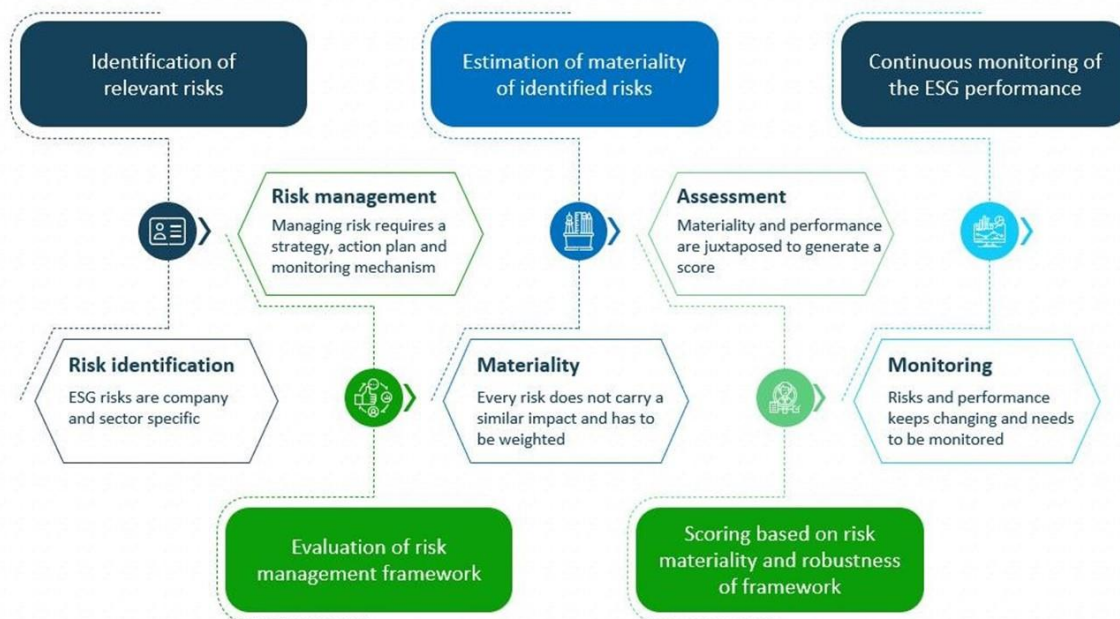
Did You Know?



Rating Methodology

Comprehensive ESG assessment

ESGRisk.ai's ESG Ratings have been developed to help investors understand a company's ESG performance and link it to the investor's portfolio risk. Our ESG ratings are a summary of financially material ESG factors. The rating report provides the performance on all these factors. Our ratings and the rating report can be used for portfolio construction and management as well as for ESG performance comparisons and benchmarking.



Understanding ESGRisk.ai's ESG data taxonomy

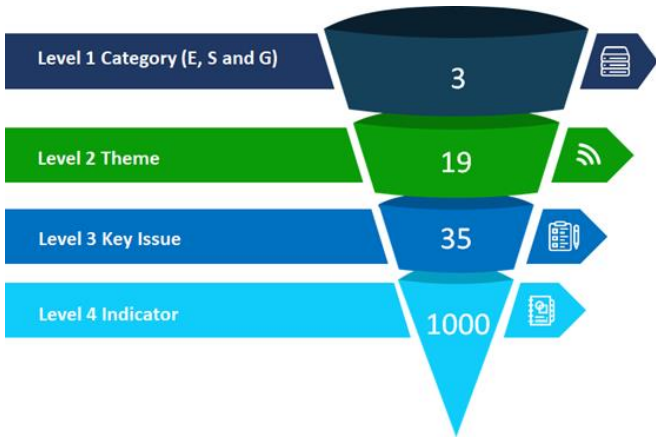
A comprehensive ESG assessment requires identifying all material ESG risks and evaluating the company's risk management practices to proactively address these risks. Since every company has exposure to a wide variety of risks and each risk impacts a company to varying degrees, the evaluation of exposure and scoring of the risk management process has to be structured in a hierarchy where individual indicators pertaining to the risk exposure and management can be aggregated to evaluate the performance. ESGRisk.ai aggregates data in three levels, viz.: The Key Issue, Theme and Category level, each of which is the next level of aggregation for hierarchical risk evaluation.

ESGRisk.ai's ESG ratings are based on three categories, 19 themes with – 9 in Environment, 4 in Social and 6 in

Governance. The performance on these 19 themes are assessed by measuring the strategy, performance and results on 35 Key Issues and ~1000 indicators. ESGRisk.ai bases its ESG assessments on company disclosures and publicly available information. Information sources such as the company's website, annual reports, CSR/sustainability reports, notice for meetings, vote results as well as local and global NGO and news websites are being used to assess the company's performance on ESG issues.

Companies with biannual reporting are rated on the basis of their last year's disclosures. However, in the following rating cycle if they do not disclose their sustainability practices, then we do not consider initiatives and strategies adopted in the previous year.



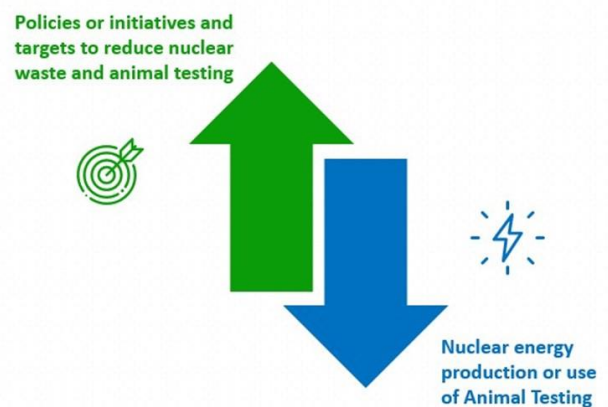


The materiality and relevance of environmental and social indicators vary across industries. Since not all indicators are relevant to every industry, ESGRisk.ai has identified the industry applicability of each indicator. Not all indicators are equally material to all industries. Hence for assessments, weights corresponding to the indicator’s materiality in a specific industry are assigned. They range from very high materiality to marginal material.

ESGRisk.ai materiality and relevancy framework ensure a company’s score is not negatively impacted if the company does not disclose their risk management framework on issues that are not considered material to that specific industry. Vice versa, the company’s score is adversely impacted if it does not report on issues that are material.



Subsequently, indicators in each category are assigned a polarity to denote if their high-performance indicator represents good or poor risk management. For example, in the environmental category, answering “yes” to nuclear production or “yes” to animal testing in the social category have a negative polarity. However, answering “yes” to policies or initiatives and targets to reduce nuclear waste and animal testing have a positive polarity.



Indicators in each category has a polarity assigned to denote if the high performance denotes good or poor risk management



Scoring according to company's ESG disclosures and transparency

Based on the company's disclosure of indicators, ESGRisk.ai will compute and publish two transparency scores, one will score the level of overall disclosures and the second will score the BRR disclosures, relevant largely in the Indian context. Business Responsibility Reporting (BRR) transparency score is based on indicators that correspond with BRR disclosures.



Scoring negative news

Negative news/controversies are unfailing indicators of the gaps in an issuer's risk management framework. The inability to foresee and manage a risk is starkly evident when the company faces controversies arising from its inability to address adverse events when they are encountered in the normal course of business. Negative news/controversies have varied levels of impact and the issuers themselves have varying approaches to manage adverse events. ESGRisk.ai's model evaluates the fragility of the risk management framework based on the magnitude of the controversy's impact.



Scores – Rating Scale

Finally, based on the above steps, ESGRisk.ai assign scores and provides ratings

Scores		What the rating signifies
High End	Low End	
Above 871		An ESG leader who is successfully managing all ESG risks
870	721	An ESG leader reliably managing all material ESG risks
720	571	An ESG leader with a largely positive track record of managing material risks
570	421	A company with a good track record of risk management, but no evidence of a robust framework
420	271	A company with a mixed track record of risk management and no evidence of a robust framework
270	121	A company with poor track record of risk management and absence of a risk management framework
Below 121		A company that is drastically impacted by ESG risks



Award Methodology

As we know the Corporates in India are recognising their social and environmental impact and have taken numerous initiatives to mitigate or manage ESG risks. 'ESG India Leadership Awards' – is an initiative of ESGRisk.ai to celebrate achievements in ESG risk management. To identify award recipients ESGRisk.ai employed a rigorous evaluation framework and to eliminate all bias, identified and appointed an independent jury, which was tasked to independently recommend award categories and develop the award framework.

To qualify as a Jury member, experts could not be affiliated with any of the corporates being evaluated, had to have ESG expertise and needed an understanding of the best sustainability practices across the globe.

The Jury met numerous times over a period of four weeks to finalize the methodology and identify the winners in each award category. The jury members agreed to use four sequential steps, to identify the winners.

1. In step 1, the jury identified material ESG issues for each sector and based on these material risk issues identified the award categories. Only companies exposed to a specific risk would be considered for the award. For example, Data privacy and security is not a material risk in the manufacturing sector and hence only companies in the service sector were considered for this award category. The Jury during internal discussions recognized that a few companies maybe leaders in managing multiple ESG risks and recommended category specific and overall leadership awards. The Jury members also opined that an award recognising ESG transparency will encourage disclosures, and this was accepted and instituted by ESGRisk.ai.

2. In step 2, the Jury identified the list of companies eligible for each award category from the universe of the top 1000 listed companies (by market capitalization). In this step, the jury did not know how any company fared on their ESG risk management. The company's performance was to be evaluated only after it made the shortlist for a category.
3. In step 3, the ESG risk management capability of each company in the shortlist was evaluated using ESGRisk.ai's assessment framework, which considers risk management strategy, ESG initiatives targets used by the company to track their performance and the performance on their internally identified targets. Leaders in each category were identified based on their scores.
4. In the final step, the leaders were screened for controversies or negative news that belies their performance in an award category.

The final list of award winners was then compiled by the Jury and presented to ESGRisk.ai's management, which also learned about the winners only from the Jury. None of the Jury members were paid by ESGRisk.ai or in any manner influenced by the companies evaluated for the awards. The awardees did not have to nominate themselves (or pay a fee) to be considered for the awards.

In summary, ESGRisk.ai's awards are not only fair, independent and unbiased, but also ascertained using a rigorous methodology applied transparently by a committee of industry experts.





Winner – ESG India Leadership Awards 2022

Sr. No.	Themes	Award Categories	2022 Awards
1	Environment	GHG emissions	Ambuja Cements Limited
2		Green supply chain	Aditya Birla Fashion and Retail Limited
3		Waste management	Mahindra Lifespace Developers Limited
4		Water efficiency	Ambuja Cements Limited
5		Air Pollutant	JSW Energy Limited
6		Green product/service	Marico Limited
7		Energy efficiency	Shree Cement Limited
8		Biodiversity Impact	Hindustan Oil Exploration Company Limited
9	Governance	Board diversity	Nesco Limited
10		Board independence	Arvind SmartSpaces Limited

Winner – ESG India Leadership Awards 2022

Sr. No.	Themes	Award Categories	2022 Awards
11	Social	Community support & development	Blue Star Limited
12		Data privacy and security	Wipro Limited
13		Employment quality	Tata Consultancy Services Limited
14		Equal opportunity	Max Ventures and Industries Limited
15		Product quality	Apollo Hospitals Enterprise Limited
16		Employee development	HDFC Bank Limited
17		Overall Leadership	Governance
18	Environment		Ambuja Cements Limited
19	Social		Infosys Limited
20	Overall ESG		L&T Finance Holdings Limited
21	Transparency		Infosys Limited

Industry Analysis





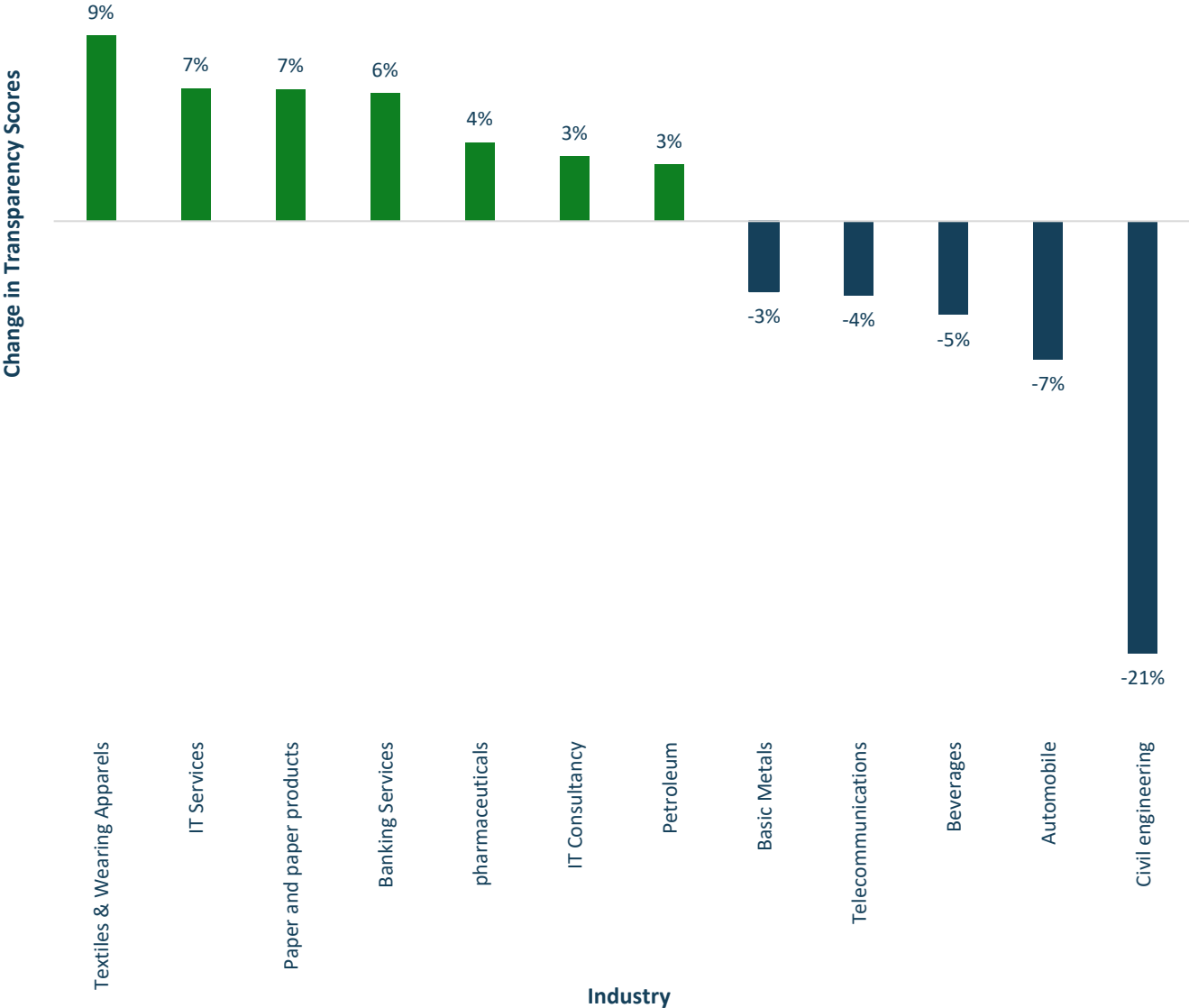
Average Transparency Score across industries

Specialized construction , 76	Warehousing and support activities , 68	Information service activities, 67	Broadcasting and programming activities, 65	Financial service activities, 65	Tobacco products, 65	Motion picture, sound recording and music, 63	
Head offices, 72	Employment activities, 62	Real estate activities, 60	Extraction of crude oil and natural gas, 59	Civil engineering, 59	Paper , 59	Human health activities, 59	Wearing apparel, 58
Publishing activities, 71	Other financial activities, 61	Wholesale trade, 58	Electricity, gas, and supply, 57	Mining support service activities, 57	Basic metals, 57	Land transport , 57	Construction of buildings, 56
Architecture and engineering activities, 70	Security activities, 61	Cement & building materials, 58	Leather , 56	Pharmaceuti... 55	Retail trade, 55	Food products, 55	Machinery and equipment n.e.c., 53
Accommodati... 70	Education, 60	Mining of metal ores, 58	Electronic and optical products, 56	Water transport, 53	Food and beverage service activities, 53	Chemicals, 52	Crop and animal production, 51
Computer programming, 69	Insurance, reinsurance and pension funding security, 60	Petroleum products, 58	Textiles, 56	Wood and products of wood , 53	Automotive, 50	Beverages, 50	Other manufactur... 49
	Telecommunic... 60	Other transport equipment, 57	Rubber and plastics products, 55	Electrical equipment, 53	Furniture, 50	Fabricated metal, 49	Air transport, 47

Transparency scores are based on the actual disclosures by the company. The average transparency score in service industry is 63% whereas in the manufacturing sector it is 55%.



Percentage change in transparency scores from FY19-20 to FY20-21 across industries



The above graph depicts the percentage change in transparency scores from FY19- 20 to FY20-21 across industries. Green represents an increase in transparency scores and blue represents a decrease in transparency scores as compared to the previous financial year. The transparency score of textile industry has witnessed a significant increase, followed by IT services industry and paper & paper products industry. Industries such as civil engineering, automobile, beverages, telecommunications and basic metals can disclose relevant information to improve their transparency scores.



Metals and Mining Industry

Basic Metals

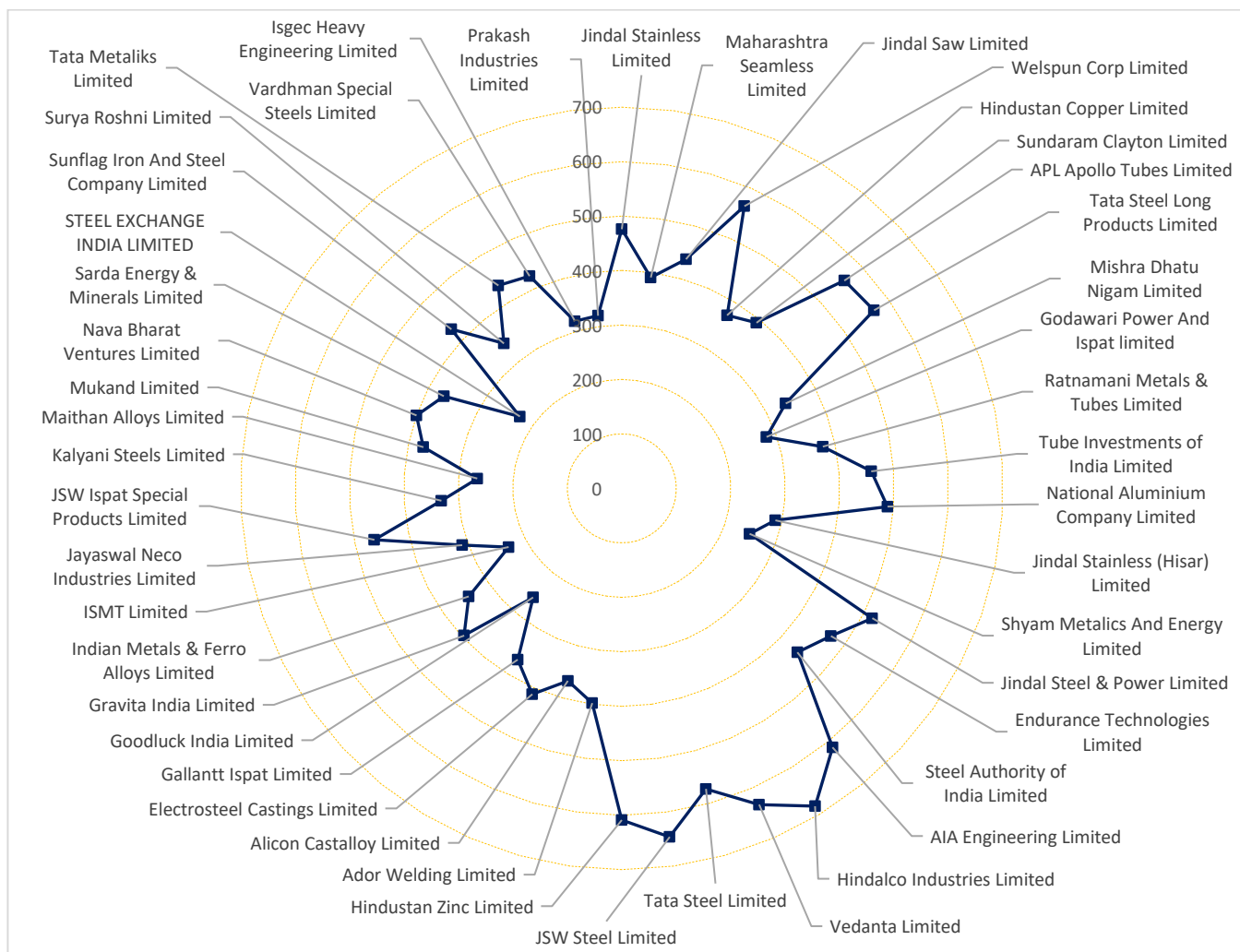


Figure: Industry Overview

418

ESGRisk.ai Average score

56%

Average BRR score

57%

Average Transparency score



41% of the companies are leading in the key issue of Board Diversity

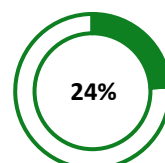
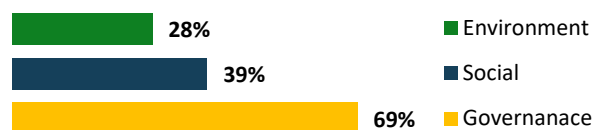


Only 6 out of 46 companies have taken initiatives to reduce GHG emissions

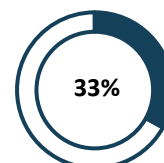


22% of the companies are riddled with controversies mostly ranging across Business Ethics

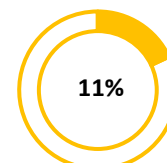
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

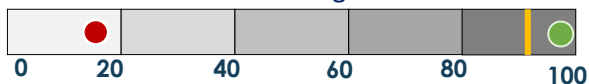
Companies following reporting standards and framework



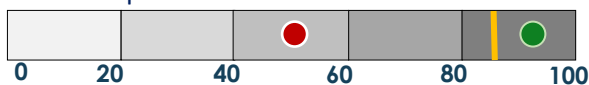
Factors such as ethical business practices, management compensation and board administration hold primary importance within this industry. Likewise, regulatory compliance and audit control are other material issues. Metal manufacturing also has a substantial environmental impact. Most of the steel is still produced with blast furnaces, releasing large amounts of greenhouse gases and other air pollutants into the air. Occupational health and safety management plays an important role in the metals industry due to exposure to hazardous chemicals, electricity, steam, working at height, working in confined spaces, etc. Community relations, inclusive development, and human rights concerns are other critical factors to consider. Furthermore, product quality, as well as supply chain management, are essential.

Performance of material issues in Manufacturing of Basic Metals

Audit Committee Functioning



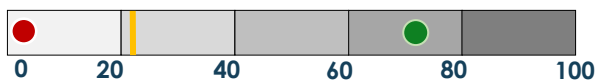
Board Independence



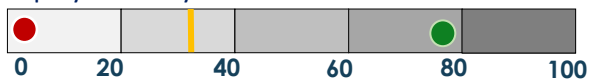
Air Pollutant



GHG Emissions



Employee Safety



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • JSW Steel Limited • Hindalco Industries Limited
	Social
	<ul style="list-style-type: none"> • JSW Steel Limited • Vedanta Limited
	Governance
	<ul style="list-style-type: none"> • Hindalco Industries Limited • Tata Steel Long Products Limited



Fabricated Metals

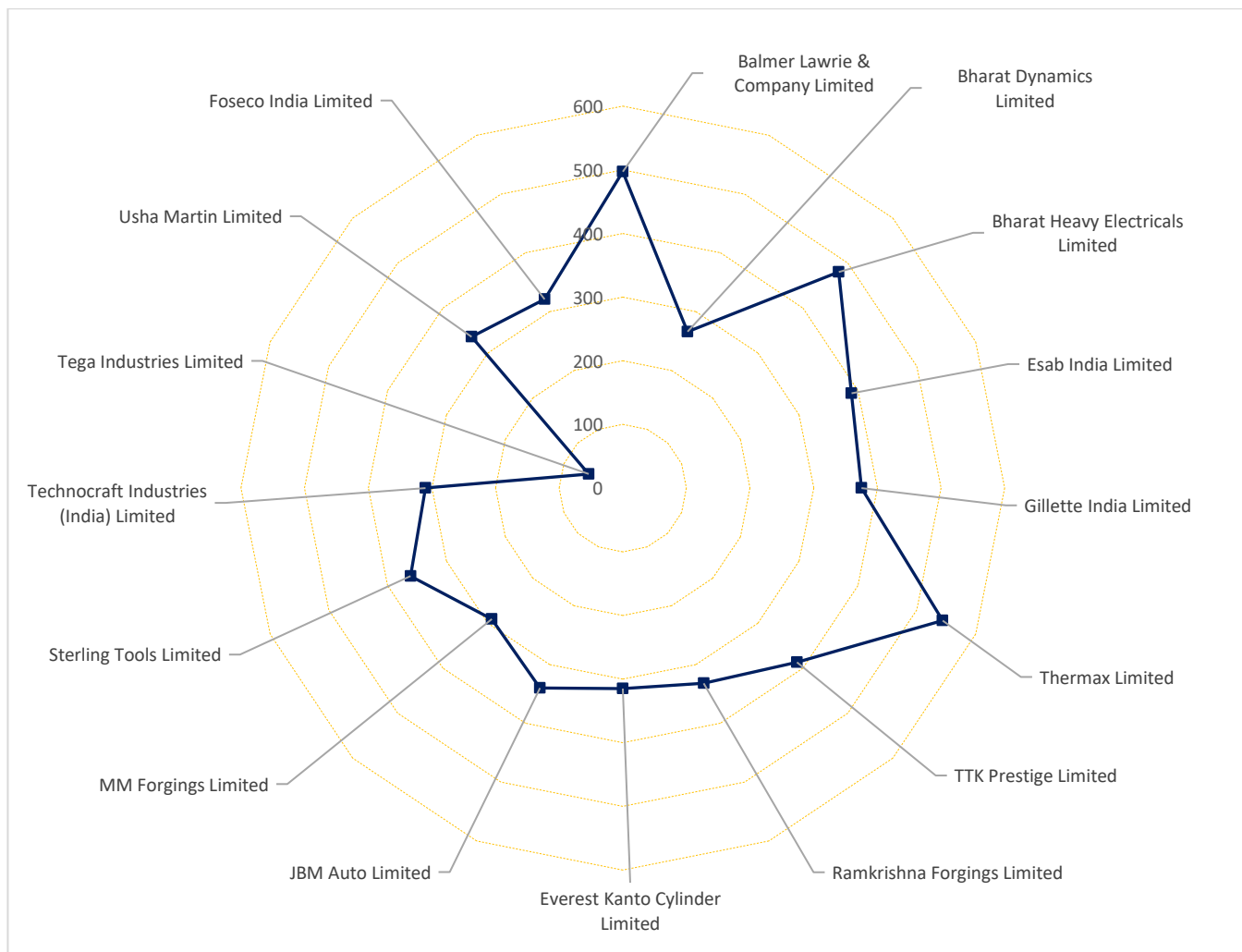


Figure: Industry Overview

350

ESGRisk.ai Average score

47%

Average BRR score

49%

Average Transparency score



38% companies are leading in the key issue of Board Diversity

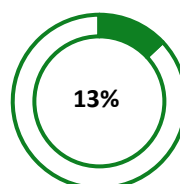
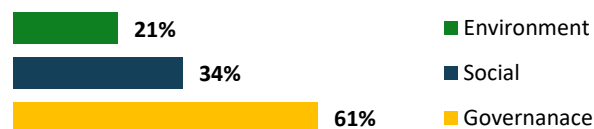


9 out of 16 companies have taken measures to reduce water pollution

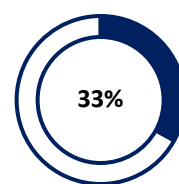


19% of the companies have controversies related to Business Ethics for violation of regulations

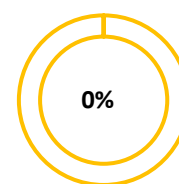
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

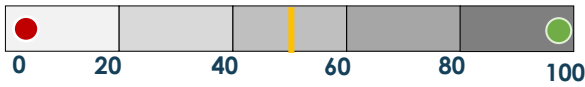
Companies following reporting standards and framework



Manufacturing of fabricated metal products industry is exposed to risks associated with regulatory compliance and ethical business practices. Additionally, board oversight, committee functioning, financial audit and shareholders' rights are other material issues for this industry. The industry is also exposed to a variety of environment related risks. Material risks include releasing greenhouse gases & air pollutants. Waste management, sustainable supply chain, water & energy efficiency and resource efficiency are significant environmental issues for this industry. Occupational health & safety, product quality & safety, responsible procurement and human rights are crucial risks in the manufacturing of metal products industry.

Performance of material issues in Fabricated Metals

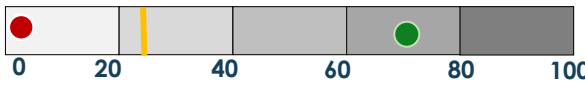
Business Ethics



GHG Emissions



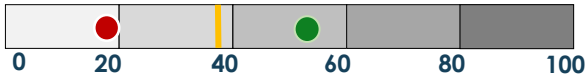
Waste



Community Support & Development



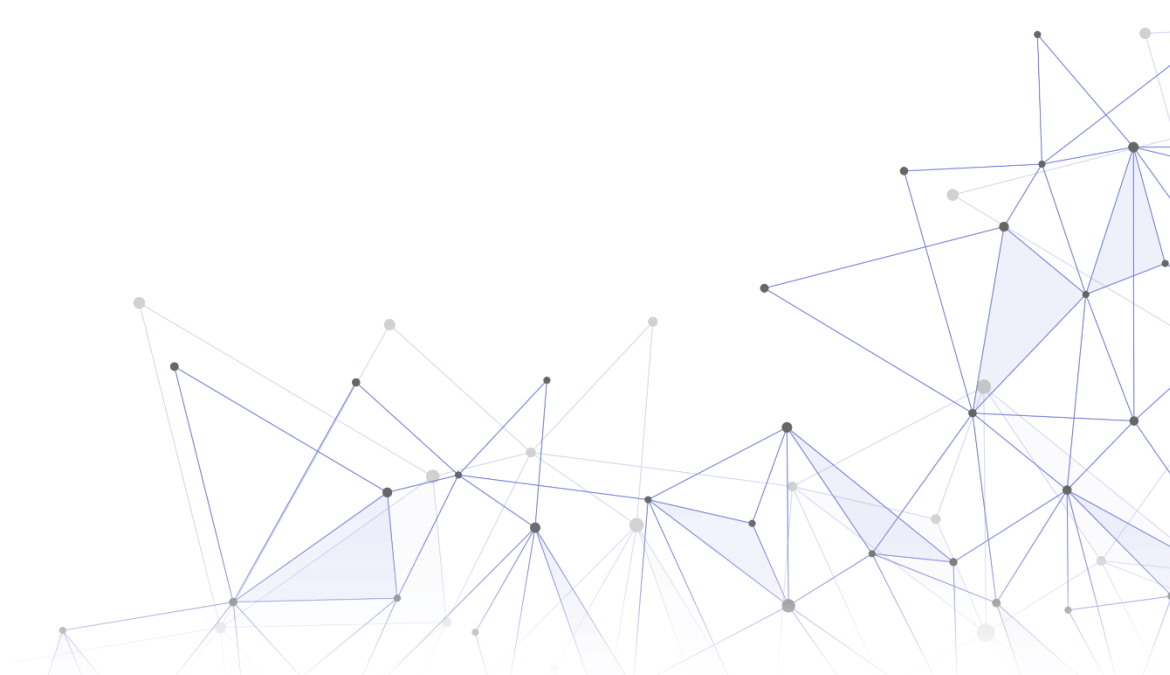
Product Quality



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> Balmer Lawrie & Company Limited Bharat Heavy Electricals Limited
	Social
	<ul style="list-style-type: none"> Bharat Heavy Electricals Limited Thermax Limited
	Governance
	<ul style="list-style-type: none"> Everest Kanto Cylinder Limited Gillette India Limited



Mining of Metal Ores

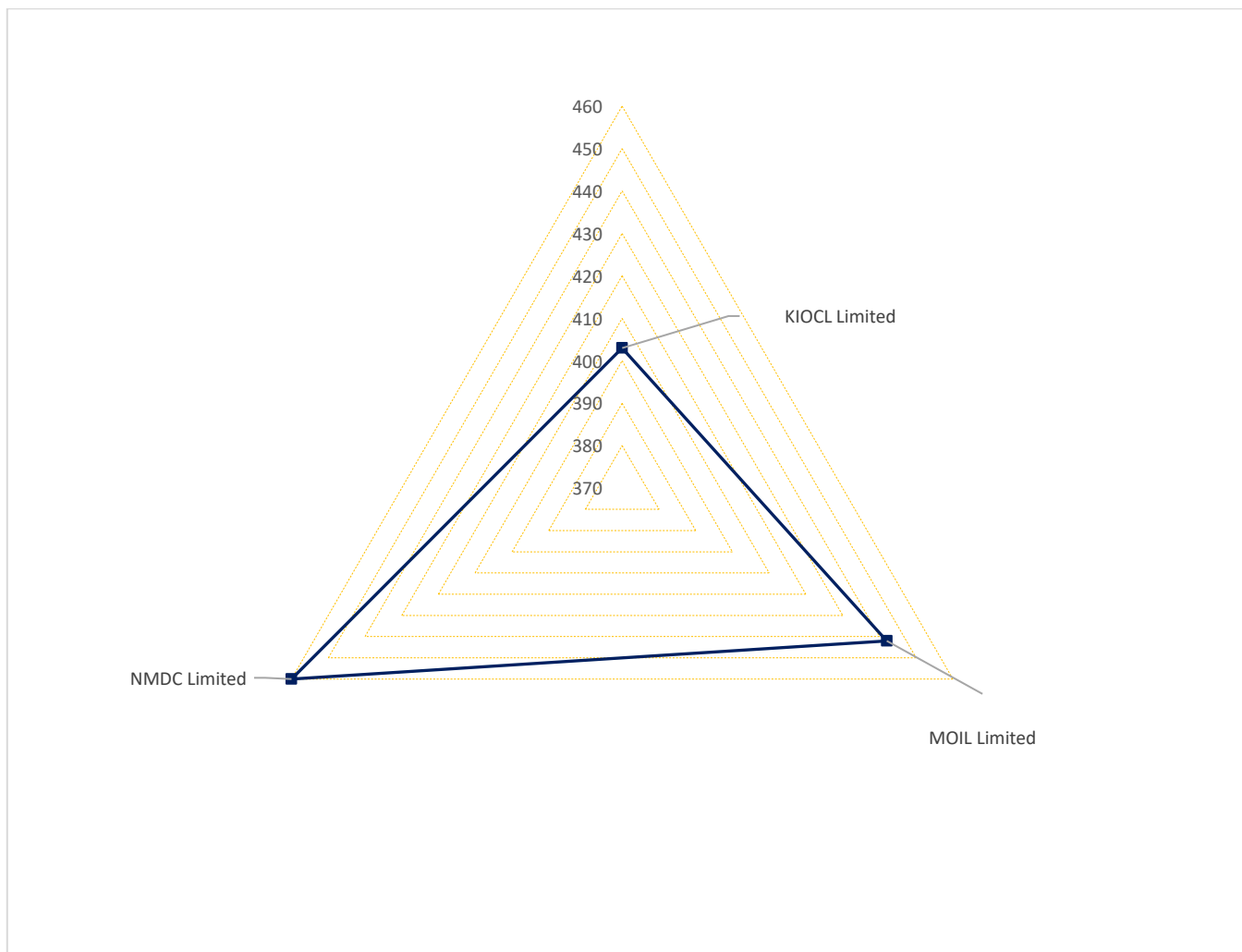


Figure: Industry Overview

435

ESGRisk.ai Average score

56%

Average BRR score

58%

Average Transparency score

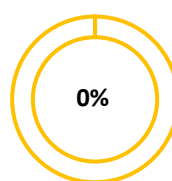
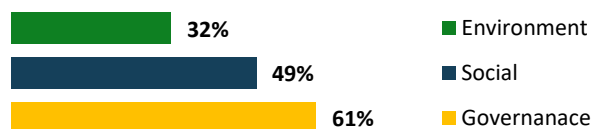


67% of the companies are leading in the key issue of Board Diversity

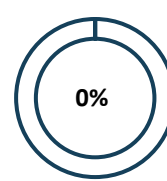


2 out of 3 companies ensure human rights well

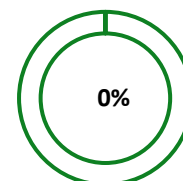
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

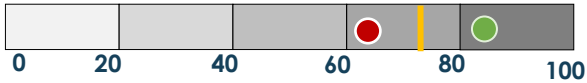
Companies following reporting standards and framework



Mining has a major impact on the environment. The processes of the industry are prone to release toxic elements in its surroundings impacting land, biodiversity, and water bodies. Other issues include achieving energy efficiency while mitigating ecological impact. Health and safety management is a key risk for the mining of the metal ores industry due to the usage of large and dangerous equipment. Governance factors such as ethical business practices, legal & regulatory compliance, board & management oversight are primary risks for this industry.

