

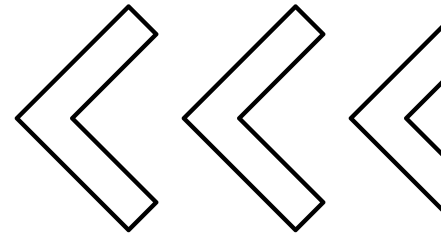
A A GARG & CO

**STEP  
INTO THE  
WORLD  
OF ESG**

THINK BEYOND . INNOVATE . SIMPLIFY



# WHAT IS ESG?



ESG, is an acronym for Environmental, Social, and Governance. ESG applies to both internal and external aspects of a business and its value chain. ESG signifies the disclosure of various categories and topics related to sustainable business practices to investors and stakeholders. The framework contributes in evaluating a company's performance in areas such as environmental stewardship, social responsibility, and corporate governance. ESG is often used interchangeably with corporate social responsibility or corporate sustainability, however ESG is much more!

A 2020 KPMG Global Survey found that 80% of companies now report on sustainability, with a staggering 100% of top 100 companies in Japan and Mexico currently reporting on sustainability. As the expectations on corporate responsibility increase, and as transparency becomes more prevalent, companies are recognising the need to act by integrating sustainability in their strategy. Professional communication and good intentions are no longer enough. A well-defined and authentic corporate purpose is no longer an optional extra, it is a business essential.

Globally, ESG is becoming more important for all companies, governments and non-governmental organisations.

<b>Environment</b> ( Impact on Environment) UNSDGs Mapping: 6,7,9,11,12,13,14,15 NGRBC Mapping: P2, P3, P4, P6, P7, P8, P9				<b>Social</b> (Impact on Society) UNSDGs Mapping: 1, 2, 3, 4, 5, 6, 8, 9, 10, 12, 16 NGRBC Mapping: P1, P2, P3, P4, P5, P6, P7, P8, P9				<b>Governance</b> (Internal controls for Decision Making & Operations) UNSDGs Mapping: 5, 8, 10, 12, 16, 17 NGRBC Mapping: P1, P2, P3, P4, P5, P6, P7, P8, P9	
Climate Change	Natural Resources	Pollution & Waste	Environment Opportunities	Human Capital	Product liability	Stakeholder opposition	Social Opportunities	Corporate Governance	Corporate Behaviour
Organization al Carbon Footprint	Water Footprint	Toxic Emission & Waste	Opportunities in Clean Tech	Labour Management	Product Safety & Quality	Controversial Sourcing	Access to Communication	Board Diversity & Structure	Business Ethics & Values
Product Carbon Footprint	Biodiversity & Land Use	Packaging Material & Waste	Opportunities in Green Building	Health & Safety	Chemical Safety	Supply Chain Transparency	Access to Finance	Employee & Executive Pay	Anti-Competitive Practices
Financing Environmental Impact	Raw Material Sourcing	Electronic Waste	Opportunities in Renewal Energy	Human Capital development	Financial Products Safety	Community Relations	Access to Healthcare	Ownership	Bribery & Corruption
Climate Change Vulnerability				Supply Chain Labour Standards	Information Security		Opportunities in Nutrition & Health	Accounting Standards	Financial System Instability
Financing Environmental Impact				Employee Relations, Diversity, Equity & Inclusion	Responsible Investment			Shareholder Rights	Tax Transparency

# Global ESG frameworks and Standards





# Why people are looking into ESG Today?

## Investor & social pressure

Investors and customers are realizing their power to influence corporate actions and hold them accountable for ESG risks. Investors are also acknowledging their growing ESG responsibilities.

## Reducing environmental

Industries need to become more energy-efficient and reduce their carbon footprint as several governments seek to achieve their commitment to Net Zero by 2050

## Regulation

Regulators are increasingly focused on ESG through legislative developments and governance codes, with future plans for standardized, mandatory financial disclosures across industries.

## Covid-19 Pandemic

The pandemic has put the ethical performance of businesses in limelight and highlighted the value of resilience over efficiency

## Evolving global risk landscape

ESG has been rated globally in the top 10 risks in the past two years.  
Source - World Economic Forum

## Access to capital

UN Principles for Responsible Investment is advancing ESG on capital exchanges, with fund managers prioritizing sustainability.

# THE BENEFITS OF ESG!



Environmental, Social, and Governance (ESG) factors offer numerous benefits to businesses.

