

# BW India's Most Sustainable Companies 2021

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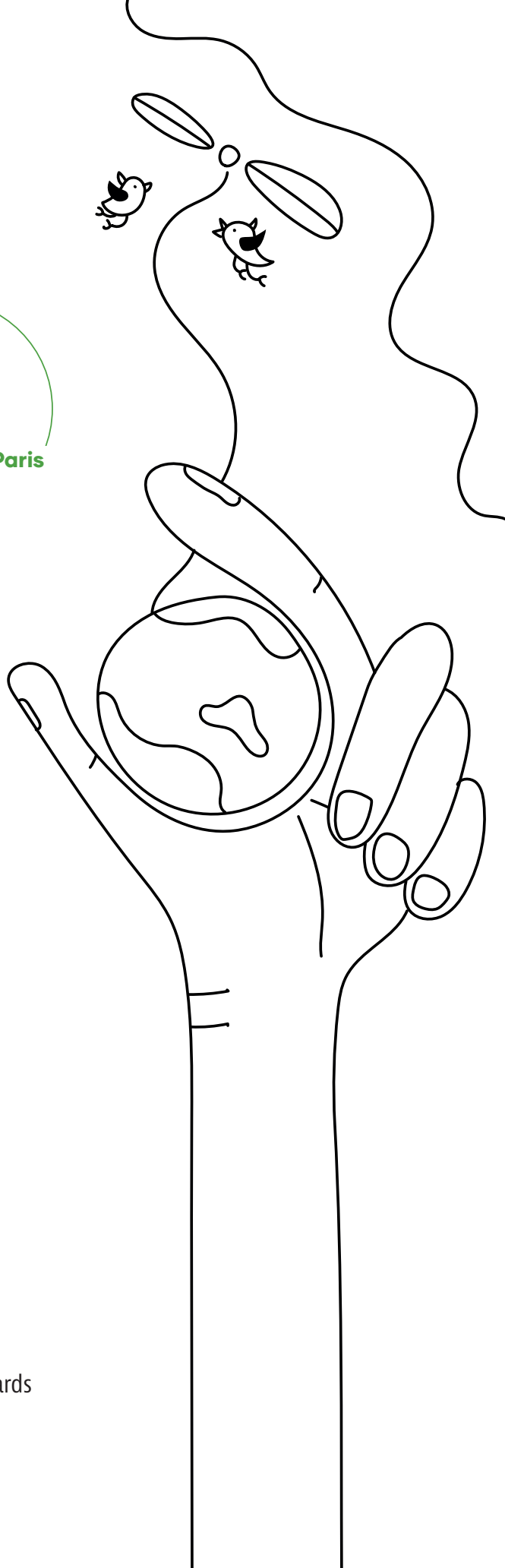
## The Research Universe.

Upto 2000 of India's largest companies by revenue will be assessed, scored and ranked on their sustainability performance in FY 21 in accordance with the SLP sustainability cube framework.