Performance of material issues in Mining of Metal Ores Industry

Board Independence



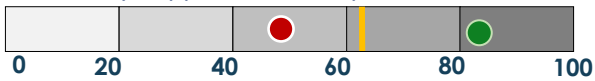
GHG Emissions



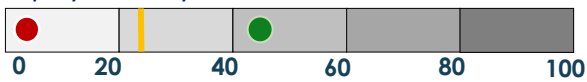
Water Efficiency



Community Support & Development






Employee Safety



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • NMDC Limited • MOIL Limited
	Social
	<ul style="list-style-type: none"> • NMDC Limited • MOIL Limited
	Governance
	<ul style="list-style-type: none"> • KIOCL Limited • MOIL Limited



Petroleum

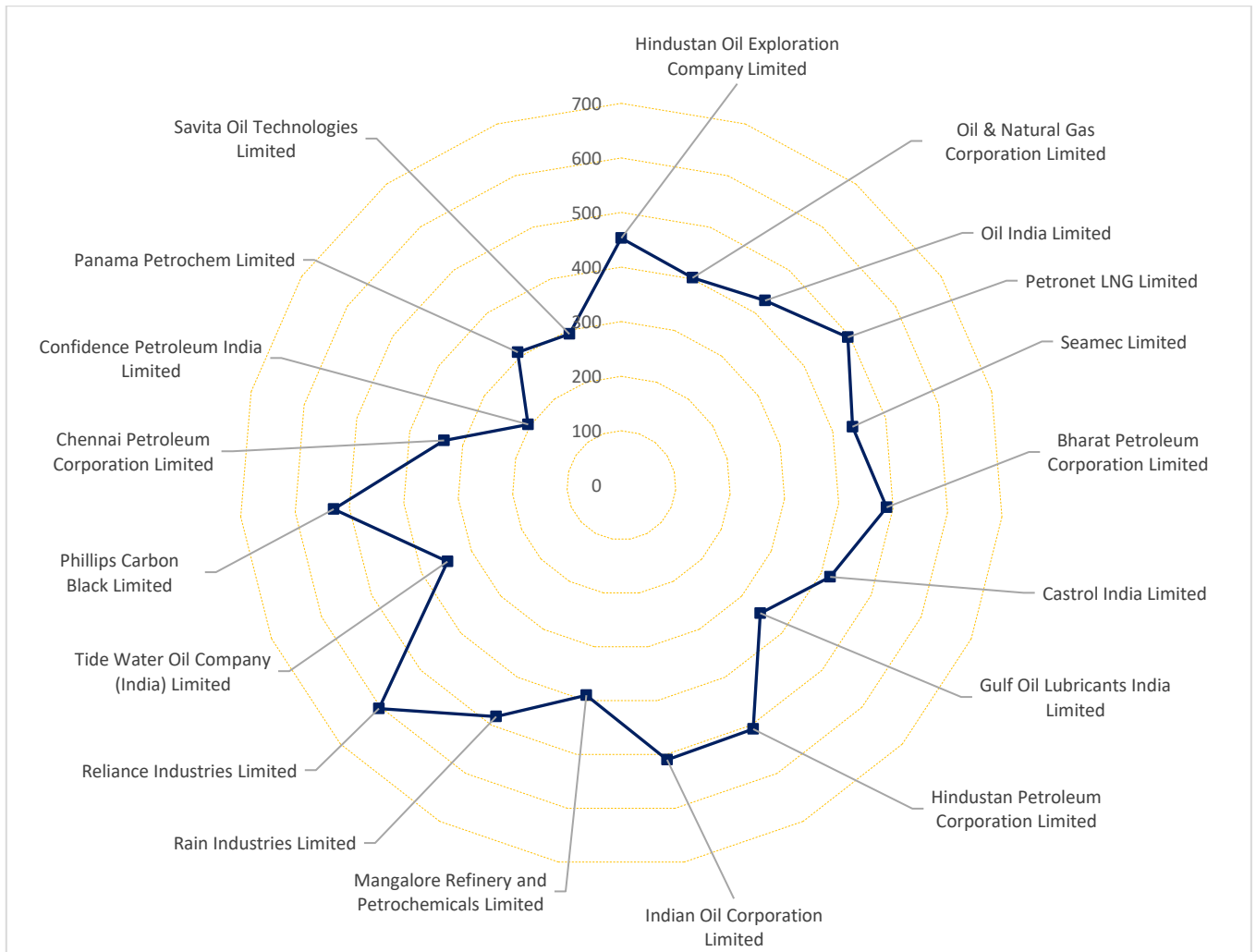


Figure: Industry Overview

420

ESGRisk.ai Average score

57%

Average BRR score

58%

Average Transparency score



31% of the companies are leading in the key issue of Board Diversity

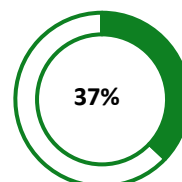
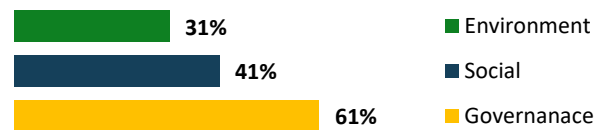


Only 5 out of 19 companies are scoring 95% in the key issue of Product Responsibility

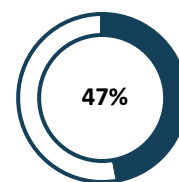


26% of the companies have controversies related to Employee Safety

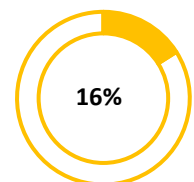
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

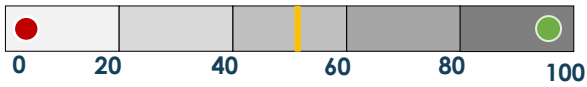
Companies following reporting standards and framework



The petroleum industry includes companies from exploration of crude petroleum & natural gas and refined petroleum products. The petroleum industry has a substantial environmental impact. Upstream operations of the petroleum industry can cause leaking or spilling of oil while deep sea drilling and can negatively impact the biodiversity. Toxic waste management and reducing greenhouse gas emissions as well as air pollution in the form of NOx and SOx are critical issues for the downstream operations. Labour management, occupational health and safety standards and community development are critical to improve social aspects. Following a regulatory compliance and ethical business practices are pertinent for good governance.

Performance of material issues in Petroleum industry

Business Ethics



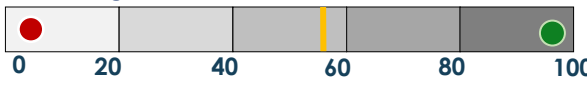
Air Pollutant



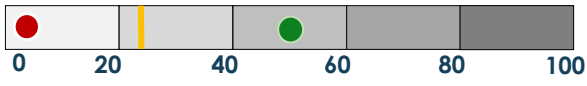
GHG Emissions



Human Rights



Employee Safety



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> Hindustan Petroleum Corporation Limited Indian Oil Corporation Limited
	Social
	<ul style="list-style-type: none"> Hindustan Petroleum Corporation Limited Reliance Industries Limited
	Governance
	<ul style="list-style-type: none"> Castrol India Limited Rain Industries Limited



Power

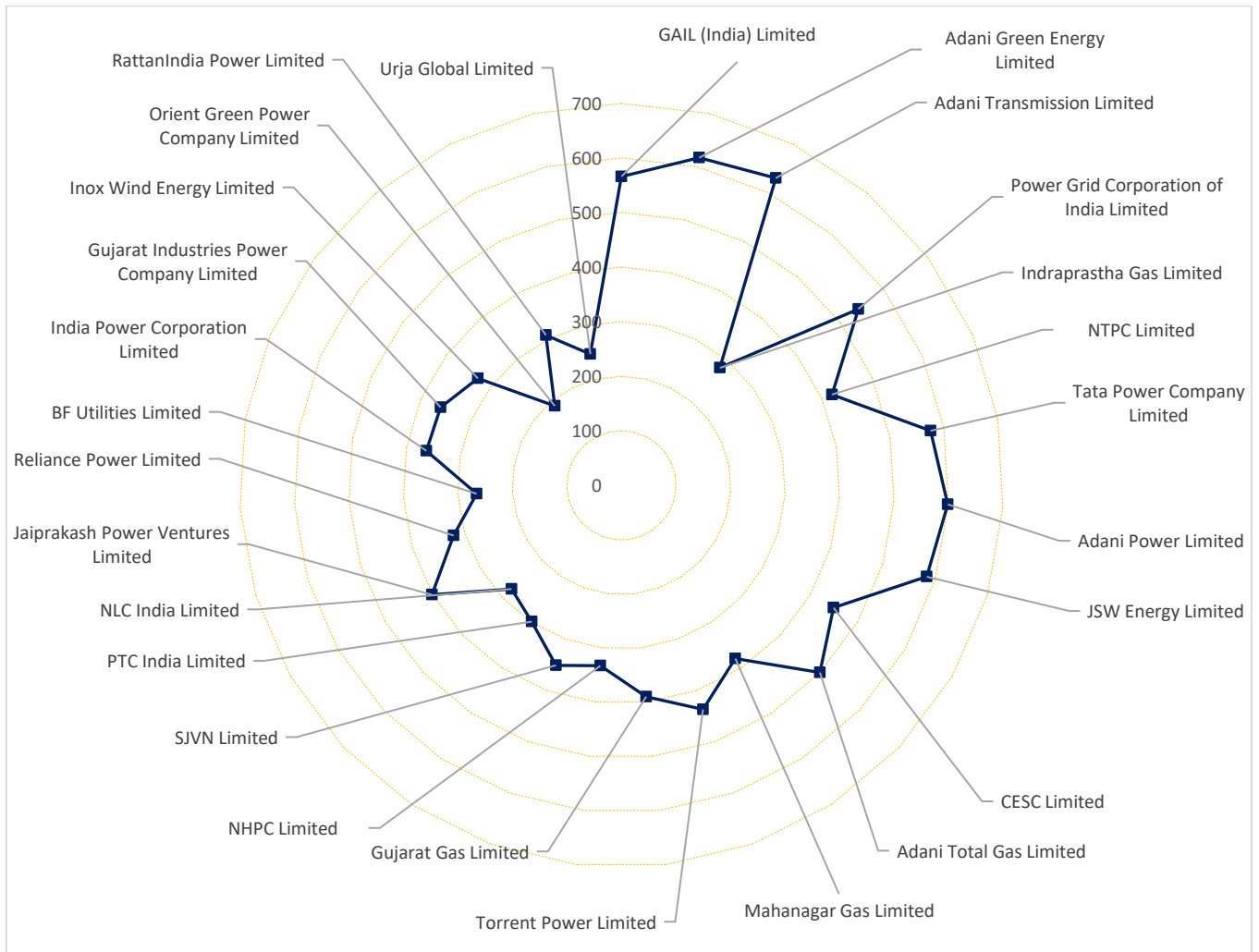


Figure: Industry Overview

408

ESGRisk.ai Average score

56%

Average BRR score

57%

Average Transparency score



37% of the companies are leading in the key issue of Board Diversity

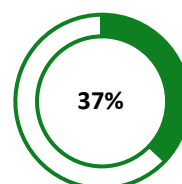
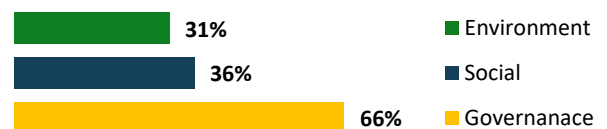


Only 5 out of 27 companies have performed effectively towards reducing GHG emissions

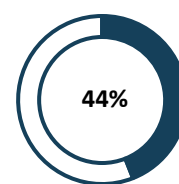


26% of the companies are riddled with controversies mostly ranging across Environmental Management

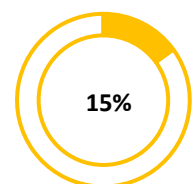
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

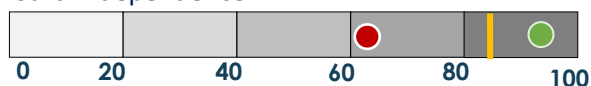
Companies following reporting standards and framework



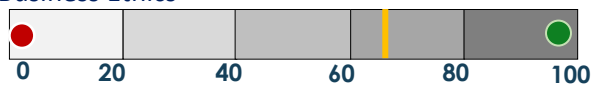
Companies in this industry operate in power generation, transmission and distribution, gas distribution and renewable energy. The power industry has a substantial environmental footprint. Thermal power generating companies emit massive amounts of greenhouse gases and have a negative impact on biodiversity in the surrounding area. Energy management and reducing air pollution in the form of NOx and SOx are important issues for the power sector. Management of labor and maintaining health and safety standards at workplace are some of the other critical issues in this industry. Regulatory compliance and ethical business practices are critical governance issues. Due to proximity to local communities, power generation often plays a key role in increasing job opportunities in the economy.

Performance of material issues in Power

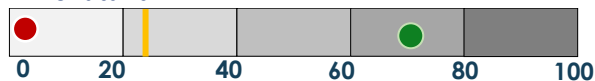
Board Independence



Business Ethics



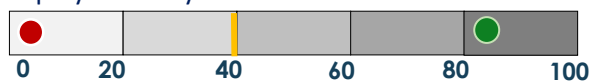
Air Pollutant



GHG Emissions



Employee Safety



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • GAIL (India) Limited • Adani Green Energy Limited
	Social
	<ul style="list-style-type: none"> • Adani Total Gas Limited • Adani Green Energy Limited
	Governance
	<ul style="list-style-type: none"> • Power Grid Corporation of India Limited • JSW Energy Limited



Textiles and Wearing Apparel

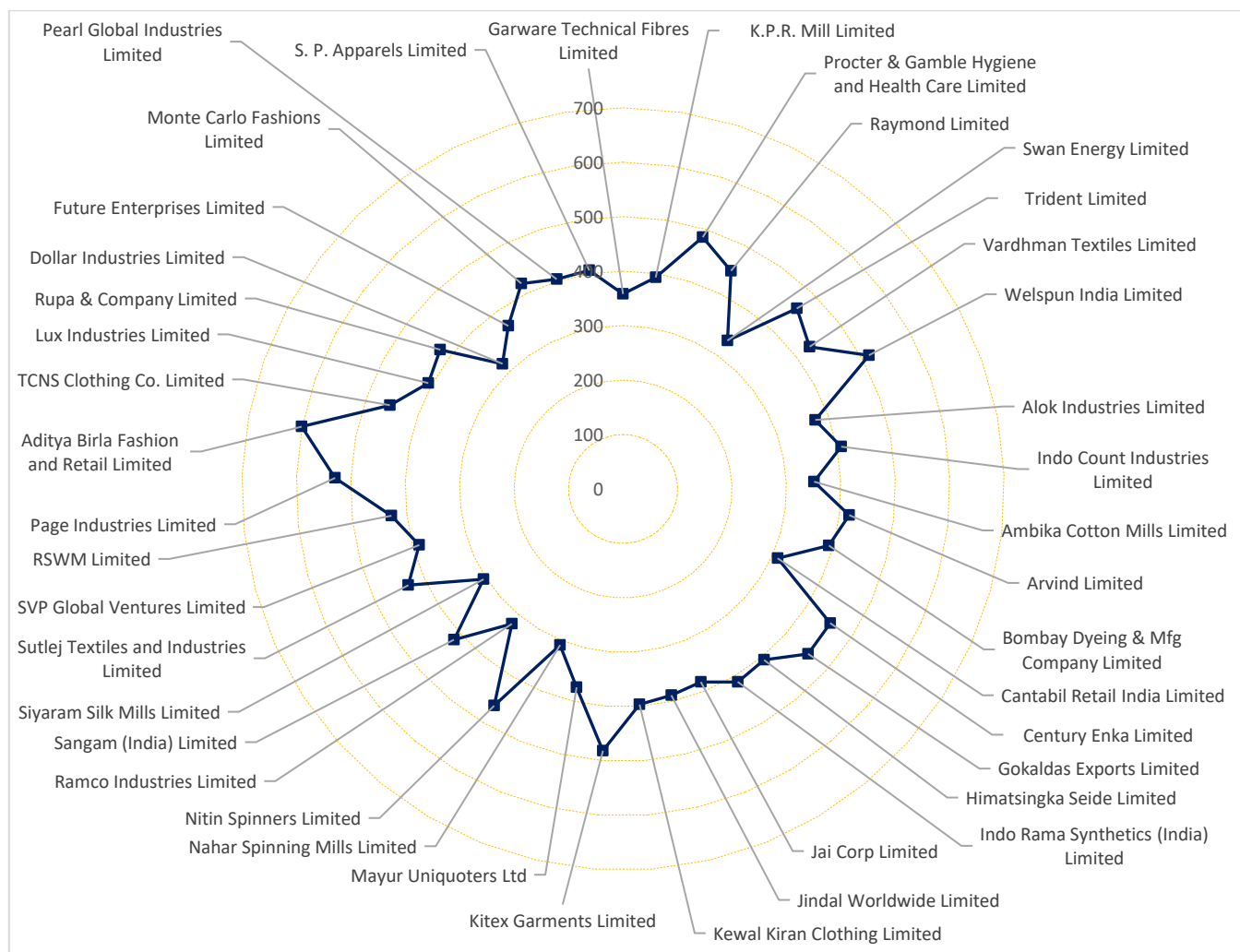


Figure: Industry Overview

410

ESGRisk.ai Average score

56%

Average BRR score

57%

Average Transparency score



68% of the companies are leading in the key issue of Board Diversity

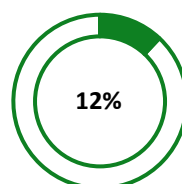


Only 15 out of 41 companies manage waste efficiently

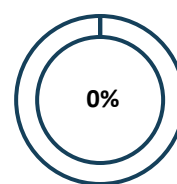


14% of the companies are riddled with controversies.

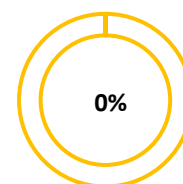
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

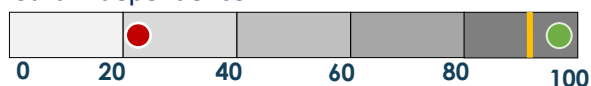
Companies following reporting standards and framework



The textile industry is the second largest polluter in the world. It is responsible for almost 10% of global annual carbon emissions. The process of boiling, scouring, bleaching or dyeing requires huge amount of water, hence water management is important for this industry. Wastewater released by this industry contains toxic substances such as lead, mercury, and arsenic, among others. Occupational hazards such as use of heavy machinery and chemicals, material handling, as well as asphyxiation caused due to fibre & cotton dust inhalation make employee safety a key issue for this industry. Additionally, factors such as management compensation, board diversity and independence are material issues.

Performance of material issues in Textiles and Wearing Apparel Industry

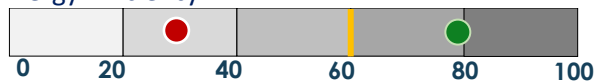
Board Independence



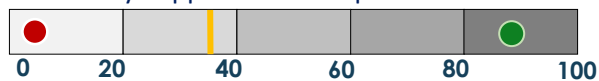
Air Pollutant



Energy Efficiency



Community Support & Development



Employee Safety



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • Page Industries Limited • Aditya Birla Fashion and Retail Limited
	Social
	<ul style="list-style-type: none"> • Aditya Birla Fashion and Retail Limited • Kewal Kiran Clothing Limited
	Governance
	<ul style="list-style-type: none"> • TCNS Clothing Co. Limited • S. P. Apparels Limited



Rubber and Plastic

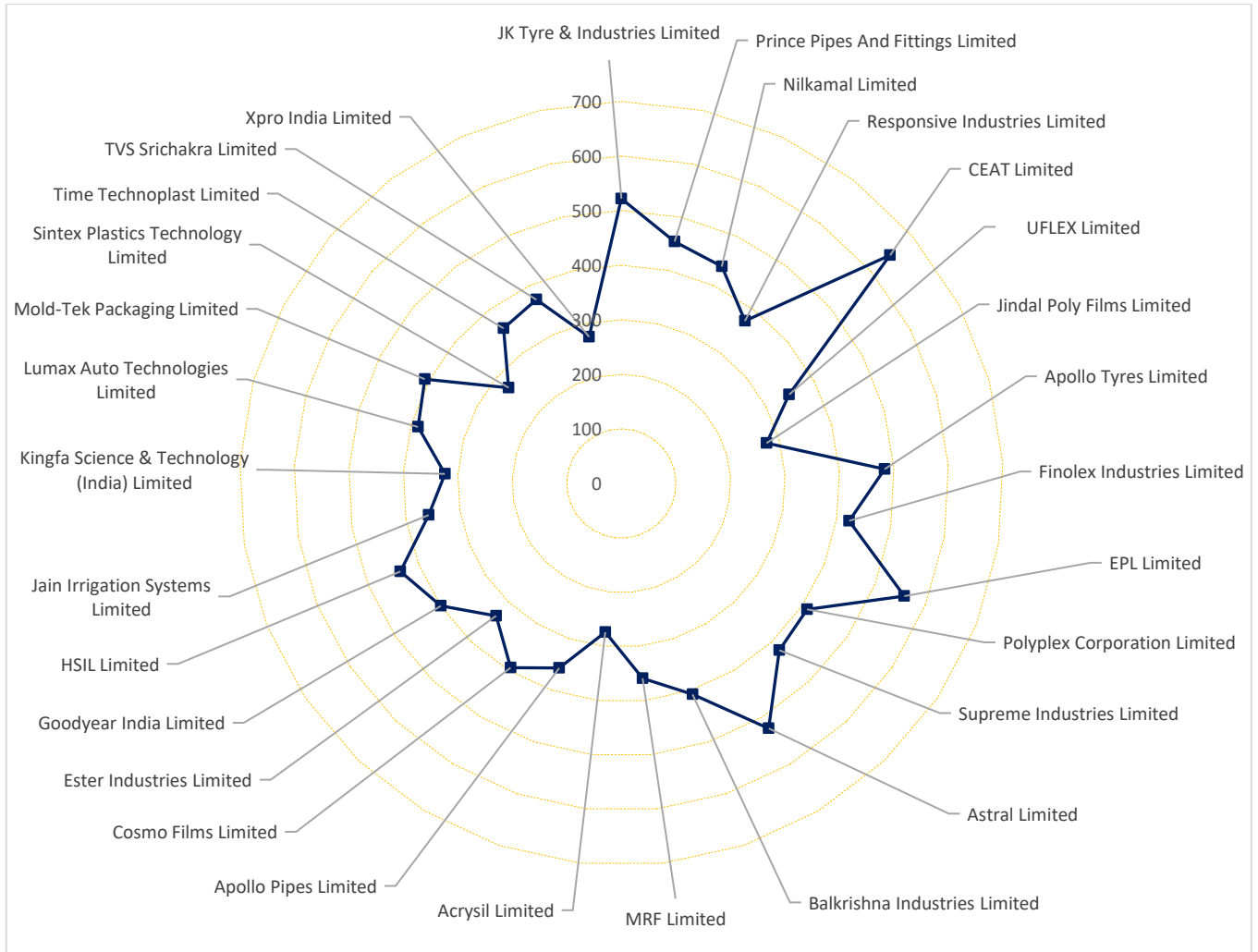


Figure: Industry Overview

400

ESGRisk.ai Average score

54%

Average BRR score

55%

Average Transparency score

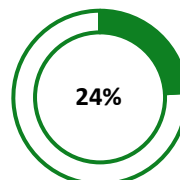
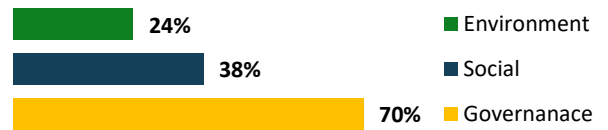


28% of the companies are leading in the key issue of Board Diversity

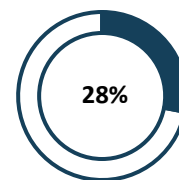


16 out of 29 companies manage waste efficiently

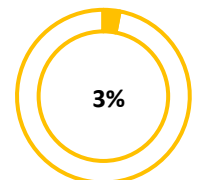
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



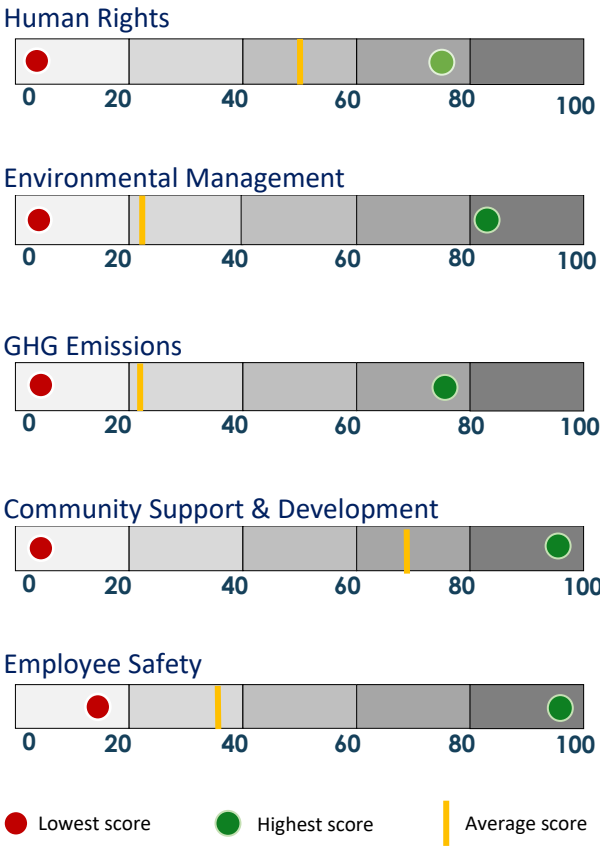
TCFD

Companies following reporting standards and framework



Rubber & Plastic industry is major contributor to greenhouse gas emissions. Both industrial and consumer scrap are of concern for this industry. The common waste generated are rubbers or thermoplastics. Other material issues are environmental management and community services. Occupational health and safety concerns in tyre manufacturing facilities have always been and continue to be of the utmost importance.

Performance of material issues in Rubber & plastic industry



Top performing companies based on E, S and G categories

	Environment	<ul style="list-style-type: none"> • CEAT Limited • EPL Limited
	Social	<ul style="list-style-type: none"> • CEAT Limited • Supreme Industries Limited
	Governance	<ul style="list-style-type: none"> • Astral Limited • Acrysil Limited



Tobacco

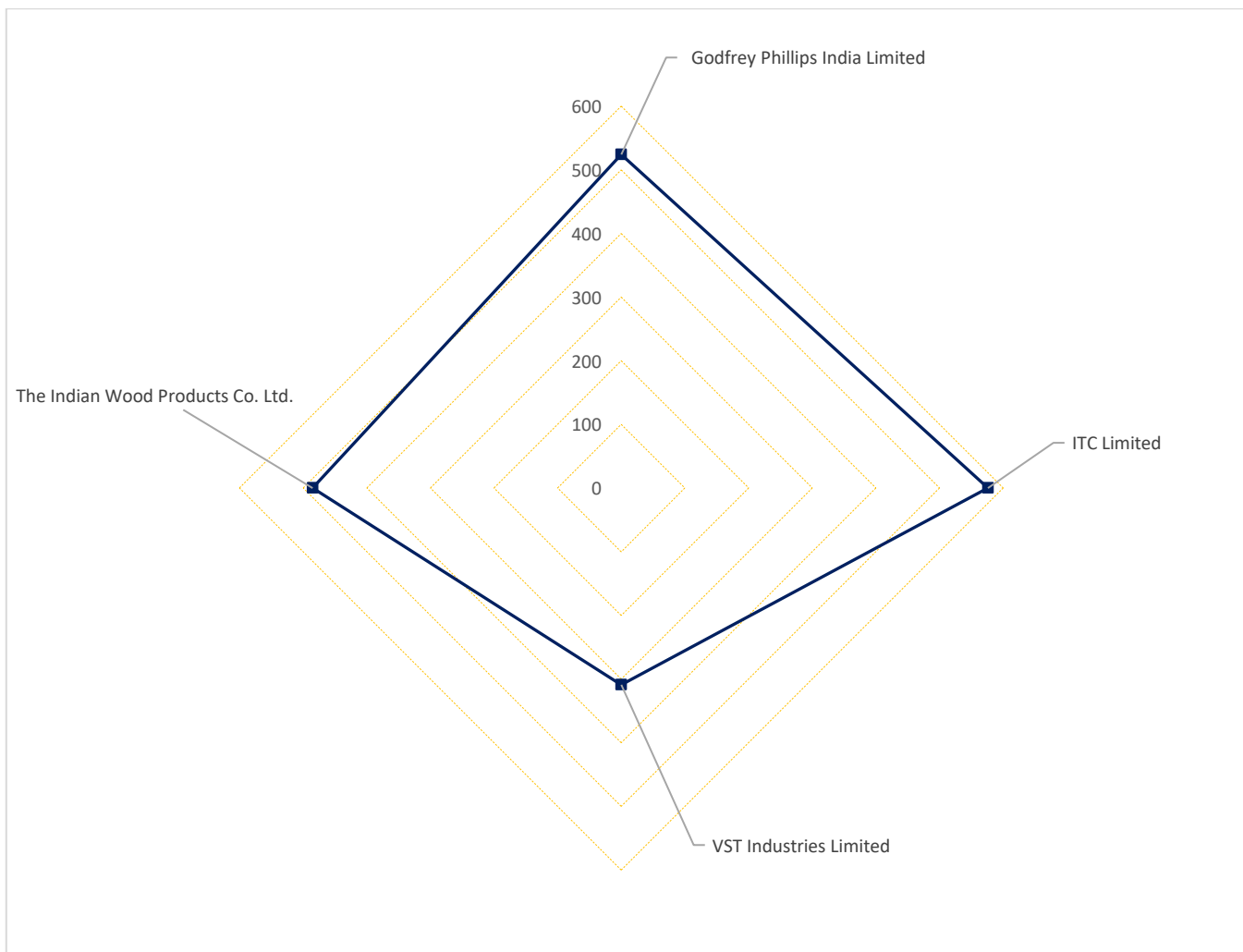


Figure: Industry Overview

474

ESGRisk.ai Average score

63%

Average BRR score

65%

Average Transparency score



50% companies are leading in the key issue of Board diversity

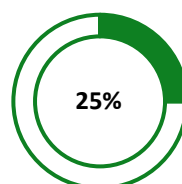


Only 1 out of 4 companies has initiatives and targets for the management of GHG emissions

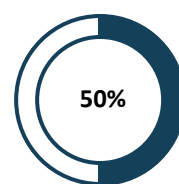


20% of the companies are facing a controversy related to the key issue of business ethics

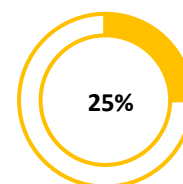
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

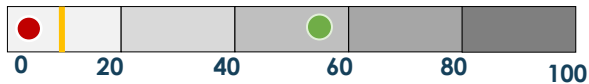
Companies following reporting standards and framework



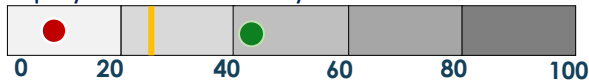
Companies in this industry are in manufacturing of cigarettes, cigarette tobacco, catechu (Katha) and chewing lime. The tobacco products industry is inherently exposed to social risks. Employee safety is a material issue for this industry as employees are primarily exposed to green tobacco sickness, hazardous chemicals and pesticides used in tobacco farms. Responsible marketing, product safety & certifications and product labelling are critical to this industry. Additionally, issues such as greenhouse gases emissions and proper disposal of waste are material. Pertinent governance issues include business ethics, management compensation and board independence.

Performance of material issues in Tobacco industry

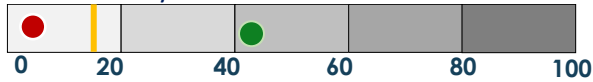
GHG Emissions



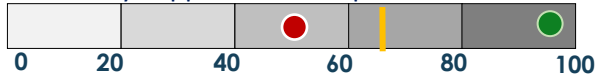
Employee Health & Safety



Product Safety



Community Support & Development



Board Independence



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • ITC Limited • Godfrey Philips India Limited
	Social
	<ul style="list-style-type: none"> • ITC Limited • Godfrey Philips India Limited
	Governance
	<ul style="list-style-type: none"> • Godfrey Philips India Limited • The Indian Wood Products Co. Ltd



Chemicals

Organic & inorganic chemicals, speciality chemicals, alkalis, agro-chemicals etc are part of chemical industry. The operation of the chemical industry has a negative impact on the environment due to the risks arising from their exposure to waste, air pollution caused by release of NOx and SOx, toxicity and hazardous elements. Health & safety of laborers, product safety and maintaining product quality are critical issues. Relevant governance issues include regulations with respect to bribery, money laundering and patent protection.

