YEAR 2023 | ISSUE 140

ENVIRONMENTAL, SOCIAL & GOVERNANCE

WeChat

Mr. Akhil Anilkumar

Head - ESG

IDFC First Bank

PGDM Rural (2013-2015)

MESSAGE FROM THE DIRECTOR

Prof. Dr. Uday Salunkhe
Group Director

Dear Readers,

It gives me great pride to introduce SAMVAD's edition every month. Our SAMVAD team's efforts seem to be paying off, and our readers seem to be hooked onto our magazine. At WeSchool, we try to acquire as much knowledge as possible and share it with everyone.

As we begin a new journey with 2023, I sincerely hope that SAMVAD will reach new heights with the unmatched enthusiasm and talent of the entire team.

Here at WeSchool, we believe in the concept of AAA: Acquire Apply and Assimilate. The knowledge you have acquired over the last couple of months will be applied somewhere down the line. When you carry out a process repeatedly, it becomes ingrained in you and eventually tends to come out effortlessly. This is when you have assimilated all the knowledge that you have gathered.

At WeSchool, we aspire to be the best and unique, and we expect nothing but the extraordinary from all those who join our college. From the point of view of our magazine, we look forward to having more readers and having more contributions from our new readers.

SAMVAD is a platform to share and acquire knowledge and develop ourselves into integrative managers. Our earnest desire is to disseminate our knowledge and experience with not only WeSchool students but also the society at large.

Prof. Dr. Uday Salunkhe,
Group Director

ABOUT US

OUR VISION

“To nurture thought leaders and practitioners through inventive education.”

CORE VALUES

Breakthrough Thinking and Breakthrough Execution
Result Oriented, Process Driven Work Ethic
We Link and Care
Passion

“The illiterate of this century will not be those who cannot read and write, but those who cannot learn, unlearn and relearn.” -Alvin Toffler.

At WeSchool, we are deeply inspired by the words of this great American writer and futurist. Undoubtedly, being convinced of the need for a radical change in management education, we decided to tread the path that led to the corporate revolution.
Emerging unarticulated needs and realities require a new approach in both thought and action. Cross-disciplinary learning, discovering, scrutinizing, prototyping, learning to create and destroy the mind’s eye needs to be nurtured differently.
WeSchool has chosen the ‘design thinking’ approach towards management education. All our efforts and manifestations, as a result, stem from the integration of design thinking into management education. We dream of creating an environment conducive to experiential learning.

FROM THE EDITOR'S DESK

Dear Readers,

Welcome to the **140th** Issue of **SAMVAD!**

SAMVAD is a platform for "Inspiring Futuristic Ideas", we constantly strive to provide thought-provoking articles that add value to your management education. We have an audacious goal of becoming one of the most coveted business magazines for B-school students across the country. To help this dream become a reality, we invite articles from all management domains, giving a holistic view and bridging the gap between industry veterans and students through our WeChat section. In this issue of SAMVAD, we bring to you some articles focusing on ESG, Environment, Social and Governance with a section called 'WeChat'. Our WeChat alumni for this edition is Mr. Akhil Anilkumar, who is Head - Environmental, Social and Governance at IDFC FIRST Bank. In this section, we have got some exclusive insights into what is happening under the nose of our theme.

In the modern corporate landscape, Environmental, Social, and Governance (ESG) principles have emerged as a pivotal force driving business decisions and investments. As the world grapples with environmental challenges, social inequalities, and corporate ethics, ESG has become an influential framework guiding organizations toward sustainability and ethical practices. In this article, we will explore the changing landscapes and principles of ESG, current trends, key facts and figures, and the promising future and opportunities it presents.

ESG encompasses a range of factors that evaluate a company's impact on the environment, society, and its governance. The "E" focuses on environmental sustainability, assessing a company's efforts to minimize its carbon footprint, reduce waste, and manage natural resources efficiently. The "S" involves social responsibility, examining how a company treats its employees, supports its communities, and ensures diversity and inclusion. Lastly, the "G" revolves around governance, emphasizing transparency, ethics, and how well a company is managed. ESG principles are a compass that guides companies to make ethical decisions, promote sustainability.

FROM THE EDITOR'S DESK

The ESG (Environmental, Social, and Governance) landscape has undergone a remarkable transformation in recent years. What was once considered a niche concern, confined to a limited group of ethical investors and socially responsible organizations, has now transcended the periphery to become a driving force in the business world. This transformation signifies a fundamental shift in the way investors and corporations perceive ESG principles and their impact on a company's performance and long-term viability.

Traditionally, ESG issues were often relegated to the realm of corporate responsibility and philanthropy. However, the tide has turned as investors, both institutional and individual, have recognized that ESG factors are not merely an abstract ethical consideration but a tangible and critical component of business success. This realization stems from a growing body of evidence that demonstrates a strong correlation between strong ESG performance and financial outperformance. For investors, the incorporation of ESG considerations into investment decisions has moved from the periphery to the core of their strategies. Companies that can demonstrate a strong commitment to environmental sustainability, social responsibility, and robust governance practices are perceived as less risky and more attractive investments. This paradigm shift reflects a deeper understanding that ESG factors can directly impact a company's financial performance, risk management, and overall competitiveness.

Corporations, in response to this changing landscape, are no longer viewing ESG as a mere matter of compliance or a marketing opportunity but as a source of competitive advantage. Forward-thinking businesses have integrated ESG principles into their core strategies and operations. They recognize that sustainability and responsible governance are not just buzzwords but fundamental aspects of long-term success. In this context, ESG is not an external obligation but an internal compass guiding corporate decisions. The ESG movement is not just a buzzword, it's backed by compelling facts and figures. According to a study by the Harvard Business Review, companies with strong ESG performance outperform their peers financially. Moreover, a report by the Global Impact Investing

FROM THE EDITOR'S DESK

reached $715 billion in assets under management. This trend reflects the growing interest among investors to align their investments with values that promote positive change.

On the regulatory front, governments around the world are introducing stricter ESG reporting requirements. The European Union's Sustainable Finance Disclosure Regulation (SFDR) and the Securities and Exchange Commission (SEC) in the United States are examples of regulatory bodies pushing for greater transparency on ESG matters. These regulations aim to ensure that companies are held accountable for their environmental and social practices.

The future of ESG looks promising, with numerous opportunities on the horizon. Companies that actively embrace ESG principles are better positioned to attract investment and remain competitive. Sustainability-linked bonds and loans are becoming more prevalent, allowing companies to fund ESG projects and initiatives. ESG-driven innovation is likely to bring about new technologies and business models that can address environmental and social challenges.

ESG principles are reshaping the business landscape, compelling organizations to consider their environmental, social, and governance impacts. This shift isn't merely a matter of ethics but a recognition of the financial and societal advantages of ESG. As ESG continues to gain traction, companies, investors, and regulators are working together to build a more sustainable, responsible, and prosperous future. The key takeaway is that embracing ESG isn't just the right thing to do; it's a strategic move that can lead to long-term success in a changing world. Our effort through this edition is to provide insights on this flourishing industry and educate our readers.

We hope you have a great time reading SAMVAD!
Let's read, share and grow with us!

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Akhil Anilkumar

Head - ESG
IDFC First Bank
PGDM Rural Management (2013-2015)

1.Can you please walk us through your journey from Welingkar to your current organization?

My journey from Welingkar to my current role has been quite diverse. I began my sustainability journey at Welingkar, where I was part of the second batch of the Rural Management program. During my time there, I engaged in numerous projects and gained valuable experience. I completed an internship with Mahindra Finance, and Idea Cellular (now Vi), both of which gave me tremendous experience in India's rural areas. Additionally, I had the opportunity to collaborate on a sustainability project in Sweden as part of a student exchange program. As a end result of this, I could complete my final year internship with a Swedish firm, and could also lead the biogas project setup within Weschool premises in Mumbai. These experiences at Welingkar were pivotal in igniting my passion for rural and environmental sustainability.

After my PGDM, my professional journey took me to Axis Bank, where I initially served as a Deputy Manager in the Fort branch. However, I soon transitioned into a career as a writer and freelance content consultant. This eventually led me to content and ESG consulting, at AICL, one of the largest communications consultancies in India. Starting as a senior consultant, I grew into leading ESG (Environmental, Social, and Governance) reporting and consulting assignments with India's largest corporates.

After half a decade of experience in AICL, I embarked on a new chapter of my career at IDFC FIRST Bank, where I currently head the ESG practice. In my present role, I am primarily focused on developing a climate roadmap, achieving net-zero ambitions, promoting sustainable finance, fostering a culture of ESG, and building a strong ESG brand. I also take lead on stakeholder reporting through mandatory and voluntary frameworks.

2. How do firms with higher ESG scores perform in terms of cost savings, credit ratings, and access to capital compared to those with lower ESG scores?"

First, it's essential to grasp that ESG (Environmental, Social, and Governance) considerations do result in operational efficiency in the long-run. It makes every action and decision count, naturally leading to stronger governance. Further, when you engage in activities that inherently mitigate risks or focus on good governance and socially beneficial practices, you naturally align with ESG principles.

From a capital accessibility perspective, many organizations that fall within categories such as fossil fuel-based industries or socially undesirable sectors like tobacco and alcohol face exclusion from investment houses citing ESG risks and factors. It's imperative to note that this exclusion has become increasingly significant as more funds and investors recognize ESG as a core ESG criteria.

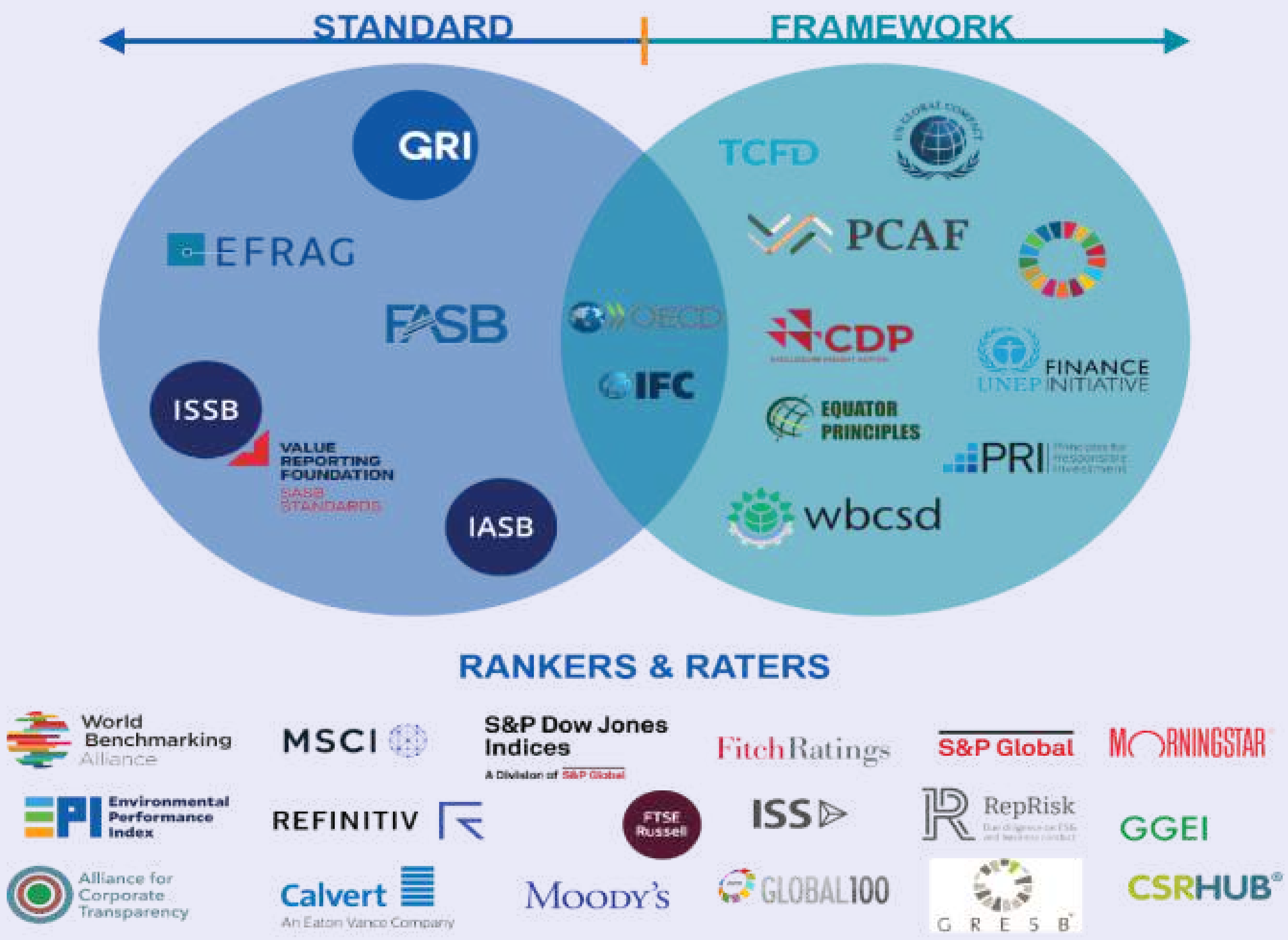
If your company excels in ESG as a practice, and has inherently sustainable business lines, then several investment houses do place a premium on your stock, adding overall desirability. Investors use ESG ratings, provided by established agencies, such as DJSI (Dow Jones Sustainability Index by S&P), Sustainalytics, MSCI (Morgan Stanley Capital Index), and others. Each investor may choose to employ a particular rating agency for portfolio evaluation, and a comprehensive assessment of ESG performance and disclosures.