## Why are we doing this?

There are three reasons

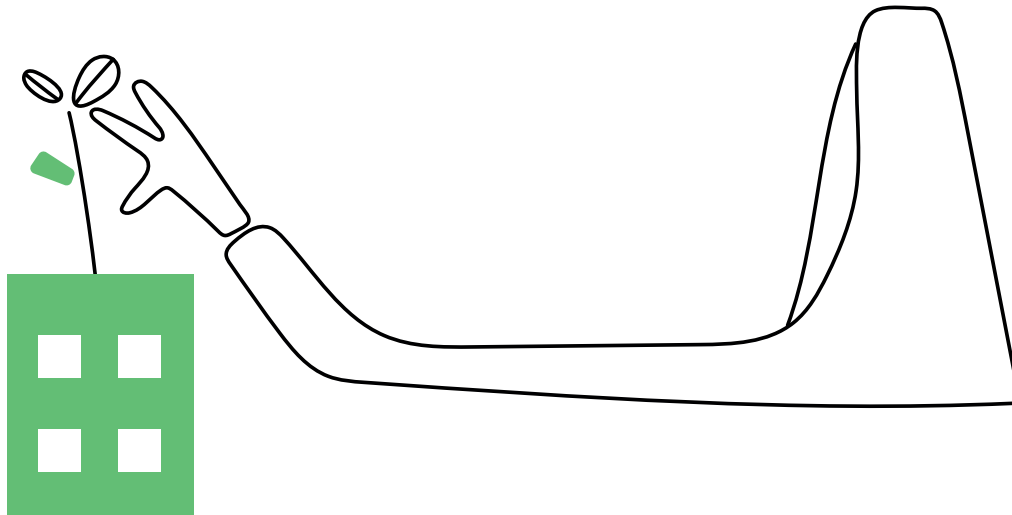
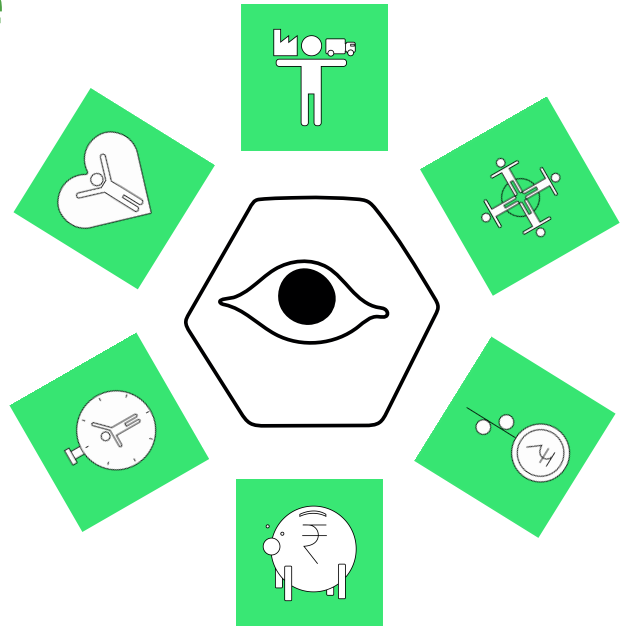
- To identify and acknowledge the front-runners of sustainability in corporate India.
- To help companies migrate into a sustainable ecosystem by asking them relevant questions that are backed by extensive research and intelligence.
- To set benchmarks for growing companies to aim towards while striving to achieve economic growth.



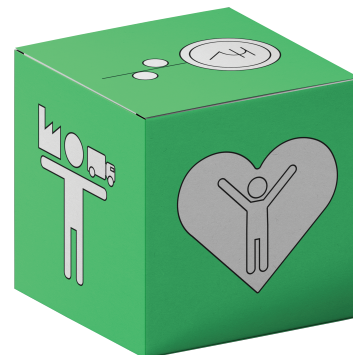
# The SLP Sustainability Cube

Combining years of research and industrial experience, Sustain Labs Paris has identified six sides to the sustainability cube.

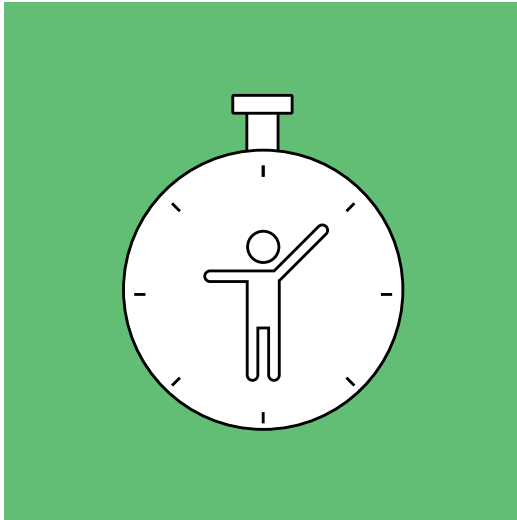
- Resource Efficiency
- Social Entrepreneurship
- Financial Management
- Employee Well-being
- Clean Revenue
- Inclusive Supply Chain



The six sides of the SLP sustainability cube form the framework as per which companies are assessed on their sustainability performance. These sides are further broken down into **31 key performance indicators**.