Organic & inorganic chemicals and polymers

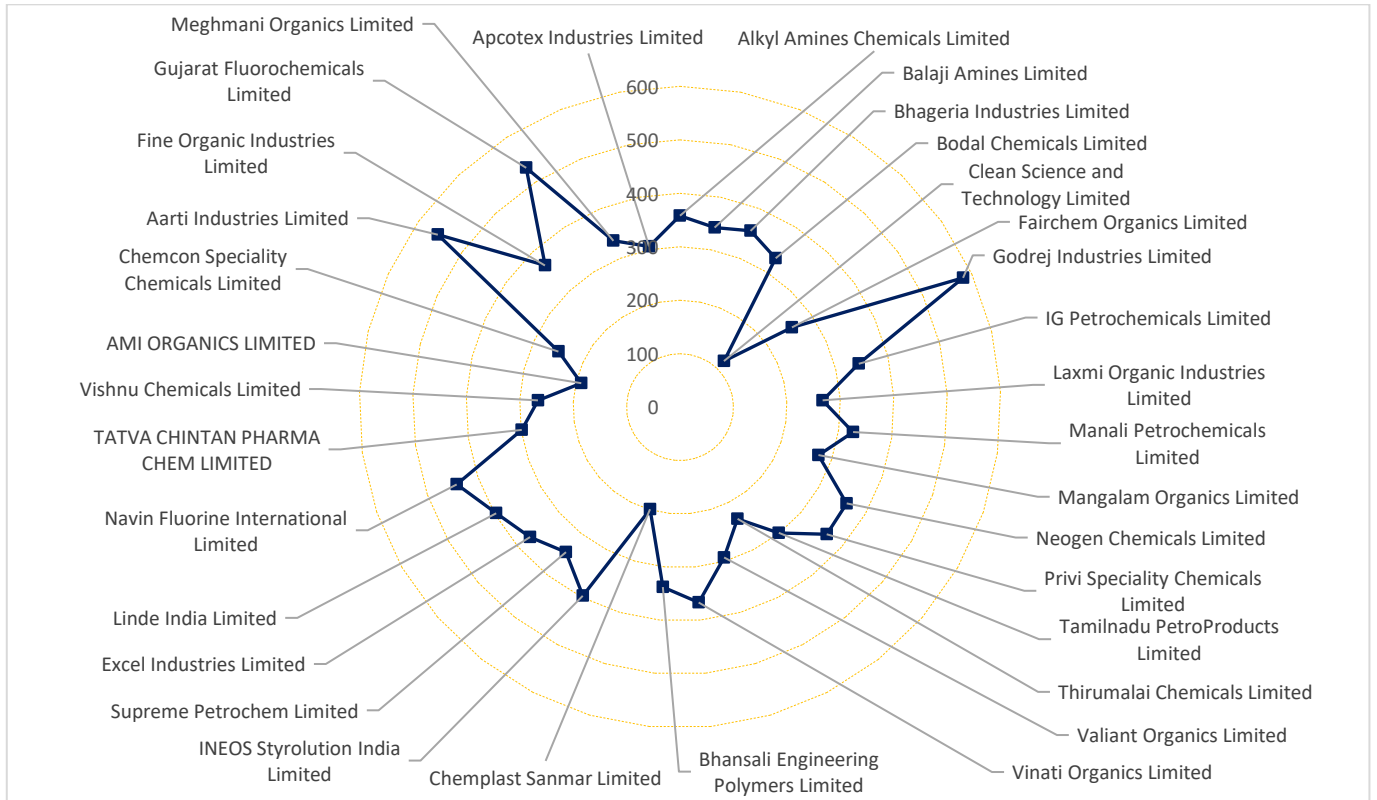


Figure: Industry Overview

336

ESGRisk.ai Average score

47%

Average BRR score

48%

Average Transparency score



16% of the companies are leading in the key issue of Board Diversity

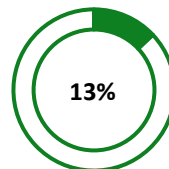
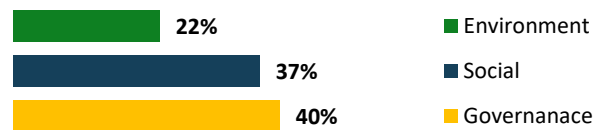


Only 7 out of 33 companies lead in product responsibility

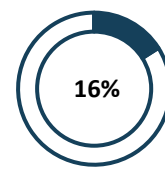


15% of the companies are facing controversies related to employee safety and responsible procurement

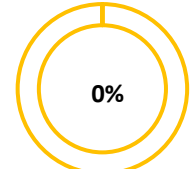
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

Companies following reporting standards and framework



Performance of material issues in Organic & Inorganic chemicals and Polymers Industry

Board Independence



Product Safety



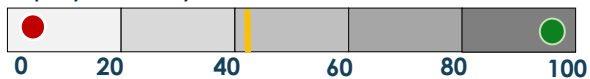
GHG Emissions



Air Pollutant



Employee Safety



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • Godrej Industries Limited • Fine Organic Industries Limited
	Social
	<ul style="list-style-type: none"> • Fine Organic Industries Limited • Navin Fluorine International Limited
	Governance
	<ul style="list-style-type: none"> • Godrej Industries Limited • Vishnu Chemicals Limited



Specialty and Alkali Chemicals

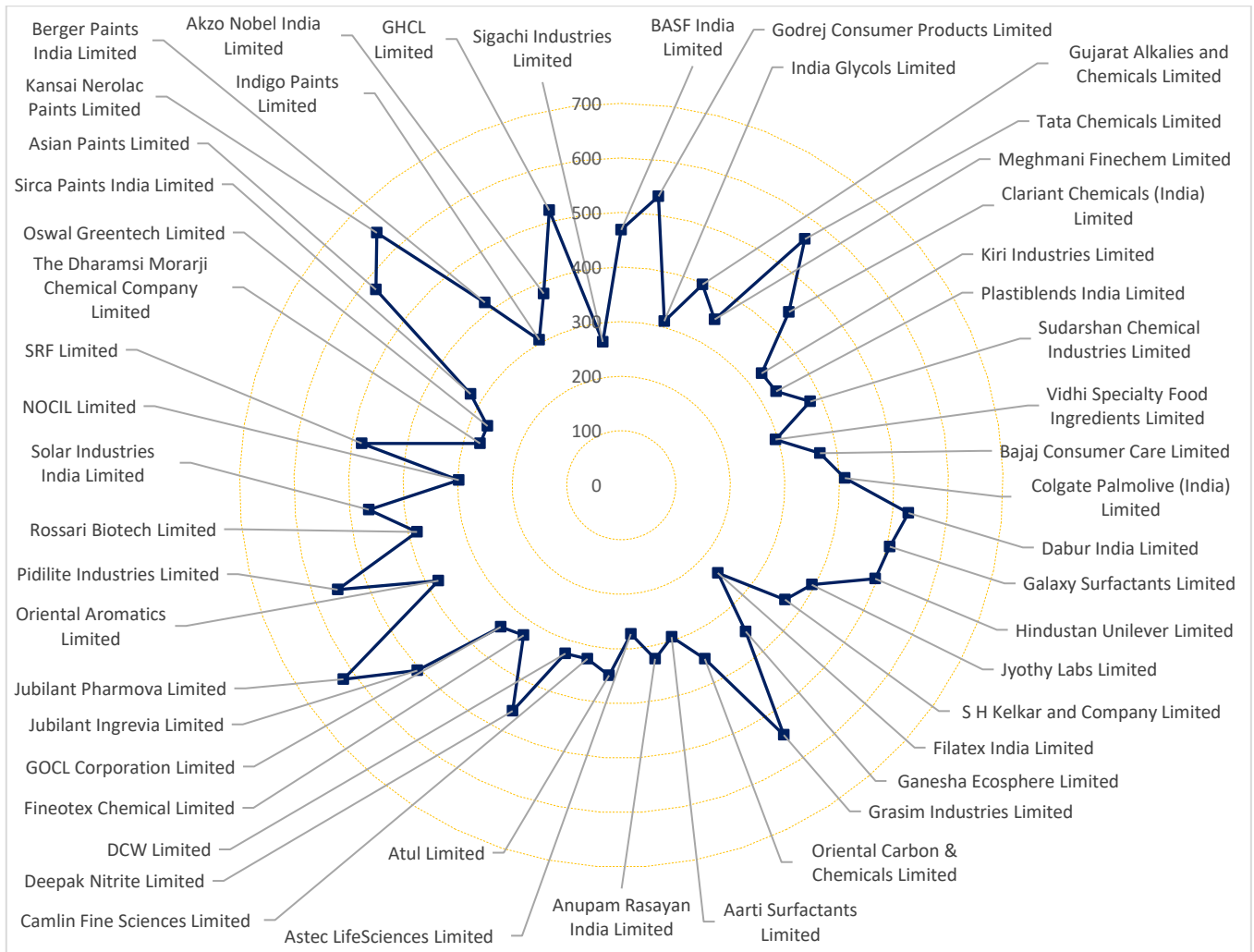


Figure: Industry Overview

401

ESGRisk.ai Average score

54%

Average BRR score

55%

Average Transparency score



25% of the companies are leading in the key issue of Board Diversity

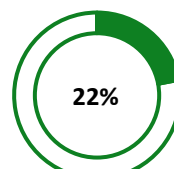


Only 13 out of 49 of companies are efficiently managing waste

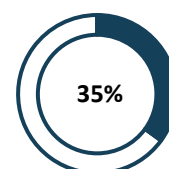


19% of the companies are riddled with controversies related to Product Responsibility and Employee safety

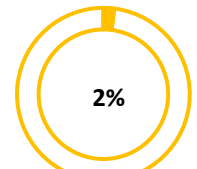
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



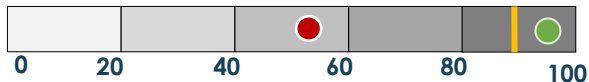
TCFD

Companies following reporting standards and framework



Performance of material issues in Speciality and Alkali Chemicals Industry

Board Independence



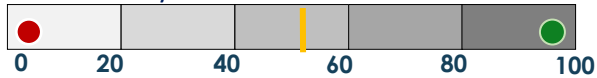
Air Pollutant



GHG Emissions



Product Safety




Employee Safety



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • Kansai Nerolac Paints Limited • Grasim Industries Limited
	Social
	<ul style="list-style-type: none"> • Hindustan Unilever Limited • Jubilant Pharmova Limited
	Governance
	<ul style="list-style-type: none"> • Berger Paints India Limited • Clariant Chemicals (India) Limited



Agrochemicals

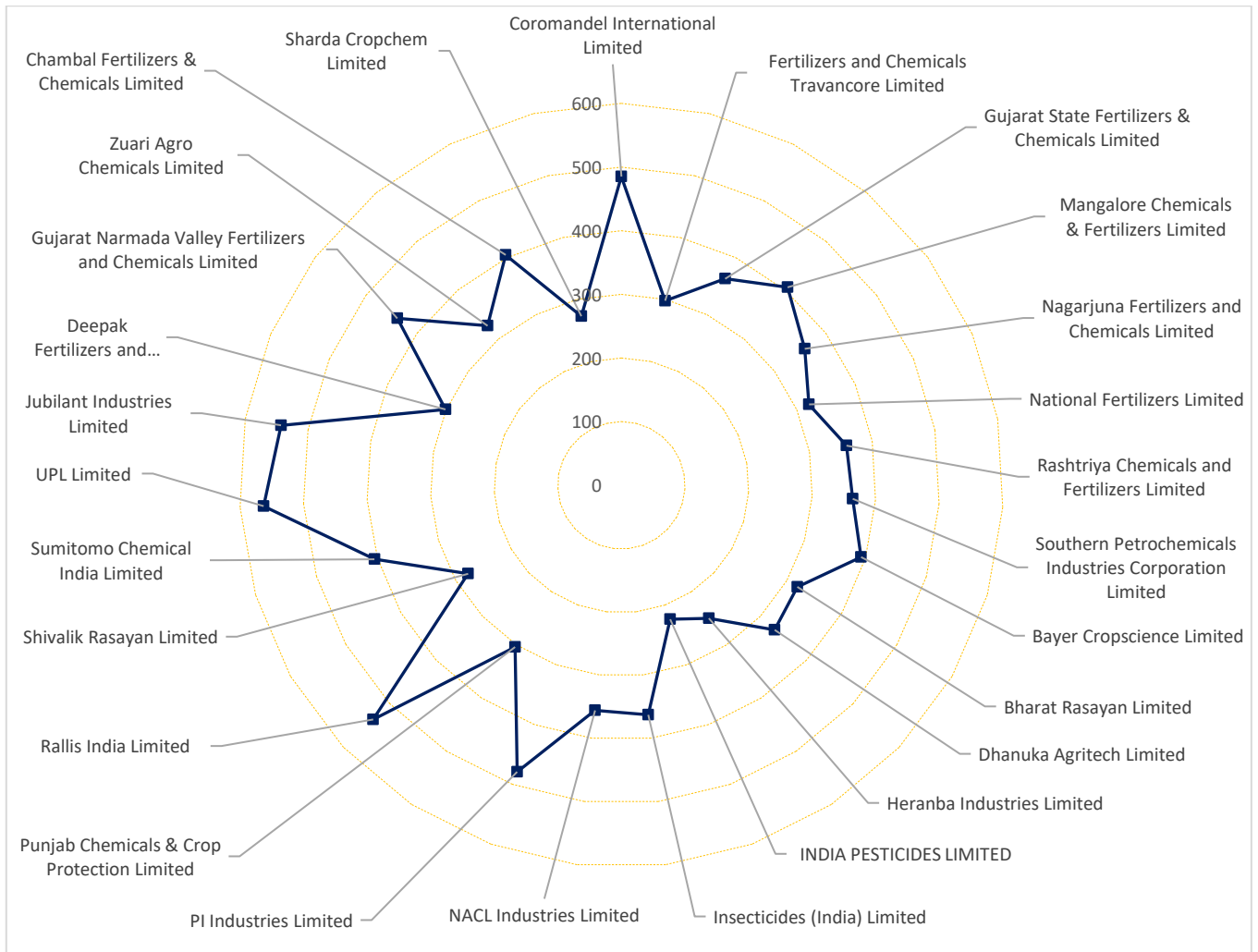


Figure: Industry Overview

372

ESGRisk.ai Average score

52%

Average BRR score

53%

Average Transparency score



33% of the companies are leading in the key issue of Board Diversity

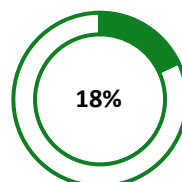
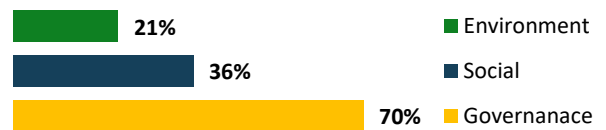


Only 2 out of 27 companies lead in employee safety

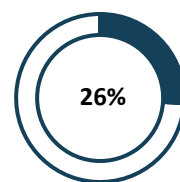


15% of the companies are riddled with controversies ranging across employee safety and responsible procurement

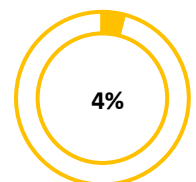
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



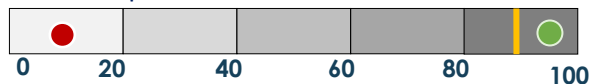
TCFD

Companies following reporting standards and framework

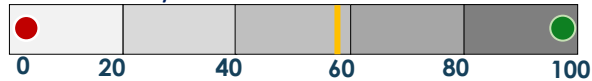


Performance of material issues in Agrochemicals Industry

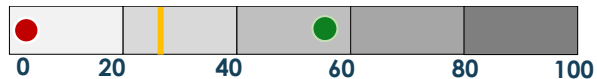
Board Independence



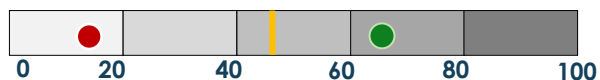
Product Safety



GHG Emissions



Air Pollutant






Employee Safety



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> PI Industries Limited UPL Limited
	Social
	<ul style="list-style-type: none"> Sumitomo Chemical India Limited UPL Limited
	Governance
	<ul style="list-style-type: none"> Rallis India Limited Gujarat Narmada Valley Fertilizers and Chemicals Limited



Pharmaceuticals

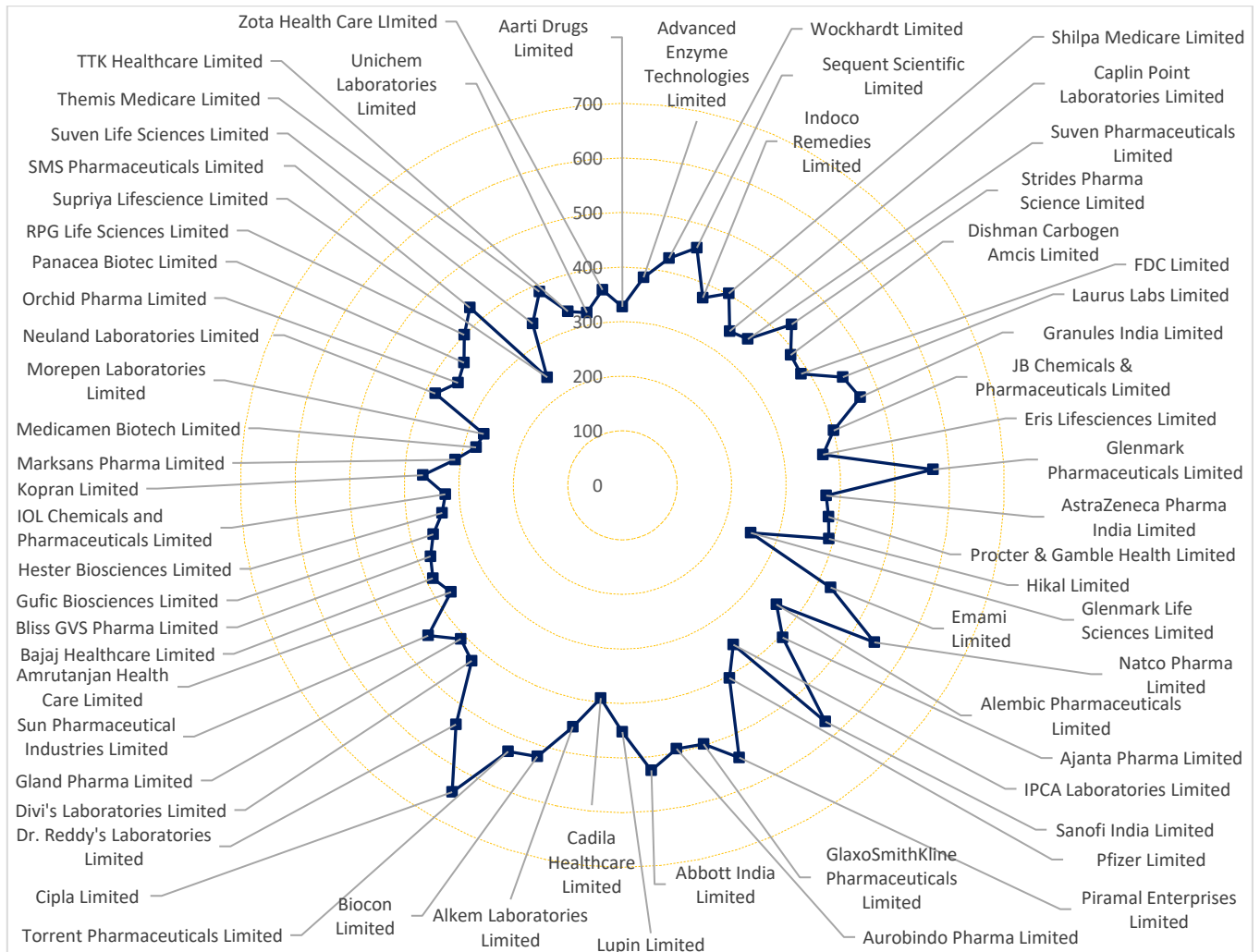


Figure: Industry Overview

405 ESGRisk.ai Average score

55% Average BRR score

55% Average Transparency score



31% of the companies are leading in the key issue of Board Diversity

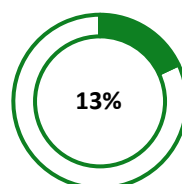


Only 6 out of 63 companies ensure product safety

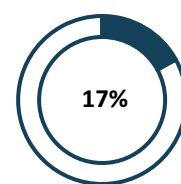


28% of the companies are riddled with controversies mostly ranging across Business Ethics

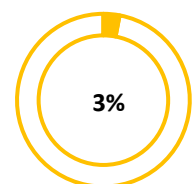
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

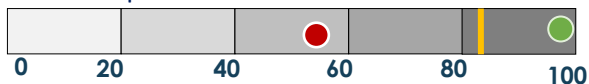
Companies following reporting standards and framework



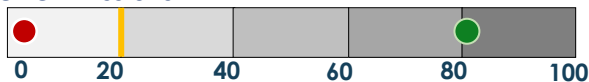
The pharmaceutical industry has a substantial impact on the social category followed by the environment category. Employee health & safety management is of primary importance to this industry. Product safety and quality are also important risks in this industry, non-adherence to these may lead to multiple recalls and consumer complaints. The pharmaceutical industry is inherently exposed to risks such as releasing greenhouse gases into the atmosphere, air impurities and polluting water bodies by releasing hazardous substances. Factors such as ethical business practices, management compensation and board administration hold primary importance for the pharmaceutical industry.

Performance of material issues in pharmaceutical industry

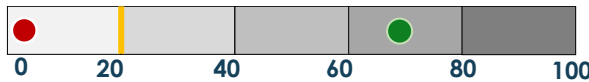
Board Independence



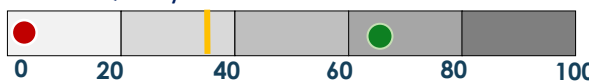
GHG Emissions



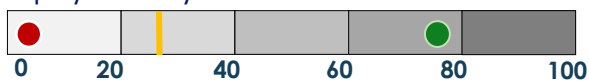
Water Pollution



Product Quality






Employee Safety



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • Cipla Limited • Natco Pharma Limited
	Social
	<ul style="list-style-type: none"> • Cipla Limited • Glenmark Pharmaceuticals Limited
	Governance
	<ul style="list-style-type: none"> • Sanofi India Limited • Cipla Limited



Food Products

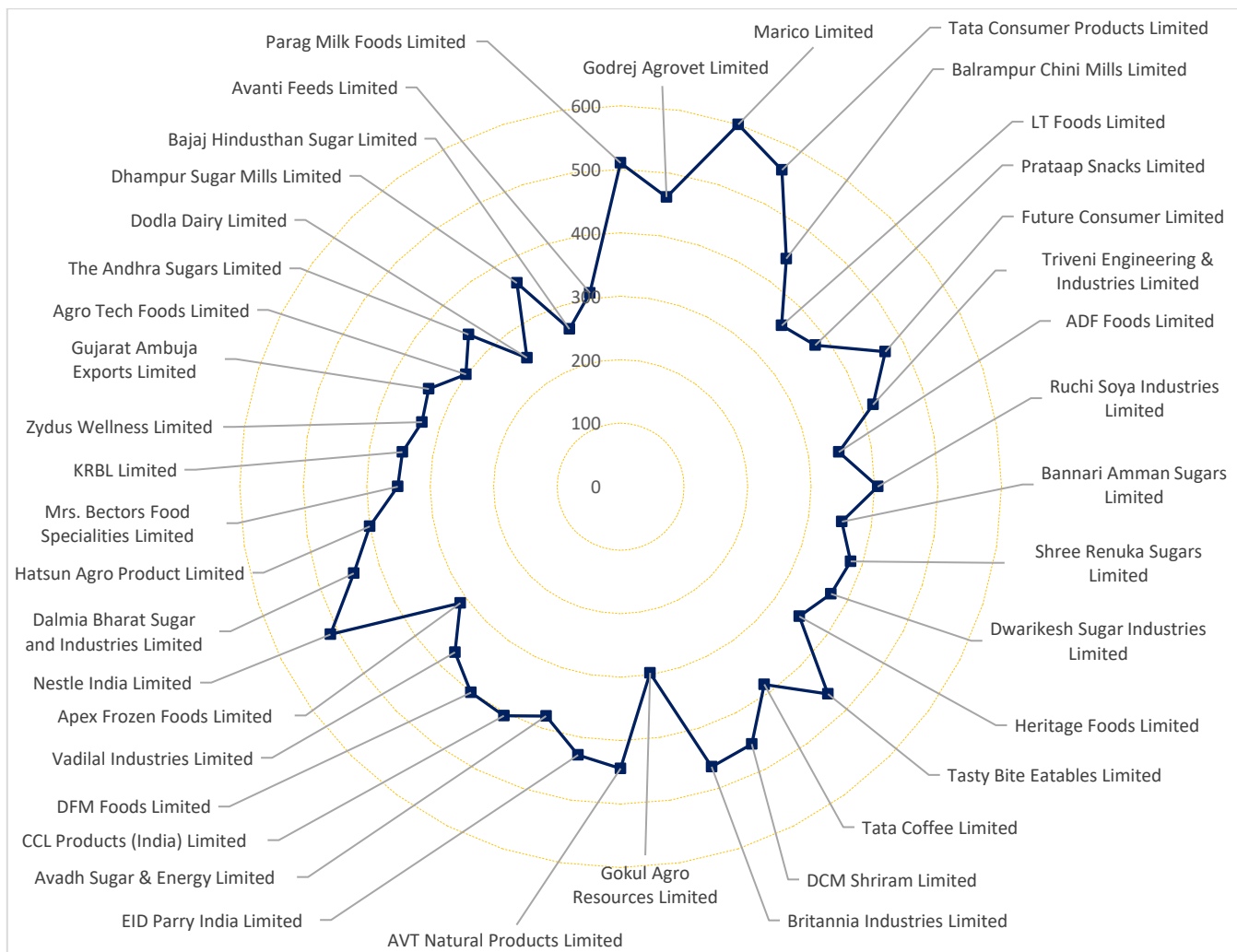


Figure: Industry Overview

394

ESGRisk.ai Average score

54%

Average BRR score

55%

Average Transparency score



28% of the companies are leading in the key issue of Board Diversity

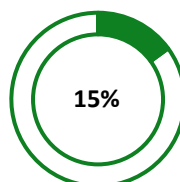


19 out of 40 companies are energy efficient

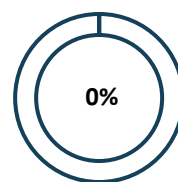


18% of the companies are riddled with controversies ranging across Product Responsibility and Business Ethics

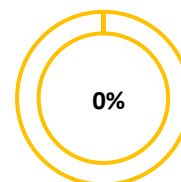
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

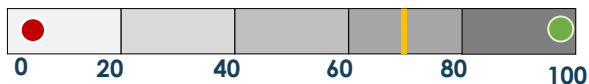
Companies following reporting standards and framework



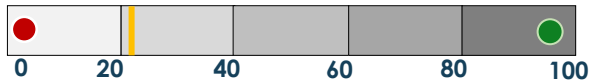
This industry consists of manufacturing of food products. The food products industry is inherently exposed to environmental risks. Each stage of this industry value chain, including food production, processing, transportation, storage, and distribution, has an environmental impact. A wide array of food processing, handling, and packaging operations creates waste. Additionally, this industry places a high value on the quality and responsibility of its products, as it significantly influences customer satisfaction and behaviour. Pertinent governance issues include ethical business practices and diversified board.

Performance of material issues in Food Products Industry

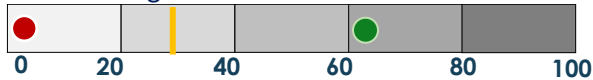
Business Ethics



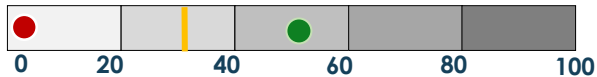
GHG Emissions



Waste Management



Employee Safety






Product Quality



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • Marico Limited • Britannia Industries Limited
	Social
	<ul style="list-style-type: none"> • Tasty Bites Eatables Limited • Tata Consumer Product Limited
	Governance
	<ul style="list-style-type: none"> • Gokul Agro Resources Limited • Parag Milk Foods Limited



Beverages

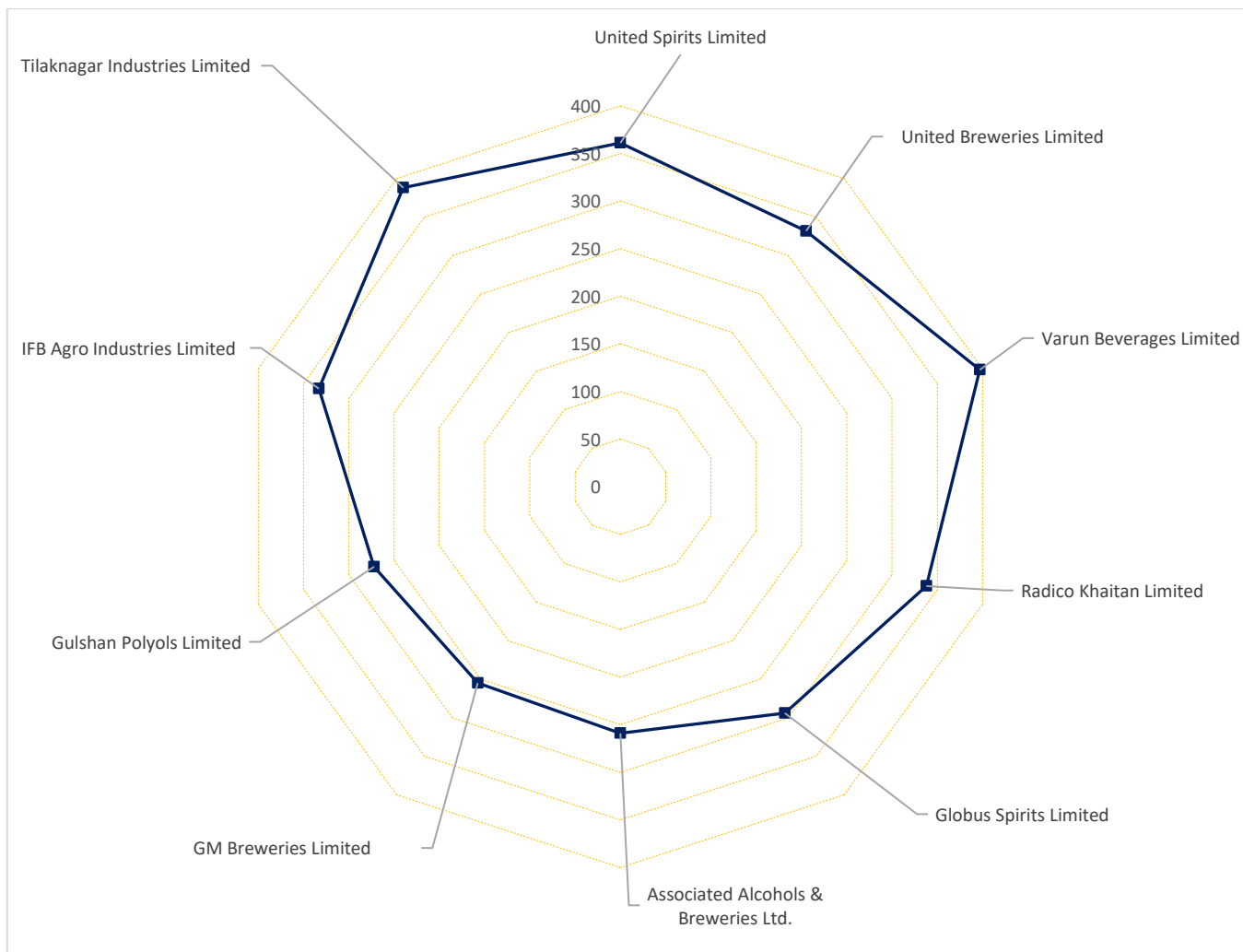


Figure: Industry Overview

323

ESGRisk.ai Average score

50%

Average BRR score

50%

Average Transparency score



50% of the companies are leading in the key issue of Board Diversity

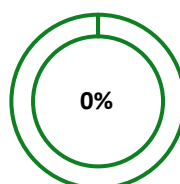


5 out of 10 companies manage their waste efficiently

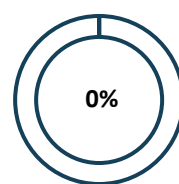


20% of the companies are riddled with controversies mostly ranging across Business Ethics

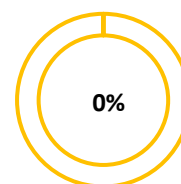
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

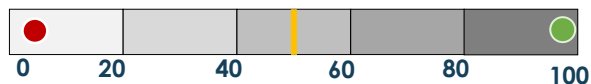
Companies following reporting standards and framework



The beverage products industry is inherently exposed to environmental risks. Each stage of this industry value chain, including production, processing, transportation, storage, and distribution, has an environmental impact. A wide array of processing, handling, and packaging operations creates waste. Additionally, this industry places a high value on the quality and responsibility of its products, as it significantly influences customer satisfaction and behaviour. Pertinent governance issues include ethical business practices and diversified board.