Therefore, access to capital has become a critical consideration, and excelling in ESG can not only prevent exclusion from capital resources but also facilitate inclusion. Various avenues for capital access have emerged, including sustainability-linked bonds and instruments based on Principles of Responsible Investing (PRI). In fact, as of 2021, the total assets under management (AUM) aligned to the UN PRI is over USD 121 trillion.

3. As ESG reporting gains prominence, what percentage of Fortune 500 companies have adopted standardized ESG reporting frameworks such as GRI or SASB, and what impact has this had on transparency and accountability in corporate disclosures?

Recent data suggests that almost all companies in large indices such as the S&P 500 do have sustainability disclosures as part of their regular reporting, following various standards. We must recognize that disclosure regulations vary across different countries and regions, with various standards like SASB being adopted by many American and European nations due to their emphasis on financial materiality from ESG (Environmental, Social, and Governance) factors. GRI, on the other hand, focuses on Impact Reporting, covering a range of factors across environmental, social, economic and governance factors. In the EU, there are European Sustainability Reporting Standards (ESRS) and newer standards. Closer home, in India, we have the Securities and Exchange Board (SEBI) mandating business responsibility and sustainability reporting (BRSR), which is also a very serious and comprehensive framework. The introduction of the new disclosure regime under BRSR is significant, offering detailed insights.

Overall, there has been a substantial increase in the transparency and accountability of sustainability disclosures. A critical aspect is the impact of climate risks and how companies are working to mitigate these risks while aligning with a net-zero transition. Governments, investors, customers, and even the general public are increasingly demanding such transparency. Moreover, companies are leveraging these disclosures not only for shareholders and investors but also to attract new talent, market their products, and establish a more socially inclusive brand.



4. How can ESG be used to promote diversity, equity, and inclusion in the workplace?

It's crucial to recognize that Diversity, Equity, and Inclusion (DEI) is an integral component of ESG, falling under the social pillar. DEI considerations are gaining increasing attention, and ESG departments within companies are now examining the presence of systems that promote diversity, not only because it's the right thing to do but also in response to investor and rating agency requirements.

DEI extends beyond merely attracting diverse talent for standard roles; it also encompasses diversity within management, senior leadership, and board positions. Moreover, diversity

initiatives are multifaceted, addressing factors such as gender, roles, skills, geography, and multiculturalism. Many companies have even set mandatory targets for LGBTQ+ inclusion, reflecting the rising importance of these efforts.
Organizations are making significant efforts to ensure equal opportunities for women and other underrepresented groups while striving to eliminate all forms of discrimination. Most companies today have zero discrimination policies, which are now even more reinforced with the growing prominence of ESG.

5. How do companies measure their social impact as part of their ESG commitments?

To understand the social impact within ESG, we need to define what the "S" in ESG represents. Essentially, it's about how a company creates value for various stakeholders, which can include employees, communities, customers, and the entire supply chain. In India, Corporate Social Responsibility (CSR) plays a significant role, with clear impact assessments required to gauge the number of beneficiaries impacted. These assessments involve established processes and methodologies.

When it comes to employees, there are specific metrics and Key Performance Indicators (KPIs) used to measure social impact. These include the retention rate, Employee Net Promoter Score (eNPS), diversity ratios, employee satisfaction, attrition rates, and company culture assessments, among others. There are similar industry-wise standards for customer engagement as well.

Looking at the social impact from a value chain perspective, it's essential to consider how contractors, vendors, and partners within the supply chain are performing. This involves assessing whether they adhere to ESG parameters, such as avoiding child labor, respecting human rights, providing equal opportunities, contributing to climate action, and mitigating potential risks like environmental concerns.

In summary, the assessment of social impact involves a multitude of metrics and is fundamentally about managing stakeholder relationships and mitigating social risks associated with these relationships.

6. What would be your piece of advice for students who're just about to start their careers?

Here's my advice to students embarking on their careers. First and foremost, regardless of the role you choose, whether it's in the social sector, ESG, sustainability, or any general business function, it's essential to grasp that ESG is an integral and enduring aspect of every company's narrative.

ESG has become exceptionally critical, and sooner or later, it will be part of your career. Understand that ESG is not just about doing good for the sake of it; it's a strategic element that involves significant risk mitigation for companies. Climate change is a real and pressing concern, and companies are taking proactive steps for climate action. Conscientious companies are committed to implementing net-zero plans and fostering diversity, equity, and inclusion. They encourage dissent and open dialogue, recognizing that a culture of constructive dissent is vital for breaking stereotypes. Seek out such organizations when you're looking for opportunities, as this is where you can truly make a difference.

Second, ethics should always be at the forefront of your mind. While you may feel that ethics can be theoretical or not as integral as it's portrayed, the value placed on ethical organizations is significant. Ethical companies often command a premium in the eyes of consumers, and they are the brands we respect and admire. So, make ethics a core part of your cultural ethos, wherever you go and whatever you do.

Lastly, in any way you can, contribute back to the environment and fulfill your social commitments. These actions make a positive impact and reflect well on your character. Also, remember that ESG is an essential aspect of any business today, and there are numerous opportunities in this space. It's an excellent place to start your career because every company needs a solid ESG strategy, and governments, investors, and stakeholders are all looking for organizations with well-defined ESG plans in place.

Technology's Role in Advancing Sustainability

Winner

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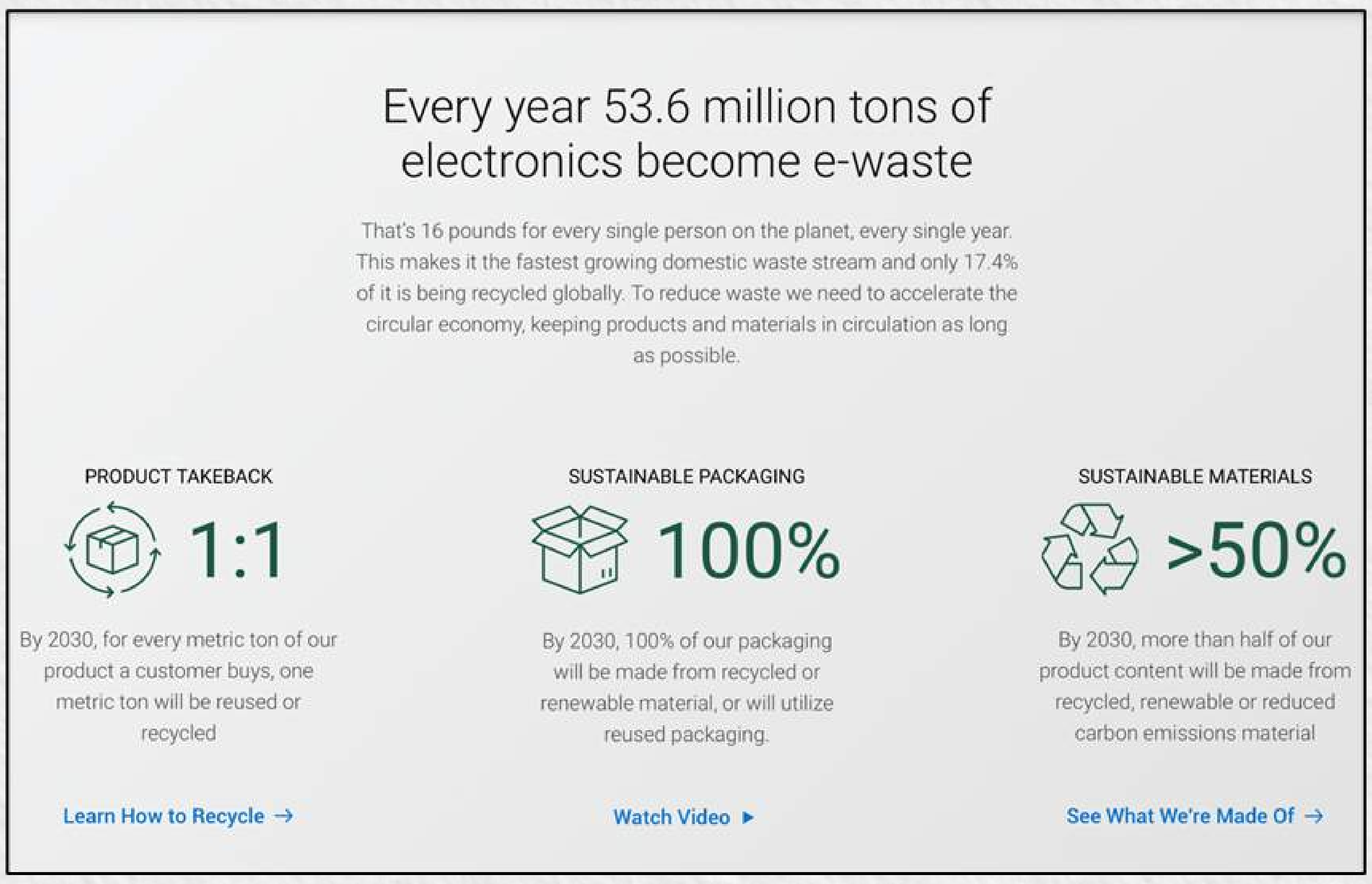
Introduction

As per reports, IT accounts for almost 4% of the greenhouse gas emission globally with the Carbon footprint expected to reach an alarming 14% by 2040. However, does that mean Technology is a bane in the name of sustainability?
In the face of growing environmental challenges, technology is emerging as a powerful force for advancing sustainability. From renewable energy solutions to innovative waste reduction strategies, the marriage of technology and sustainability is transforming the way we interact with customers.



Technologies like AI, IoT, and Machine Learning are the new normal. Organizations have embarked on a technology-driven path crucial in enhancing sustainability for a better and greener planet. Innovative technology helps pave sustainable business per social governance and net zero emission with other environmental goals.

Industries Marry Technology

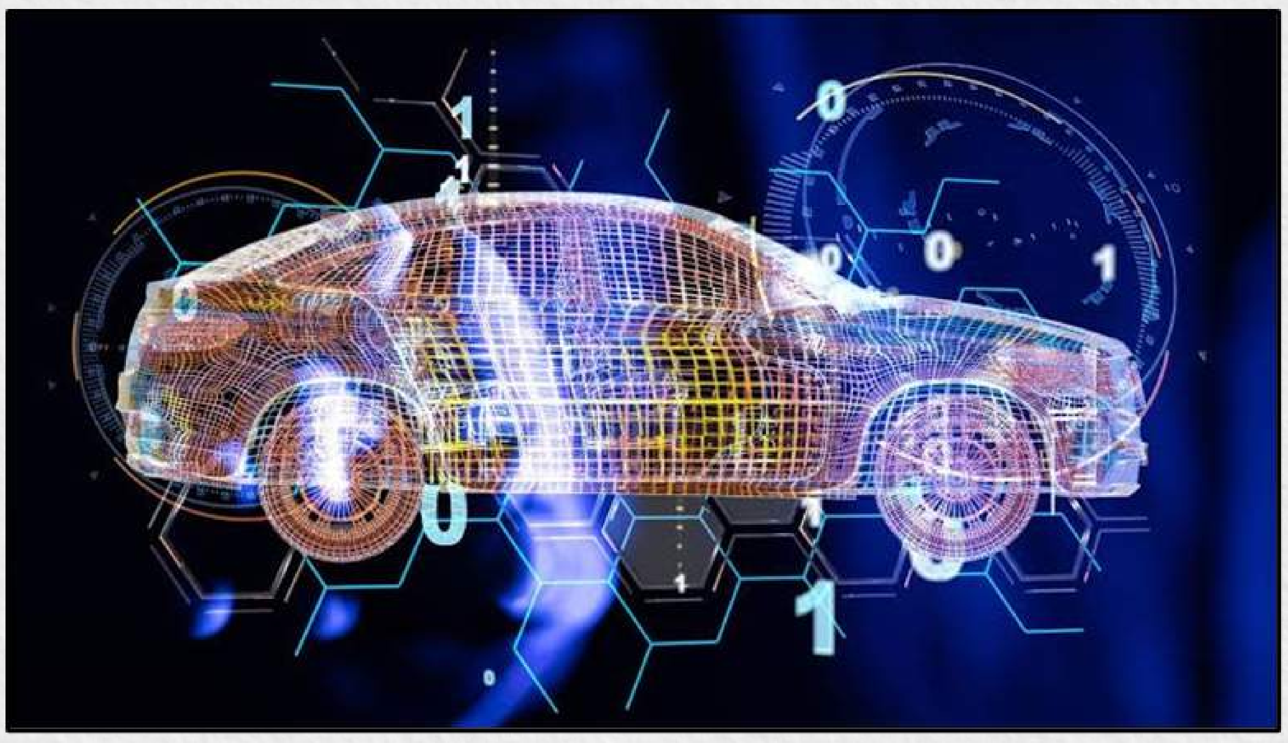
Keeping aside the tech industry, technology too has a strong impact on agriculture, construction as well and transportation. Being an agrarian country, farming and agriculture form the backbone of India. The agriculture industry, which produces a significant amount of carbon emissions, particularly methane, measures to gain greatly from IoT technologies. An opportunity to glue technology for sustainable and efficient agricultural methods will boost the economy manifolds. Smart Agriculture is another field where IoT is a game-changer. IoT allows for dynamic irrigation system adjustment, which significantly reduces water and energy waste by deploying sensors to monitor soil moisture levels.