## Resource Efficiency



Energy Productivity



Water Productivity



Innovation



Human Resource Productivity



Waste Productivity

## Key Performance Indicators



### Energy Productivity

Economic output that is derived from each unit of energy consumed.



### Water Productivity

Economic gain from the use of a unit of water consumed.



### Innovation

Innovations, R&D by the company across all aspects.



### Human Resource Productivity

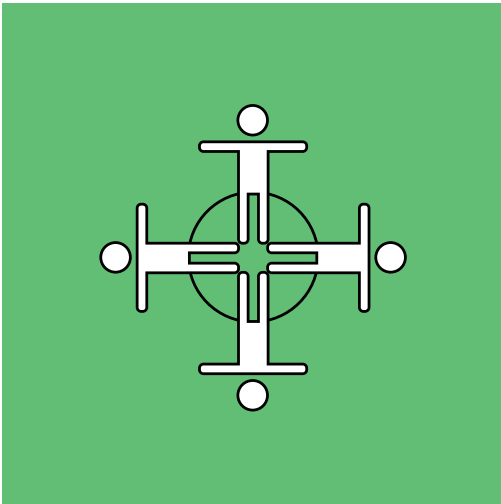
Economic gain versus the number, cost, hours of work of employees.



### Waste Productivity

Economic gain per kilo of waste.

## Social Entrepreneurship



Life Cycle Pollution



Philanthropic Activity  
(Non Business/CSR)



Number of Lives  
Positively Impacted  
as a Result of Business



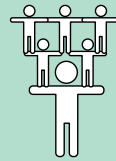
Number of Lives  
Negatively Impacted  
as a Result of Business

## Key Performance Indicators



### Life Cycle Pollution

Impact on air, water, land of the production and usage of products or services of the company.



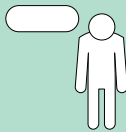
### Philanthropic Activity

Number of lives positively impacted via CSR spend of company and philanthropy.



### Number of Lives Positively Impacted as a Result of Business

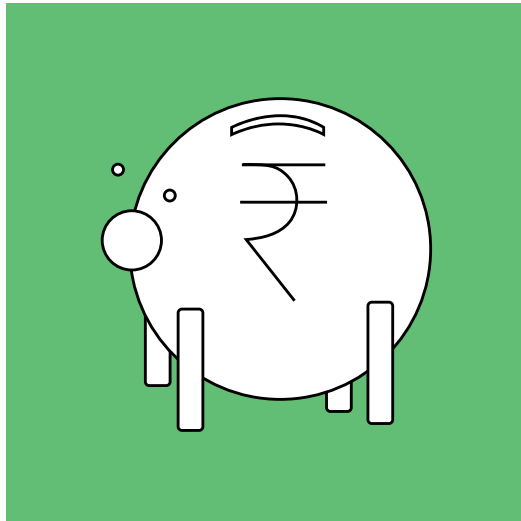
Number of customers for products that benefit society, number of employees, positive secondary impact of company product/service on people.



### Number of Lives Negatively Impacted as a Result of Business

Human rights violations by company, number of customers for products that harm society, number of employees harmed during work, harmful secondary impact of company product/service on people.

# Financial Management



Financial Health



CEO-Average Worker Pay Ratio



Optimisation

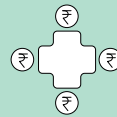


Reporting



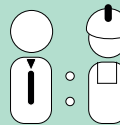
Climate Resilience

# Key Performance Indicators



## Financial Health

Analysis of revenues, expenses, debt ratio, profitability ratio, in the light of business activity and sector specific events in the FY.



## CEO-Average Worker Pay Ratio

Ratio of CEO salary to the average worker salary.



## Optimisation

Quality of asset allocation, risk management, FX hedges.



## Reporting

Quality of transparency via internal governance structures, Company Board of Directors, audited reports, stakeholder engagement.



## Climate Resilience

Assessment of company's climate risk identification, strategy, & implementation.