Performance of material issues in Beverage industry

Business Ethics



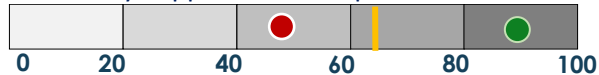
Green Product



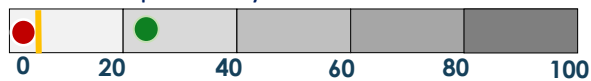
Water Efficiency



Community Support & Development



Product Responsibility



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • United Spirits Limited • Varun Beverages Limited
	Social
	<ul style="list-style-type: none"> • Varun Beverages Limited • United Breweries Limited
	Governance
	<ul style="list-style-type: none"> • Tilaknagar Industries Limited • Gulshan Polyols Limited



Paper and Paper Products

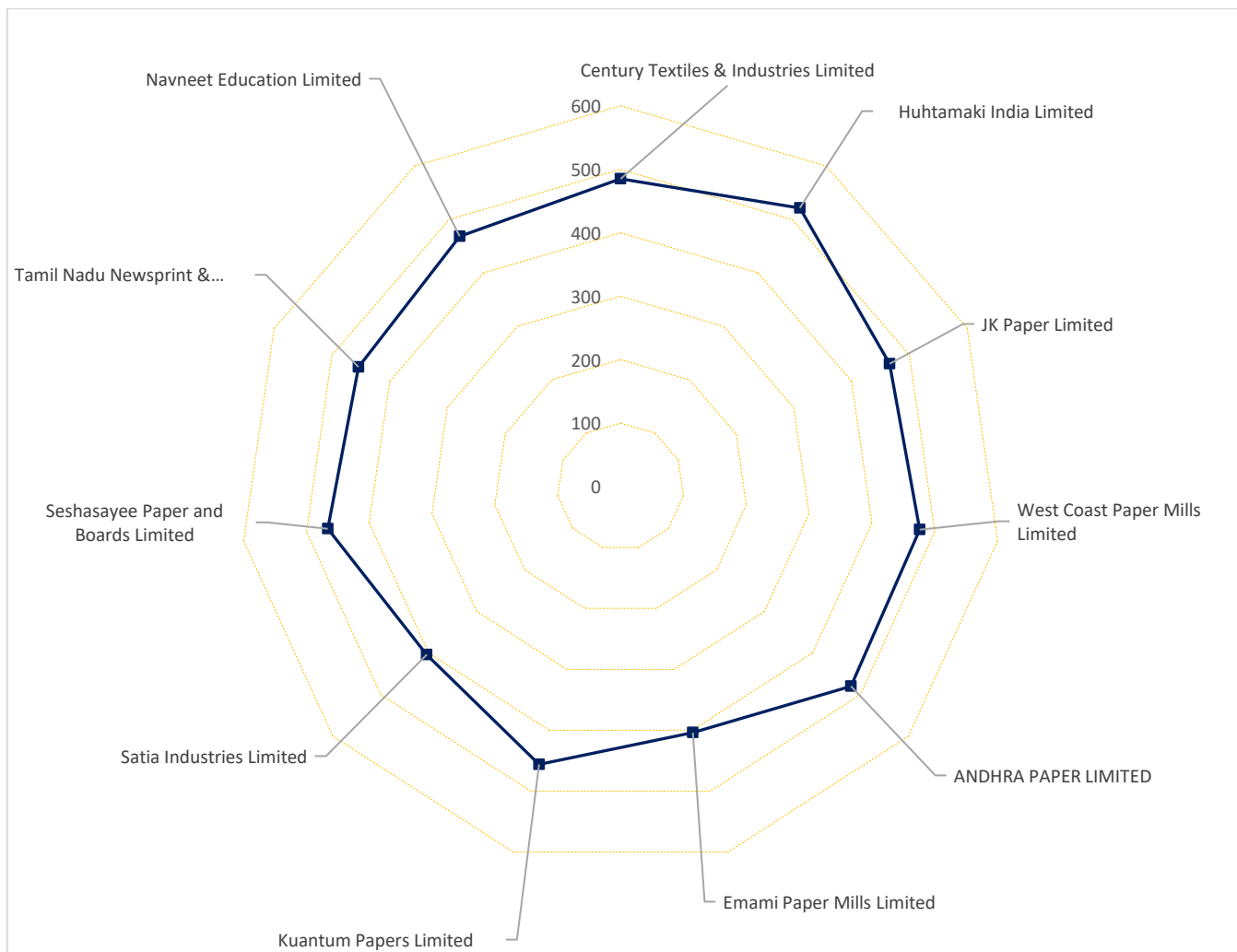


Figure: Industry Overview

453

ESGRisk.ai Average score

58%

Average BRR score

59%

Average Transparency score



46% of the companies are leading in the key issue of Board Diversity

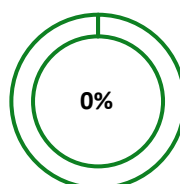


8 out of 11 companies manage waste efficiently

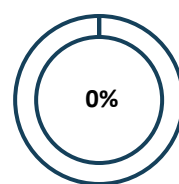


8% of the companies are riddled with controversies mostly ranging across Business Ethics.

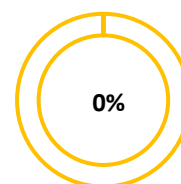
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

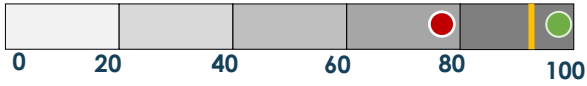
Companies following reporting standards and framework



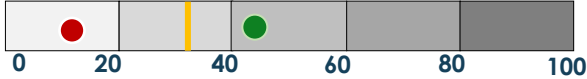
Paper has a negative impact on the environment throughout its lifecycle. Inherently, the industry is exposed to risks such as efficient utilization of water and management of water pollution. This industry is one of the largest consumer of water. Paper and pulp industries contribute greatly to deforestation and threaten some of the forest's species. Occupation and workforce health & safety management are of primary importance to this industry. Additionally, Corporate governance has a material impact on the manufacture of paper and paper products industry. Factors such as business ethics, management compensation and board oversight hold primary importance within this industry.

Performance of material issues in Paper and Paper Products Industry

Board Independence



Water Efficiency



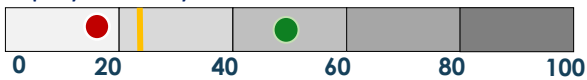
Environment Management



Community Support & Development



Employee Safety



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> West Coast Paper Mills Limited Tamil Nadu Newsprint & Papers Limited
	Social
	<ul style="list-style-type: none"> JK Paper Limited Huhtamaki India Limited
	Governance
	<ul style="list-style-type: none"> Huhtamaki India Limited Century Textiles & Industries Limited



Wood and Wooden Products

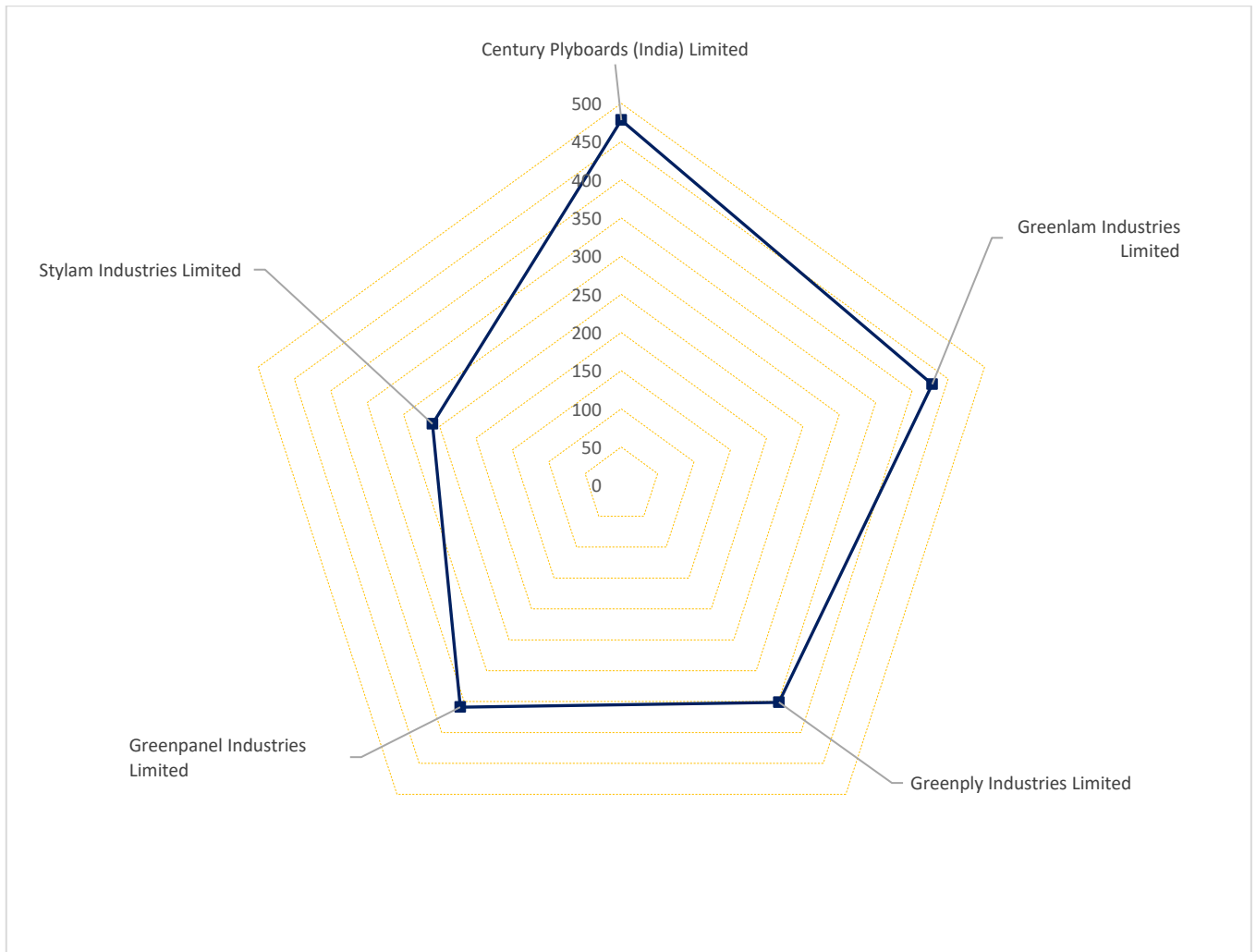


Figure: Industry Overview

375

ESGRisk.ai Average score

50%

Average BRR score

53%

Average Transparency score

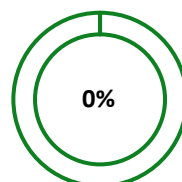
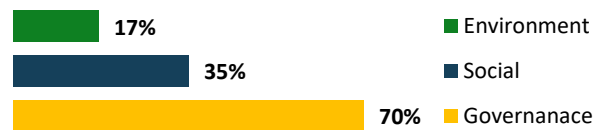


20% of the companies are leading in the key issue of Board Diversity

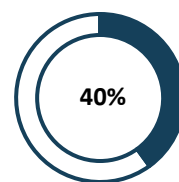


5 out of 5 companies are leading in the key issue of Committee functioning

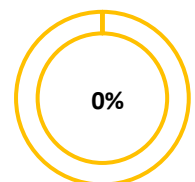
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

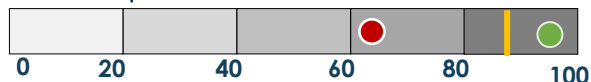
Companies following reporting standards and framework



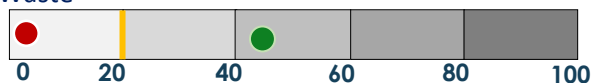
The wood and wooden products industry consists of companies manufacturing plywood, laminboard, particle board and other plywood products. This industry is inherently exposed to environmental risks. Environmental issues primarily include solid waste disposal, air pollutant emission, veneer dryer emission, glue waste disposal and wastewater discharge. The effect caused by wood harvesting and logging, includes loss of biodiversity, soil erosion and desert encroachment. A wide array of cutting, sizing, re-sawing, edging, creates wood wastes in this industry. Waste management, reducing greenhouse gas emissions as well as air pollution are critical issues for this industry. Labour management, occupational health and safety standards and community development are important issues in the social category. Pertinent governance issues include ethical business practices, management compensation and independent board.

Performance of material issues in wood & wood products industry

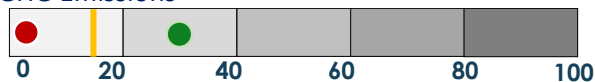
Board Independence



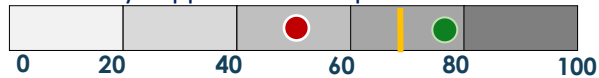
Waste



GHG Emissions



Community Support & Development



Employee Safety



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> Greenlam Industries Limited Century Plyboards India Limited
	Social
	<ul style="list-style-type: none"> Century Plyboards India Limited Greenpanel Industries Limited
	Governance
	<ul style="list-style-type: none"> Greenlam Industries Limited Greenply Industries Limited



Leather

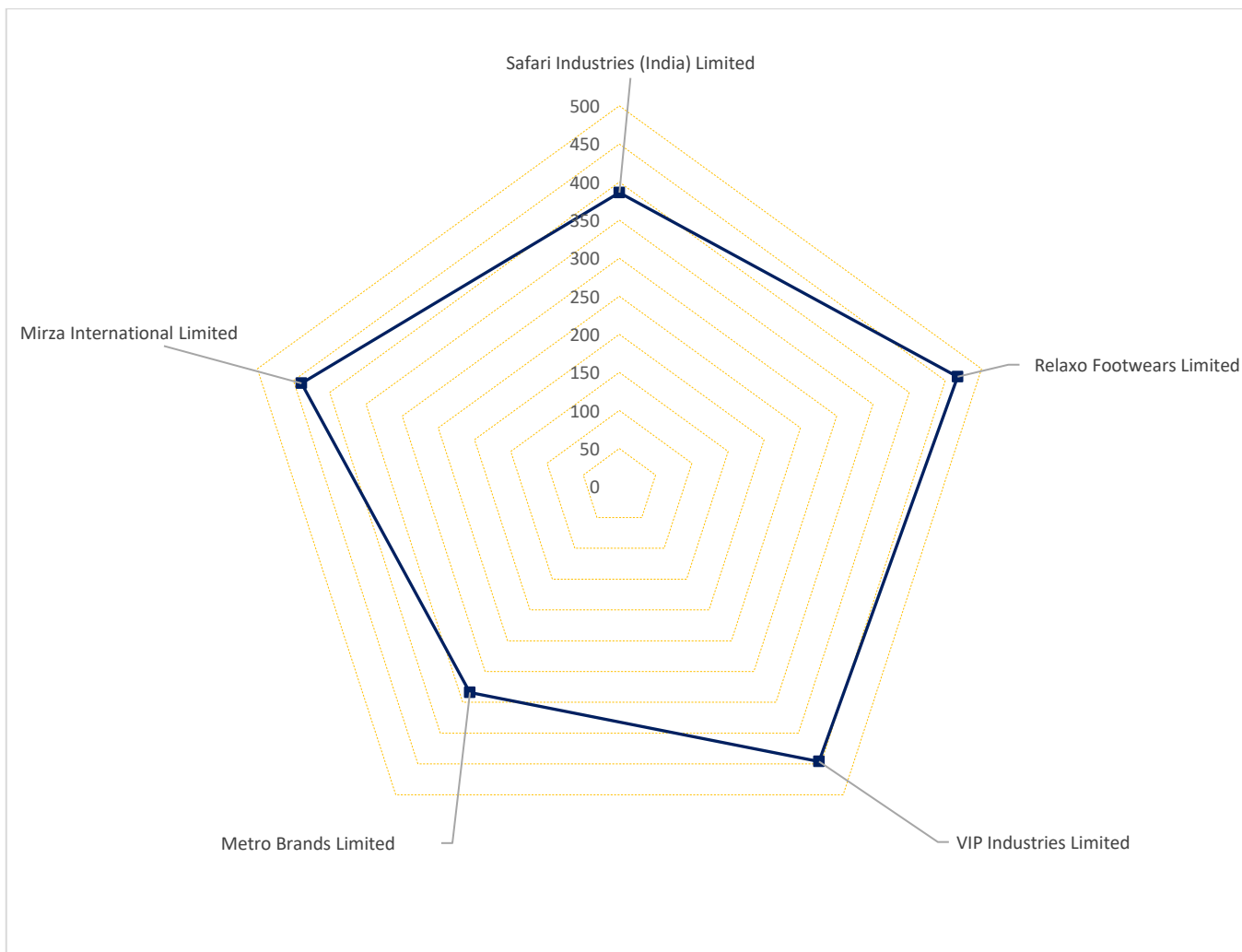


Figure: Industry Overview

414

ESGRisk.ai Average score

54%

Average BRR score

56%

Average Transparency score

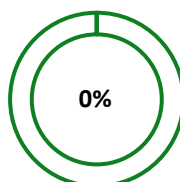


40% of the companies are leading in the key issue of Board Diversity

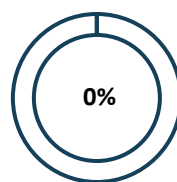


3 out of 5 companies manage waste efficiently

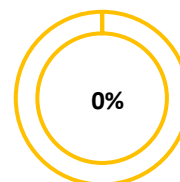
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

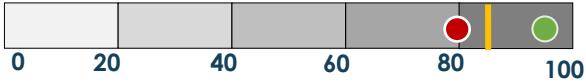
Companies following reporting standards and framework



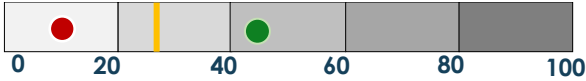
The leather industry includes companies that manufacture luggage & travel accessories and footwears. Manufacturing of leather products has a substantial environmental impact. The tanning process is energy-intensive, and the effluent contains a high level of carbon dioxide, nitrogen oxides, and sulphur oxides. The management of waste is a critical issue for this industry since the waste produced by this industry if left untreated causes pollution problems for the environment. Labour management, occupational health and safety standards, human rights and community development are important issues in the social category. Pertinent governance issues include regulatory compliance and ethical business practices.

Performance of material issues in Leather industry

Business Ethics



Environmental Management



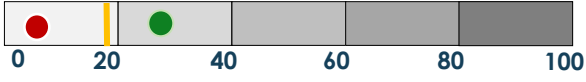
Material Efficiency



Community Support & Development



Employee Safety



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment	<ul style="list-style-type: none"> Relaxo Footwears Limited Mirza International Limited
	Social	<ul style="list-style-type: none"> Relaxo Footwears Limited VIP Industries Limited
	Governance	<ul style="list-style-type: none"> VIP Industries Limited Safari Industries (India) Limited



Electrical and Electronic Equipment

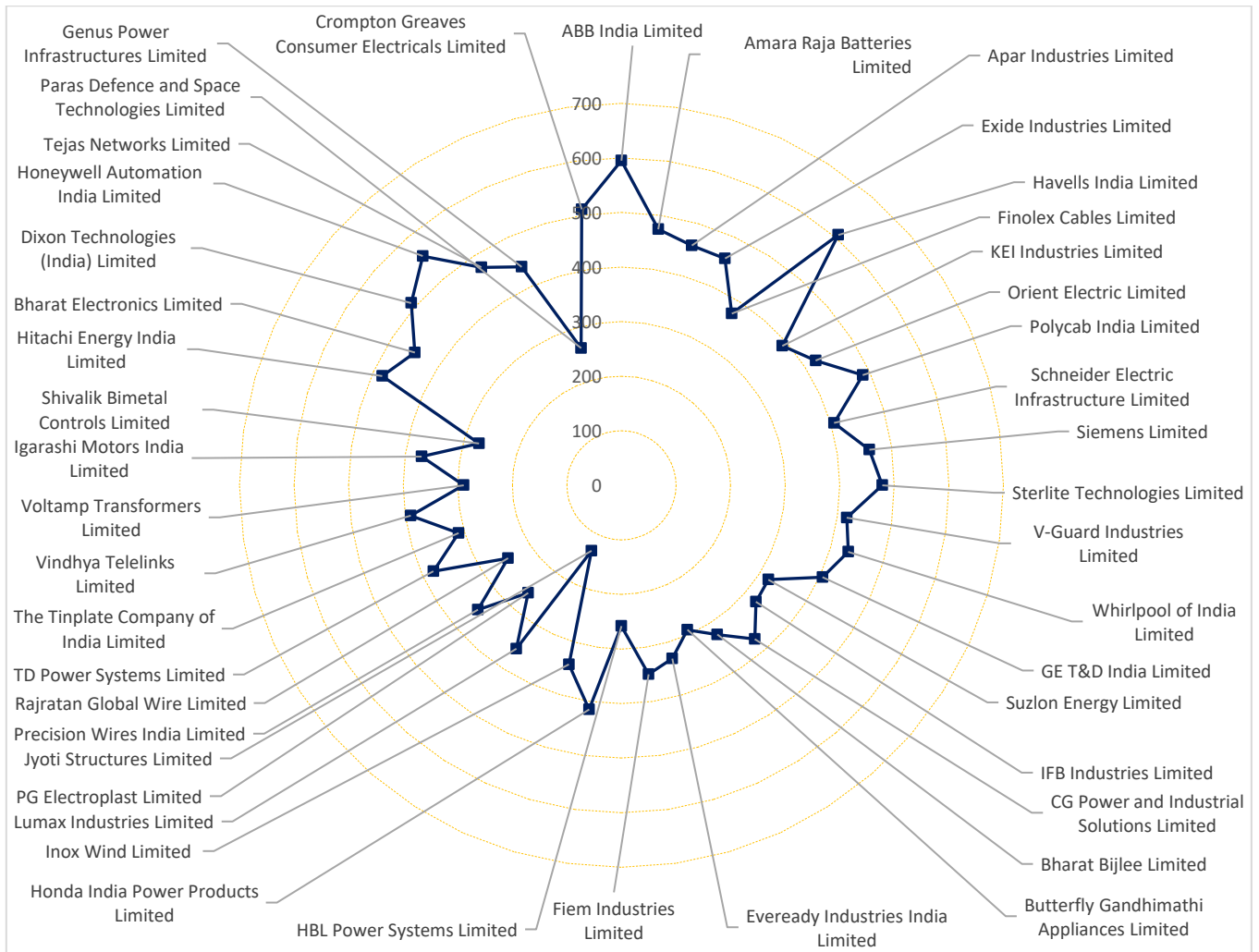


Figure: Industry Overview

391

ESGRisk.ai Average score

53%

Average BRR score

54%

Average Transparency score



27% of the companies are leading in the key issue of Board Diversity

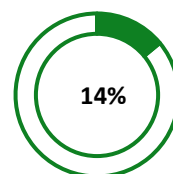
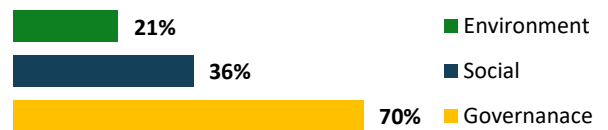


Only 8 out of 44 companies manage waste efficiently

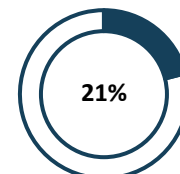


9% of the companies are riddled with controversies mostly ranging across Business Ethics

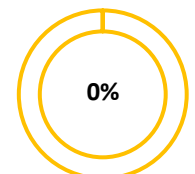
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

Companies following reporting standards and framework



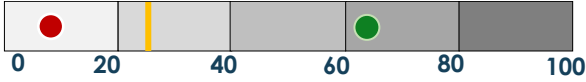
Occupation and workforce health & safety management are of primary importance to this industry as it involves exposure to noise and vibrations, material handling, collisions, crushing hazards, cutting and puncturing hazards, burn and abrasion hazards, electrical hazards, and high-pressure hazards. Environmental factors such as energy consumption is a direct function of fuels used for manufacturing of machinery. Pertinent governance issues include board independence and shareholders' rights.

Performance of material issues in Electrical and Electronic Equipment industry

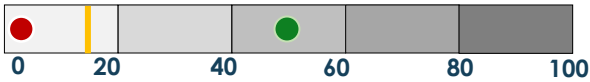
Business Ethics



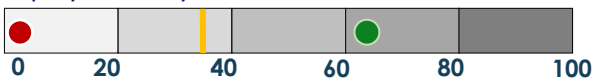
Energy Efficiency



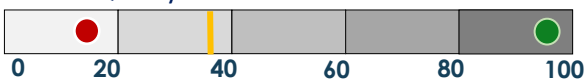
GHG Emissions



Employee Safety



Product Quality



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • ABB India Limited • Sterlite Technologies Limited
	Social
	<ul style="list-style-type: none"> • Honeywell Automation India Limited • Tejas Networks Limited
	Governance
	<ul style="list-style-type: none"> • Dixon Technologies (India) Limited • Honeywell Automation India Limited



Machinery and Equipment

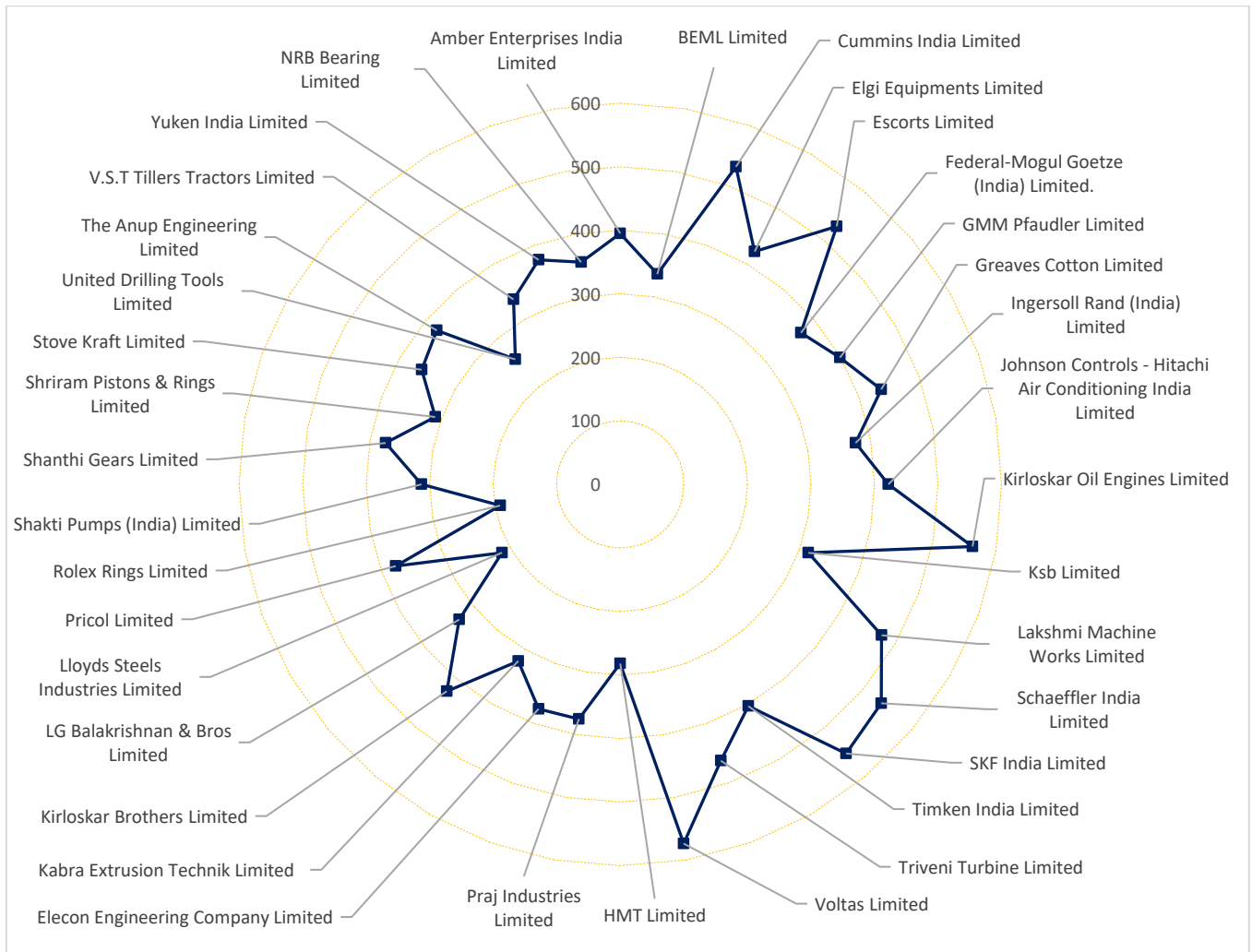


Figure: Industry Overview

390

ESGRisk.ai Average score

52%

Average BRR score

53%

Average Transparency score



39% of the companies are leading in the key issue of Board Diversity

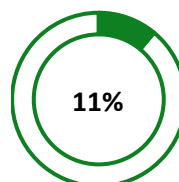
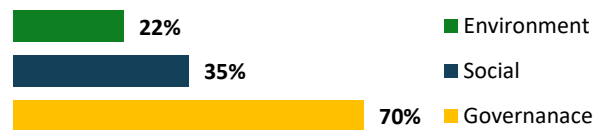


Only 6 out of 36 companies manage waste efficiently

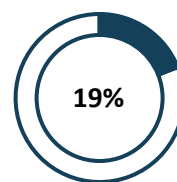


6% of the companies are riddled with controversies mostly ranging across Business Ethics

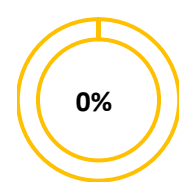
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

Companies following reporting standards and framework



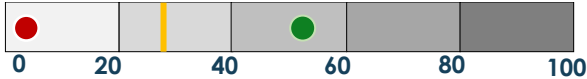
Companies in this industry are engaged in the manufacturing of machinery and electrical equipment. The manufacturing of machinery and equipment industry has a high carbon footprint. Efficient use of energy during the manufacturing process is a crucial factor. The industry's strength lies in its efficient material and water usage and in developing energy efficient products through innovative technology. Employee safety, training and retention of employees are vital for this industry. The industry should focus on key areas like corporate governance performance and adherence to business ethics. Practices related to board diversity and compensation and shareholder rights are some crucial governance issues.

Performance of material issues in Machinery and Equipment Industry

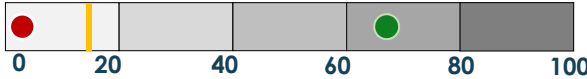
Board Independence



Energy Efficiency



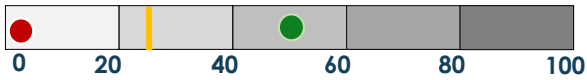
GHG Emissions



Community Support & Development



Employee Safety



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • Kirloskar Oil Engines Limited • Voltas Limited
	Social
	<ul style="list-style-type: none"> • Cummins India Limited • SKF India Limited
	Governance
	<ul style="list-style-type: none"> • Cummins India Limited • Escorts Limited



Cement and Building Materials

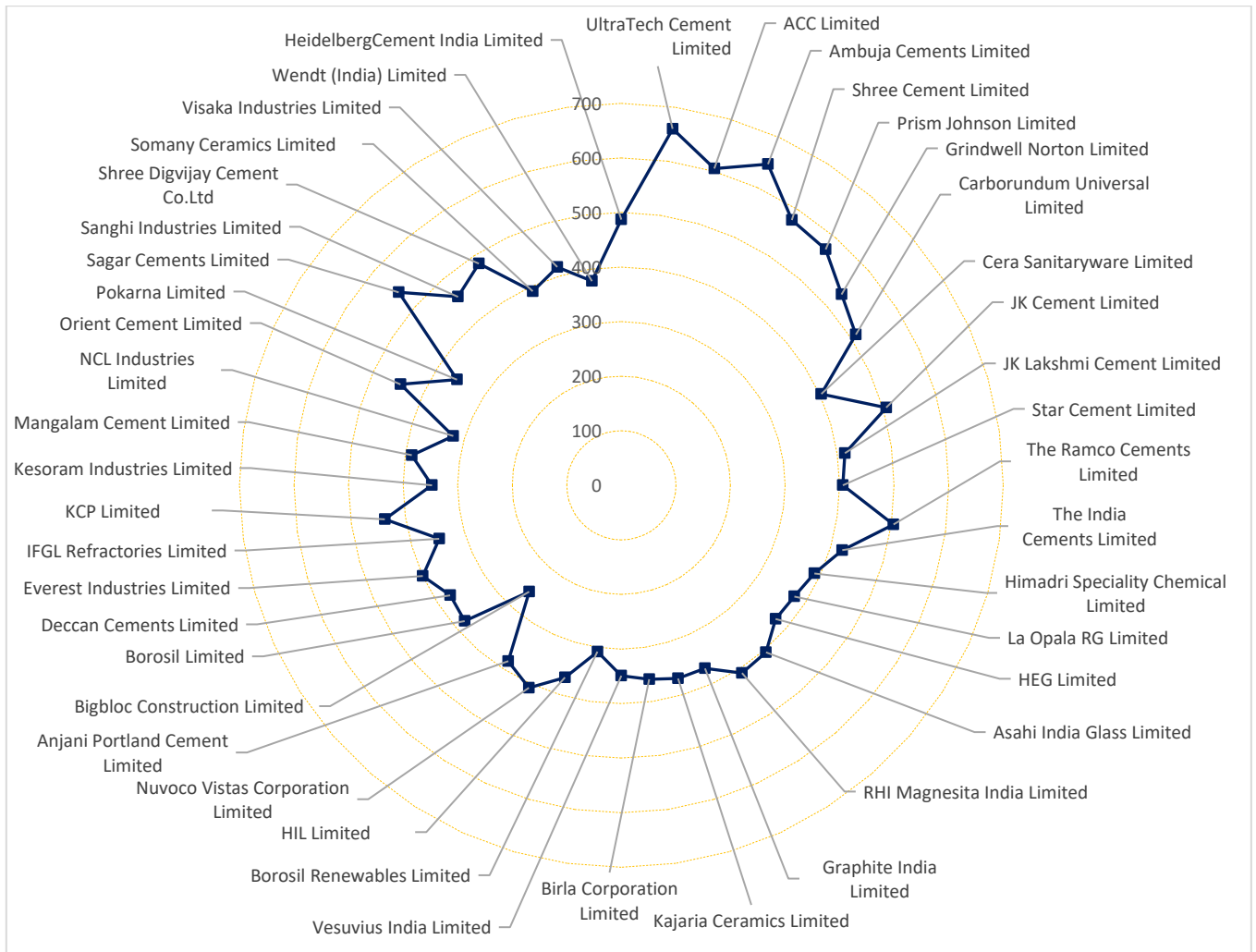


Figure: Industry Overview

428

ESGRisk.ai Average score

56%

Average BRR score

58%

Average Transparency score



25% of the companies are leading in the key issue of Board Diversity

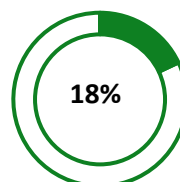


Only 9 out of 44 companies manage waste efficiently

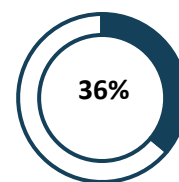


16% of the companies are riddled with controversies mostly ranging across Business Ethics and Employee Safety

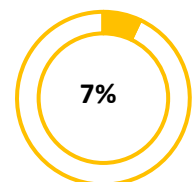
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

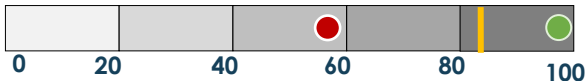
Companies following reporting standards and framework



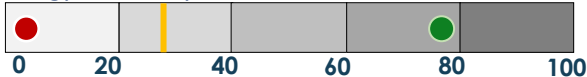
Companies in this industry are in manufacturing of cement, ceramics, glass, granites, porcelain, and other construction related materials. Cement production has a significant environmental impact. The manufacturing process for cement requires a significant amount of energy. In order to make their end-products, raw materials must be crushed and moved, resulting in greenhouse gas emissions, waste, and pollution. Labor management, human rights, occupational health and safety standards, and community development are all critical issues. Regulation compliance and ethical business practices pertaining to anti-competitive conduct by the companies are relevant governance issues.