A startup called Evreka has significantly improved waste collection schedules and methods by using machine learning algorithms, which lowers the need for landfills and operating expenses. One noteworthy example is a garbage collection service in Pakistan that used Evreka's sustainable technology, which led to a 15% decrease in operating costs and an 89% decrease in missed collections.

Our society is made up of buildings and infrastructure, which allow us to congregate in places like schools and hospitals for medical attention. Buildings are responsible for 39% of worldwide carbon emissions, per research findings from the World Green Building Council. The bulk, or 28%, is brought on by operational carbon, which is produced by running a structure after it is constructed and includes things like lighting, heating, and cooling. The building and its construction materials are made with the remaining 11%.

For instance, IKEA is efficiently reducing waste and pollution with AR technology. IKEA is reducing product returns and exchanges by letting buyers see how furniture will look in their homes before making a purchase. This creative method minimizes the overall carbon footprint while optimizing resource usage, setting a standard for sustainability in technology.

The foundation of commerce is transportation, which establishes a networked supply chain that uses trains, aircraft, ships, and short- and long-haul carriers to transport goods across the country. Despite being essential, transportation consumes a significant quantity of fossil fuels, mostly from the burning of fuels derived from petroleum, such as petrol and diesel, which contributes to the transportation sector's 29% share of greenhouse gas emissions in the United States.



Amazon is incorporating electric delivery vehicles into its fleet. For example, Tesla has produced electric semi-trucks to revolutionize the transportation sector through emission reduction. Amazon placed the largest-ever order for electric delivery cars when it ordered 100,000 of them.

Hydrogen-powered vehicles are already on the road (for example, the Toyota Mirai). The truck, bus, and railway sectors can benefit greatly from this field's immense potential. An important factor in the overall energy system's flexibility and stability is hydrogen.

Thanks to AI-driven algorithms, data centres—which are often energy-intensive buildings—are becoming more environmentally friendly. One of the best examples of how AI may be used for energy efficiency is Google's DeepMind. The device sorts through data from various sensors using machine learning algorithms to identify areas of energy waste and then optimize use. This is consistent with the IT industry's growing emphasis on sustainability. By using AI, data centres can become more environmentally friendly and sustainable while also cutting operational expenses, as they use a significant amount of energy.

The pandemic has welcomed an era where a virtually connected world is the new normal. Three years since the start of the pandemic, today virtual reality is the most popular medium for social interactions, work, and entertainment.

BMW is utilizing virtual reality to attain sustainability within the technology sector. It reduces waste and energy consumption during the manufacturing process by using virtual environments to teach staff new assembly procedures. BMW is demonstrating the critical role that technology plays in sustainability by improving operational efficiency in this way.

Another example is Shell's use of augmented reality. Through augmented interfaces, it allows personnel to check and repair oil rigs, resulting in early detection of potential problems. By taking preventative measures, the likelihood of environmental mishaps and spills is greatly decreased, cementing AR's place in sustainable technology.

By offering mobile augmented reality experiences like a gamified showcase in its Paris store, Adidas is utilizing AR to advance its environmental initiatives. Customers were informed about making shoes out of recycled plastic via this interactive feature. Using QR codes on storefront displays, The Athlete's Foot launched a 2021 European campaign that highlighted the sustainable materials used in Adidas Stan Smith sneakers through an augmented reality tornado.

Conclusion

In conclusion, ESG goals, green technology, and green fuel are baby steps towards a healthier and greener planet. To add to the betterment, every organization needs to create a culture inculcating the values of the wise usage of technology. In this ever-evolving and dynamic world, there is no end to the creation and usage of new and advanced technology. It is the responsibility of us users to ensure a conscious and optimal usage of the same. It's a testament to the idea that, with the right innovations and strategies, technology can be a powerful ally in our pursuit of a more sustainable future.

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Why Consumers Prefer ESG-Focused Brands?

Runner Up

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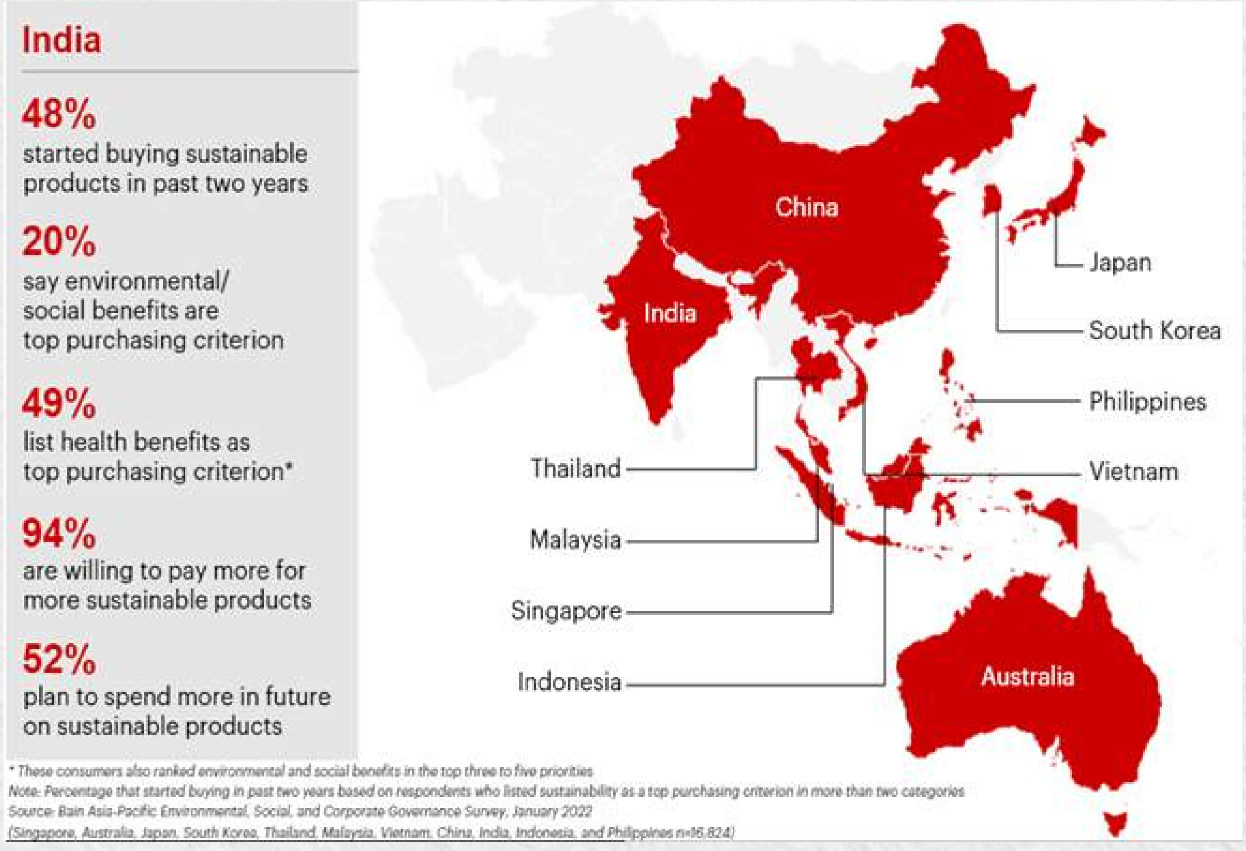
Environmental, social, and corporate governance (ESG) issues are gaining prominence on a global scale, and this trend is particularly conspicuous and rapidly expanding in India. Consequently, companies eyeing the Indian market are striving to comprehend the implications for their brands and operations in this context.

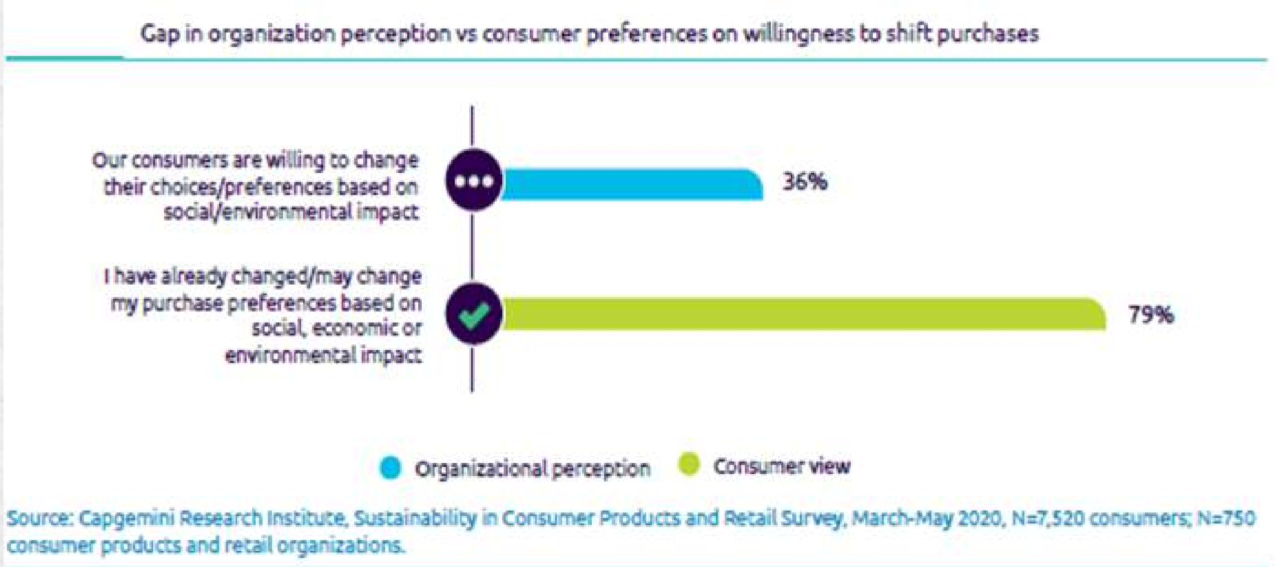
A recent study by Bain & Company sheds light on the evolving consumer landscape in India. The findings reveal a significant shift in consumer behaviour towards sustainability. Approximately 48% of Indian respondents indicated that they had initiated purchasing sustainable products over the preceding two years. Even more striking, a whopping 94% of these individuals expressed a willingness to pay a premium for such sustainable offerings. Furthermore, half of the participants in the survey expressed their intention to further increase their future purchases of sustainable



(Source: Bain & Company)

goods.

These figures clearly show that Indian customers now give a product's sustainability a high priority when making judgements about what to buy. This indicates a shift in consumer tastes as well as a substantial market potential for companies that can match their products to India's expanding need for socially and ecologically conscious goods.

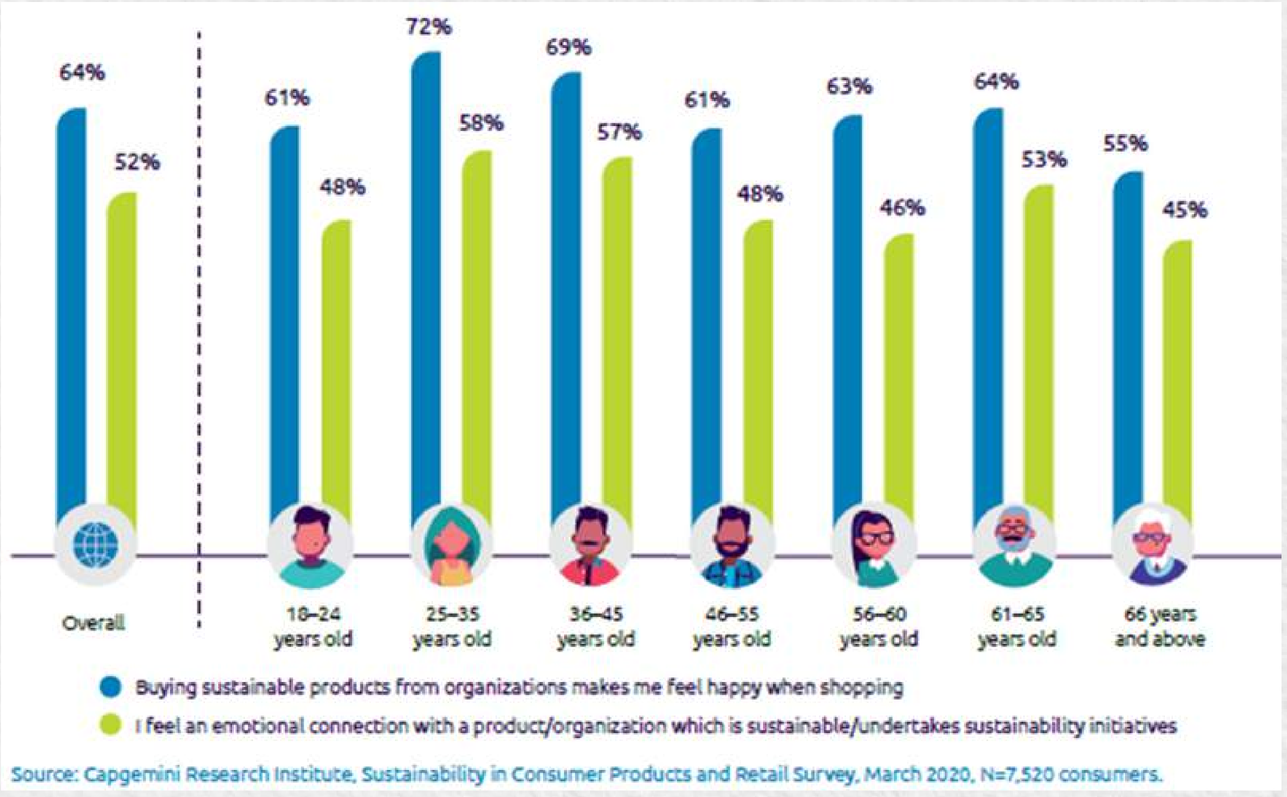


Many businesses acknowledge the importance of sustainability, yet they seem to underestimate the extent to which consumers are willing to alter their product preferences based on sustainability considerations. According to a Capgemini study titled "How sustainability is fundamentally changing consumer preferences," only 36% of companies believe that consumers are likely to modify their choices or behaviours in response to social and environmental concerns. Interestingly, the survey revealed a significant disparity, with 79% of respondents expressing a desire to make changes for social, inclusive, or environmental reasons. Among them, 42% had already initiated changes, and 37% intended to do so. This incongruity highlights the gap between consumer intentions and corporate perceptions.