## Employee Well-being



Lost-Time Injury Rate



Wage Discrepancy per Gender



Fatalities



Employee Turnover Rate



Gender Parity in Leadership



HR Policies Including Insurance, Maternity



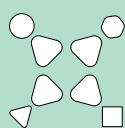
Wage Discrepancy per Age



Employee Satisfaction

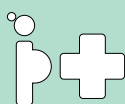


Diversity at Workplace



### Diversity at Workplace

Assessment of existence of diversity across gender, age, abilities, differently abled persons, in the light of sector constraints.



### HR Policies Including Insurance, Maternity

Assessment of HR policies & HR policy implementation.

## Key Performance Indicators



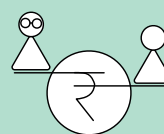
### Lost-Time Injury Rate

The number of lost time injuries occurring in a workplace per 1 million hours worked. Lost time injuries include all on-the-job injuries that require a person to stay away from work more than 24 hours, or which result in death, or disability.



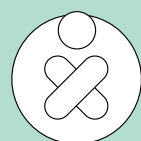
### Wage Discrepancy per Gender

Pivoting on the principle of equal pay for equal work, assessment of Average wages of women : Average wages of men for the same level in organisational hierarchy.



### Wage Discrepancy per Age

Pivoting on the principle of equal pay for equal work, equal pay for equal work. Average wages of youngest employee avg wages of oldest employee for the same level in organisational hierarchy.



### Fatalities

Number of deaths occurred at work.



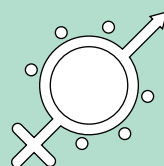
### Employee Turnover Rate

Employee turnover rate.



### Employee Satisfaction

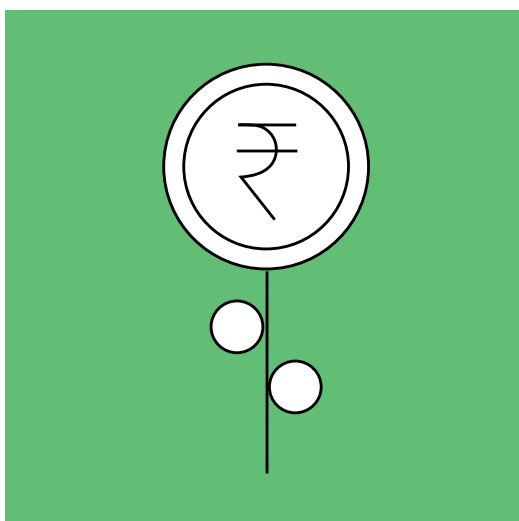
Degree of employee satisfaction at workplace.



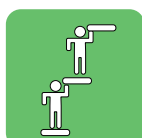
### Gender Parity in Leadership

Number of women and men on board of directors and top 2 levels of management hierarchy.

## Clean Revenue



Waste to wealth practices



Shared platforms



Litigations



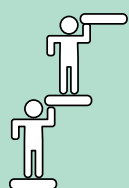
Compliances

## Key Performance Indicators



### Waste to wealth practices

Assessment of waste to wealth practices such as circularity, reuse, re-purpose.



### Shared Platforms

Assessment of optimisation of resources by using shared platforms wherever possible.



### Litigations

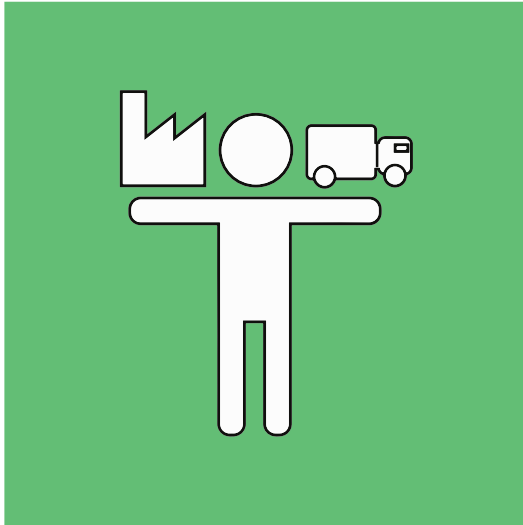
Impact on business of litigations at court.



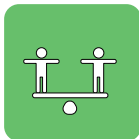
### Compliances

Percentages of legal compliances fulfilled.

