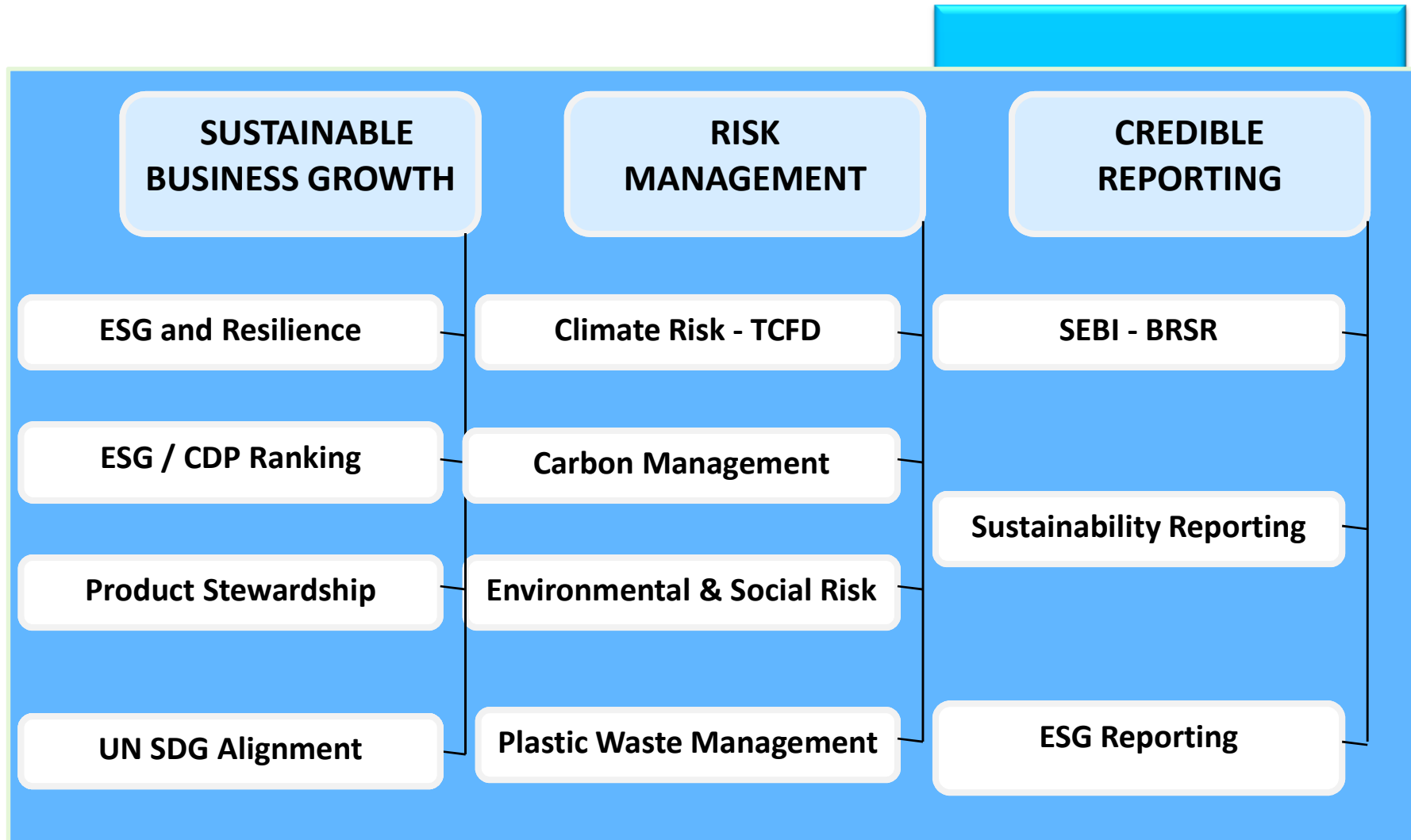


CREDIBLE REPORTING



Our Solutions



SEBI - BRSR

We support our clients in developing credible Business Responsibility and Sustainability Reports

An increasing need from investors for more information

Over the past four decades, reporting has evolved in response to organizations' focus on addressing investors' demand for more information. However, despite this evolution, research indicates that investors believe disclosure shortfalls remain, especially in the reporting of strategy, risks and future performance. Also, non-financial information, which is often disclosed in different ways, is not easily comparable between organizations. The need for more information related to Environmental and Social Governance (ESG) was never in such demand earlier.