Given this, In this article, we seek to delve into the motivations driving consumers toward ESG-focused companies and sustainable purchasing, shedding light on the growing significance of sustainability in shaping consumer preferences and choices.

Rationale 1: Customers are emotionally invested in sustainability.

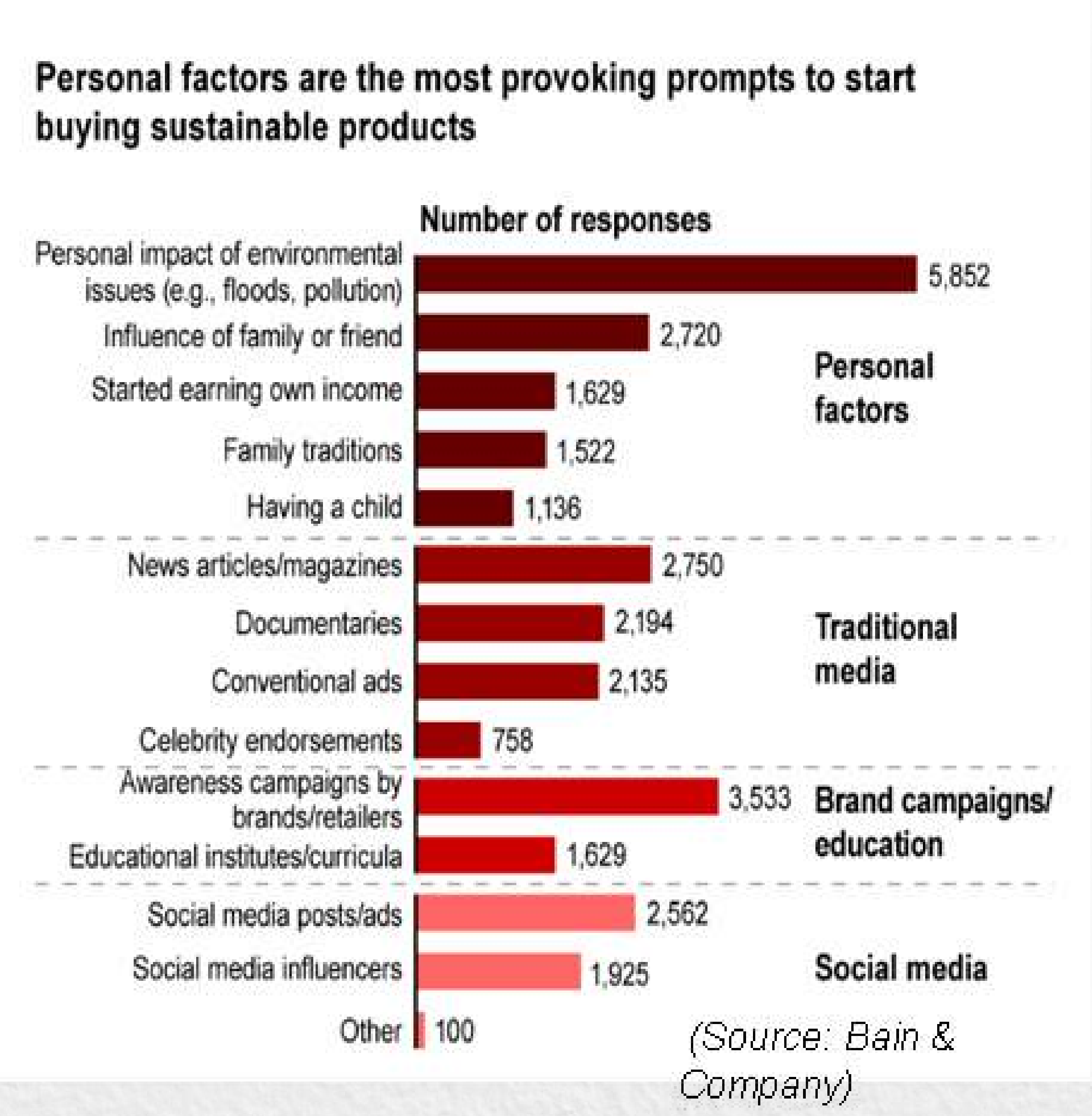
A recent Capgemini survey titled “How sustainability is fundamentally changing consumer preferences” has brought to light a remarkable shift in consumer sentiment. Over 50% of surveyed customers report experiencing a profound emotional connection with brands/companies they perceive as sustainable. Furthermore, a substantial 64% of respondents reveal that purchasing sustainable products not only aligns with their values but also brings them a sense of happiness. This figure becomes even more pronounced among the younger demographic, with a staggering 72% of individuals aged 25 to 35 attesting to the emotional satisfaction they derive from choosing sustainable options. Thus, this data underscores the pivotal role that emotional connections play in sustainable purchasing decisions.



Source: Capgemini Research Institute, Sustainability in Consumer Products and Retail Survey, March 2020, N=7,520 consumers.

Rationale 2: Experiencing the effects of environmental problems motivates sustainable purchasing.

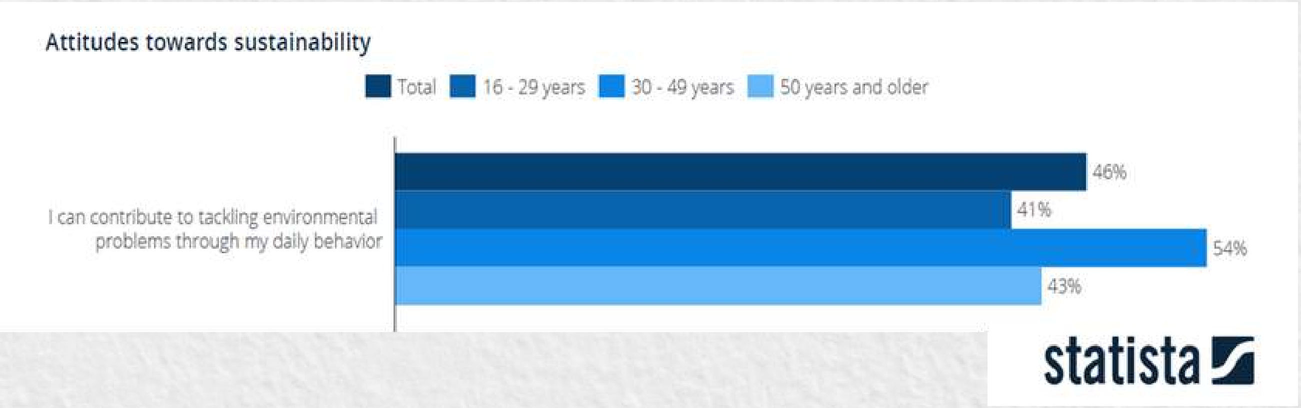
India suffers from dangerously elevated pollution levels that are higher than those of many other countries. For its residents, the threats linked with environmental issues are urgent and tangible since they have personal experience with them. As a result, the individual's experience of environmental concerns becomes a strong motivator for sustainable consumption. This viewpoint is supported by research conducted by Bain & Company, which found that the most commonly mentioned reason for adopting sustainable products was "The personal impact of environmental issues". This result emphasises how people are motivated to adopt eco-conscious decisions by the urgent, tangible effects of environmental issues, such as pollution and environmental destruction.



(Source: Bain & Company)

Rationale 3: Customers believe altering their habits may help solve environmental issues.

The "Sustainable Consumption in India" report from Statista reveals that around 50% of Indian consumers believe they can modify their behaviour to make a positive impact on environmental concerns. This perception is a significant motivator behind their preference for sustainable products over non-sustainable ones. The idea that individual actions can contribute to environmental solutions empowers consumers to align their choices with sustainable options. It underscores the pivotal role of consumer beliefs in driving the adoption of sustainable products.



In our view, these are some compelling factors that motivate customers to choose sustainable products or brands. However, it's important to acknowledge that there are likely numerous other reasons contributing to this notable transformation in Indian consumer behaviour.

Nonetheless, forward-thinking organizations that recognized this shift early and actively promoted sustainable practices are now reaping the rewards, enjoying increased revenue and market share, as they embraced the sustainability trend ahead of the competition. They wisely seized the opportunity to align with evolving consumer preferences and set themselves apart in a market that is gradually catching up to the significance of sustainability.

One of such organization, which is

high on sustainability is Phool.co. Established in 2017 by Ankit Agarwal and Prateek Kumar, both engineering graduates, Phool.co is a startup that specializes in flower recycling technology. It uses floral waste collected from temples which otherwise is dumped in rivers, to make patented organic fertiliser and charcoal-free luxury incense products.

Phool's circular economy model, which focuses on using temple waste as raw material, aligns seamlessly with sustainability and social empowerment. The Kanpur-based startup currently accumulates floral waste from three Indian cities, Tirupati, Mathura and Varanasi, preventing 13 tonnes of waste flowers and harmful chemicals from entering the river daily. By providing dignified employment opportunities to more than 200 women in India especially from marginalized communities, the brand has made a significant social impact. Therefore, we believe, Phool symbolizes a sustainable initiative deeply rooted in Indian traditions.

Phool. Co's exceptional commitment to sustainability and social responsibility has garnered prestigious recognition on the global stage. The company has received several notable awards, including the 'United Nations Momentum of Change Award' at COP 2018, and the Breaking the Wall of Science Award in Berlin.

Apart from these awards, Phool maintains a strong presence in the minds of consumers. The company's remarkable growth of 130 per cent year-over-year showcases its innovative approach to targeting untapped segments of the unorganized and unbranded fragrance market in India. Phool's commitment to sustainability, its unique positioning in the market, and its appeal to conscious consumers have made it a brand that continues to resonate with customers as well as investors. The company recently secured $8 million in a Series A funding round, attracting investments from well-known venture funds, as well as support from prominent investors like Alia Bhatt. Under the direction of Ankit Agarwal and Prateek Kumar, Phool.co is a shining example of a sustainable company that is promoting improvements for both society and the environment.

In conclusion, the evolving landscape of consumer behaviour in India highlights a significant and transformative shift towards sustainability. The data presented in this article underscores the powerful motivations driving customers to choose sustainable products and brands. Emotional connections, personal experiences with environmental challenges, and the belief that individual actions can contribute to solutions are all key factors influencing these choices. Companies that recognize and embrace this shift are reaping the benefits, aligning themselves with the changing preferences of the Indian market.

As Indian consumers increasingly prioritize sustainability, businesses that align with these values will not only thrive but also play a vital role in shaping a more sustainable and socially responsible future, this is evident from the Phool. Co's success.

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Green Bonds and Sustainable Finance: A Growing Trend

National Finalist

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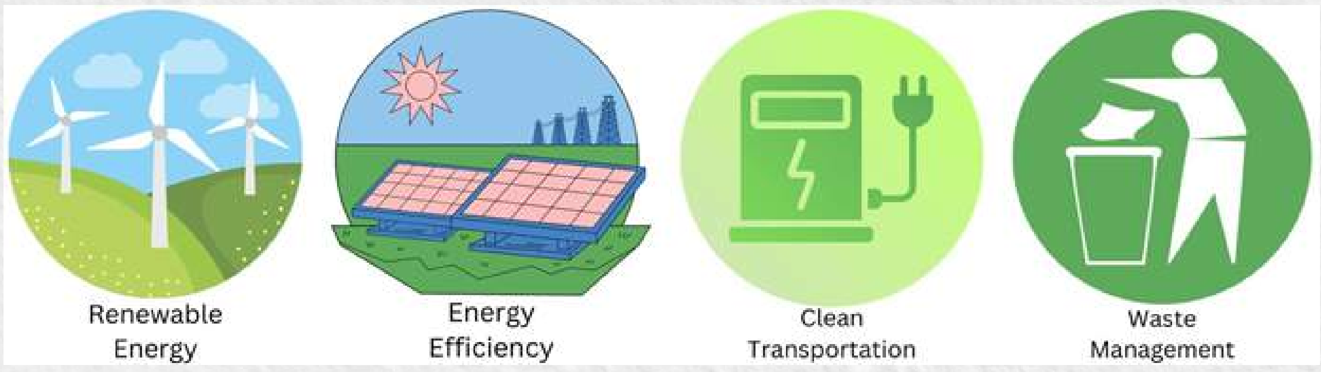
"In sustainable finance, we invest not just for financial returns, but for a healthier planet and a brighter future for all."