## Inclusive Supply Chain



Transparency



Human Rights



Pollution



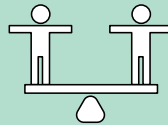
Integration

## Key Performance Indicators



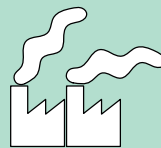
### Transparency

Assessment of fair procurement processes.



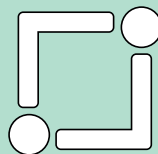
### Human Rights

Assessment of quality of check for and mitigation of human rights violations amongst vendors, distributors and other members of supply chain.



### Pollution

Assessment of quality of check for and reduction of pollution by vendors, distributors and other members of supply chain.



### Integration

Assessment of integration and effective feedback mechanisms from and to vendors, distributors and other members of supply chain.



## Scoring

Diving deeper into these sides, we also drew 31 aspects and their **Key Performance Indicators (KPIs)** that would serve us to examine, assess and rank all companies.

Each KPI carries 10 points and has equal weightage.

The 31 aspects in the SLP sustainability cube checks for performances related to waste thrice, fatalities and grave incidents detrimental to employee well-being four times; diversity thrice; ethics and legal compliances twice; such that it naturally embeds more weightage to these specific issues within the framework.

If there is no information available for a KPI then a penalty score of -2.5 is attributed to the specific KPI.

If the KPI is not applicable to the specific sector, then that KPI is marked as "not applicable" for all companies within the sector.

### The Formula

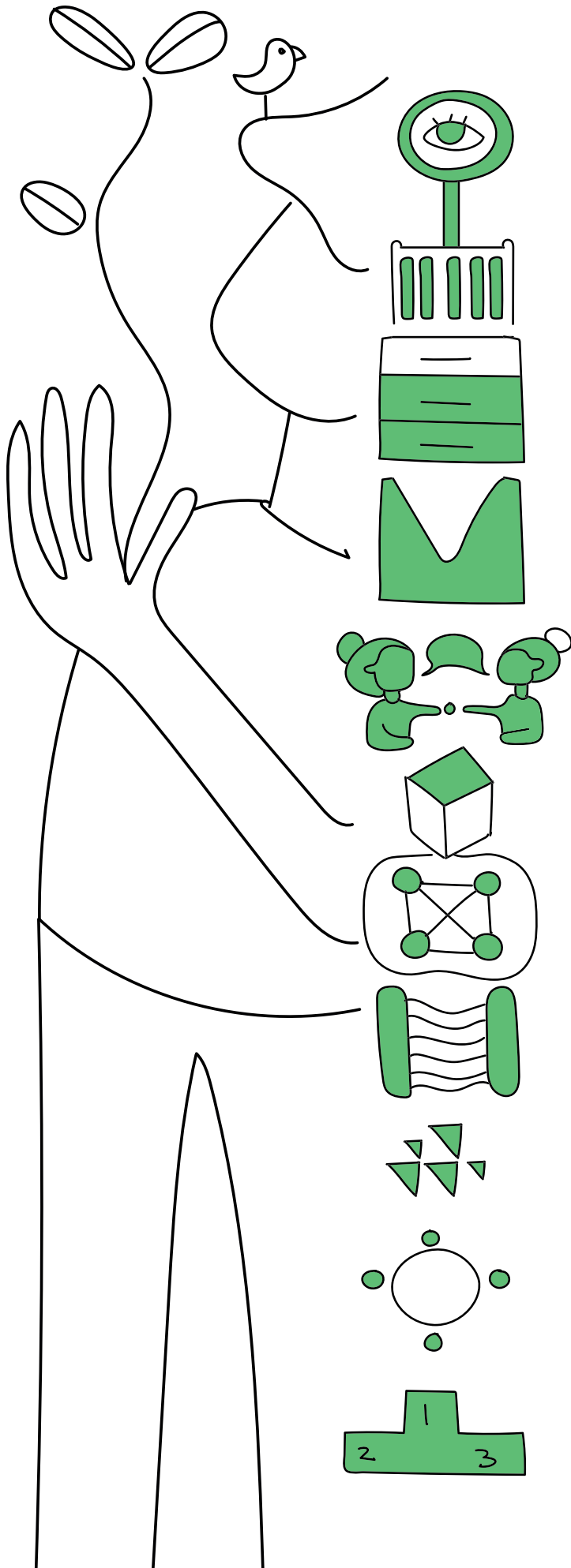
$$\text{Score} = \frac{\text{Sum of total points}}{\text{Total of applicable KPIs}}$$

## The Assessment Process

The SLP sustainability cube follows a meticulous 12-step process before arriving at a definitive score and ranking.