Performance of material issues in Cement and Building Materials Industry

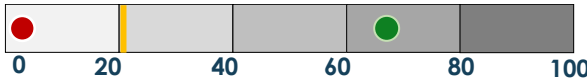
Board Independence



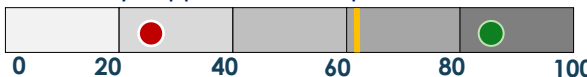
Energy Efficiency



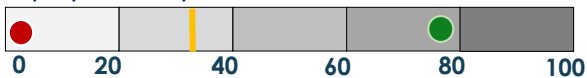
GHG Emissions



Community Support & Development






Employee Safety



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • Ambuja Cements Limited • UltraTech Cement Limited
	Social
	<ul style="list-style-type: none"> • ACC Limited • UltraTech Cement Limited
	Governance
	<ul style="list-style-type: none"> • Everest Industries Limited • Star Cement Limited



Real Estate

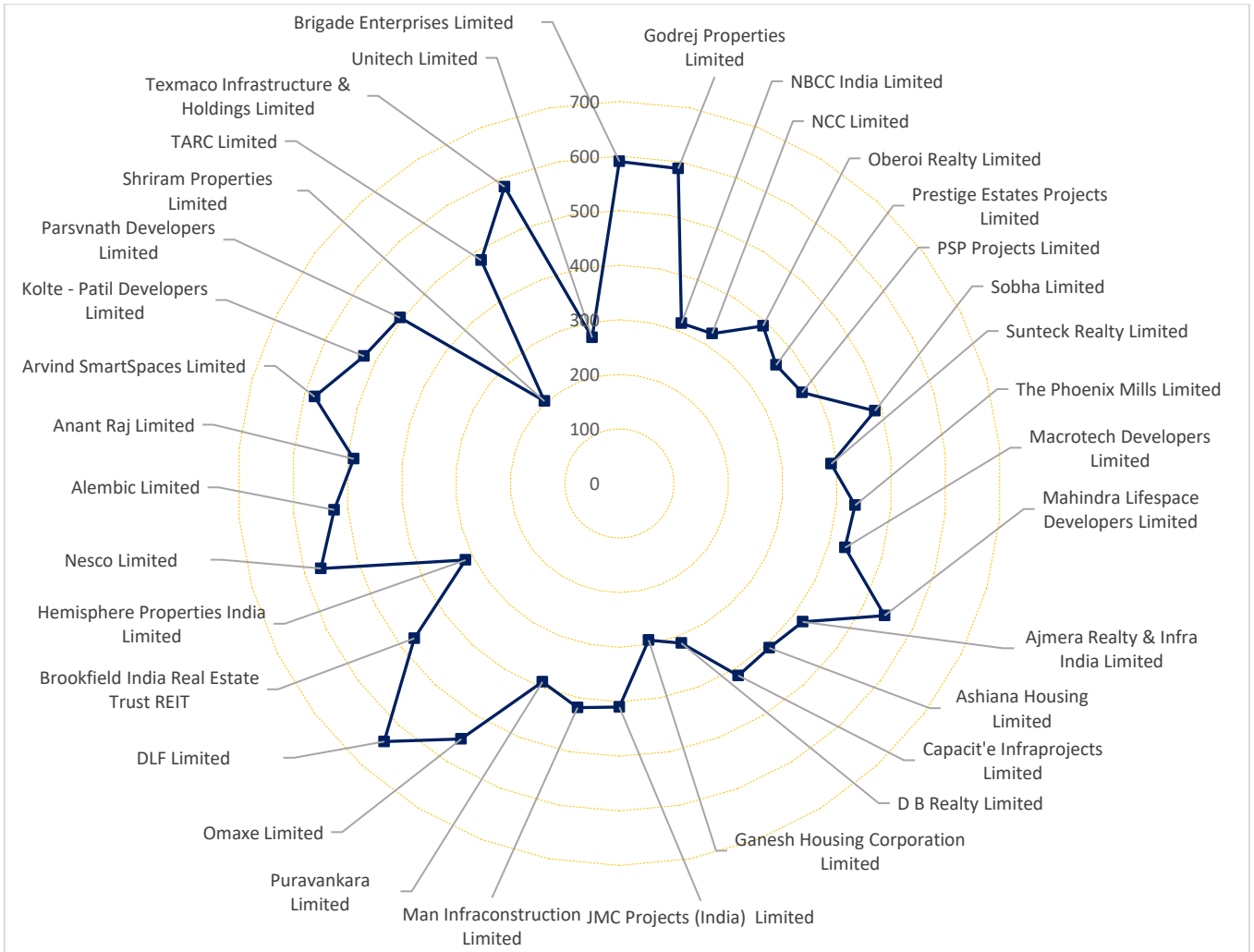


Figure: Industry Overview

441

ESGRisk.ai Average score

58%

Average BRR score

57%

Average Transparency score



24% of the companies are leading in the key issue of Board Diversity

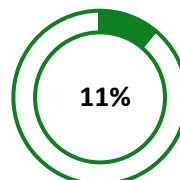


18 out of 34 companies manage employee safety efficiently

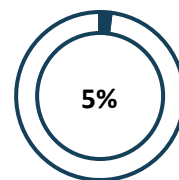


10% of the companies are riddled with controversies ranging across Environmental Management and Business Ethics

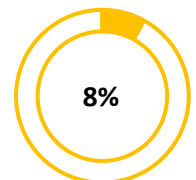
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

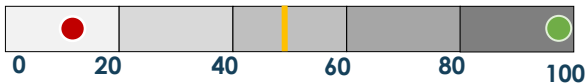
Companies following reporting standards and framework



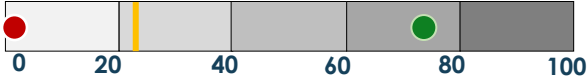
The real estate industry has high environmental footprint; waste management, energy efficiency and GHG emission measures are material issues. In the social category, community support and development, employee safety and equal opportunity are important issues. Pertinent governance issues include real estate regulatory compliances, bribery, and audit committee functioning. Companies are adopting energy efficiency and green building practices. Many real estate companies are building townships and providing facilities like sewage treatment plants, rainwater harvesting and installation of roof top solar plants for conservation of energy.

Performance of material issues in Real Estate Industry

Business Ethics



Water Efficiency



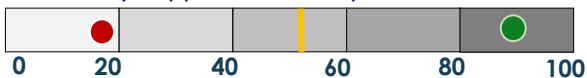
GHG Emissions



Employee Safety



Community Support & Development



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • Brigade Enterprise Limited • DLF Limited
	Social
	<ul style="list-style-type: none"> • DLF Limited • Sobha Limited
	Governance
	<ul style="list-style-type: none"> • Sunteck Realty Limited • Arvind SmartSpaces Limited



Civil Engineering

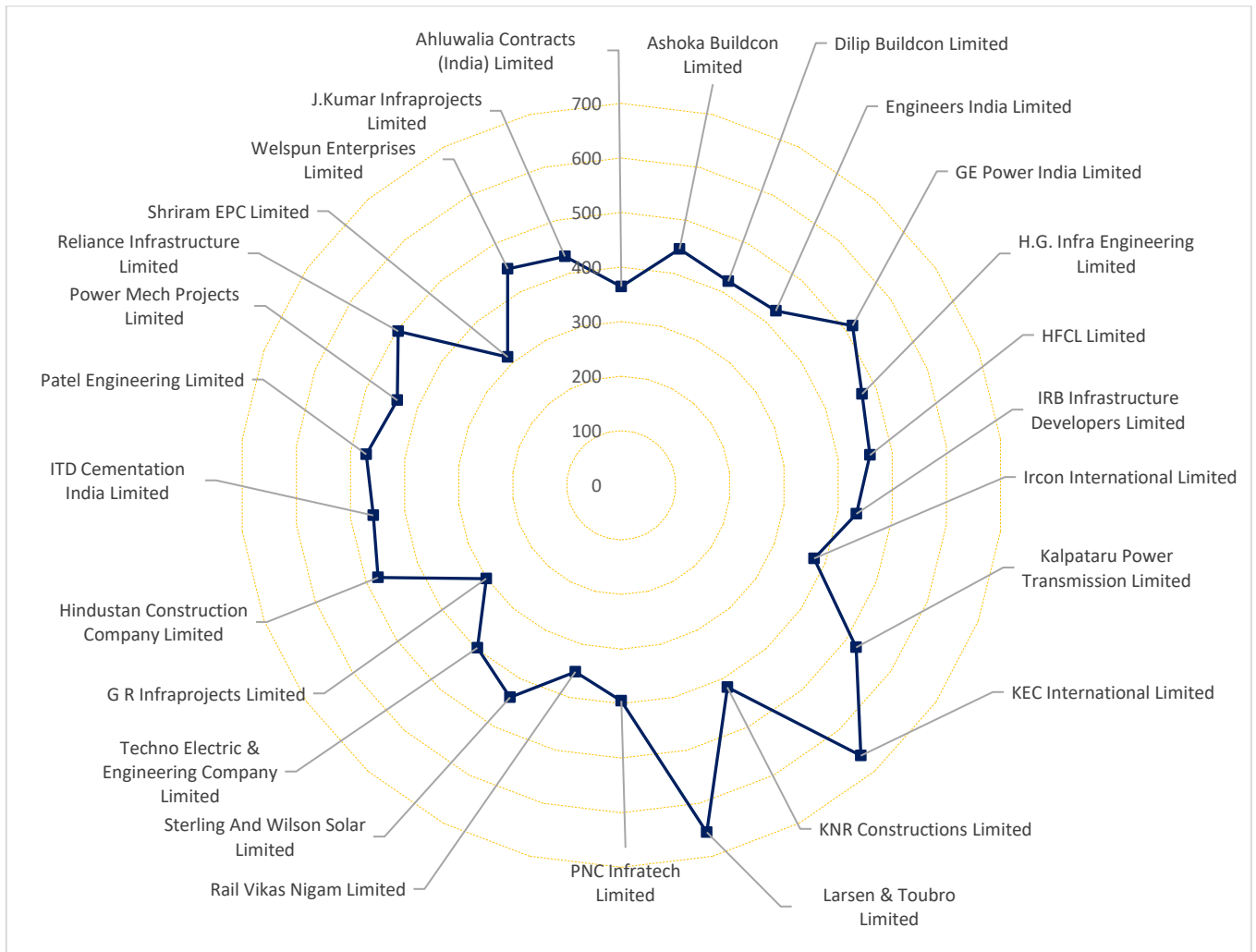


Figure: Industry Overview

446

ESGRisk.ai Average score

60%

Average BRR score

59%

Average Transparency score



26% of the companies are leading in the key issue of Board Diversity

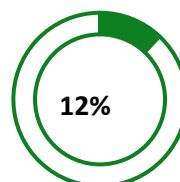


11 out of 26 companies have policy and initiatives towards employee safety

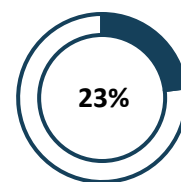


15% of the companies are riddled with controversies ranging across Business Ethics

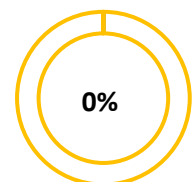
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

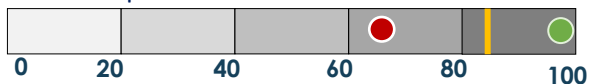
Companies following reporting standards and framework



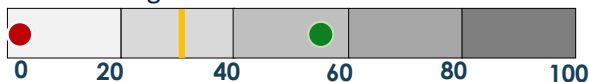
This companies in the civil engineering industry have infrastructure projects across construction, maintenance of roads, tunnels, bridges, highways and other utility projects. The civil engineering industry has a significant social impact, community support and development, employee safety and human rights play are critical issues in the social. Governance issues include board and management compensation, shareholders rights and board diversity. Scope 1 emissions, vehicle fleets and heavy machinery has considerable impact in environmental performance of civil engineering industry.

Performance of material issues in Civil Engineering Industry

Board Independence



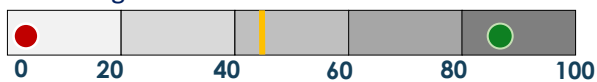
Waste Management



GHG Emissions



Human Rights




Employee Safety



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • Larsen & Toubro Limited • KEC International Limited
	Social
	<ul style="list-style-type: none"> • Larsen & Toubro Limited • KEC International Limited
	Governance
	<ul style="list-style-type: none"> • ITD Cementation India Limited • KEC International Limited



Automobile

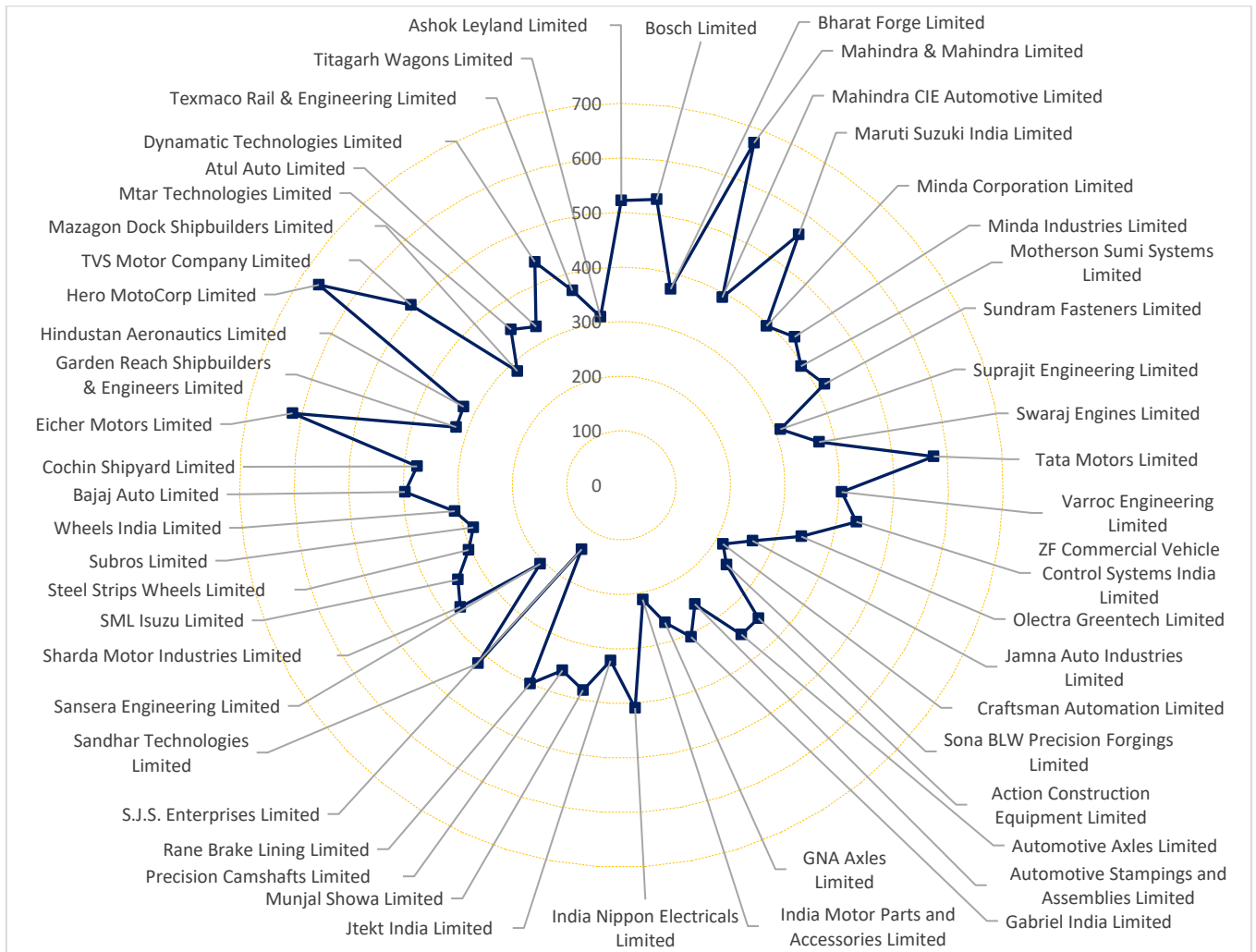


Figure: Industry Overview

375

ESGRisk.ai Average score

50%

Average BRR score

52%

Average Transparency score



27% of the companies are leading in the key issue of Board Diversity

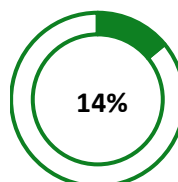


Only 4 out of 51 companies are energy efficient

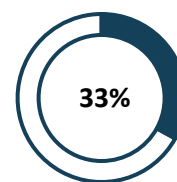


12% of the companies are riddled with controversies mostly ranging across Business Ethics

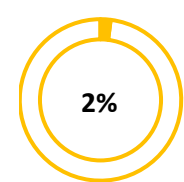
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

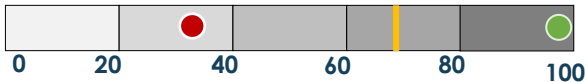
Companies following reporting standards and framework



Companies in this industry are in manufacturing of automobile and its ancillary and two wheelers along with others such as three wheelers. The automobile industry has a substantial environmental impact. Manufacturing process of vehicles, batteries, auto-parts and ancillaries emit huge amounts of greenhouse gases. These manufacturing processes also generate waste such as toxic battery waste, machine lubricants & coolants and others. Labor management, human rights, occupational health and safety standards, and community development are all critical issues. Regulation compliance and ethical business practices of the companies are relevant governance issues.

Performance of material issues in the Automobile Industry

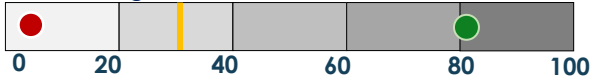
Financial Audit & Control



GHG Emissions



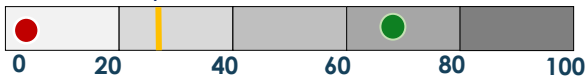
Waste Management



Employee Safety






Product Quality



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • Mahindra & Mahindra Limited • Tata Motors Limited
	Social
	<ul style="list-style-type: none"> • Eicher Motors Limited • Hero MotoCorp Limited
	Governance
	<ul style="list-style-type: none"> • TVS Motor Company Limited • Varroc Engineering Limited



Transport

Land Transport

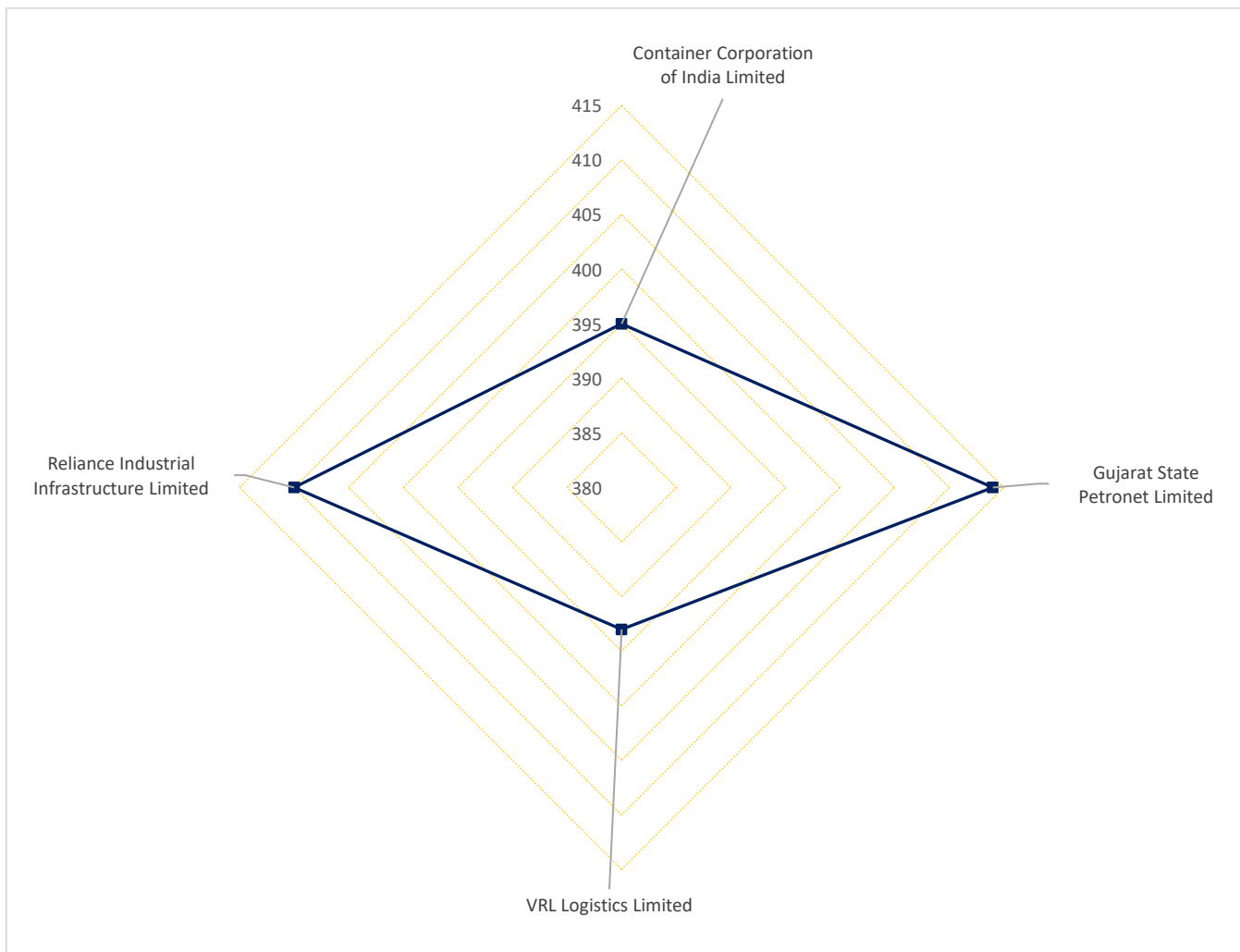


Figure: Industry Overview

403

ESGRisk.ai Average score

56%

Average BRR score

57%

Average Transparency score

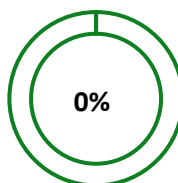
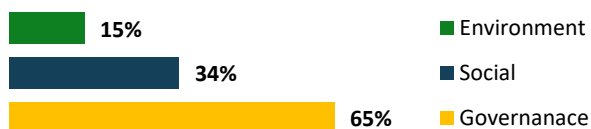


20% of the companies are leading in the key issue of Board Diversity

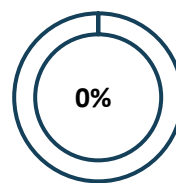


2 out of 4 companies manage fairly in product quality

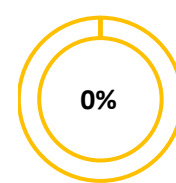
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



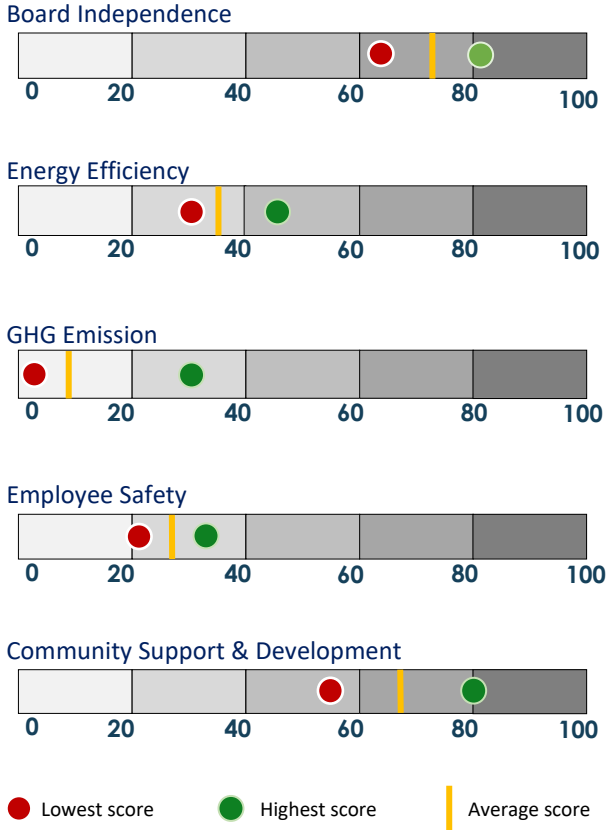
TCFD

Companies following reporting standards and framework



Corporate governance is a primary risk for land transport and pipelines industry. Ethical business practices are materially significant to the industry. They also have a substantial carbon emissions and toxic waste footprint. Issues such as waste management, water efficiency, and achieving energy efficiency are significant to the land transport industry. Labour management, employee development & safety, and community support and development are key social areas critical to this industry.

Performance of material issues in Land Transport Industry



Top performing companies based on E, S and G categories

	Environment	<ul style="list-style-type: none"> Reliance Industrial Infrastructure Limited Container Corporation of India Limited
	Social	<ul style="list-style-type: none"> Container Corporation of India Limited Gujarat State Petronet Limited
	Governance	<ul style="list-style-type: none"> VRL Logistics Limited Reliance Industrial Infrastructure Limited



Water Transport

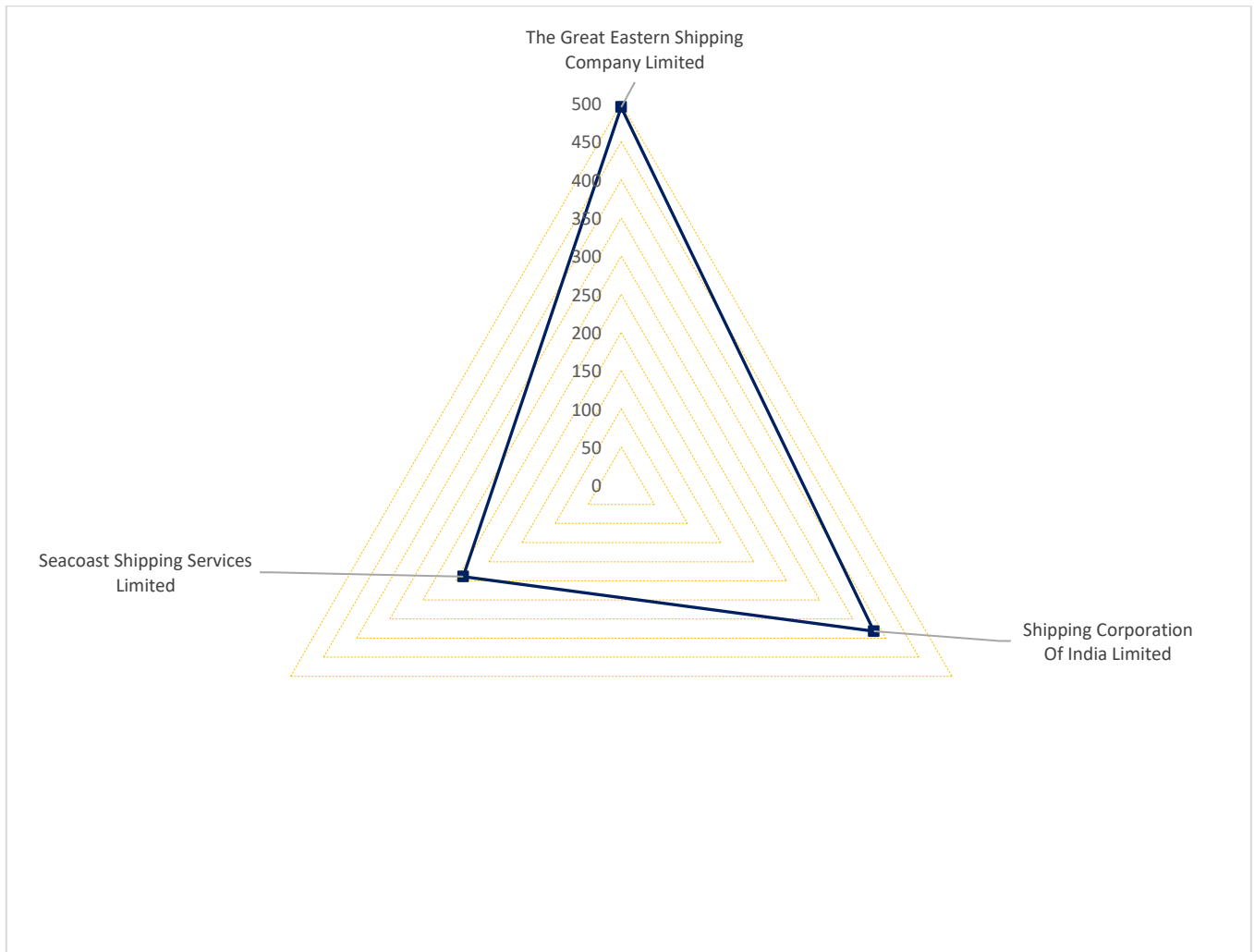


Figure: Industry Overview

372

ESGRisk.ai Average score

54%

Average BRR score

53%

Average Transparency score



67% of the companies are leading in the key issue of Board Diversity

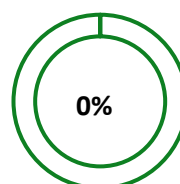


2 out of 3 companies fare well in energy efficiency

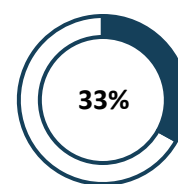


33% of the companies are riddled with controversies ranging across Employee Safety

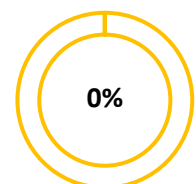
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

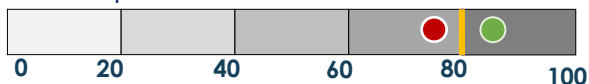
Companies following reporting standards and framework



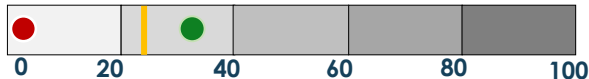
The Water transport industry has a substantial social and environmental impact. Air pollutant and GHG emissions, employee safety, product quality, human rights and community support & development. Scope 1 emissions associated with fuel combustion have a considerable impact on the environmental performance of the transportation companies. Social material issues such as labor management and employment quality are critical for the water transport industry. Additionally, community support & development, product safety, human rights and product quality are other key material issues for this industry.

Performance of material issues in Water Transport Industry

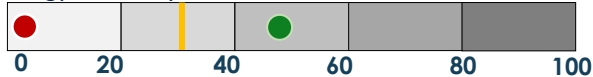
Board Independence



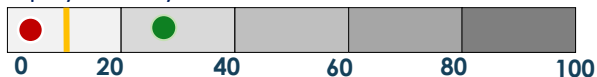
Air Pollutant



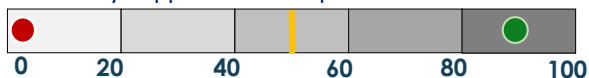
Energy Efficiency



Employee Safety



Community Support & Development



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • The Great Eastern Shipping Company Limited • Shipping Corporation of India Limited
	Social
	<ul style="list-style-type: none"> • The Great Eastern Shipping Company Limited • Shipping Corporation of India Limited
	Governance
	<ul style="list-style-type: none"> • The Great Eastern Shipping Company Limited • Shipping Corporation on India Limited



Air Transport

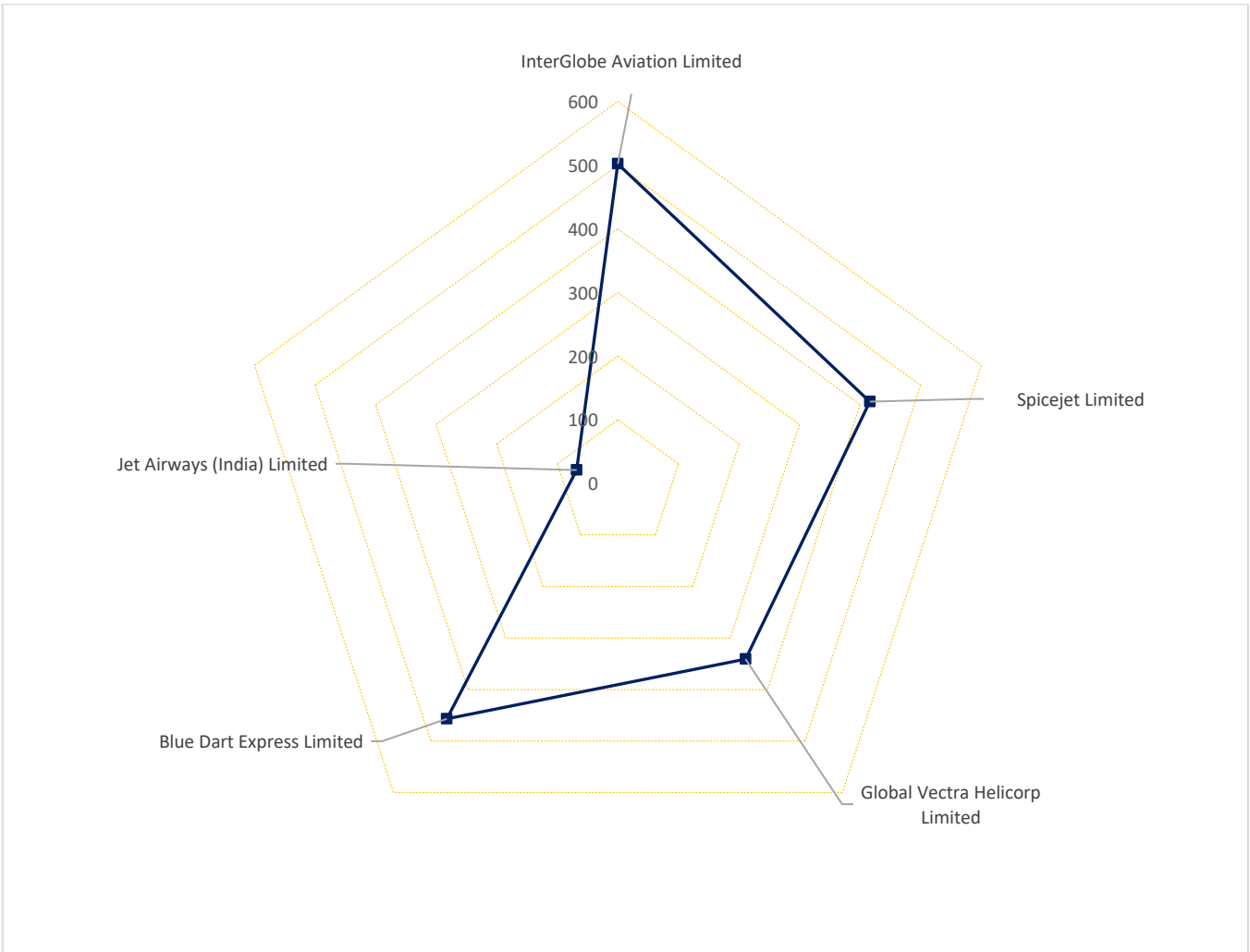


Figure: Industry Overview

356

ESGRisk.ai Average score

46%

Average BRR score

47%

Average Transparency score



80% of the companies are leading in the key issue of Board Diversity

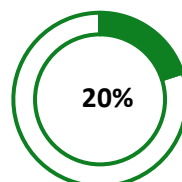
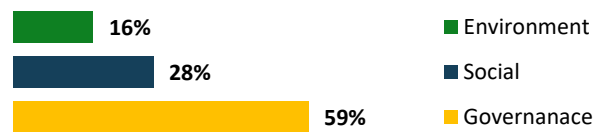


3 out of 5 companies fare well in energy efficiency

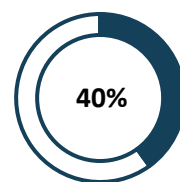


40% of the companies are riddled with controversies ranging across Business Ethics, Product Safety and Product Responsibility

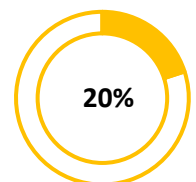
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

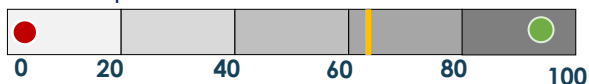
Companies following reporting standards and framework



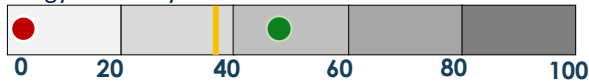
The Air transport industry has a substantial social and environmental impact. Air pollutant and GHG emissions, employee safety and community support & development. Scope 1 emissions associated with fuel combustion have a considerable impact on the environmental performance of the transportation companies. Labour management issues such as employee safety, employee training and development are critical to the air transport industry. Customer safety, consistent service delivery and the desired customer experience are key to achieving product quality & safety. Other important aspects include diversity & inclusion practices and community support.