Firstly, they aid in risk management by identifying and mitigating potential risks related to environment.

Secondly, integrating ESG considerations opens up investment opportunities, attracting socially responsible investors and diversifying funding sources.

Thirdly, ESG practices foster innovation by encouraging sustainable solutions and technologies.

ESG also ensures compliance with regulations and standards, safeguarding against legal risks, and optimized resource use

Additionally, it enhances brand value and equity by demonstrating commitment to ethical practices and stakeholder welfare, fostering customer loyalty and trust.

Lastly, ESG initiatives generate positive social impacts, benefiting communities and contributing to sustainable development goals.

Overall, embracing ESG principles yields multifaceted advantages, aligning business interests with societal and environmental well-being.

# ORGANIZATION'S JOURNEY ON ESG ADOPTION TO TRANSFORMATION

## ESG Decision-Making

Business Environment Analysis  
Advantages & Disadvantages  
Business case for sustainability

## Stakeholder Engagement & Materiality Assessment

Engaging key stakeholders for aligning the ESG long term objective & also identifying the key material topics for the organisations.

## ESG Goals & Target setting

What is your ambition level & your stakeholders' needs & expectations for sustainability work?

## Performance management, Monitoring & Governance

Determining a governance structure with roles & responsibilities, policies & ESG criteria in remuneration.

## ESG External Reporting & Rating

Disclosing sustainability information on material sustainability topics that meets stakeholders needs. Reporting on ESG & financial value created.

## ESG Baseline & Gap Assessment

How do you meet business demands & perform on material sustainability topics?

## Goal roadmap development & Implementation

Establishing a strategic approach & roadmap to transform the business model including ambitious targets, metrics & actions within timeframes.

## ESG Business integration & Long term value creation

Integrating sustainability in business model, financial reporting, procurement, investments, investor relations, corporate finance, etc.  
  
Financial Value for the company (P&L, BS), value for stakeholders, value for society, ESG data management.

1

2

3

4

5

6

7

8

5





# ESG COMES WITH ISSUES AND CHALLENGES!

## INDUSTRY CHALLENGES

India faces several challenges when it comes to the adoption of Environmental, Social, and Governance (ESG) principles. These challenges arise from a combination of regulatory, economic, and infrastructural factors.



### Lack of goal alignment with stakeholders

Conflicting stakeholder interests can pose challenges in achieving environmental sustainability goals.



### Rapidly growing inequality

Environmental degradation often affects marginalized communities, increasing social inequalities.



### Ineffective sustainability governance structures

Weak governance structures may fail to enforce environmental regulations or effectively manage resources.



### Long-term thinking is critical

Short-term profit goals may harm long-term environmental sustainability by exploiting natural resources.



### Excess operational costs

Inefficient practices can lead to unnecessary costs and uneven environmental impacts.



### Operational inefficiencies

Inefficient processes and technologies can lead to excessive resource consumption.

# A2G SOLUTIONS



## ESG LEADERSHIP ADVISORY & STRATEGY

- Sustainability and Business Strategy alignment
- Business and ESG opportunities: Market & Sector trends
- ESG Business Case - Feasibility Analysis
- Roadmap from ESG Adoption to transformation.
- Sensitization for Board and Executive Leadership
- Training & Capacity Building for senior & middle managers



## MATERIALITY ASSESSMENT & STAKEHOLDER ENGAGEMENT

- Identification and assessment of material ESG topics
- Alignment with CSRD Double Materiality framework
- Stakeholder Engagement and Assessment
- Advisory on policies, targets, action plans and resources for ESG material topics
- Prioritize key areas for improvement based on materiality
- Integration of the results into reporting and strategy



## ESG BASELINE ASSESSMENT

- Assessment of GHG emissions, Water Footprint, Waste Footprint, and more
- ESG's evaluation of company's basis adopted
- Report development
- Peer & Industry Benchmarking
- Develop recommendations for building upon existing strengths and addressing identified gaps



## CLIMATE RISK, MITIGATION, GOALS & INITIATIVES

- Climate change business vulnerability assessment
- ESG Risk & Opportunities identification
- ESG Goals & KPIs creation
- Creation of a roadmap - NetZero, and more
- Decarbonisation Strategy
- Carbon market/offset