- Christiana Figueres

Green bonds are a type of sustainable finance instrument. Sustainable finance is a broad term that refers to financial products and services that are designed to support environmental and social sustainability goals. Green bonds are used to finance environmentally friendly or climate-related projects. Green bonds can be used to finance a wide range of projects, including renewable energy, energy efficiency, sustainable transportation, green buildings, and waste management.

The World Bank and the European Investment Bank introduced green bonds more than ten years ago, paving the way for investments in climate-related projects like renewable energy, energy efficiency, and ecosystem protection and restoration that might eventually amount to trillions of euros. The global community may benefit from and be cautioned by their fundamental, pivotal role as sustainable finance is expanded into various fields with increasing urgency, including complicated collateralized loan obligations, loan and local currency guarantees, and subordinated debt.



The Green Bond Market: A Decade of Progress

Green bonds play a vital role in accelerating the transition to a more sustainable and environmentally friendly global economy. They enable governments, corporations, and institutions to access funding for projects that reduce carbon emissions, conserve resources, and promote sustainability while offering investors a way to support these initiatives through their investments.

The pioneers of the green bond movement have unquestionably been successful in those regards. In its 2018 report, the Climate Bonds Initiative (CBI) noted that from 2008 to 2018, numerous organisations and governments issued green bonds totalling more than $521 billion. According to Environment + Energy Leader, new certified green bond issuance has exceeded $100 billion globally just in the first half of 2019, and estimates for the entire year reach $250 billion. By the end of 2019, the CBI predicts that more than 5,000 green bond issues will have been offered for sale. Therefore, it is undeniable that the market for green bonds has shown to be strong, reliable, and scalable for a wide range of market participants globally.

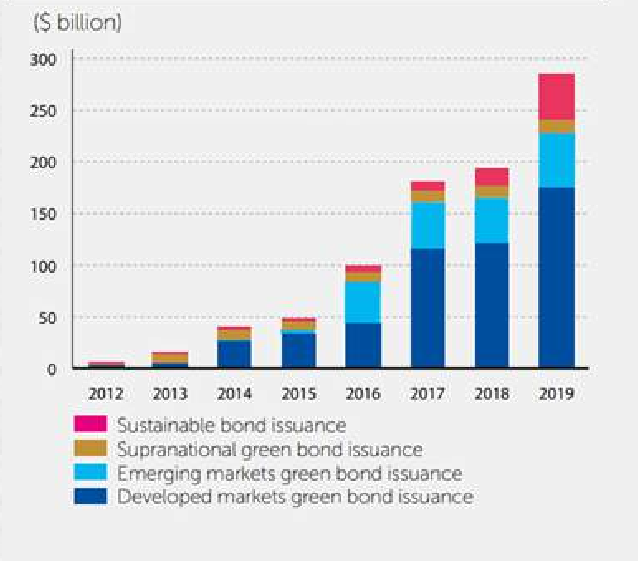


Figure 1 - Green and Sustainability Bond Issuance

Source: IFC Global Macro & Market Research, Bloomberg, Dealogic, Environmental Finance, Climate Bonds Initiative.

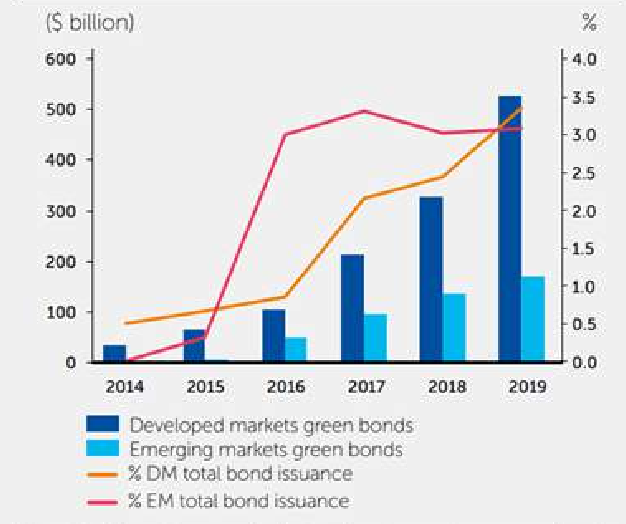


Figure 2 - Green Bond Market Size

Note: Total bond issuance includes all sectors and non-green bonds.
Source: IFC Global Macro & Market Research, Bloomberg, Dealogic, Environmental Finance, Climate Bonds Initiative.

However, making sure that the environmental impact of green bond projects is clear, verifiable, measurable, and compliant with international standards has been a significant difficulty. The World Bank created a strict and open mechanism from the beginning to verify its green bond issuers. For the purpose of guiding investors and issuers, a number of strong and significant frameworks and protocols have arisen. The same year that CBI was established in 2010, it released its Climate Bonds Standard and Certification Scheme. The International Capital Markets Association (ICMA), which was established in 1969 to help direct the developing Eurobond market, progressively broadened its purview in 2014 to include a set of green loan standards, according to the Loan Market Association. Both voluntary frameworks establish their legitimacy by recruiting teams of top leaders and scientists to create and advance strict criteria and by garnering the support of many issuers and investors.

The Growing Trends of Green Bonds: A New Era of Sustainable Finance

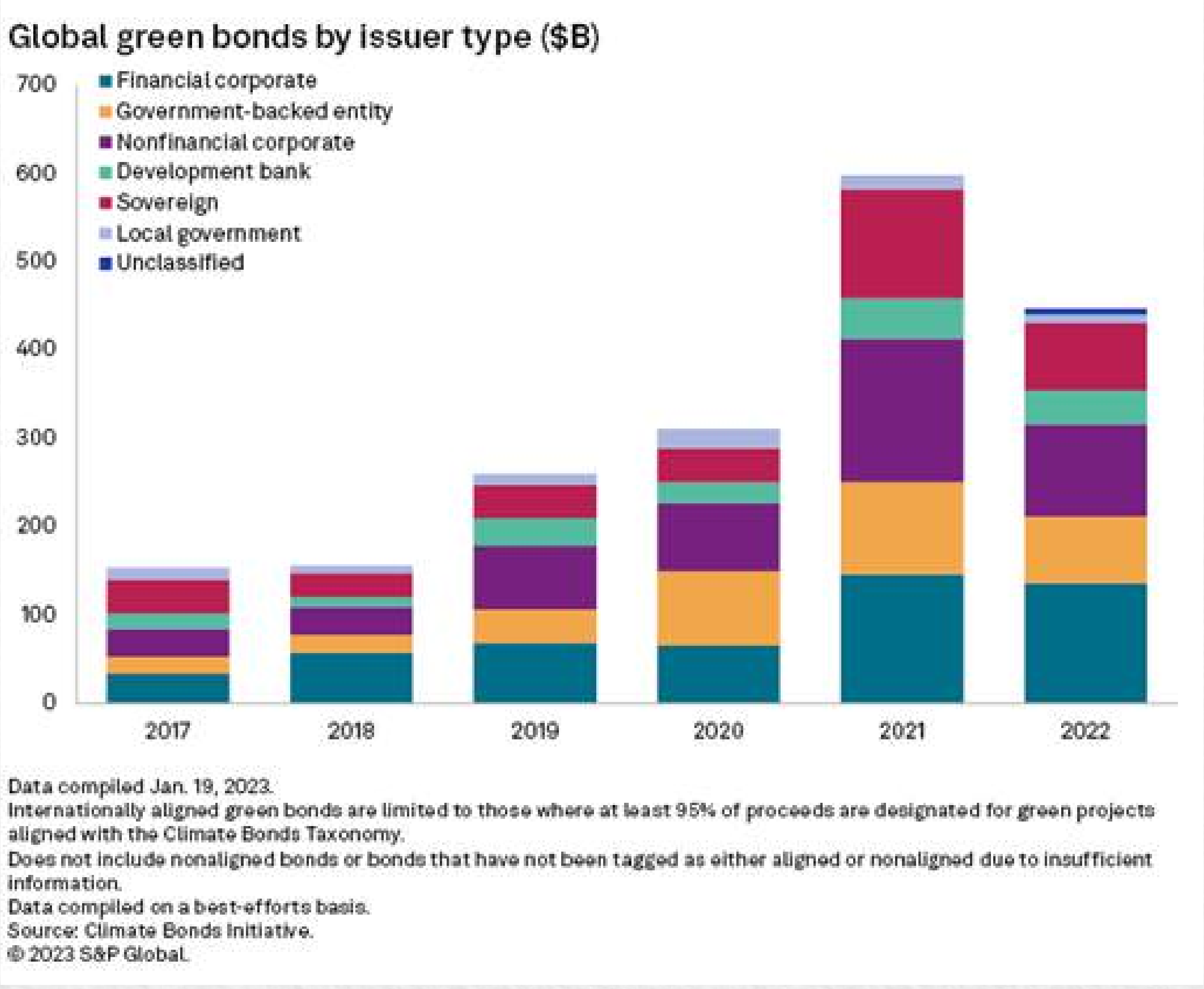
Global green bond issuance increased significantly from its start in 2007 to $200 billion in 2016 and eventually $1 trillion in 2021. Since the market started with sovereign debt, the increase to around 40% of green debt issuance in 2021 coming from corporations was considered a positive sign of the market's acceptance of this asset type.

Expectations of 40% growth going into 2022 proved to be very inaccurate as issuance decreased to approximately $600 billion and corporate totals came in at just over $350 billion. It was anticipated that issuance may return to $1 trillion in 2023. However, as of now, issuance levels are only comparable to 2022, with issuance activity geographically biased towards Europe and developing markets that wish to demonstrate progress on emissions.

If you would call them "green" shoots, some media outlets have reported signs of a market revival. In any case, there is still a chance that 2023 issuances will once again approach $1 trillion because year-over-year comparisons in issuance should become simpler as 2023 goes on.

The market will rise in 2023 thanks to attempts to standardise it in China, which led the world in green bond issuing last year. China's Green Bond Principles, released in July 2022, set standards that are more in line with worldwide best practices and unified the criteria used inside the nation. However, US President Joe Biden's Inflation Reduction Act will encourage the issuance and purchase of green bonds. With associated tax incentives of around $265 billion from the preceding trend rate, the measure, which was signed into law in August 2022, will contribute $386 billion in energy and climate investment over 10 years.

According to data from the Climate Bonds Initiative, a U.K.-based green debt tracker, issuers sold $443.72 billion worth of green bonds globally in 2022, down from $596.30 billion in 2021. Compared to last year, sovereign issuance was down 38.1%, while nonfinancial corporation supply was down 35.8%.



The fourth quarter of 2022 saw $83.64 billion in green bond issuance, a 15.9% decrease from the third quarter and the lowest amount since the second quarter of 2020. It happened at a time when the cost of borrowing increased and investor interest in the overall bond market was dampened by unstable markets, inflation, rising interest rates, and geopolitical uncertainty.

Because issuers prefer an "environment where rates and spreads are stable," Bos stated that the market conditions make it particularly difficult. In 2022, the supply of green bonds in Europe decreased by 32.5% to $219.03 billion, while issuance in North America decreased by 43.2% to $60.22 billion.

Asia-Pacific issuance was less volatile in 2022, down 2.5%. With $120.83 billion in green bonds for the entire year, it was the second-largest regional issuer, thanks to China's efforts to bring sustainable finance in line with international norms and the rising demand from international investors. In 2022, China issued $76.25 billion worth of green bonds, followed by Germany ($60.77 billion) and the United States ($49.00 billion).

According to a study, "Comparing ESG bond issuance to total corporate supply shows that the decline in supply has probably not been caused by a lack of desire on the part of companies to issue or a lack of interest on the part of investors to purchase. "Instead, a more general reduction in corporate bond issuance has been what has caused the slowdown.

Corporate green bond issuance is anticipated to increase by more than 30% in 2023 and reach levels akin to those of 2021. In order to reduce financing costs in the face of rising interest rates, issuers are likely to prefer green bonds over bonds tied to sustainability. Although sustainability-linked bonds continue to be a popular option for issuers in low-rated and high-emitting industries, no significant expansion is anticipated in this market sector.

A strengthening of the global economy will be necessary for the green bond market to expand this year. According to the International Monetary Fund, global economic growth will decrease from 6.0% in 2021 to 3.2% in 2022 and 2.7% in 2023. Green bonds and sustainable finance are an increasingly popular trend, offering a financial pathway for environmentally conscious investments and contributing to a greener, more sustainable future.

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ESG Investing strategies for a Greener Portfolio

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"Let every citizen mop in front of their own door and the whole world will pristine".

2023-2025 is shaping up to be the years where organizations contribute to evolve their ESG and sustainability priorities. For some, it's "business" as usual but for a majority it will be the years of change and disruption. Incorporating ESG thinking into business strategy doesn't only reshape investments, but also tests the transformative power of stimulating responsible and sustainable practices in the corporate world. This approach blends sustainability factors into investment decisions, aiming for both financial returns and positive societal impact. Below are 3 Motivations for considering ESG.

ESG tops the CEO agenda across countries. Companies adhering to strong ESG principals are favored, leading to a surge in responsible investing strategies. Considering this ESG Investing is booming in the entire world. Let's dive into this greener world of **funds**, **assets** and **strategies**.