Performance of material issues in Air Transport Industry

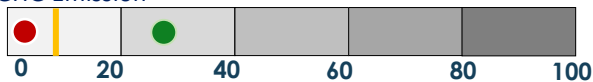
Board Independence



Energy Efficiency



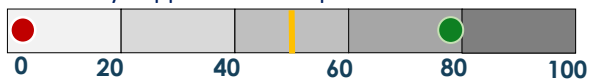
GHG Emission



Employee Safety



Community Support & Development



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • InterGlobe Aviation Limited • Spicejet Limited
	Social
	<ul style="list-style-type: none"> • InterGlobe Aviation Limited • BlueDart Express Limited
	Governance
	<ul style="list-style-type: none"> • InterGlobe Aviation Limited • BlueDart Express Limited



Telecommunications

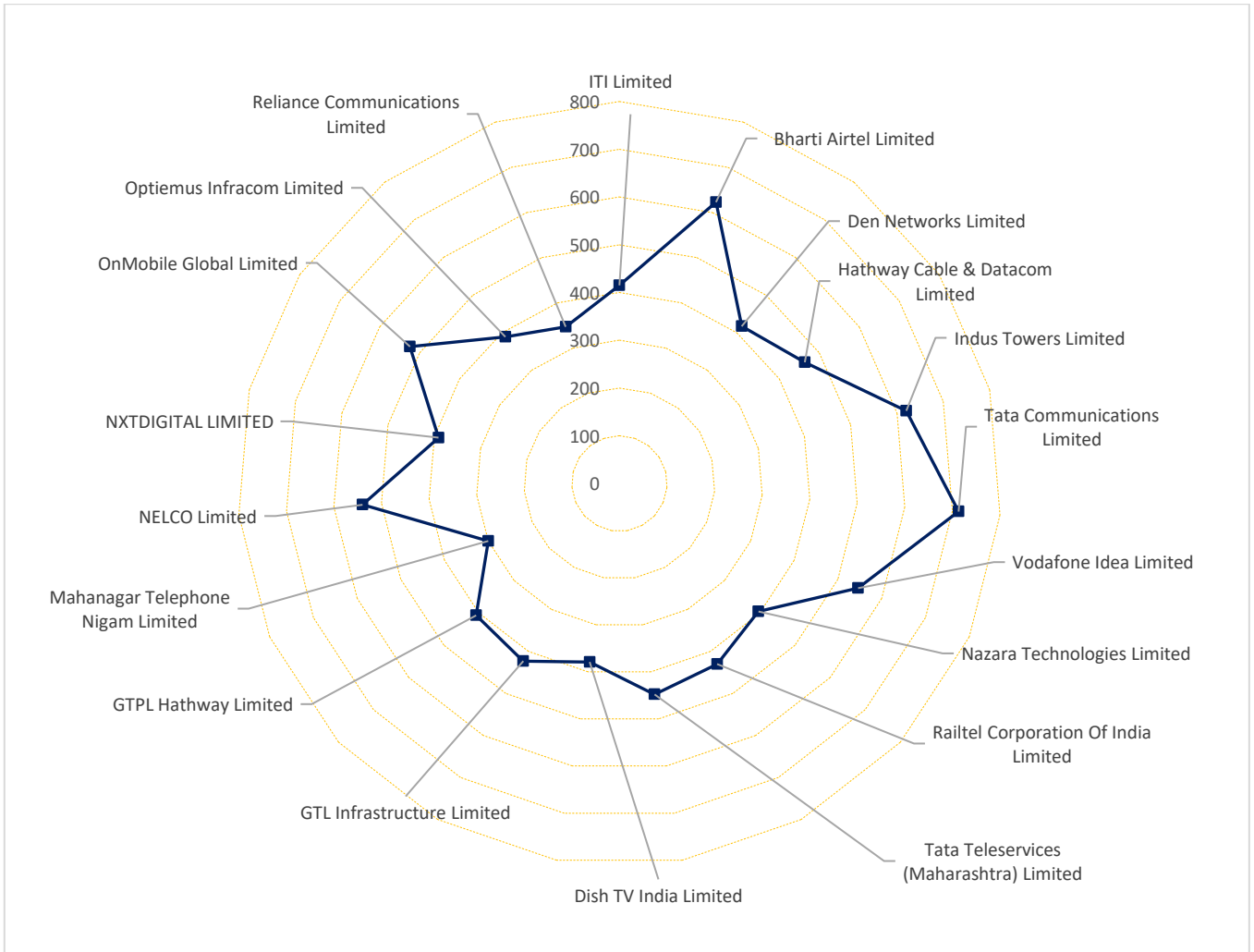


Figure: Industry Overview

462

ESGRisk.ai Average score

61%

Average BRR score

60%

Average Transparency score



63% of the companies are leading in the key issue of Board Diversity

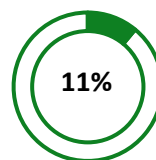
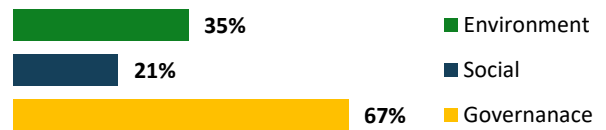


12 out of 19 companies market their products responsibly

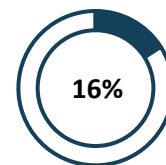


11% of the companies are riddled with controversies ranging across Business Ethics

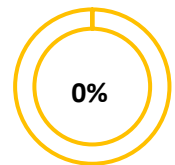
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



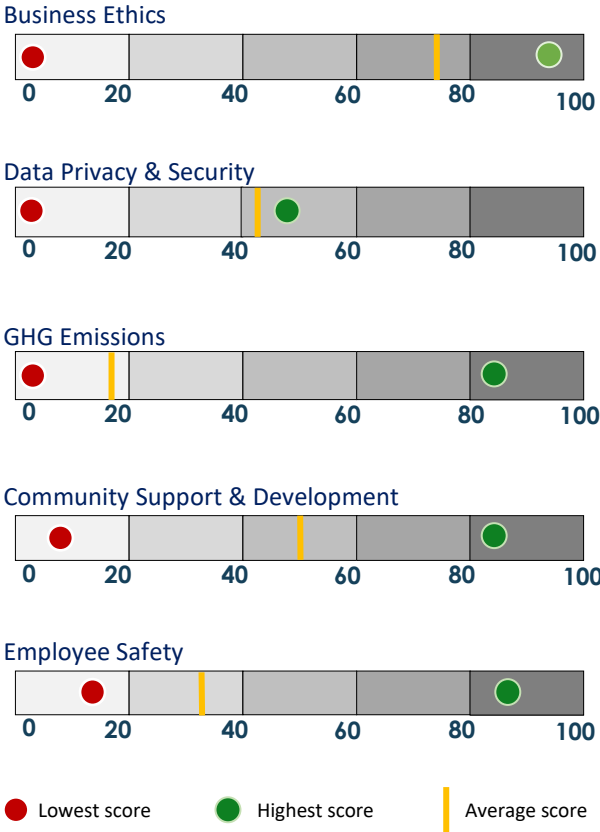
TCFD

Companies following reporting standards and framework



In the telecommunications industry, GHG emissions are produced in the downstream operations, such as tower installations. The telecom industry requires focus on social responsibilities including occupational health and safety issues due to the workers close proximity to electromagnetic fields, working with electricity, and at extreme heights, as well as diversity & inclusion practices, providing relevant services, assuring continuity of service and giving the desired customer experience. Governance issues include regulatory compliance and ethical business practices during bids, spectrum auctions, and licensing.

Performance of material issues in Telecommunications industry



Top performing companies based on E, S and G categories

	Environment	<ul style="list-style-type: none"> Tata Communications Limited Indus Towers Limited
	Social	<ul style="list-style-type: none"> Bharti Airtel Limited Tata Communications Limited
	Governance	<ul style="list-style-type: none"> Bharti Airtel Limited Tata Communications Limited



Banking and Financial Industry

Banking Services

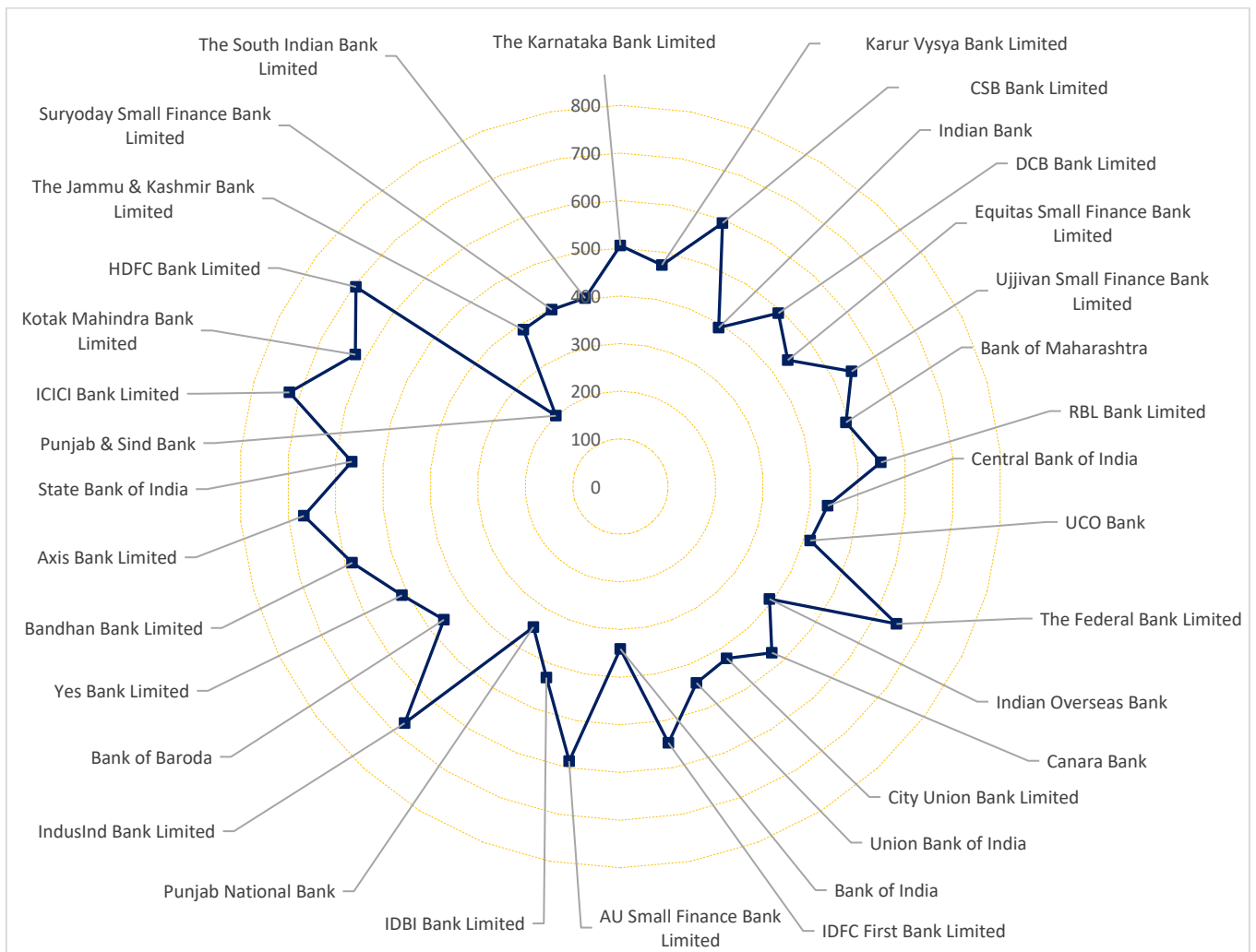


Figure: Industry Overview

496

ESGRisk.ai Average score

68%

Average BRR score

67%

Average Transparency score



23% of the banks are leading in the key issue of Board Diversity

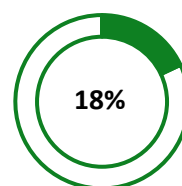
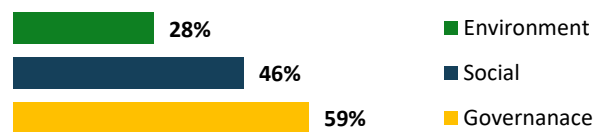


3 out of 34 banks are scoring above 60% when it comes to diversity practices

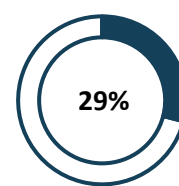


71% of the banks are riddled with controversies mostly ranging across Business Ethics

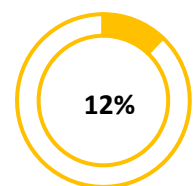
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

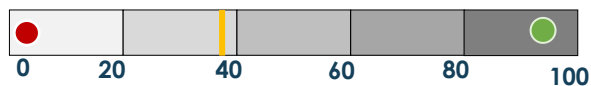
Companies following reporting standards and framework



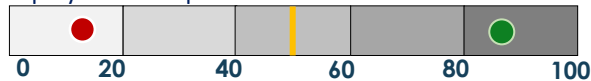
The banking services industry includes companies which provide banking services. The banking sector has a substantial social impact. Data privacy & security, employee development, employment quality and equal opportunity are critical issues. The banking industry has low exposure to environmental risks. Electronic waste and energy efficiency are key material issues. Scope 2 emission (indirect emission) related to the data centres, has a considerable impact on the environmental performance of banks.

Performance of material issues in Banking industry

Business Ethics



Employee Development



Employment Quality



GHG Emissions




Energy Efficiency



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • Kotak Mahindra Bank Limited • ICICI Bank Limited
	Social
	<ul style="list-style-type: none"> • Federal Bank Limited • HDFC Bank Limited
	Governance
	<ul style="list-style-type: none"> • CSB Bank Limited • ICICI Bank Limited



Non-Banking Financial Services

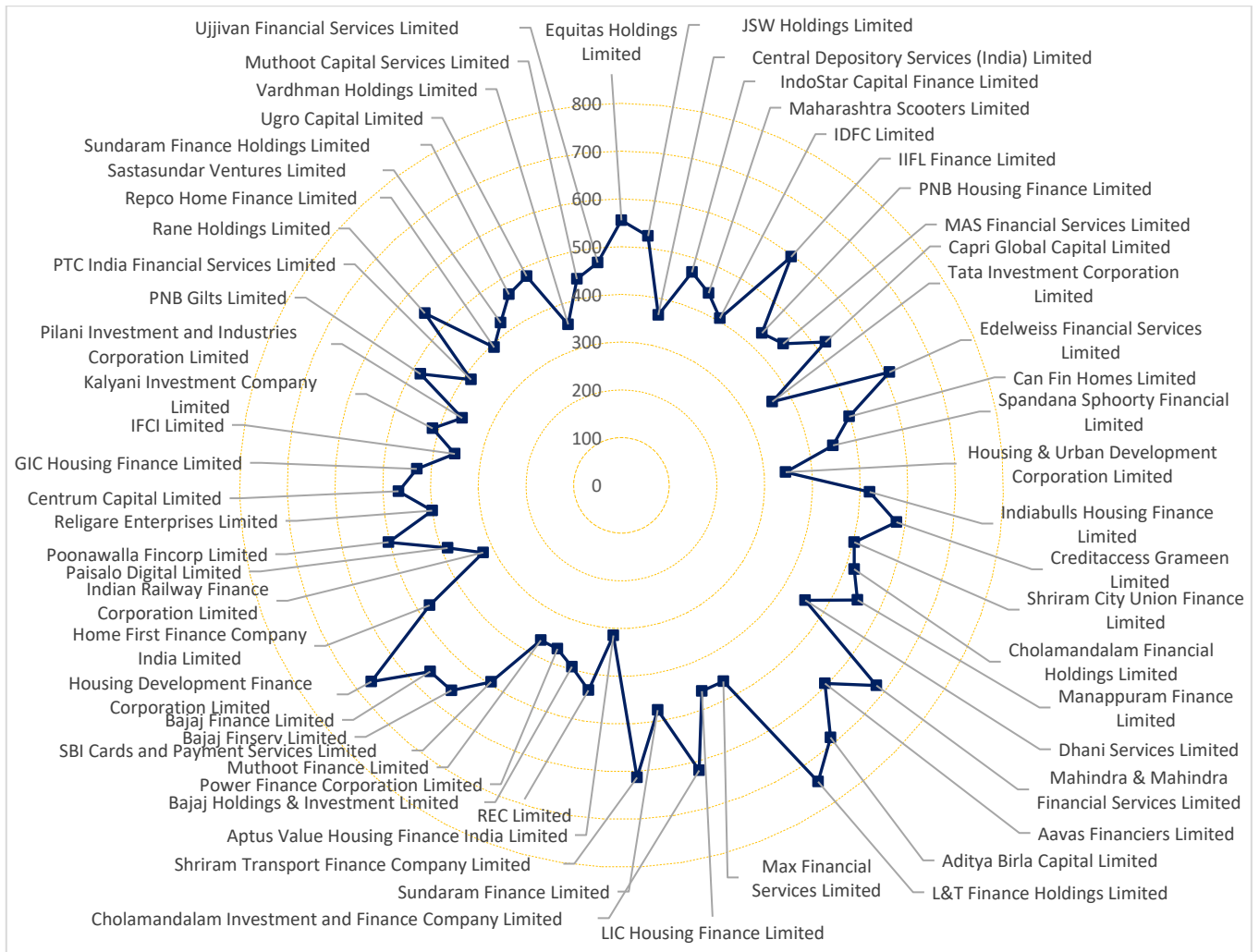


Figure: Industry Overview

478

ESGRisk.ai Average score

66%

Average BRR score

64%

Average Transparency score



34% of the companies are leading in the key issue of Board Diversity

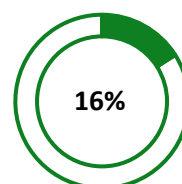
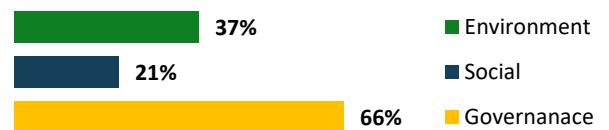


18 out of 58 companies have initiatives for their employees' development

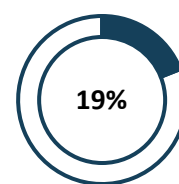


22% of the companies are riddled with controversies mostly ranging across Business Ethics

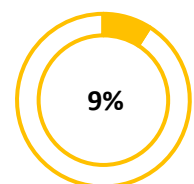
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



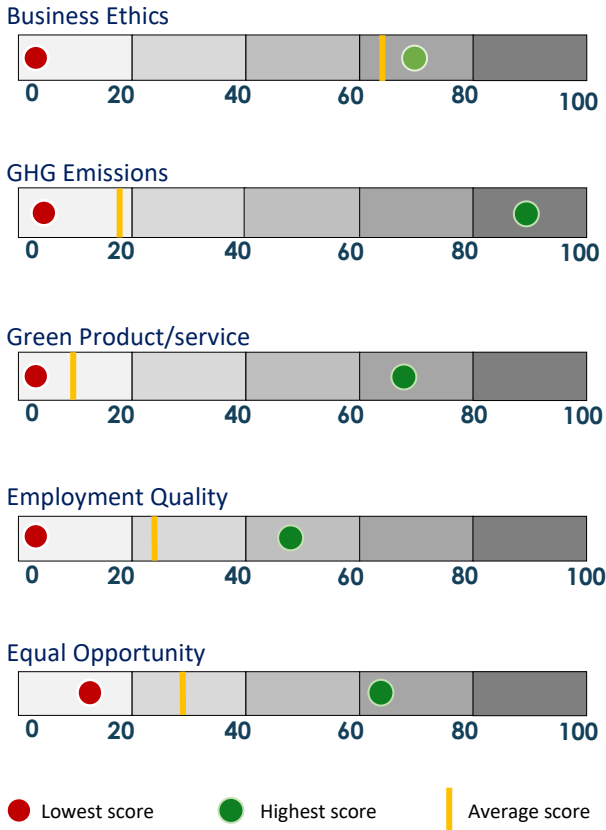
TCFD

Companies following reporting standards and framework



Factors such as management compensation and board independence hold primary importance within this industry. Similarly, business ethics, financial audit and control and shareholders' rights are other material issues for the industry. The environmental risks associated with the financial services industry are GHG emissions and ESG reporting transparency. Issues such as energy efficiency, green products or services and waste management are also critical to the industry.

Performance of material issues in Non- Banking Financial Service Industry



Top performing companies based on E, S and G categories

 Environment	<ul style="list-style-type: none"> Aditya Birla Capital Limited L&T Finance Holdings Limited
 Social	<ul style="list-style-type: none"> Housing Development Finance Corporation Limited L&T Finance Holdings Limited
 Governance	<ul style="list-style-type: none"> Cholamandalam Financial Holdings Limited Rane Holdings Limited



Insurance & Other Financial Services

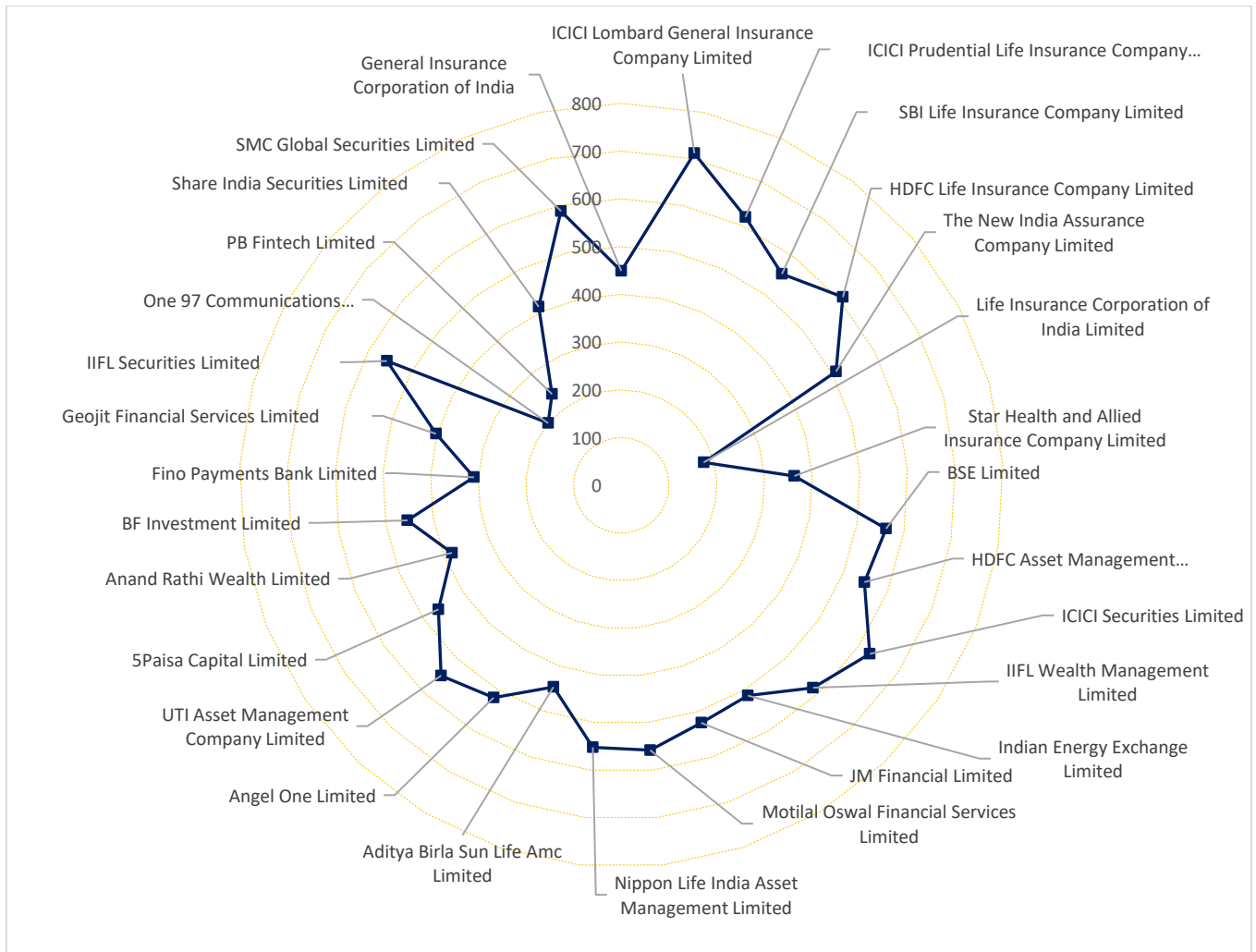


Figure: Industry Overview

482

ESGRisk.ai Average score

62%

Average BRR score

60%

Average Transparency score



31% of the companies are leading in the key issue of Board Diversity

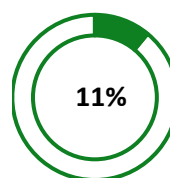
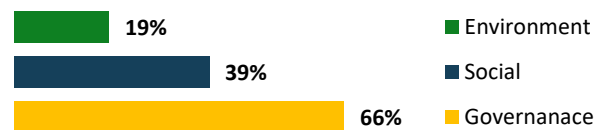


Only 7 out of 29 companies have ensured risk management framework for data privacy and security

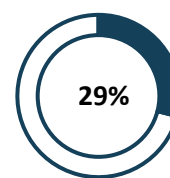


7% of the companies are riddled with controversies related to Business Ethics

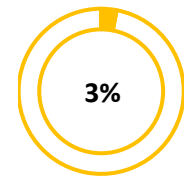
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

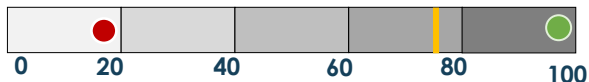
Companies following reporting standards and framework



This industry includes insurance as well other financial services. Corporate Governance is critical in the insurance and pension funding industry as well as other financial services. The industries have low exposure to environmental risks. Electronic waste and energy efficiency are key material issues. Scope 2 emissions related to the data centres have a considerable impact on the environmental performance of the financial service institutions. The financial services sector has a substantial social impact. Increasing financial inclusion and community development are key elements of the financial industry. Data privacy and security, employee training and retention are other critical issues.

Performance of material issues in Insurance and Other Financial Services

Business Ethics



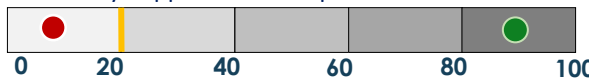
GHG Emissions



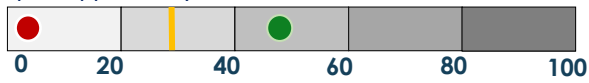
Waste



Community Support & Development





Equal Opportunity



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • ICICI Lombard General Insurance Company Limited • ICICI Securities Limited
	Social
	<ul style="list-style-type: none"> • ICICI Lombard General Insurance Company Limited • ICICI Prudential Life Insurance Company Limited
	Governance
	<ul style="list-style-type: none"> • HDFC Life Insurance Company Limited • Motilal Oswal Financial Services Limited



Information Technology

Information Service Activities

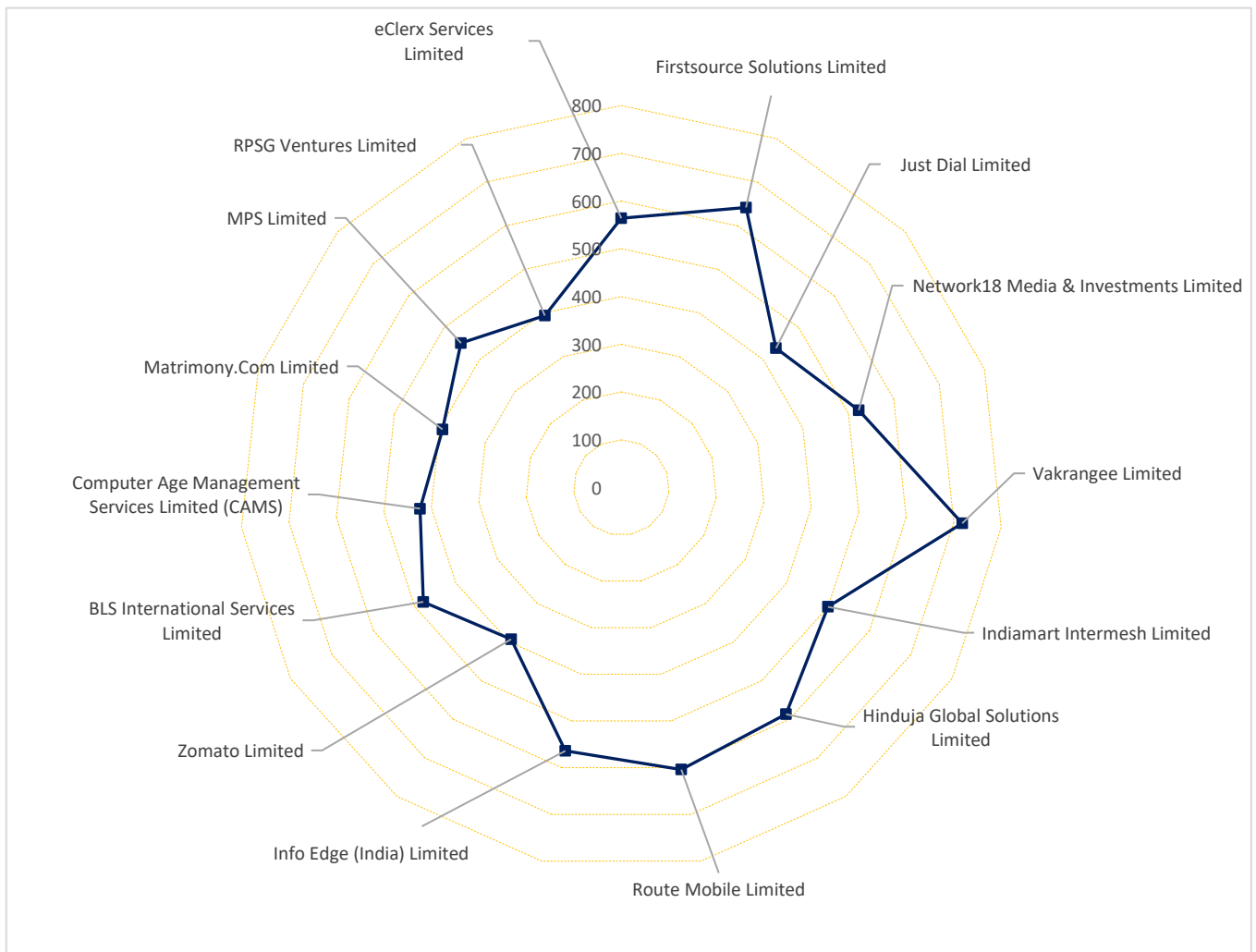


Figure: Industry Overview

512

ESGRisk.ai Average score

69%

Average BRR score

67%

Average Transparency score



27% companies are leading in the key issue of Board diversity

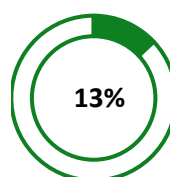
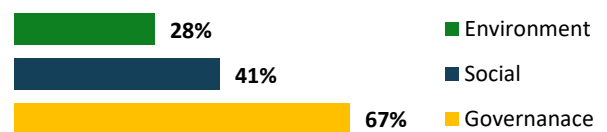


4 out of 15 companies is leading in the key issue of data privacy & security

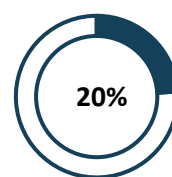


13% of the companies are facing controversies related to the key issues of business ethics and data privacy & security

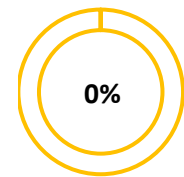
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

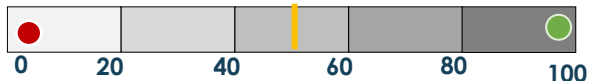
Companies following reporting standards and framework



For the IT services industry, social issues like data privacy & security, human rights, and employee development are critical. Similarly, other key issues such as community support & development, employee development and product quality are critical for the information services industry. The industry's exposure to environment related risks is limited to mainly GHG emissions, energy efficiency, waste management and water efficiency. Business ethics is a primary governance concern for the information services industry. Other governance key issues like audit committee functioning, shareholder rights, financial audit & control, board diversity & independence, and management & board compensation are significant to this industry.

