

Towards a 'green'er future

Sustainability reports are catching on in India

Not so long ago, Indian businesses that merely recycled papers and bottles called themselves a 'green' company. But thankfully, things have changed. Environment, sustainability and conservation are not just fad words; along with their global counterparts (albeit a tad slower) Indian businesses are increasingly becoming planet conscious.

A sustainability report is an organisational report that gives information about economic, environmental, social and governance performance. At one point, during the 1980s, only companies in the chemical industry with serious image problems released such reports. Slowly, as the CSR movement built up across the world, more and more companies, with image

problems or not, took it upon themselves to be answerable to their stakeholders about their sustainability/CSR practices. This trend too is slowly catching on in India. Over 80 Indian companies released a sustainability report last year. That number is even more significant, given that the government does not require it, and most often, neither does the average Indian shareholder.

GAIL, one of India's leading public sector units, is registered with the United Nations Global Compact, and releases a comprehensive sustainability report. An excerpt: "While we take pride in our dominant market position in the natural gas industry and strive to maintain it, we are committed to mitigate environmental impacts of our operations as well. Our environmental mission includes optimising energy, material and water consumption, mitigating impacts on climate change and air emissions, ensuring sensitivity towards biodiversity and managing environmentally sound operations. Our operation and maintenance procedures are designed to enhance energy efficiency in operations. We continuously seek opportunities in waste recycling and reuse and also improving water availability by rainwater harvesting and other measures. We are also exploring alternate energy sources including solar and wind power to meet the growing energy needs of the country. At GAIL, our constant focus is on achieving operational excellence with due attention to the betterment of environment and the society.

Our commitment towards our community is reflected through our social responsibility programmes, carefully identified through a diligent process of need identification and assessment exercise at the grass-roots level. Our programmes are identified across seven broad 'thrust areas' – community development, infrastructure, water & sanitation,



literacy enhancement, educational aids, environment protection and health. We hope that the wealth created as a result of development will not only power the business and the industry but would also be reinvested back for the conservation and enrichment of environment."

Similarly, ITC, which is noteworthy among Indian companies for its green approach. ITC has adopted a 360 degree approach that encompasses many large-scale initiatives that have led to the creation of environmental and social capital within the context of its businesses. ITC is acknowledged today as a global exemplar in sustainability and is the only company in the world of comparable dimensions to be carbon, water and solid waste recycling positive.

ITC's climate change mitigation and adaptation strategy includes initiatives like the social and farm forestry programme, which help in converting rural wastelands into pulpwood plantations, while creating livelihood opportunities for tribals and marginal farmers. Renewable energy will constitute half of ITC's total energy consumption in the next few years and currently stands at nearly 40 per cent of the total energy consumption. All ITC hotels today





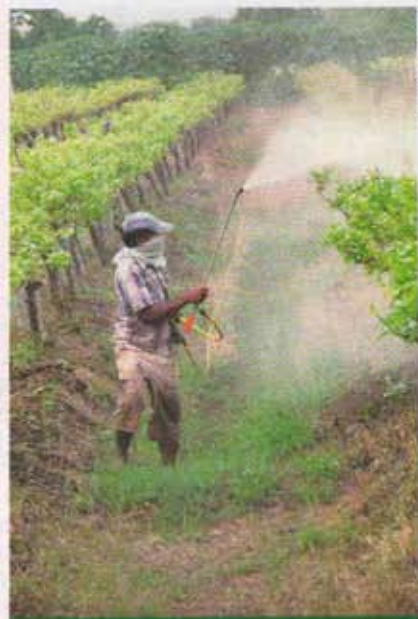
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milch animals, thereby enhancing farmer incomes. ITC's Women Empowerment Programme has created sustainable livelihoods for over 40,000 rural women and ITC's Primary Education Programme has benefited over 300,000 children.

These initiatives have not only made a meaningful contribution in combating the exacerbated impact of natural resource depletion, but have also improved significantly the quality of life of thousands living at the margin in rural India.

And while Indian companies are taking sustainability reports seriously, multinational companies have gone a step further: issuing sustainability reports for every country they operate in. PepsiCo is one such example. In its 2010-11 Pepsi 'Citizenship Report', Indra Nooyi, chairman & CEO, PepsiCo, wrote: "At PepsiCo, we know that the sustainability of our business depends on investing in a healthier future for our consumers, our communities, our associates, and our planet. As one of India's – and one of the world's – largest food and beverage businesses, we have enormous capacity to positively impact the world." She went on to discuss the group's various initiatives. "From developing nutritious and delicious choices that reflect local tastes, to working with local farmers to improve their yields and strengthen our company's supply chain, to achieving positive water balance, PepsiCo has made tremendous progress..." she continued.

Manu Anand, chairman & CEO, PepsiCo India, in his own sustainability statement elaborated on the company's various sustainability endeavours. "In 2010, we strengthened our environmental pledge by sustaining our 'water positive' status in India for the second year in a row, by saving and recharging 10.1 billion litres of freshwater – exceeding the intake of 5.8 billion litres of water used in our manufacturing facilities – through agricultural



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Sustainability report

Some well-known companies that release sustainability reports

- Reliance Industries
- Dabur
- Dr Reddys
- Tata Steel
- Bharti Airtel
- Jubilant Life Sciences
- Wipro
- Infosys
- TCS
- Colgate India

Number of corporate sustainability reports released globally in 2002: **800**

Number of corporate sustainability reports released globally in 2012: **5,500**

*SOURCE: CORPORATEREPORTER.COM

have the unique distinction of being LEED (leadership in energy & environmental design) certified at the highest 'Platinum' level. ITC has also a dedicated initiative on waste recycling called 'wealth out of waste'.

ITC has adopted the diversification of farming systems as a strategy for sustainable agriculture and climate change adaptation by broad-basing the farm- and off-farm-based livelihood portfolio of the poor. ITC's integrated Watershed Development Programme has created rainwater harvesting potential that not only provides soil and moisture conservation to farmers and helps promote sustainable agriculture but also contributes to ITC's water positive status. The ITC e-Choupal initiative, the world's largest rural digital infrastructure, has empowered over 4 million farmers through knowledge, price discovery and customised agricultural extension services.

ITC's Livestock Development Programme has provided animal husbandry services to over 5,00,000

practices and interventions in communities... We have long-term relationships with our farming community and promote sustainable agriculture practices among our network of over 22,000 farmers across nine states."

He further spoke about the company's energy saving practices. "In 2010, we increased the total energy used from renewable sources. Biomass and wind energy met 40 per cent of our energy needs in our beverage operations and biomass and biogas met 13 per cent of our total energy needs in the food business... Through these initiatives, our teams are focusing everyday on areas where we can make the most positive impact – water, packaging, climate change and agriculture – to help provide solutions to environmental challenges in our region." ♦