(ESG) products will enforce assets under management (AUM). Global ESG assets are on track to exceed $53 trillion by 2025, representing more than a third of the $140.5 trillion in projected total assets under management. **"In the era of real finance, ESG is the new ROI: Return on Impact."**
For building a greener portfolio,

there are various ways to identify investments that fit the bill. Asset managers bounded with no strict rules should approach the best corresponds with their targets. At 27%, ESG fund managers see the highest ROI opportunity today in Financial Services, compared to 10% of Chief Sustainability Officers, 7% of government officials, and 13% of non-ESG fund managers.

The following is an overview of the top employed ESG strategies:

- **Negative screening** is the process of actively excluding certain sectors or companies that fail to meet predetermined moral or ethical standards and environmental, social and governance criteria.
- **Portfolio tilt** in ESG investing involves deliberately favoring companies that meet ESG criteria, promoting sustainable and responsible practices. Investors do this by emphasizing sectors like renewable energy or socially responsible businesses, aligning their investments with ethical values and encouraging positive corporate change. It's crucial for investors to diversify their ESG investments to manage risks effectively, ensuring a balanced approach.
- **Sustainability-themed investing** in the ESG context involves investing in companies dedicated to sustainable practices. This approach emphasizes supporting businesses committed to environmental conservation, social responsibility, and strong governance. Investors in this category often prioritize industries like renewable energy and ethical business practices, aiming to make positive environmental and social impacts alongside financial gains.
- **Positive screening** in ESG investing entails choosing and investing in companies based on specific sustainability criteria. Investors employing this strategy focus on businesses with robust ESG performance, emphasizing eco-friendly practices, social responsibility, and ethical governance. This approach involves actively selecting companies involved in activities like renewable energy, community development, and fair labor practices. By using positive screening, investors align their portfolios with their values, supporting companies that make positive contributions to society and the environment.
- **Impact investing** involves investing in ventures that create both social or environmental benefits and financial returns. Its global growth is fueled by increasing awareness of societal and environmental issues. Investors, including institutions and individuals, are increasingly interested in aligning their investments with their values.

Governments and international bodies are also promoting policies to support this trend, emphasizing the importance of achieving financial goals while making positive social and environmental contributions.

- **Thematic investing** in ESG involves focusing on specific themes like renewable energy or sustainable agriculture, aligning investments with environmental and social causes. This approach has seen significant growth due to increasing awareness of global challenges. Investors are showing more interest, and supportive policies from governments and organizations further boost its momentum, driving positive change in targeted sectors.
- **Engagement and active ownership** in ESG investing involve investors actively communicating with companies, voting on ESG-related matters, and proposing resolutions to promote ethical practices. This strategy integrates ESG factors into investment decisions, encouraging companies to improve their sustainability practices. It emphasizes a long-term approach and often involves collaborative efforts among investors to amplify their influence.
- **Best-in-class investing** in ESG involves investing in industry leaders with superior environmental, social, and governance practices, rather than avoiding entire sectors. This approach supports companies excelling in ESG criteria while maintaining diversification within specific industries.
- Investing in **green bonds** within the ESG framework means buying bonds designed for eco-friendly projects like renewable energy. These bonds offer fixed returns while supporting sustainability. The popularity of green bonds has surged due to the rising global emphasis on environmental initiatives. Governments, corporations, and institutions are issuing more of these bonds, creating more investment opportunities for those interested in environmental and financial gains. Green, social, and sustainability bonds — designed to funnel investments into ESG projects reached a new global record of over $900 billion in issuances in 2023 and will grow in a very compounding manner.

In conclusion, ESG investing offers a variety of strategies for investors to align theirfinancial goals with ethical and sustainable practices. Whether through positive or negative screening, thematic investing, engagement, or other approaches, individuals can make a positive impact while seeking competitive returns. The diverse strategies available allow investors to tailor their ESG investments according to their values and preferences, contributing to a more sustainable future while pursuing financial growth.

"Your investments can change the world. Choose ESG and invest in a sustainable future."

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Integrating ESG Principles into Supply Chain Operations

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The incorporation of Environmental, Social, and Governance (ESG) concepts into supply chain operations has advanced from being a desirable feature of corporate responsibility to a requirement for long-term success in today's quickly changing business environment. Consumer and investor demands for greater responsibility, transparency, and sustainability have changed how businesses approach supply chain management. ESG factors must now be taken into account in order to achieve company goals and create a future that is ethical, resilient, and competitive.

The Impact of ESG in Supply Chain Management

The ESG framework encompasses three key dimensions: Environmental, Social, and Governance. These dimensions collectively guide a company's efforts to reduce its environmental footprint, foster social responsibility, and uphold strong corporate governance practices. Integrating these principles into supply chain operations requires a comprehensive approach, but it brings about numerous benefits that extend far beyond just ethical considerations.

Environmental Responsibility: Embracing sustainability in the supply chain involves a commitment to minimizing environmental impacts. This entails evaluating and optimizing the use of resources, reducing emissions, minimizing waste, and ensuring the responsible sourcing of materials. ESG-aligned supply chains contribute to broader global sustainability goals and reduce the environmental risks associated with climate change and resource scarcity.

Social Responsibility: ESG principles emphasize fair labor practices, human rights, and ethical treatment of workers. Companies must ensure that their supply chain partners adhere to these principles, promoting safe working conditions, fair wages, and the elimination of child labor and discrimination. By fostering social responsibility throughout the supply chain, businesses can enhance their reputation and address the ethical concerns of stakeholders.

Governance and Ethics: Governance practices in supply chain management are crucial for transparency and accountability. Establishing clear governance structures, ethical business practices, and risk management protocols helps mitigate potential issues that could disrupt operations. Strong governance safeguards the reputation of the organization and builds trust with investors, customers, and regulatory bodies.

The Business Case for ESG in Supply Chain Management

Integrating ESG principles into supply chain operations is not solely a matter of altruism; it makes compelling business sense. Companies that prioritize ESG considerations in their supply chains gain several competitive advantages:

- **Enhanced Performance**: A supply chain that incorporates ESG practices is often more efficient, resilient, and adaptable. It can respond more effectively to market changes, disruptions, and evolving regulations, ultimately resulting in improved overall performance.

- **Risk Mitigation**: Identifying and addressing ESG risks in the supply chain helps reduce vulnerabilities. This proactive approach reduces the likelihood of costly disruptions and legal liabilities related to non-compliance with environmental and social standards.

- **Stakeholder Trust**: ESG-focused supply chains demonstrate a commitment to responsible business practices, which fosters trust among investors, customers, and the broader community. Trust, in turn, can lead to greater brand loyalty and a competitive edge.

- ·**Competitive Advantage**: Companies that prioritize ESG principles in their supply chains often have a competitive advantage in attracting environmentally and socially conscious customers. This advantage can lead to market share growth and increased revenue.

Key Steps to Integrating ESG into Supply Chain Operations

To effectively integrate ESG principles into supply chain operations, companies should follow a structured approach:

1. **Develop a Clear ESG Strategy**: Create a comprehensive ESG strategy that aligns with your organization's values, goals, and commitments. Share the strategy with all stakeholders, including suppliers, customers, investors, and employees.

2. **Engage with Suppliers and Stakeholders**: Successful ESG integration depends on cooperation with suppliers and other stakeholders. Engage in active dialogue with suppliers to learn about their current ESG practices and to promote the use of ethical and sustainable practices.

3. **Use Sustainability Reporting**: Implement sustainability reporting mechanisms to track and communicate ESG performance. Annual sustainability reports, sustainability scores, and other metrics provide transparency and allow stakeholders to assess progress and improvements.

4. **Establish Partnerships**: Collaborate with external organizations, such as non-governmental organizations (NGOs), industry groups, or government bodies, to collectively promote ESG initiatives. Partnerships can amplify the impact of sustainability efforts and drive change throughout the supply chain ecosystem.

5. **Monitor and Measure Progress**: Set specific, measurable, and time-bound targets to monitor ESG progress. Regularly assess and analyze data to identify areas for improvement. Embrace a culture of continuous improvement to address emerging ESG challenges.

The Role of Digital Supply Chains in ESG Integration

Digital supply chains are proving to be powerful enablers for companies seeking to integrate ESG principles into their operations. They offer several advantages that facilitate the adoption of sustainable and responsible practices:

1. **Increased Transparency**: Digital supply chains provide real-time tracking and monitoring capabilities, enhancing transparency and accountability. Companies can track their ESG performance, identify risks and opportunities, and make informed decisions to drive positive change.

2. **Improved Supplier Engagement**: Digital supply chain management tools enable seamless

communication and collaboration with suppliers. Companies can easily share ESG metrics and goals, encouraging suppliers to adopt sustainable practices. This engagement ensures that suppliers align their operations with the company's ESG objectives, creating a more cohesive and responsible supply chain ecosystem.

3. **Enhanced Data Management:** Digital supply chain management platforms serve as centralized repositories for ESG data. Companies can efficiently track, analyze, and manage their ESG performance using these platforms. This data-driven approach enables organizations to make informed decisions, identify areas for improvement, and demonstrate progress to stakeholders.

4. **Increased Efficiency**: Digital supply chains streamline operations, reducing waste and emissions while improving overall sustainability. Through advanced analytics and automation, companies can identify inefficiencies and implement optimized processes. This increased efficiency not only benefits the environment but also enhances the organization's financial performance.

5. **Stakeholder Engagement**: Digital supply chain management tools facilitate effective communication of ESG performance to stakeholders. Companies can leverage these platforms to share sustainability initiatives, progress reports, and other relevant information. This engagement fosters trust, strengthens relationships, and promotes the organization's commitment to sustainability.

Conclusion

Companies that embrace this imperative stand to gain numerous benefits, including improved performance, risk mitigation, stakeholder trust, and competitive advantage. The key lies in developing a clear ESG strategy, engaging with suppliers and stakeholders, using sustainability reporting, establishing partnerships, and continuously monitoring progress. Digital supply chains play a pivotal role in facilitating this integration by providing transparency, enhancing engagement, and optimizing data management. As businesses move forward, the integration of ESG principles into supply chain operations will remain central to their long-term success and contribution to a more sustainable and responsible future.

ESG Integration in Talent Management

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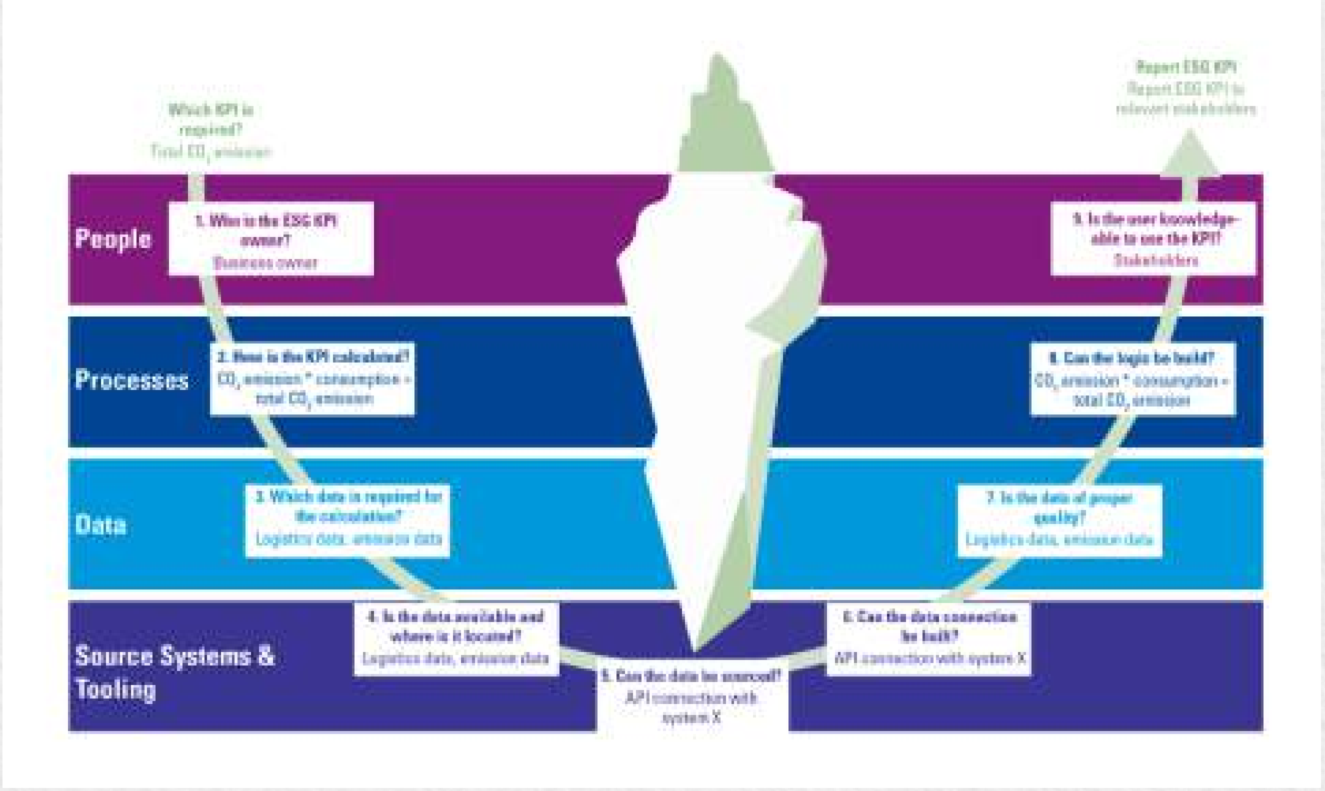
In today's dynamic corporate landscape, the confluence of talent management and Environmental, Social, and Governance (ESG) imperatives is emerging as a transformative force. As the global chorus for sustainability, ethical practices, and corporate responsibility grows louder, forward-thinking companies are recalibrating their strategies to align with these ideals. Armed with data-driven insights and a renewed commitment to holistic growth, businesses are realizing that integrating ESG into talent management isn't just a trend—it's the bedrock of sustainable success in an increasingly conscientious world.