Performance of material issues in Information Services Activities industry

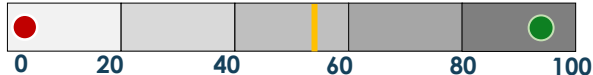
Data Privacy & Security



Equal Opportunity



GHG Emissions



Energy Efficiency



Board Independence



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • Firstsource Solutions Limited • Route Mobile Limited
	Social
	<ul style="list-style-type: none"> • Firstsource Solutions Limited • Hinduja Global Solutions Limited
	Governance
	<ul style="list-style-type: none"> • Info Edge (India) Limited • Firstsource Solutions Limited



Computer Programming

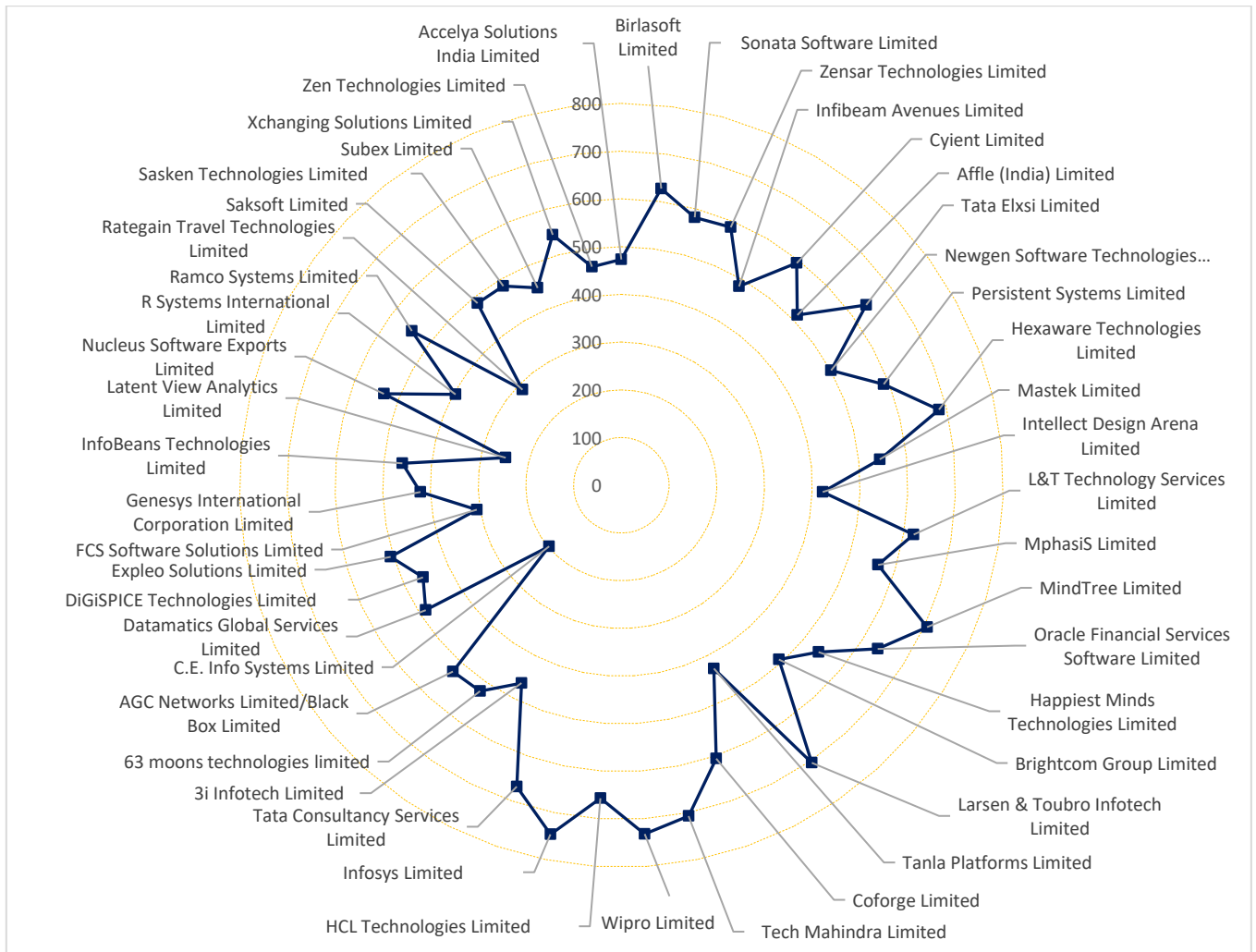


Figure: Industry Overview

520

ESGRisk.ai Average score

69%

Average BRR score

68%

Average Transparency score



45% companies are leading in the key issue of Board diversity

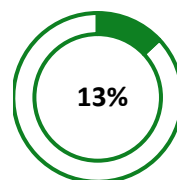
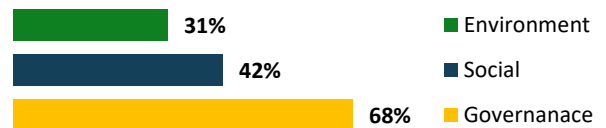


11 out of 47 companies is leading in the key issue of board independence

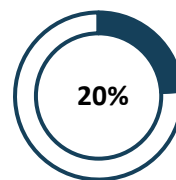


11% of the companies are facing controversies related to the key issue of business ethics

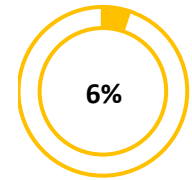
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

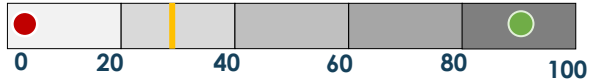
Companies following reporting standards and framework



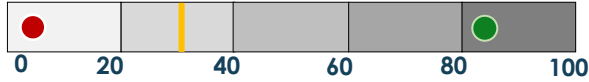
For the IT consultancy industry, social issues such as data privacy & security, human rights, and employee development are critical. The industry’s exposure to environment related risks is limited to mainly GHG emissions, energy efficiency and water efficiency. The industry is susceptible to governance risks associated with regulatory compliance, board oversight, and ethical business practices. Board independence and diversity, audit committee functioning, financial audit & control, and shareholders’ rights are also critical issues for this industry

Performance of material issues in Computer Programming industry

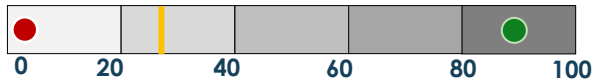
Employment Quality



Equal Opportunity



GHG Emissions



Energy Efficiency



Board Independence



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • Mindtree Limited • Infosys Limited
	Social
	<ul style="list-style-type: none"> • Infosys Limited • Wipro Limited
	Governance
	<ul style="list-style-type: none"> • Saksoft Limited • Info Edge (India) Limited



Entertainment and Broadcasting

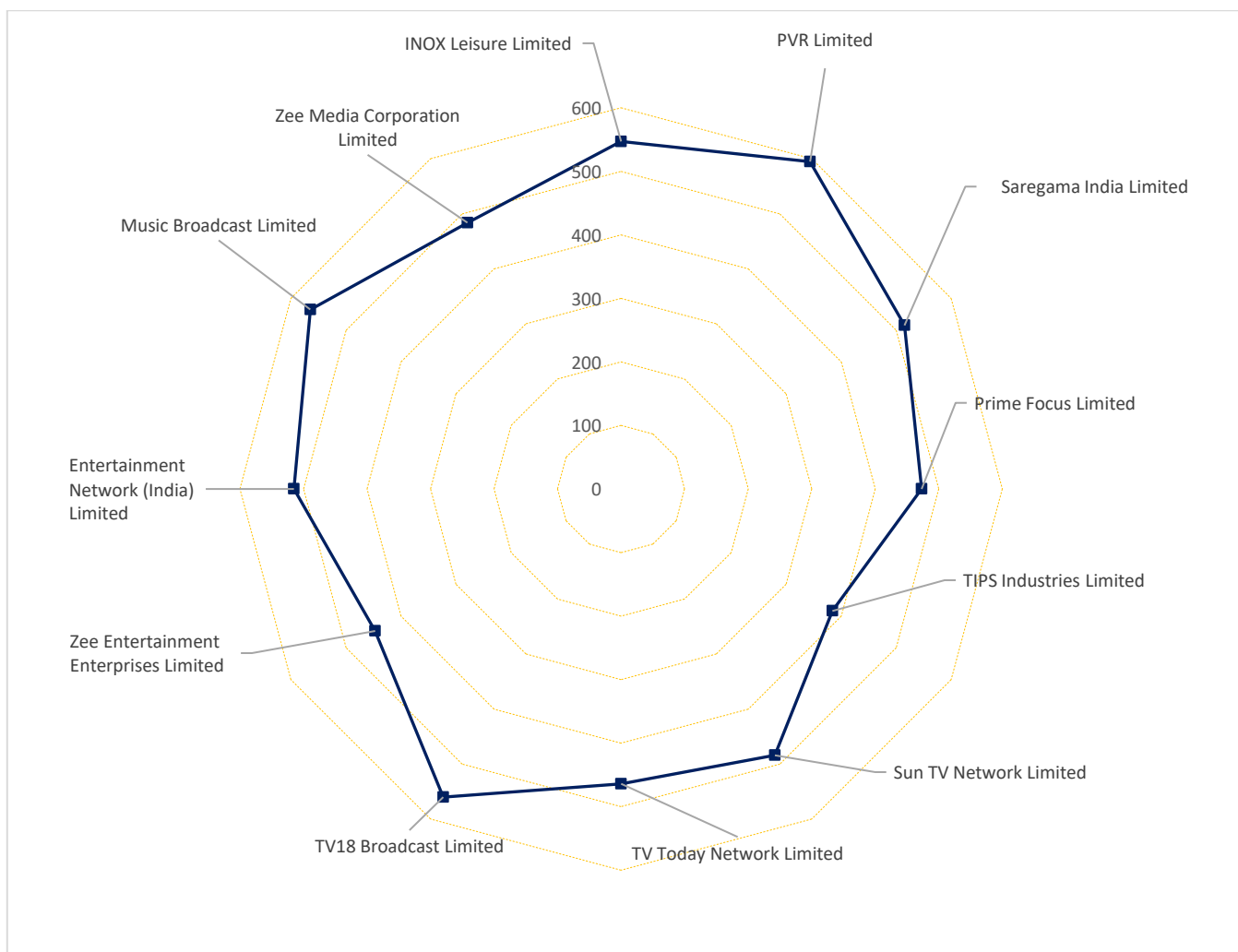


Figure: Industry Overview

502

ESGRisk.ai Average score

64%

Average BRR score

64%

Average Transparency score



50% of the companies are leading in the key issue of Board Diversity

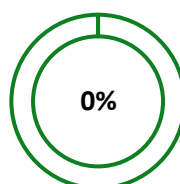


7 out of 12 companies manage community support & development

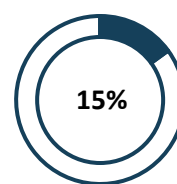


25% of the companies are riddled with controversies ranging across Business Ethics

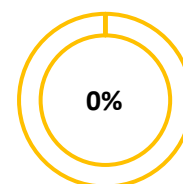
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

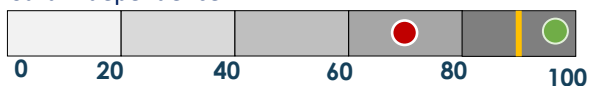
Companies following reporting standards and framework



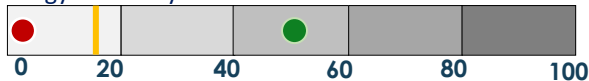
This industry includes two segments- entertainment and broadcasting. In the entertainment industry, due to the nature of operations, environmental factors have a limited exposure to GHG emissions and energy efficiency holding primary importance. The film and television production industry generates carbon and greenhouse gases from travel, transportation, production material deliveries, onsite generators and even pyrotechnical scenes. The social front is underpinned by equal opportunity practices that promote diversity and inclusion, building community relations, product quality & responsibility. Complying with intellectual property rights, appropriate royalty payments, recognition and providing unbiased opinion & factual information are critical to governance practices in the entertainment industry. Companies within the industry have given nearly equal importance to their governance practices, instituting policies and strategies such as whistle-blower protection, fair competition and diversity on the board.

Performance of material issues in Entertainment and Broadcasting Industry

Board Independence



Energy Efficiency



GHG Emissions



Equal Opportunity






Product Quality



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • Zee Entertainment Enterprise Limited • TV18 Broadcast Limited
	Social
	<ul style="list-style-type: none"> • Prime Focus Limited • Zee Entertainment Enterprise Limited
	Governance
	<ul style="list-style-type: none"> • Saregama India Limited • Sun TV Network India



Human Health Activities

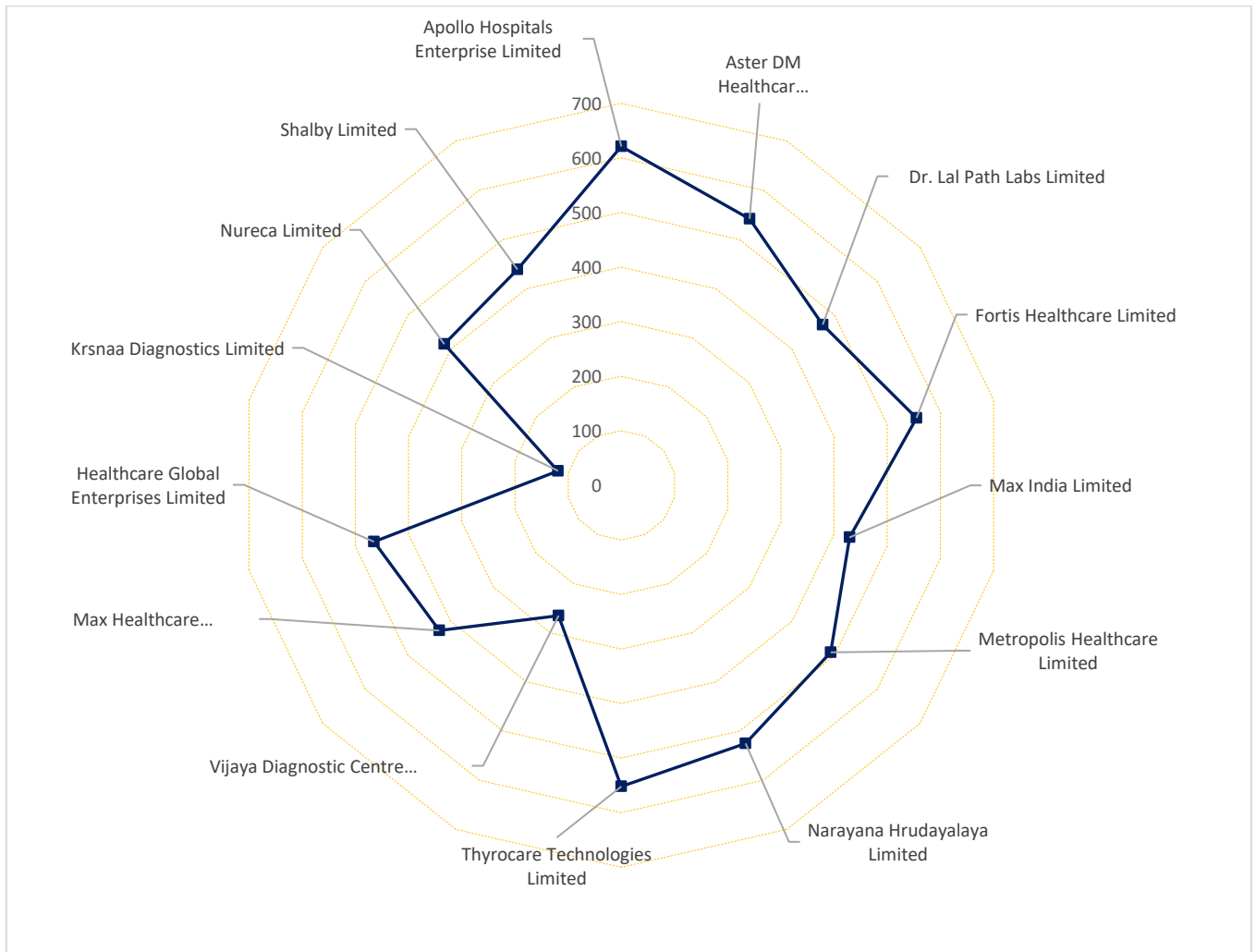


Figure: Industry Overview

451

ESGRisk.ai Average score

59%

Average BRR score

59%

Average Transparency score



57% of the companies are leading in the key issue of Board Diversity

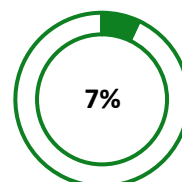
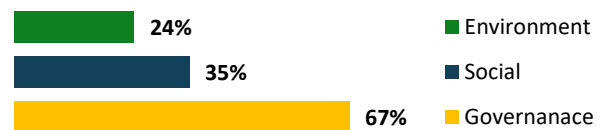


Only 5 out of 14 companies fare well on Product Quality

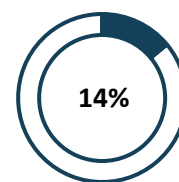


21% of the companies are riddled with controversies mostly ranging across Business Ethics

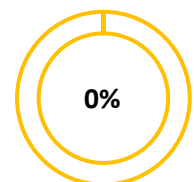
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

Companies following reporting standards and framework



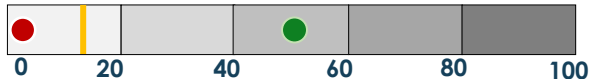
Human Health Activities comprise of hospitals, medical devices, clinical trials, outsourcing, telemedicine, medical tourism, health insurance and medical equipment. The social aspect of ESG is of utmost importance to the healthcare industry. Social issues such as employee safety & quality, equal opportunity, product safety & responsibility are critical to the healthcare industry. Pertinent governance issues for the industry include regulatory compliance, anti-competitive behaviour, and ethical business practices. Exposure of the healthcare industry to environmental risk is limited. Biomedical waste generation of this industry is high; therefore, waste management is a critical issue for the industry.

Performance of material issues in Human Health Activities

Board Independence



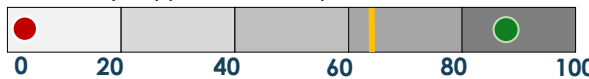
GHG Emissions



Waste Management



Community Support & Development



Employee Safety



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • Narayana Hrudayalaya Limited • Fortis Healthcare Limited
	Social
	<ul style="list-style-type: none"> • Apollo Hospitals Enterprise Limited • Fortis Healthcare Limited
	Governance
	<ul style="list-style-type: none"> • Aster DM Healthcare Limited • Thyrocare Technologies Limited



Accommodation

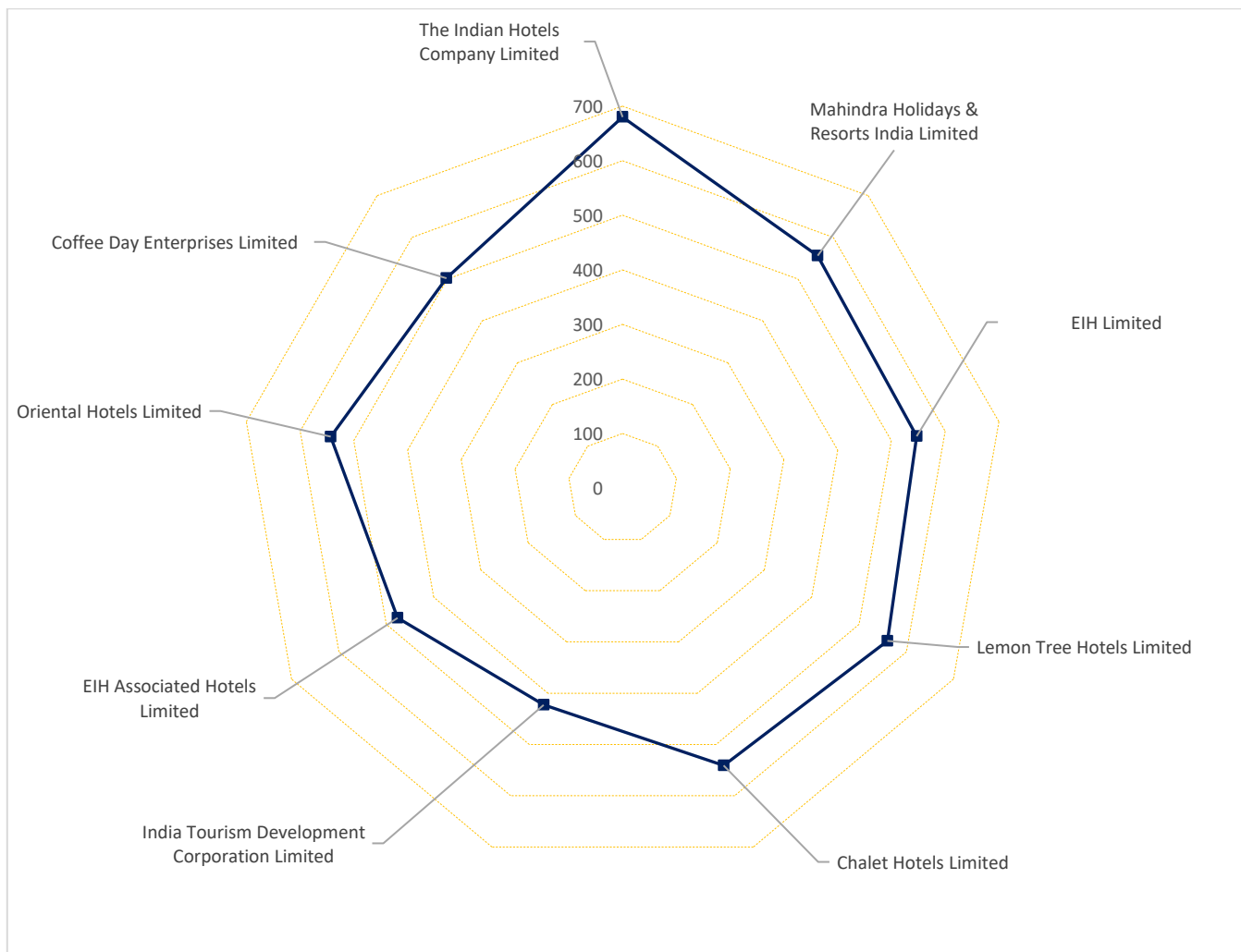


Figure: Industry Overview

536

ESGRisk.ai Average score

69%

Average BRR score

68%

Average Transparency score



11% of the companies are leading in the key issue of Board Diversity

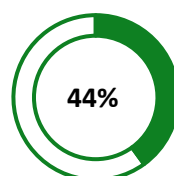
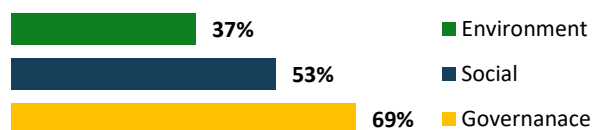


3 out of 9 companies manage water efficiently

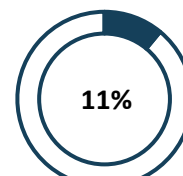


11% of the companies are riddled with controversies ranging across Business Ethics

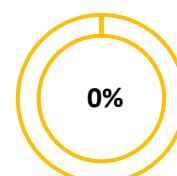
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

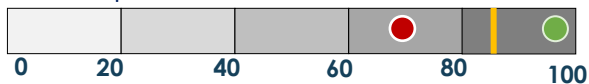
Companies following reporting standards and framework



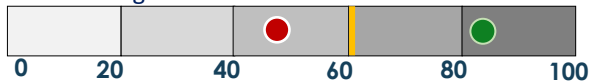
The Accommodation industry has a high environmental footprint. Waste, energy, employee safety & development and building a more equitable work environment are very crucial for the industry. From the designing and construction of hotels to the operational and financial aspects of the entity, sustainability plays an important role through sustainable buildings, responsible sourcing, and circular economy. The social risks for the accommodation industry are more weighted towards quality & safety of the product & services and providing equal opportunity.

Performance of material issues in Accommodation Industry

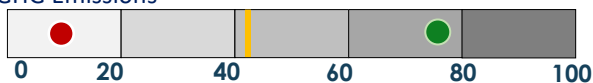
Board Independence



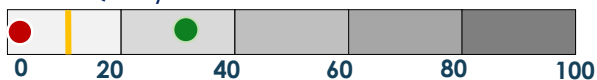
Waste Management



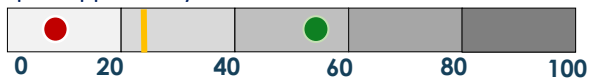
GHG Emissions



Product Quality



Equal Opportunity



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • Chalet Hotels Limited • Lemon Tree Limited
	Social
	<ul style="list-style-type: none"> • The Indian Hotel Company Limited • EIH Associated Hotel Limited
	Governance
	<ul style="list-style-type: none"> • The Indian Hotel Company Limited • Oriental Hotels Limited



Food and beverage services

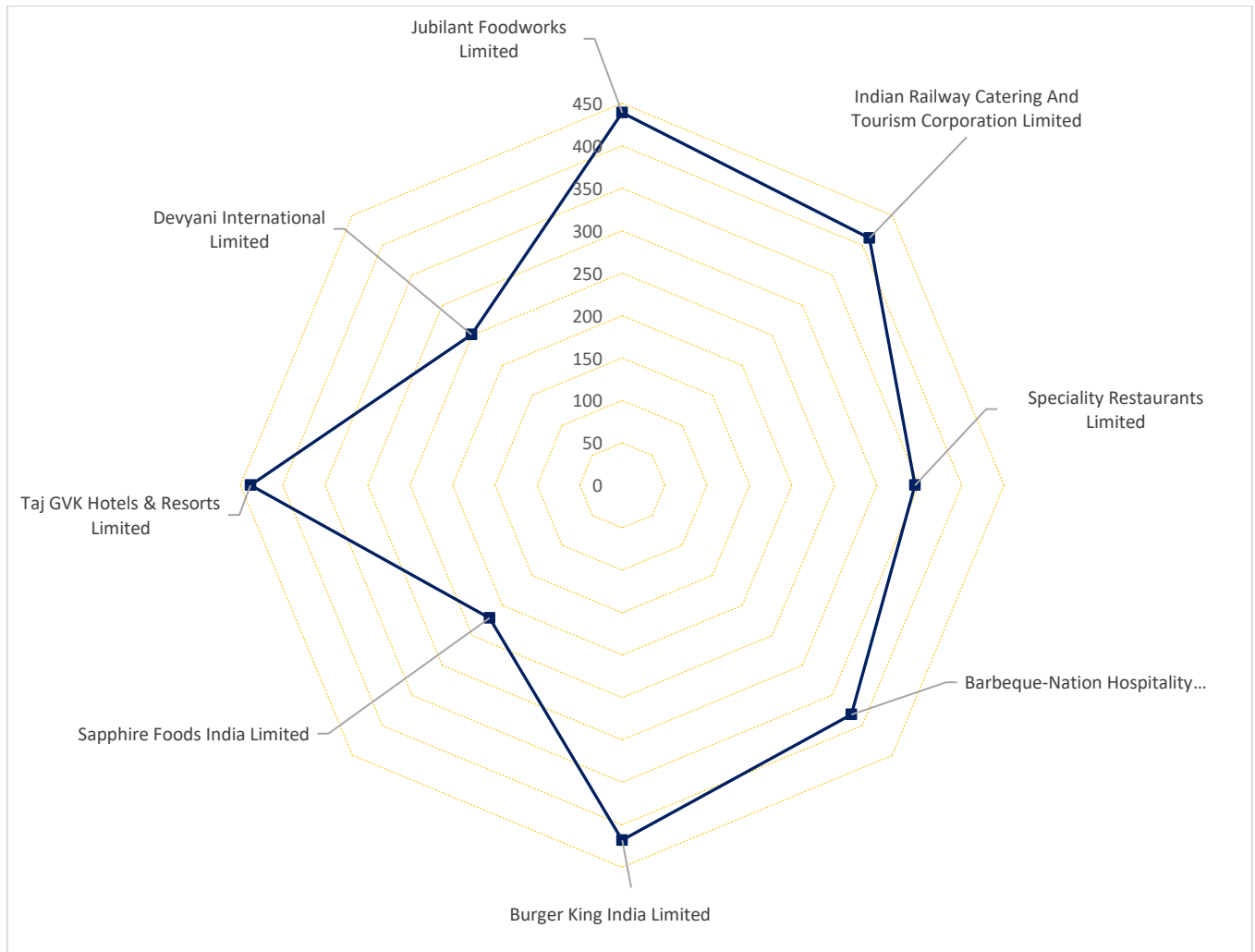


Figure: Industry Overview

397

ESGRisk.ai Average score

53%

Average BRR score

53%

Average Transparency score



17% of the companies are leading in the key issue of Board Diversity

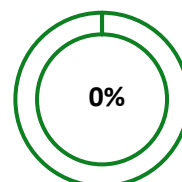
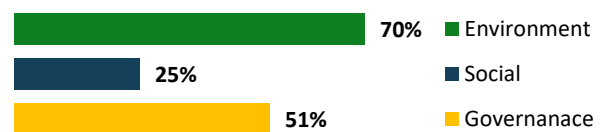


5 out of 8 companies efficiently utilize their energy

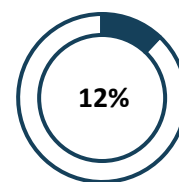


38% of the companies are riddled with controversies ranging across Product Responsibility

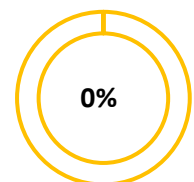
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

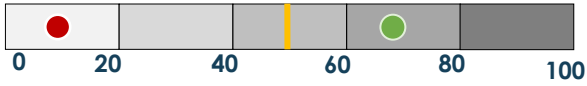
Companies following reporting standards and framework



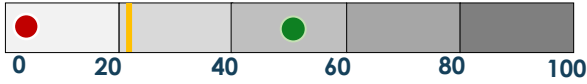
Factors such as management compensation and board independence hold primary importance within this industry. The food products industry is inherently exposed to environmental risks. Each stage of this industry value chain from food production to processing, transportation, storage, and distribution, contributes to environmental impact. Factors like greenhouse emissions, water efficiency and air pollutant emissions are critical issues for the industry. Factors like employee safety, community support & development are material issues for the industry. Additionally, this industry places a high value on the quality, safety, and responsibility of its products, as it significantly influences customer satisfaction and behaviour.

Performance of material issues in food and beverage service activities

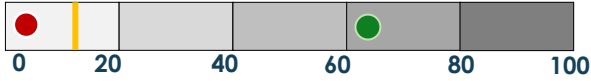
Business Ethics



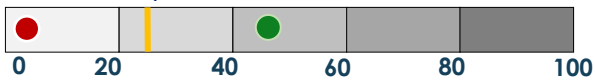
Waste



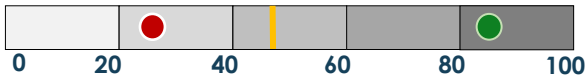
Water Efficiency



Product Quality



Community Support & Development



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> Jubilant Food works Limited Indian Railway Catering and Tourism Corporation Limited
	Social
	<ul style="list-style-type: none"> Devyani International Limited Indian Railway Catering and Tourism Corporation Limited
	Governance
	<ul style="list-style-type: none"> Taj GVK Hotels & Resorts Limited Devyani International Limited



Wholesale and Retail Trade

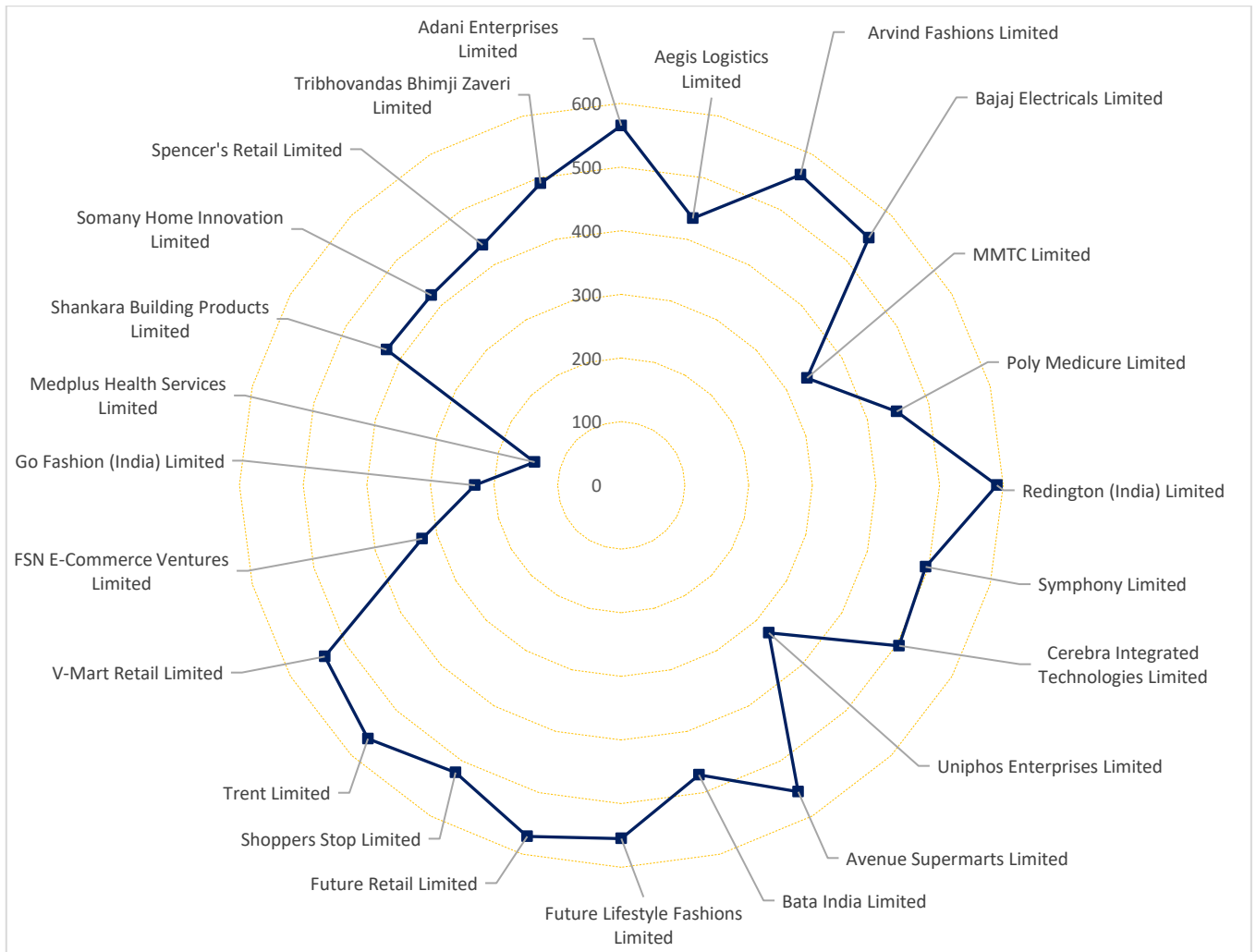


Figure: Industry Overview

461

ESGRisk.ai Average score

57%

Average BRR score

56%

Average Transparency score



29% of the companies are leading in the key issue of Board Diversity

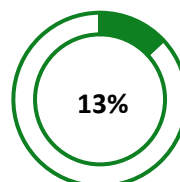


11 out of 24 companies lead in maintaining product quality

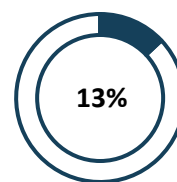


17% of the companies are riddled with controversies related to Business Ethics and Product Responsibility

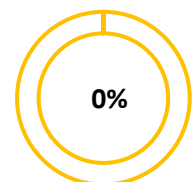
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

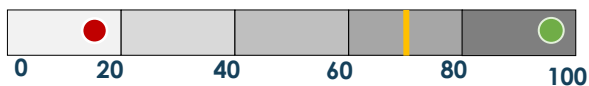
Companies following reporting standards and framework



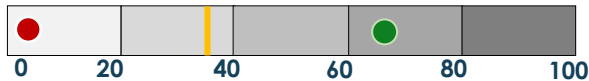
The wholesale and retail industry has a substantial environmental impact. The industry has significant carbon emissions and waste footprint. Waste management, reduction of carbon footprint and sustainable supply chain are critical issues for the industry. Product management, occupational health & safety and human rights are key concerns for the industry. Governance issues for the industry include regulatory compliance, anti-competitive behaviour, and ethical business practices.