## PERFORMANCE MANAGEMENT & GOVERNANCE

- Align ESG performance indicators with Management's KPI
- Tracking, monitoring, and mitigating risks of ongoing ESG initiatives and actions
- Integrate ESG considerations into risk management processes
- Corporate ESG Implementation Policy
- ESG Dashboard
- ESG Due Diligence



## EXTERNAL REPORTING & RATINGS

End to end reporting support and advisory on:

- BRSR
- GRI
- Integrated Reporting (IR) Framework
- IFRS (ISSB) S1 & S2
- WEF Stakeholder Capitalism
- TCFD Alignment
- CDP Alignment

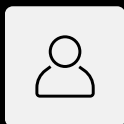


# About A2G and Our Offerings



## Value Creation

We at A2G are proud to be an organization that believes in true value creation and impact for our clients internally and externally



## Consulting Expertise

Our seasoned ESG team at A2G contains over a decade of collective experience, we specialize in driving sustainable practices and positive impact.

## We are the future of your business

A A Garg & Co. ("A2G"), is a leading management consulting firm specializing in ESG, EPR, Corporate Finance, and Business Operations, fuelled by cutting-edge technology.

Our team is a tapestry of expertise, uniting Sustainability Specialists, Environmental Engineers, MBAs, Chartered Accountants (CAs), Technical Experts, and Partners. This blend of diverse talents equips us to deliver comprehensive solutions that are precisely tailored to our clients' objectives, ensuring not just success but also lasting positive change globally.

At A2G, we are committed to providing value-added services that empower our clients to achieve their goals effectively and contribute positively to the world.

30+

Fortune 500 companies

7+

Industry Sectors

60+

Team Members

6+

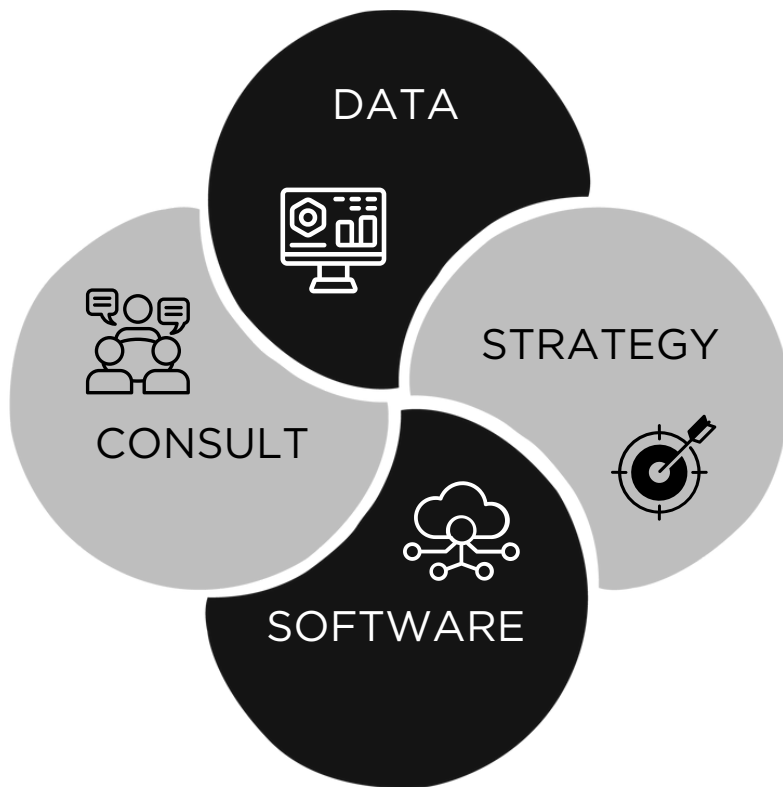
Countries Worked with

90%

Client Retention Rate

50+

Collective Experience



*'There are multiple benefits of ESG commitments and disclosures, such as - Improved risk management, enhanced brand image, gaining competitive advantage as Investors are highly attracted to organisations that invest in ESG and take sustainability efforts'*

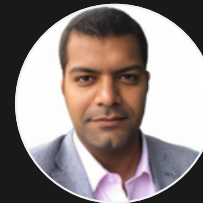
**Karunakar Avuram, ESG Advisor**

*'A2G's ESG success hinges on integrating data, strategic planning, software solutions, and expert consultation into every aspect of operations.'*

**Kamlesh Zore, Data Analyst**



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