Today's professional landscape has seen a shift in priorities. As per a study by Marsh McLennan, top-performing companies, characterized by high employee satisfaction and appeal to potential talent, outscore their counterparts by having ESG scores that are, on average, 14% higher. Additionally, companies that resonate well with younger talent have a staggering 25% higher ESG performance than the average. This underscores the assertion that a strong commitment to ESG isn't merely an ethical stance; it's a competitive advantage in the talent market.

The responsibility to weave ESG values into an organization's fabric lies significantly with the HR department. By embedding ESG criteria into recruitment, HR can pinpoint individuals who not only have the skills but also resonate with a company's sustainability ethos. These candidates often have a rich background in sustainability, appreciate diversity, and have a knack for ethical decision-making.

But it doesn't stop at hiring. HR plays

a central role in creating a workforce that's educated about and committed to ESG values. This is achieved by rolling out training sessions and workshops that highlight the importance of sustainability, thereby empowering employees to incorporate these principles into their daily tasks. Furthermore, HR can bolster engagement by launching sustainability challenges, promoting volunteer opportunities, and setting up resource groups—all of which solidify a collective commitment to ESG.



HR's Role: Integrating ESG within the SHRM Framework

Leveraging the SHRM (Society for Human Resource Management) Competency Model, HR can effectively infuse ESG principles into its core functions:

1. **Strategic Mindset**: Align talent management strategies with ESG-driven goals, emphasizing their long-term importance for business sustainability.

2. **Ethical Practice**: Prioritize ethical considerations in all HR operations, from recruitment to employee engagement, ensuring a genuine commitment to the "G" in ESG.

3. **Business Acumen**: Recognize and communicate the business merits of ESG. For instance, NYU Stern's review of over 1,000 studies between 2015-2020 found that 58% of corporates with strong ESG commitments showcased superior operational metrics like ROE and stock price.

4. **Critical Evaluation**: Regularly assess ESG initiatives for their impact, ensuring that they translate to real-world, tangible results.

5. **Global & Cultural Effectiveness**: Customize ESG efforts to respect global and cultural nuances, especially for businesses with a global footprint.

6. **Communication**: Champion transparency, showcasing ESG milestones and commitments.

7. **Relationship Management**: Engage employees and external stakeholders in the ESG narrative, ensuring shared value creation.

8. **Consultation**: Regularly seek external expertise to stay abreast of evolving ESG best practices.

9. **Leadership** & **Navigation**: Be the vanguard of the company's ESG

journey, setting benchmarks for others.

10.**Talent Acquisition and Retention**: Harness ESG values to attract and retain top talent. A LinkedIn job search, for example, highlights over 1,000 vacancies in ESG and sustainability roles, indicating the growing demand in this arena.

Companies now recognize that embedding ESG values into their culture isn't just a nice-to-have—it's essential. This ESG-driven culture not only aids in retaining the cream of the talent crop but also ensures that employees feel their work is making a positive impact. As businesses face unforeseen challenges, a strong ESG foundation can guide them, ensuring they're equipped to adapt and evolve.

A notable insight from ACCA Global reveals that the demand for professional's adept in ESG is skyrocketing. Companies are on the hunt for visionaries who can seamlessly integrate sustainability with business operations. The gravity of this demand is evident when looking at platforms like LinkedIn, which currently lists over 1,000 ESG-centric job openings. This fierce competition for ESG talent has even led some companies to offer salary hikes of up to 30-40% to lure these specialists.

Talent management has always been about attracting, nurturing, and retaining the best. The goal? A motivated team that's in for the long haul. The criteria, however, have evolved. Today's top talents are swayed by more than just a hefty paycheck— they're looking for purpose and alignment with their values.

Integrating ESG into talent management can serve as a potent magnet for such individuals. By offering roles that allow them to contribute to a larger, sustainable cause, companies not only attract but also retain these high-caliber professionals.

HR analytics stands as a game-changer in today's business landscape. Through predictive analysis, HR departments can delve into historical data to anticipate future trends. This capability is invaluable when identifying departments or roles that could benefit most from enhanced ESG engagement. Additionally, analytics can tailor recruitment strategies, ensuring they resonate with the growing pool of candidates who prioritize sustainability and ethics in their job search. Moreover, by intertwining ESG goals with employee performance metrics, organizations not only promote sustainable practices but also generate quantifiable data to measure ESG's influence on talent management.

The employee experience is significantly enriched when a firm's ethos resonates with individual values. This alignment is especially crucial for the younger workforce, who often seek a congruence between their personal beliefs and their employer's principles. By embedding ESG values in training modules, employees are equipped with the tools to be active contributors to a company's sustainability objectives. This not only adds a layer of purpose to their roles but also broadens their skill set. Open feedback channels, specifically around ESG, further deepen employee engagement, fostering a sense of collaboration and shared vision. And, central to the 'Social' element of ESG is the well-being of employees. A genuine commitment to this ensures a healthier, more productive workforce.

To encapsulate, HR analytics provides the strategic underpinning, driving data-led ESG integration, while a focus on the employee experience ensures ground-level adoption and a holistic, sustainable organizational culture.

In essence, in the modern business landscape, ESG is a golden ticket to attracting top-tier talent, fostering a culture of sustainability, and driving unparalleled success. HR departments stand at the crossroads, holding the power to shape a future where businesses not only thrive but also make a lasting positive impact. As ESG becomes more central to business strategies, companies that wholeheartedly embrace it will undoubtedly emerge as leaders.

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WHY ESG MARKETING IS IMPORTANT?

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Why do we need ESG in Contemporary Contexts?

ESG, or Environmental, Social, and Governance, refers to a criteria used to evaluate a company's ethical and sustainable performance, encompassing its impact on the environment, society, and governance practices. It guides investment and business decisions towards responsible and socially conscious choices. It is of crucial relevance in business and investment which further impacts the society at large. People care more and more about protecting the environment, being fair to everyone, and having good management in companies.

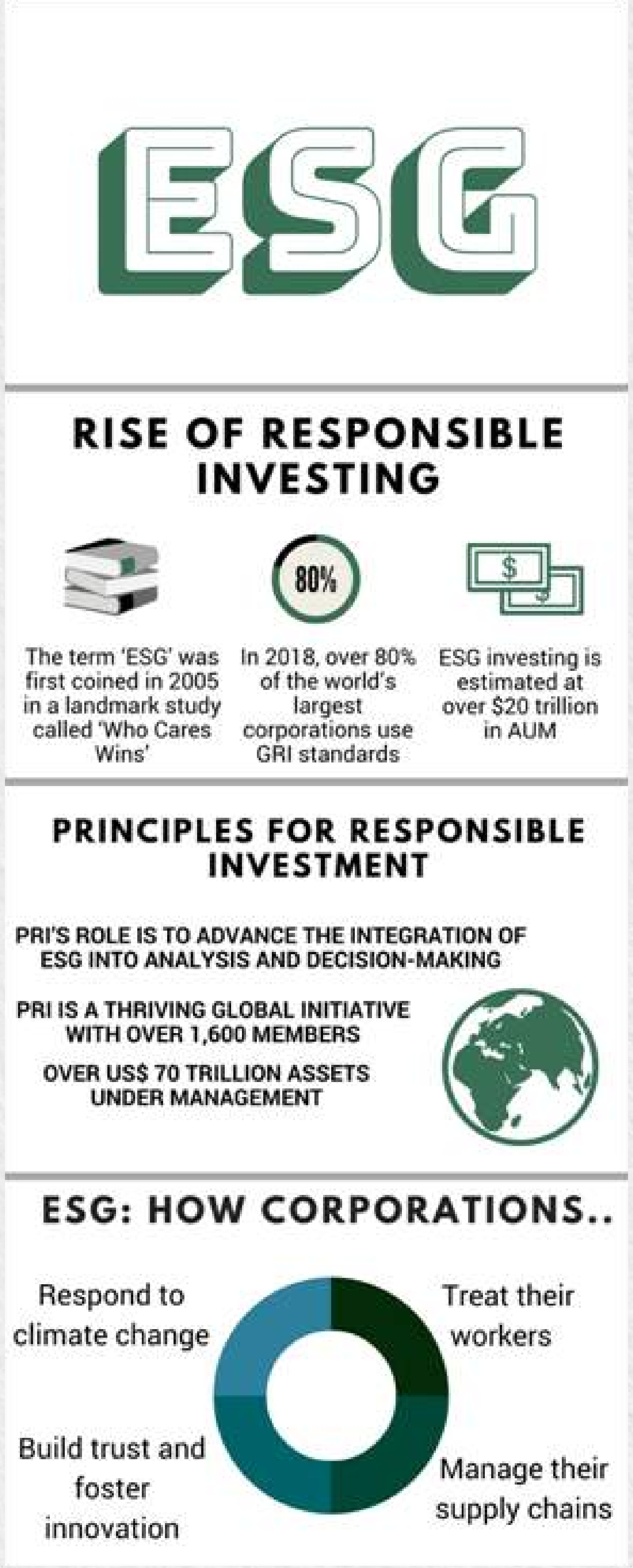
Some studies by McKinsey show that many customers are willing to spend a little extra for products that are kind to the environment. They found that over 70% of people would pay 5% more for a green product if it worked just as well as a regular one. ESG matters not only for businesses but also for our planet. In order to know more about ESG, we need research & awareness to reach the public in order to understand how ESG affects not only business and sustainability but our everyday lives. ESG is not just a trend; it's about making the world better without stopping progress.

The Triple Impact of ESG: Benefits for Companies, Public & Environment:

ESG investing started in 2004 when UN's Kofi Annan invited CEOs of big financial companies to work together with the UN. (Kell, n.d.) ESG means Environmental, Social, and Governance, and it's about how companies impact the environment, people, and how they're managed. The "E" in ESG looks at how a company uses energy and resources, the waste it creates, and its effect on on the environment, including carbon emissions and climate change. The "S" focuses on how a company interacts with people and communities, covering things like labor relations and diversity. The "G" is about how a company runs itself, follows the law, and meets the needs of stakeholders. The demand for ESG investment products rapidly increases, 30% of investors say that they struggle to find attractive and adequate ESG investment opportunities. (PricewaterhouseCoopers, n.d.)

ESG matters not just to investors but also to consumers who care about the environment and ethics. While there lies profit making & cost benefit opportunity for companies who invest in ESG, the greater benefit is to the society where awareness brings forth a domino effect change in the actions we have taken. Companies can use ESG marketing, engage employees, and work with social entrepreneurs to ensure there is synchronization of the process in such a way that benefits all stakeholders. These stakeholders aren't just investors who financially fund ESG projects, they include the public & every institution who has contributed to equitable and sustainable development of the world.

A strong ESG approach not only leads to better returns for investors but also reduces the risks associated with investments. This is supported by evidence such as lower loan costs, narrower credit default swap spreads, and higher credit ratings. ESG investing has grown and become powerful enough to bring positive changes to the market. As companies and investors gain more influence, their choices shape the future. If we maintain a political-social-economic environment that promotes openness and global rules, market-driven changes can implement actionable and visible changes towards the approach taken for ESG.



The Business Perspective of ESG:

In today's rapidly evolving business landscape, the integration of ESG strategies has transitioned from being a trend to an essential component for a business's long-term sustainability and success. In the wake of increasing environmental and social challenges, companies are recognizing that profit is no longer the sole measure of success.

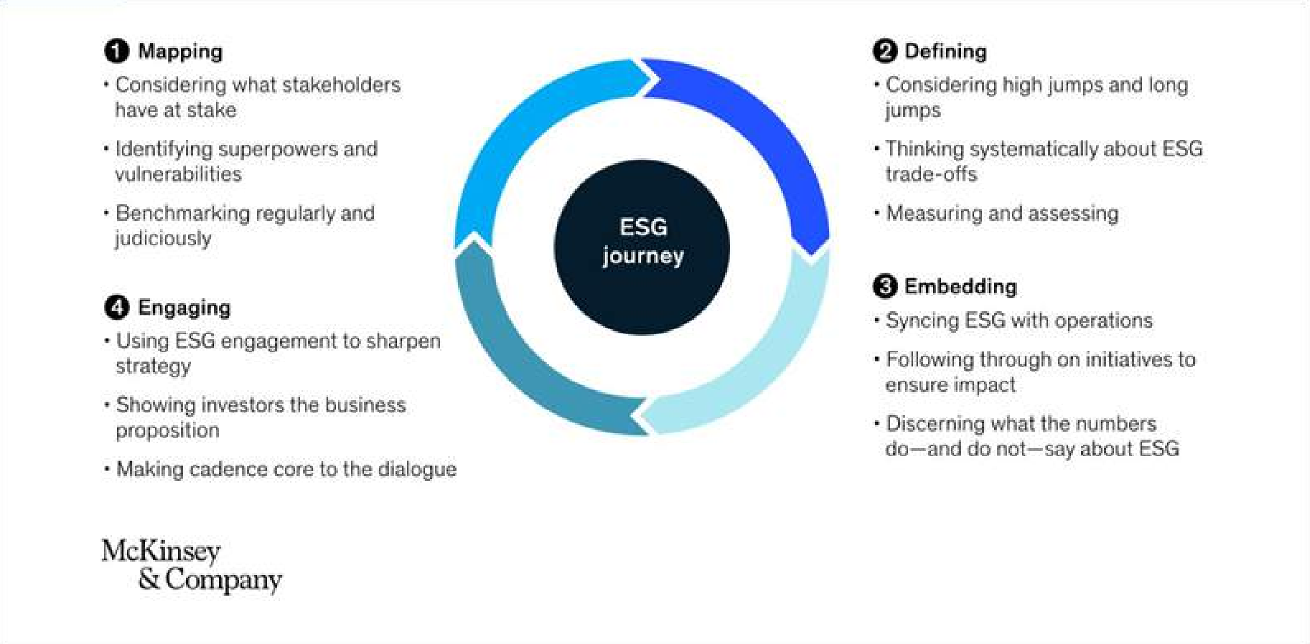
It's not just a marketing tactic to create buzz about a brand in the market, it's an approach to doing business along with keeping the repercussions of their actions in mind, it's about keeping the planet's scenario in mind and even more. It's a deep and complex commitment.