Performance of material issues in Wholesale and Retail Trade Industry

Business Ethics



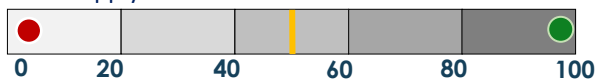
GHG Emissions



Waste Management



Green Supply Chain



Product Responsibility



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> • Future Retail Limited • Arvind Fashions Limited
	Social
	<ul style="list-style-type: none"> • Adani Enterprises Limited • Bajaj Electricals Limited
	Governance
	<ul style="list-style-type: none"> • Avenue Supermarts Limited • V-Mart Retail Limited



Warehousing

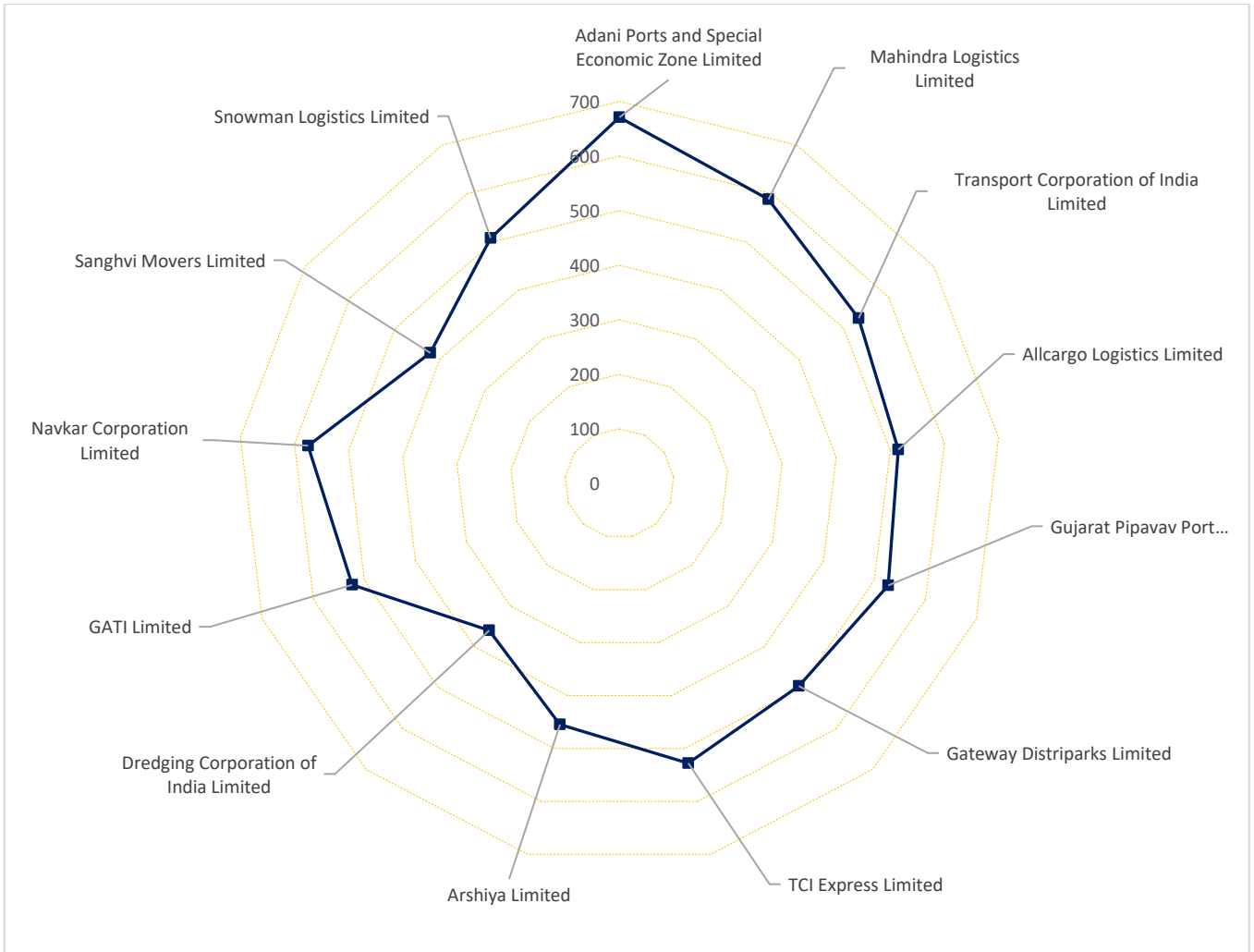


Figure: Industry Overview

515

ESGRisk.ai Average score

70%

Average BRR score

68%

Average Transparency score



38% of the companies are leading in the key issue of Board Diversity

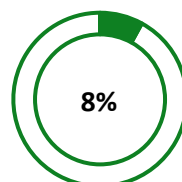
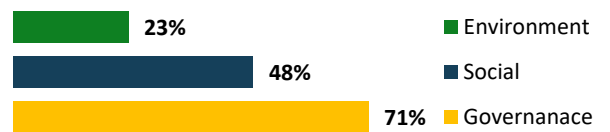


7 out of 13 companies manage waste efficiently

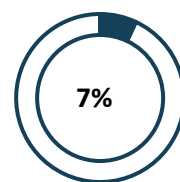


7% of the companies are riddled with controversies mostly ranging across Business Ethics

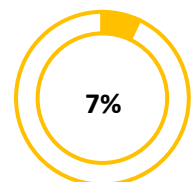
Average Environment, Social and Governance performance (in %)



GRI



UN SDG



TCFD

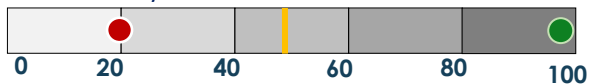
Companies following reporting standards and framework



The warehousing industry includes companies having operations in warehousing, logistics and transportation. In this industry, governance parameters are significant that include regulatory compliance, ethical business practice, board & management compensation along with board diversity and independence. GHG emissions caused by lighting, heating, cooling and air conditioning in storage and warehousing has significant environmental impact. Employee safety and human rights are important issues pertaining to social category.

Performance of material issues in Warehousing industry

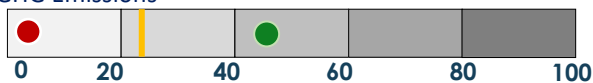
Board Diversity



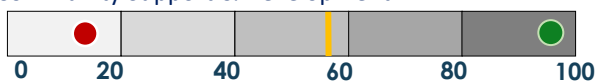
Air Pollutant



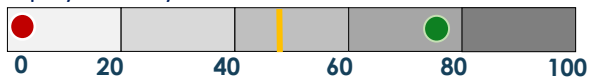
GHG Emissions



Community Support & Development



Employee Safety



● Lowest score ● Highest score | Average score

Top performing companies based on E, S and G categories

	Environment
	<ul style="list-style-type: none"> Adani Ports and Special Economic Zone Limited Mahindra Logistics Limited
	Social
	<ul style="list-style-type: none"> TCI Express Limited Mahindra Logistics Limited
	Governance
	<ul style="list-style-type: none"> Navkar Movers Limited Snowman Logistics Limited



Other Service Industries

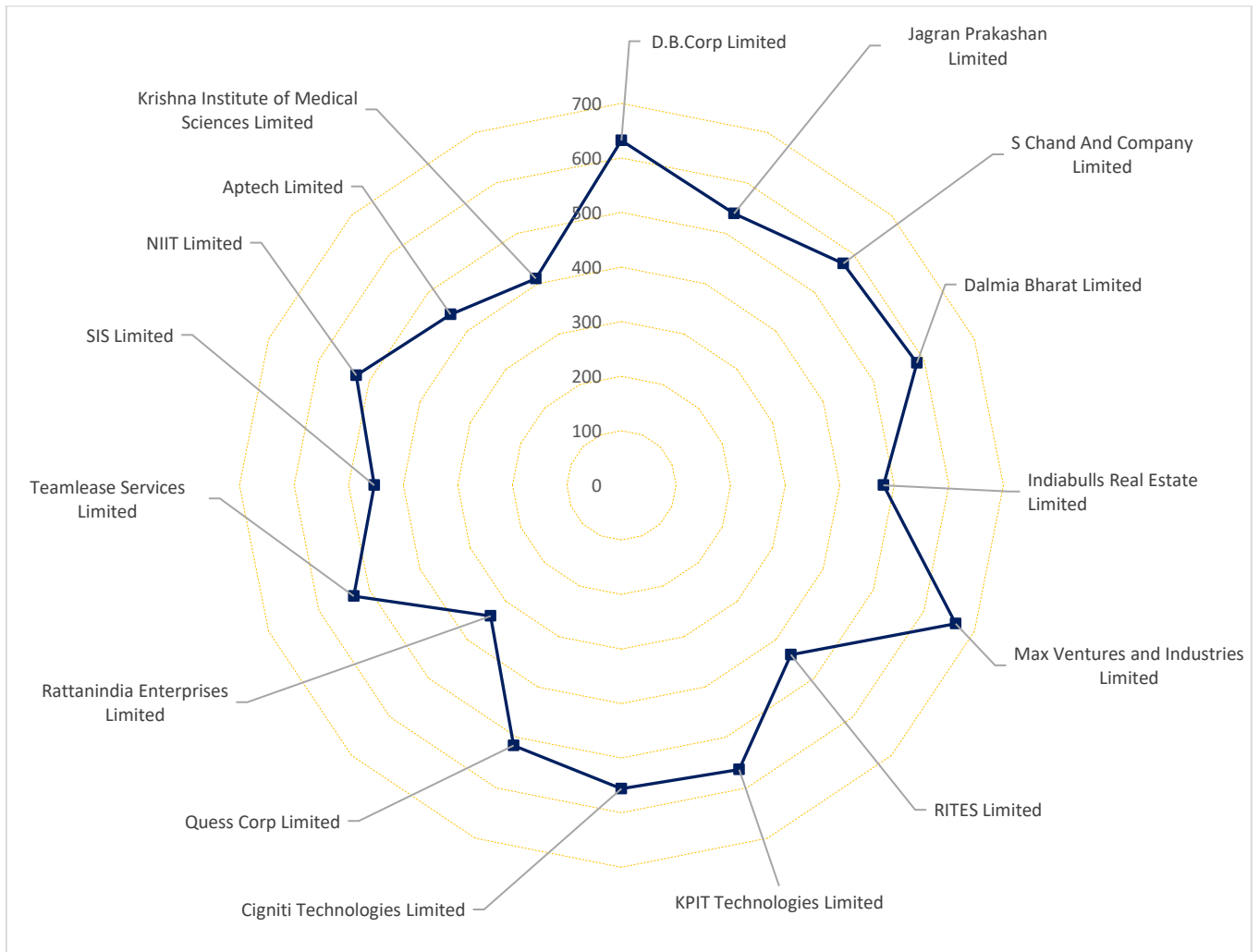


Figure: Industry Overview

The industries considered under Other Services are publishing activities, management consultancy services, head office activities, education, security & investigation activities, architecture & engineering activities, technical testing & analysis and employment activities.

Governance followed by the social category are more material to Other Services. Under governance, safeguarding board independence as well as business ethics is essential. The key issues which are the most material for Other Services under the social category include providing community support & development and equal opportunity to its employees. This industry does not have a significant impact on the environment. However, ensuring efficiency of energy is imperative for this industry.



Other Manufacturing Industries

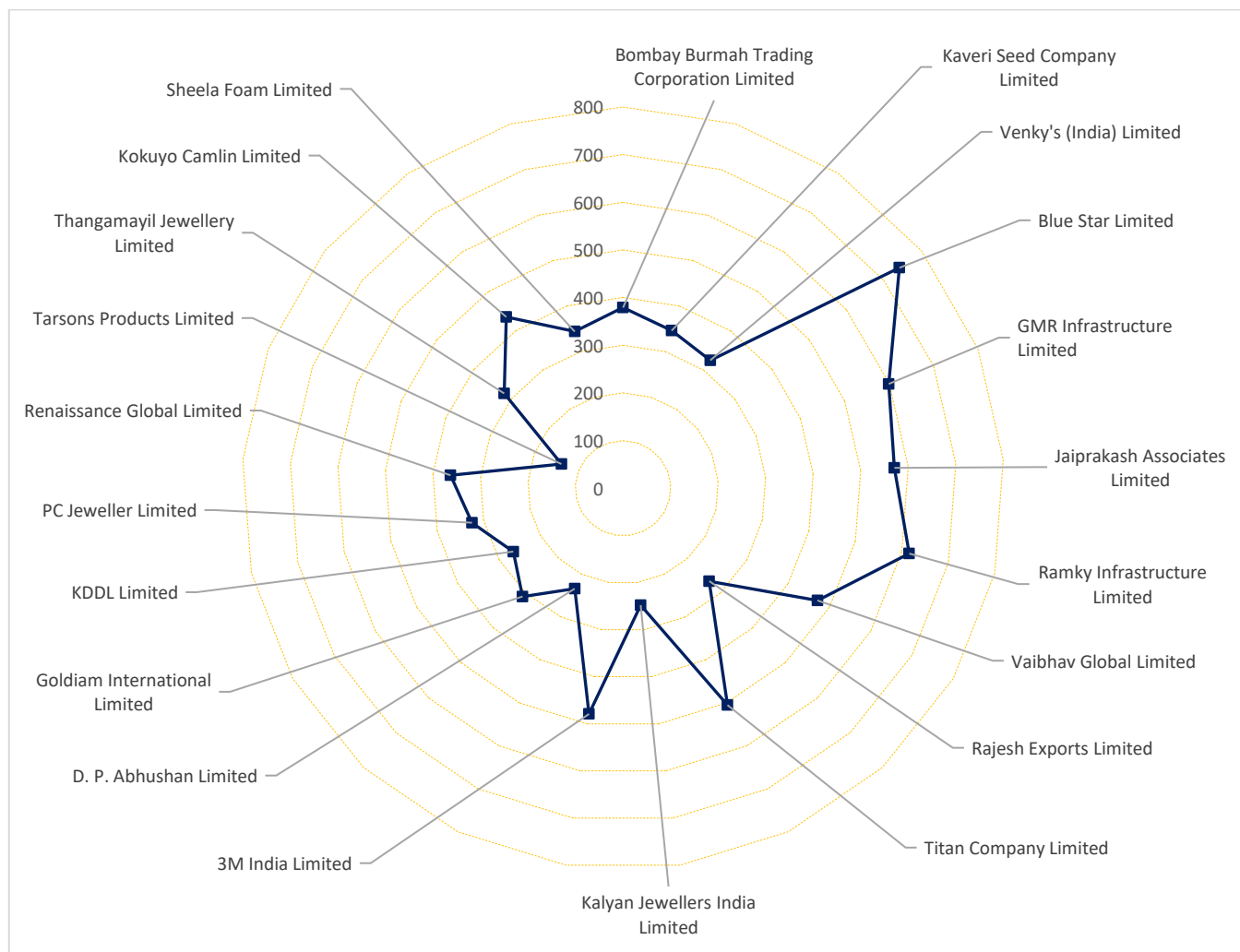
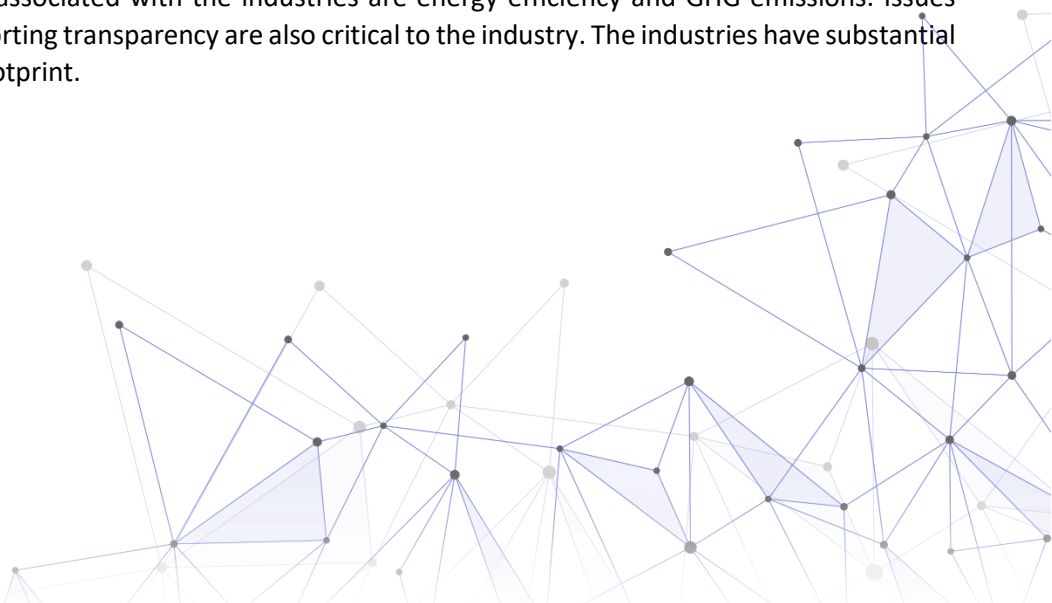


Figure: Industry Overview

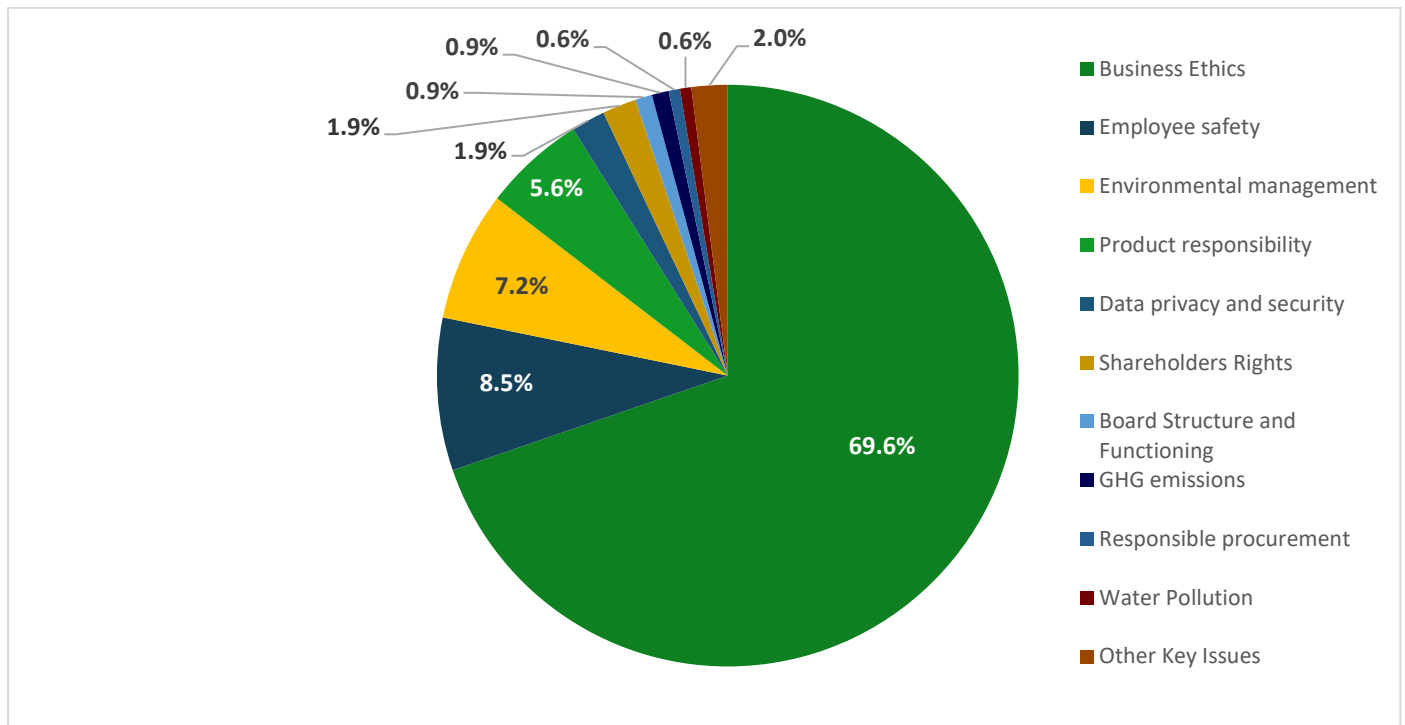
The industries considered Crop and animal production, hunting and related service activities, Specialized Construction Activities, Furniture and Other Manufacturing.

Factors such as management compensation and board independence hold primary importance within these industries. Similarly, business ethics, financial audit and control and shareholder's rights are other material issues for the industry. Employee health and safety standards, community development, product quality are pertinent social issues to these industries. The environmental risks associated with the industries are energy efficiency and GHG emissions. Issues such as water efficiency and ESG reporting transparency are also critical to the industry. The industries have substantial carbon emissions and toxic waste footprint.



Controversies – Critical component in ESG risk management framework

ESGRisk.ai has assessed controversies occurring in NSE 1000 companies in the financial year 2020-21 across environmental, social, and governance parameters. Additionally, a deep dive into key issues that are frequently controversial is also included.

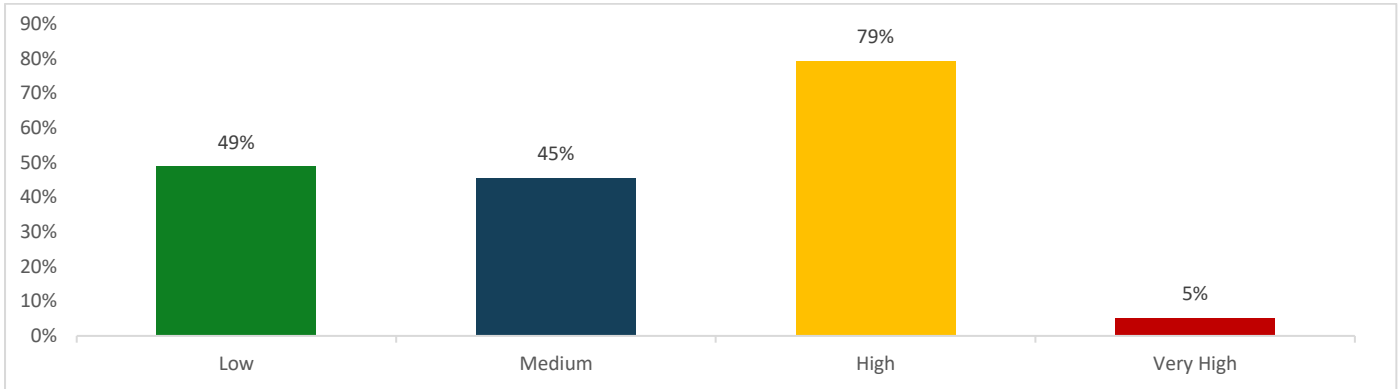


As per the analysis conducted by ESGRisk.ai, we have observed that the greatest number of failures seem to appear within the key issue of Business Ethics followed by Employee Safety and Environmental Management. Other controversies across key issues include Biodiversity impact, Product Safety, Water Efficiency, Community Support & Development, Human Rights, Financial Audit & Control and Management structure.



Severity of Business Ethics Controversies

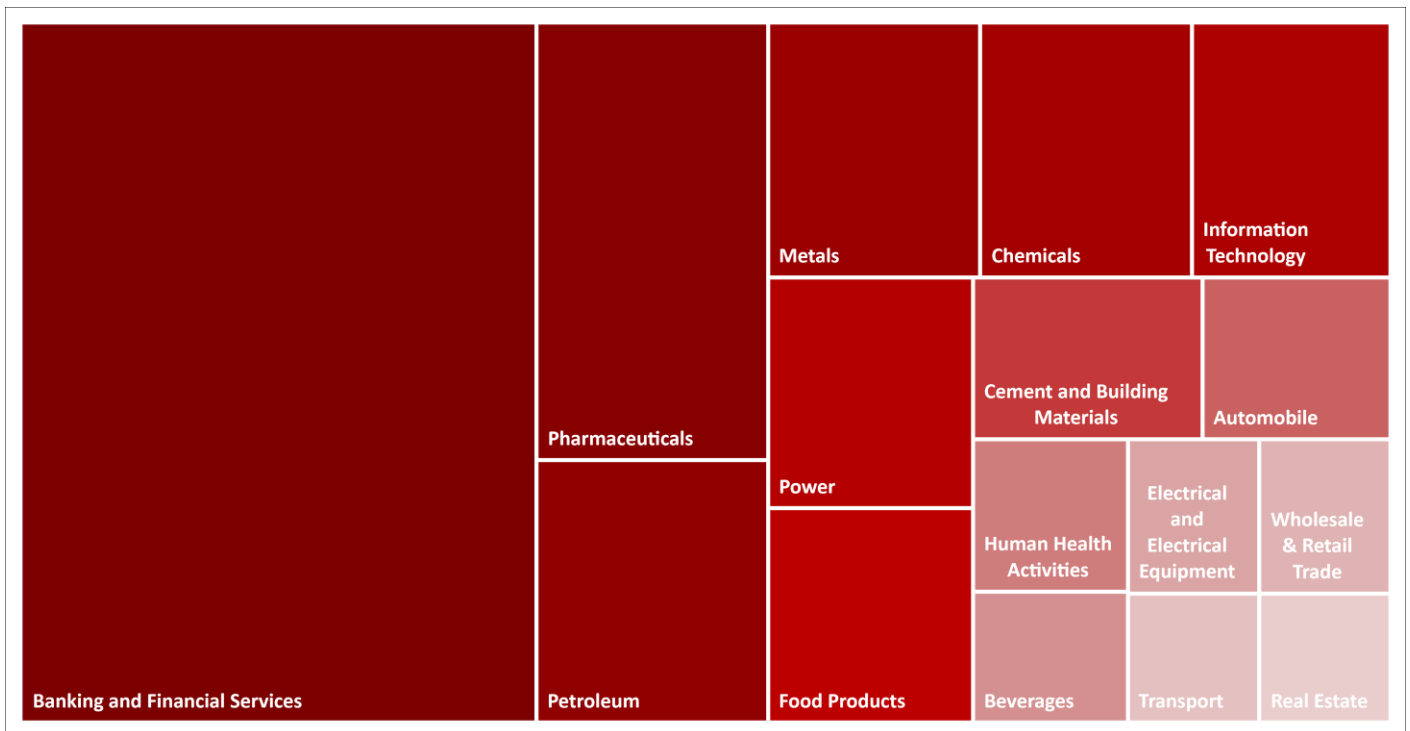
Business ethics covers a wide range of issues such as complying with SEBI listing regulations, preventing bribery and corruption, improving fair trade practices, and reporting related party transactions. In addition to a stronger regulatory environment, Indian companies must implement better internal controls, improve corporate governance practices by establishing stronger policies and introducing mechanisms and initiatives to improve performance.



We analyzed NSE 1000 companies and found controversies of various scales and sizes that fall under the environment, social, and governance categories. Such scams and scandals have a tendency to affect the company’s reputation, goodwill, and have the potential to cause financial losses. The company may suffer investor losses, have difficulty attracting talent and retaining customers and reduce the value of its equities or bonds.

Controversy-Prone Industries

While Indian corporates have espoused ESG management framework, we are seeing significant failures in risk management. Among the sectors that have experienced the most controversies are Banking & Financial Services, Pharmaceuticals, and Petroleum, among others. All these controversies are occurring despite the institution of appropriate Risk Management frameworks.



ESG Journey of IPOs

ESGRisk.ai conducted research to analyse the change in the ESG performance of newly listed companies in the Indian market. To do so, transparency and ESG scores of 48 newly listed companies from our coverage have been undertaken. The findings show that on an average, 40% more disclosures are being undertaken by companies after being listed. Further, there has been on an average, a 50% jump in the ESG scores of most companies from 2018 to the time when they got listed. For more insights into the companies' performance in specific key issues of each category, please refer to the graphs below.

Performance of New Listed Companies in Governance Category

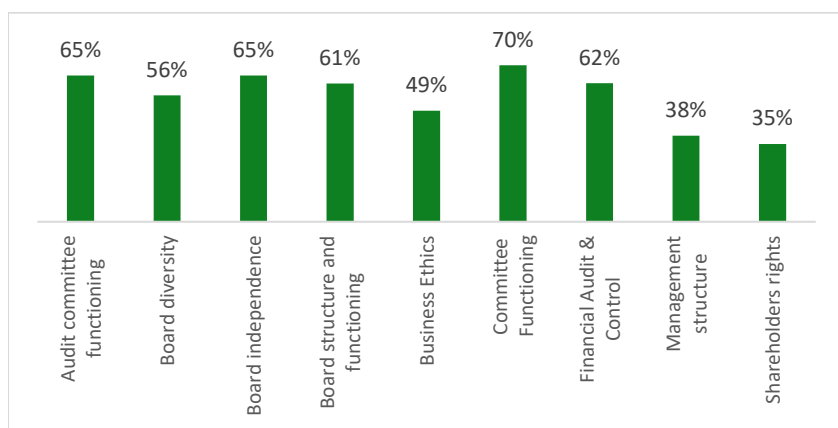


Figure 1

Performance of New Listed Companies in the Environment Category

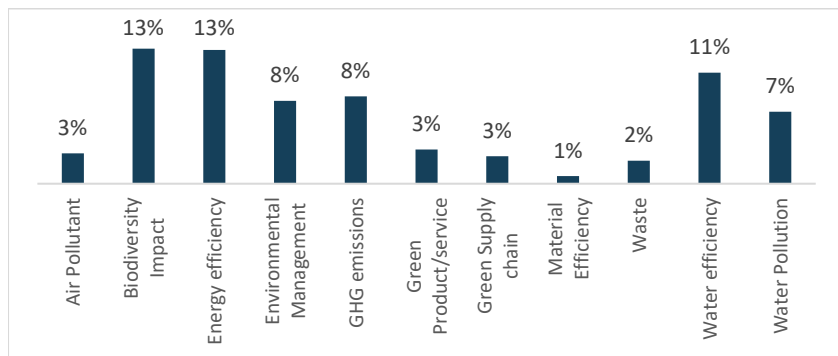


Figure 2

Performance of New Listed Companies in the social category

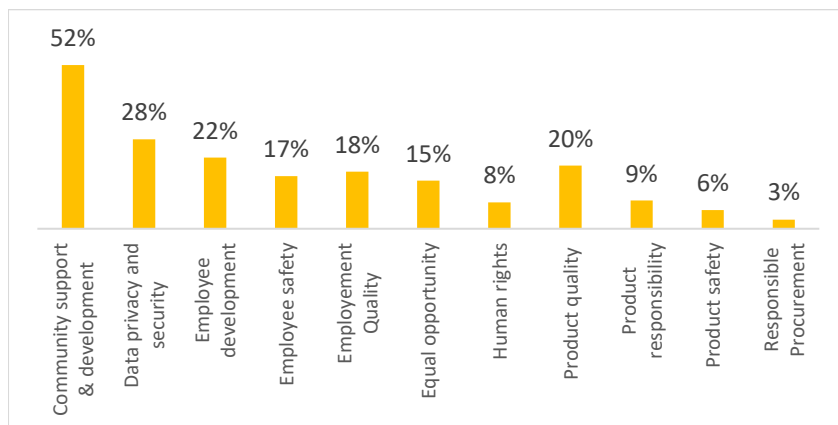


Figure 3

For more insights into the companies' performance in specific key issues of each category, please refer to the graphs.

- Figure 1 depicts the performance of newly listed companies on governance key issues in FY 2021.
- Figure 2 depicts the performance of newly listed companies on environment key issues in FY 2021.
- Figure 3 depicts the performance of newly listed companies on social key issues in FY 2021.



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Glossary

Abbreviations

Term	Description
Air pollutant emissions	Air pollutant emissions covers emissions of SOx, NOx, ODS, VOC and Particulate Matter-10
BRR	Business Responsibility Report mandated by SEBI
CIN Code	Corporate Identification Number (CIN Code) – assigned by the Registrar of Companies under the Ministry of Corporate Affairs
CDM	Clean Development Mechanism
CDP	CDP was previously known as Carbon Disclosure Project. It is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.
CPCB	Central Pollution Control Board (CPCB)
CSR	Corporate Social Responsibility
DP	Data point, indicators that are being assessed as part of our ESG taxonomy for their relevance to the industry and the companies performance on the same
ESG	Environmental, Social and Governance
EMAS	Certification under the European Union's (EU) Eco-management and Audit Scheme (EMAS)
FDA	Food and Drug Administration
GHG Emissions	Greenhouse gas emissions (GHG) - in the context of this report includes Carbon Dioxide, Methane, Nitrous Oxide, Sulphur Hexafluoride, Perfluorocarbons, Chlorofluorocarbons and Hydrofluorocarbons, the emissions of other gasses are captured under Air pollutant emissions.
GMO	Genetically modified organisms
GRI	Global Reporting Initiative
INR	The Indian Rupee
IUCN	The International Union for Conservation of Nature is an international organization working in the field of nature conservation and sustainable use of natural resources
KI	Key Issue pertaining to a specific theme under an ESG category
KMP	Key management personnel
LGBT	LGBT or GLBT is an initialise that stands for lesbian, gay, bisexual, and transgender

Term	Description
MT	Million tonnes
NAPCC	National Action Plan for Climate Change
NCAP	New Car Assessment Program
NGRBC	National Guidelines on Responsible Business Conduct
NOx	Nitrogen Oxides – Nitrogen dioxide and nitric oxide are referred to together as oxides of nitrogen
NVG	National Voluntary Guidelines provide a framework for responsible business behaviour along social, environmental and governance aspects
ODS	Ozone depleting substances
OHSAS 18001	Occupational Health and Safety Assessment Series (officially BS OHSAS 18001) – a British Standard for occupational health and safety management systems.
PM10	Particulate matters
SA 8000	Sustainability SA 8000 – Social Accountability Certification SA 8000 is an international certification standard that encourages organizations to develop, maintain and apply socially acceptable practices in the workplace.
Scope 1 Emission	Scope 1 greenhouse gas emissions are the emissions released to the atmosphere as a direct result of an activity, or series of activities at a facility level.
Scope 2 Emission	Scope 2 GHG emissions are indirect emissions from sources that are owned or controlled by the Agency.
SEBI	The Securities and Exchange Board of India – regulator of the securities & commodity market in India
SOx	Sulphur Oxides – Sulfur oxides (Sox) are compounds of sulphur and oxygen molecules
SPCB	State Pollution Control Boards (SPCB)
TCFD	Task Force on Climate-related Financial Disclosures
tCO2e	Tonnes (t) of carbon dioxide (CO2) equivalent €
VOC	Volatile organic compounds



Terms

Category

The three pillars of ESG - E (Environment), S(Social), G(Governance).

Quartile indication

The company in question & the peers have been divided into 4 quartiles based on its ESG performance. Quartiles are based on mean of the total ESG scores or category specific ESG score for the industry. Ranking in the top quartile indicates good relative performance and vice versa.

Benchmark

Comparison of the company's performance with its industry peers on the same set of ESG indicators.

NIC Code

The National Industrial Classification Code (NIC Code). In the report, the 2-digit NIC code has been used for identification of peers for benchmarking. The exact peers shown in the report are based on analyst selection of most relevant companies from the two-digit NIC code.

Business Responsibility Report (BRR)

SEBI mandates top 1000 listed companies by market capitalization to file Business Responsibility Reports (BRR).

National Voluntary Guidelines (NVGs)

on social, environmental and governance released by the Ministry of Corporate Affairs in July 2011. NVGs are an aspirational and comprehensive guideline to encourage responsible business behaviour in India that is unique to India's development challenges and priorities. The NVG are the revised version of the CSR (Corporate Social Responsibility) Voluntary Guidelines 2009 that served as a statement of intent by the Government of India to encourage businesses to adopt responsible business practices.

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ESG Risk Assessments
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