- **Identify**
- **Sift**
- **Collect**
- **Triangulation**
- **Converse**
- **Examine Through KPIs**
- **Intra-Sector Comparison**
- **Assess**
- **Jury Round**
- **Inter-Sector Comparison**
- **Final Scoring**
- **Rank**





- **Identification** of the research universe.
- **Sift** through company data to check for court convictions at a company level in the last 3 years.
- **Collect** data on all KPIs from official documents published by companies.
- **Triangulation** of data with external data sources and interviews.
- **Converse** - Detailed interviews conducted with the head of sustainability and other such appropriate persons at each company.
- **Examine** all KPIs through the SLP sustainability cube.
- **Intra-Sector Comparison** Company scores assessed as per peer performance in the sector, taking into account the applicable KPIs as well as events that affected the entire sector.
- **Assess** company performance across KPIs and score them individually.
- **The Jury Round** is composed of sector experts from think tanks and academia who provide insights on company performance. This qualitative overlay informs the final scoring.
- **Inter-Sector Comparison** conducted on the basis of which the scores of all eligible companies are calibrated.
- **Final scores** of all companies are calculated.
- **Rank** - Companies are ranked based on their final scores.

# Strategic Engagement with IMSC 21

Head	Details	Deliverable	Pricing (INR)	Payment Schedule
Ranking Scorecard	CAT - I Top 200 companies by revenue	A - Access to participation in ranking + parameter-wise report for the company with scores across 6 sides of the sustainability cube + highlighting areas of improvement & suggested actions	Complimentary	
		B - Parameter-wise report for the company with scores across 31 KPIs + sector benchmarks across KPIs + highlighting areas of improvement & suggested actions	25,000	100% upon signing commitment form
	CAT - II 201+ companies by revenue	A - Access to participation in ranking + parameter-wise report for the company with scores across 31 KPIs + sector benchmarks across KPIs + highlighting areas of improvement & suggested actions	25,000	100% upon signing commitment form
		B - Parameter-wise report for the company with scores across 31 KPIs + sector benchmarks across KPIs + highlighting areas of improvement & suggested actions	25,000	100% upon signing commitment form
		C - Access to participation in ranking + parameter-wise report for the company with scores across 31 KPIs	15,000	100% upon signing commitment form
Advisory	IMSC score custom consultation	<ul style="list-style-type: none"> <li>- Access to participation in ranking</li> <li>- Parameter-wise report for the company with scores across 31 KPIs, sector benchmarks across KPIs, recommendations for improvement of sustainability performance</li> <li>- 2 hours of consultancy</li> <li>- One case study on the salient aspects of company's sustainability performance published in BW Businessworld magazine within 12 months</li> </ul>	1,25,000 <sup>1</sup>	75% upon signing the commitment form  25% upon publishing of the case study
ESG Report	ESG Report	<ul style="list-style-type: none"> <li>- Access to participation in ranking</li> <li>- In-depth assessment and ready-to-publish report of company's performance across Environmental, Social, Governance aspects. Disclosure on ESG parameters has been made mandatory by SEBI in its guidelines related to the company's 'Business Responsibility and Sustainability Report' (BRSR). ESG reports are also required by investors and ESG funds.</li> <li>- Assurance of BRSR report/ESG report by Sustain Labs</li> <li>- 1-page case study on salient aspects of company's sustainability performance published by BW Businessworld magazine within 12 months</li> </ul>	7,00,000 <sup>1</sup>	50% upon signing the commitment form  25% upon receipt of report  25% upon publishing of the case study

1 - Rebates may be available for companies with revenues below INR 25 crore.