Let's see what some organizations have to say about it:

1) McKinsey & Co.: The largest and oldest of the Big Three management consultancies, it focuses on the finances and operations of their clients. "It is therefore instructive to observe companies that approach ESG in a rigorous, social, strategy-driven way. We call these organizations "forward-looking companies", they quoted in the blog "How to make ESG real." They contribute to a competitive landscape where good corporate citizenship is marshaled against existential challenges, not least—but not only—climate change. (How to Make ESG Real | McKinsey, n.d.)

It stresses the need for companies to make their ESG decisions based on a deep understanding of their business and the society.

It then talks about the approach of those companies, which is marked by four reinforcing parts of mapping, defining, embedding, and engaging attached below.



2)Harvard Business Review: In article, "Social-Impact Efforts That Create Real Value", they talk about various approaches for enhanced performance through ESG integration. They laid emphasis on environmental sustainability, social responsibility, and good governance, which are beneficial not just for moral standpoint, but also for tangible benefits, like reduction in capital costs, attracting more investments due to more investor interest in ESG performance. Overall, on making ESG a top priority for top executives.

Real life success stories of ESG implementations:

1) Microsoft: A leader in Technology and sustainability:

Well known for it's technology, the company is now also known for it's commitment to sustainability. In 2020, it committed to becoming carbon negative by 2030 & has invested in renewable energy projects to achieve this goal since then.

Results: As a result, Microsoft has seen a reduced carbon footprint, increased energy efficiency and reduced waste generation with a $10 billion increase in sales due to its initiatives!

2) Mattel: Building better future for children

The popular toy manufacturer has started its ESG initiatives and plans to promote sustainability, reduce waste and for better inclusion in the workplace with "Sustainability 360" program, to reduce carbon footprint and promote sustainable and social practices in the organization.

Results: As a result, it has seen a 10% increase in customer satisfaction, 5% increase in employee engagement and a 5% increase in shareholder value. Isn't it great?

But, navigating this complex landscape poses several challenges for organizations. These include:

1) **Data accessibility**: Since ESG data is not that readily available for all organizations, many, especially the small-scaled companies find it difficult to find up-to-date data.

2) **Cost**: Acquiring this data comes with a hard to bear cost which can be a limiting factor and a larger corp favoring too!

3) **Transparency**: The methodologies used by data providers can lack transparency which can raise questions about reliability and validity of the data.

But opportunities in the realm of ESG are abundant, for both businesses and society. These can be through transparent ESG practices, incorporating ESG into corporate strategy, rewarding through stock exchange and corporate sustainability index & global expansion.

Therefore, ESG marketing represents a fundamental shift in how businesses operate and engage with stakeholders. Many companies are coming up with strategies and being up-to-date with their ESG initiatives and are becoming success stories. Yes, it does come with barriers like transparency or cost challenges, but with opportunities like expansion & rewarding systems, it's an added advantage for companies in this competitive era. In a world where sustainability and corporate responsibility are paramount, ESG marketing is not only a strategic advantage but also a moral imperative. Businesses that integrate ESG principles authentically into their operations can thrive in a changing world, create positive impacts, and contribute to a more sustainable and equitable future.

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WeAchievers

IIM Udaipur’s Solaris Fest 2022-Mind-Wizz Competition , IIM Mumbai’s Lakshwiz Bazar Competition


Amey Rode


Shreyash Deshmukh


Abhishek Sondkar


Advait Deshpande

1. First of all, congratulations on winning. How do you feel about it?

Winning this competition has been a fantastic experience. We not only achieved a sense of accomplishment but also gained valuable knowledge and skills along the way. It was indeed a remarkable journey filled with valuable learning opportunities. We encountered a few challenges along the way, but those challenges only fueled our determination to excel. With hard work, dedication, and a committed team, we managed to devise a feasible and innovative solution that we are proud of. This experience has not only taught us how to overcome obstacles but also reinforced our belief in the power of teamwork and perseverance. IIM Mumbai Lakshwiz Bazaar (Advait,Amey,Shreyash): Thank you so much!! Achieving the runner-up position was an unexpected but incredibly gratifying experience for our team. When our name was announced, we were genuinely surprised, given the mistakes we made during our presentation which the jury rightfully pointed out. However, our confidence in our approach and the determination to justify our analysis set us apart. Competing against teams from prestigious institutions like IIMs and NMIMS, we understood the competition was fierce. This achievement has significantly boosted our confidence, as it proves that a solid problem-solving approach can prevail even against competitors with excellent presentation skills.

2. Could you brief us about this competition? What were the hurdles you faced and how did you overcome them?

IIM Udaipur's Mindwizz competition was an analytics case study challenge, and our task was to use analytical methods to find a solution to the given case. The case revolved around improving the reach of OD (Own Damage) insurance in rural and third-tier cities. One of the major hurdles we encountered was the lack of reliable data, especially on rural accidents and insurance claims, which made it challenging to kickstart our analysis. We had to gather data from a few government sources to begin our market analysis. Another hurdle was the need to design a technological solution, which involved diving into technical jargon and understanding how to create a functional system architecture. IIM Mumbai Lakshwiz Bazaar competition we participated in was centered around the Life Insurance sector, particularly focusing on the challenges brought about by Brand and Promoter Transition in recent years. Promoter Transition involves the change in ownership and management of a life insurance company. This unique case presented us with several hurdles, which we had to overcome to provide a compelling solution.

1. Lack of Relevant Experience: The first significant challenge we faced was the lack of direct, relevant experience in the life insurance industry among some team members.

2. Case Understanding: The case itself was complex, and understanding its nuances proved to be a hurdle. We dedicated around two days, collectively reading the case multiple times, even though our confidence levels were initially low.

3. Primary Research: During our primary research phase, we encountered some bizarre experiences related to the claim process through our sources. These experiences were questioned by the competition's jury, creating a significant challenge in ensuring the accuracy and credibility of our findings. To overcome these hurdles, we adopted the following strategies:

1.Continuous Brainstorming: We fostered an environment of continuous brainstorming and idea-sharing within our team
2.In-depth Research: We committed ourselves to extensive research on both private and public sectors of the life insurance industry.
3.Empathizing with Stakeholders: We recognized the importance of empathizing with the various stakeholders in the life insurance sector. Understanding the concerns and needs of policyholders, employees, and management during a promoter transition was vital.

3. Competing in such high level competitions requires an edge over others. What steps did you take to distinguish yourself from other participants?

For Mindwizz , In order to stand out from other participants, we focused on the uniqueness and feasibility of our solution. We tailored our approach to the Indian insurance market, keeping in mind how consumers in India typically purchase insurance. While our primary focus was on the technical aspects, we also integrated marketing elements into our solution, making it not just a technical solution but a holistic approach to the problem. This strategic decision increased our chances of winning. For a high-stakes competition like Lakshwiz Bazar where our team wasn't the sharpest or the most eloquent, we took unconventional steps to set ourselves apart. Admittedly, we made mistakes, overshooting the 12-minute presentation time and owning up to a flawed primary research. However, what made us runners-up was our profound grasp of the problem statement, a quality lacking in other teams. We meticulously addressed the core issues outlined in the problem statement, keeping our PowerPoint concise. Even when we exceeded the time limit, we remained determined to convey our point, despite incurring penalties. Our dedication to problem-solving and unwavering commitment ensured we stood out, demonstrating that success doesn't always hinge on perfection but on innovative thinking and perseverance.

4. What were your key learnings and takeaways?

1.We realized that while it's not necessary to be an expert in technology, having a basic understanding of how it can be applied to our solution is more essential.
2.Being Confident is Important, Even though we were competing against some of the best B-schools students, we Were extremely positive and optimistic about the solution.
3. Content is more important than Flashy Presentations 4.Coming Out with any solution takes times and we need to have a Proper Understanding about the problem.

Also, due to the astute guidance of CMO Shiv Tiwary from Reliance Nippon Life Insurance, we learned the intricate process of transitioning an insurance company's brand while safeguarding customer finances. Ensuring customer trust and financial security emerged as a crucial lesson, emphasizing the importance of transparent communication. Moreover, the competition illuminated diverse problem-solving approaches, gleaned from the presentations of other teams. This showcased the significance of varied perspectives in tackling complex issues. Our experience reinforced the notion that determination and problem-solving prowess can outshine minor setbacks, exemplifying that success thrives on innovative thinking and unwavering dedication. Lastly, we learned that striking a balance between academics, personal life, and competitive endeavors requires thoughtful time management and prioritization.

5.It's always difficult managing time between academics, personal life, and other opportunities. How did you manage your time?

Juggling academics, personal life, and seizing opportunities is a complex task, particularly in high-value competitions. Our time management centered on: Prioritization: Balancing competition prep, academics, and personal life by focusing on critical tasks.

Delegation: Assigning tasks based on team members' strengths for streamlined efficiency. Efficient Learning: Targeting competition-related areas to minimize time spent on less pertinent subjects. Adaptive Flexibility: Maintaining flexibility to address unexpected challenges and adjustments.

6. What guidance or recommendations would you offer to fellow students to ace such high value platform?

To excel on high-value platforms like the one we competed on, we would recommend several key strategies: In-Depth Problem Understanding: Invest time in thoroughly comprehending the problem statement. A profound understanding will allow you to devise innovative solutions that set you apart. Practical Preparation: While presentation skills are important, focus on the practical application of your ideas. Make sure your solutions are not just theoretical but can be implemented effectively. Admit Mistakes: Don't be afraid to acknowledge errors. We admitted our flaws and accepted the judges' feedback. Learning from your mistakes is crucial for growth. Confidence and Determination: Even when competing against top-tier institutions, maintain confidence in your approach. Your determination to justify your analysis can make a significant difference. Effective Time Management: Adhere to presentation time limits. If you exceed them, ensure your message remains concise and impactful. Embrace Competition: Don't be intimidated by the competition. Use it as motivation to push your boundaries and deliver your best. By combining these elements, you can increase your chances of success on high-value platforms.

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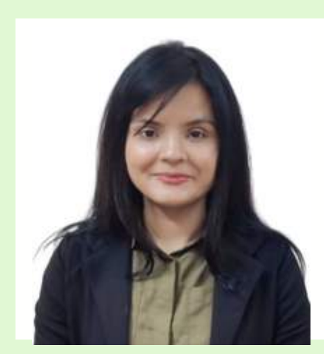

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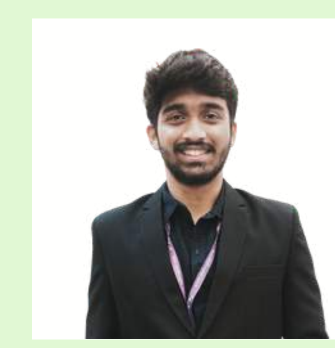

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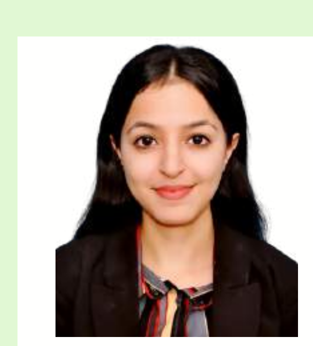

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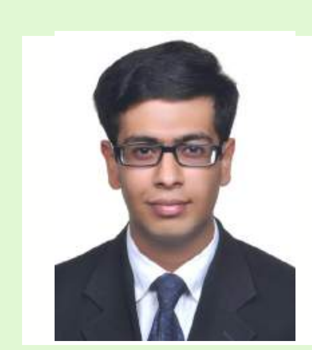

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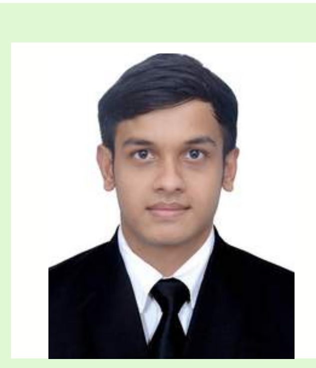

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THE THEME FOR THE EDITION: 'REAL ESTATE'

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Submission guidelines:

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- The references for the images used in the article should be mentioned clearly and explicitly below the images.
- Send in your article in .doc or .docx format, Font size: 12, Font: Arial, Line spacing: 1.05' to samvad.we@gmail.com.
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