Investors agree that ESG aspects present risks and opportunities that have been neglected for too long and also assert that sustainable returns require a sharper focus on corporate governance, environmental and social considerations. The importance of disclosure and scrutiny of non-financial information is set to grow in the years ahead. There is a growing belief among investors about recent environmental and social scandals driving a need to re-evaluate non-financial disclosures and the information already available. Investors believe the biggest motivator for companies to report ESG information is its potential to impact companies' reputation among their customers and regulators.



SEBI - BRSR *contd.*

A new mandatory requirement in India

The market regulator SEBI has mandated the top 1000 listed companies to publish Business Responsibility and Sustainability Report (BRSR) from the FY 2022-23 onwards every year. This is a significant development that would demand ESG disclosures from these companies and aimed at interest of investors.

The quantitative and standardized disclosure parameters will enable ESG performance comparability among companies, sectors and time. Such disclosures will help investors make formed informed decisions. This will particularly help responsible investors who invest with motive of both profit and purpose.

Possible challenges

Such comprehensive, detailed and quantitative ESG related disclosures are now mandated for the first time. Majority of the Indian listed companies may face challenges in developing the BRSR in the initial years.

How we add value

Our professionals have been supporting clients in disclosing ESG information as per GRI / CDP / TCFD / SASB / IR and similar standards/guidelines/frameworks. They can support in developing the BRSR.

Sustainability Reporting

Corporate reporting is evolving and integrating traditional financial information with environmental, social and governance related knowledge. We help our clients meet the new reporting expectations of executives, shareholders, investors, employees, consumers and other stakeholders. Global Reporting Initiative (www.globalreporting.org) provides the framework and guidelines for Sustainability Reports.

Advisory services

We provide assistance to organizations across geographies and sectors in developing their sustainability reports as per the GRI standards. Our advisory services cover:

- Capacity building among internal stakeholders on GRI standards
- Carrying out stakeholder engagement and materiality analysis
- Reviewing sustainability data collection and collation as per GRI requirements
- Report development based on GRI standards

Assurance Services

Separately, when we are not providing advisory services, we provide assurance services to sustainability reports. We are certified to provide sustainability assurance under AA1000 standards

ESG Reporting

ESG Reporting has emerged as the most rapidly growing type of non-financial reporting over the recent years. This is a result of more and more investors and customers relying on ESG disclosures while taking more informed investment / procurement decisions.

ESG Reporting Landscape

While several businesses have started ESG reporting annually around the world, there is yet no standard structure seen in such reports.



Most of the reports use GRI standards as the basic report structure and then depending on the purpose and relevance, add disclosures around TCFD (Task Force on Climate-Related Financial Disclosures), SDG (UN Sustainable Development Goals) mapping, SASB (Sustainability Accounting Standards Board) framework, CDP disclosures and specific disclosures as may be useful in rating by ESG rating agencies. So the reports are designed based on the purpose and focused stakeholder groups.

World Business Council for Sustainable Development (WBCSD), came out with an ESG Disclosure Handbook in 2019. The Handbook has picked up some best practices in ESG Reporting, as practiced by businesses and developed rational around the objective and purpose and gives a structure for such reporting

ESG Reporting *contd.*

The investors look for credible ESG disclosures of the target company where they would like to invest. The traditional disclosures like Annual Financial Reports or GRI based Sustainability Reports do not sufficiently carry these material disclosures. So typically, the investors look for information from CDP, SASB, TCFD and such disclosures in addition to financial reports and sustainability reports.

There are several sustainability rating agencies like S&P's DJSI, MSCI, FTSE Russell and others who rate and rank the companies based on ESG. The investors, on many occasions, source their information from these rating agencies.

ESG Reports typically include, in addition to GRI disclosures, the CDP, SASB, TCFD disclosures and UN SDG alignments.

Our Services :

- ESG Strategy
- Advisory Services for ESG Reporting
- Assurance Services for ESG Reporting

