

World Environment Day 2016

join the race to make the world a better place



05 June 2016

Why World Environment Day?

- UNEP initiative to raise global awareness about environment & planet
 - Climate Change
 - Disaster and Conflict Management
 - Ecosystem Management
 - Environmental Governance
 - Chemical and Waste
 - Resource Efficiency

What is Climate Change?

- Refers to the raise in average surface temperature of Earth (also known as global warming)
- Due to anthropogenic activities, Green House Gases (GHGs) are released
- Causes of Climate Change
 - Industrialization & burning of fossil fuel
 - Agriculture, Population explosion & Deforestation
- Effects of Climate Change
 - Wild fires, Heat waves, Drought, Floods, Tropical Storms, Hurricanes, Decline in air & water quality
 - Reduced agricultural yield, insect out break
- Mitigation
 - UN Sustainable Development Goals (17 SDGs)
 - Country-wise Intended Nationally Determined Contribution (INDC)
 - Signing of Paris Agreement

UN SDGs

1. Poverty
2. Zero Hunger
3. Good Health & Wellbeing
4. Quality Education
5. Gender Equality
6. Clean Water & Sanitation
7. Affordable & Clean Energy
8. Decent Work & Economic Growth
9. Industry, Innovation, Infrastructure
10. Reduce Inequality
11. Sustainable Cities & Communities
12. Responsible Consumption & Production
13. Climate Action
14. Life Below Water
15. Life on Land
16. Peace, Justice & Strong Institutions
17. Partnership for the Goals

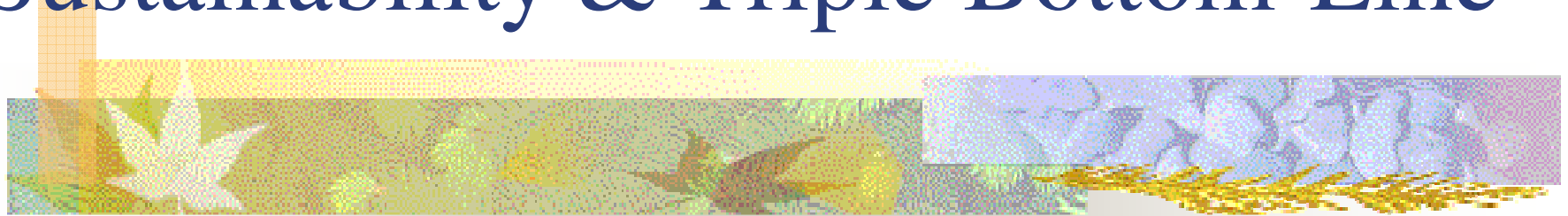
Indian INDC

1. Promotion of Clean Energy
 2. Enhancing Energy Efficiency
 3. Enhancing Energy Efficiency in Industries
 4. Developing Climate Resilient Urban Centers
 5. Promoting Waste-to-Wealth Conversion
 6. Safe, Smart & Sustainable Transport Network
 7. Planned Afforestation
 8. Abatement of Pollution
- Above INDCs were submitted by India to UNFCCC in Sep 2015; Commitment to reduce emission intensity per unit GDP by 33% by 2030 (base year: 2005)
 - At present, policies are clear but targets are vague.
 - India signed Paris Agreement in Apr 2016 and the Agreement is yet to be ratified in India. Industry needs to gear up as Government seems to be committed to the task.

Policy & Framework in Place

- National Environmental Policy (sustainable development)
- National Action Plan on Climate Change
 1. National Solar Mission
 2. National Mission for Enhanced Energy Efficiency
 3. National Mission on Sustainable Habitat
 4. National Water Mission
 5. National Mission for Sustaining the Himalayan Ecosystem
 6. National Mission for Green India
 7. National Mission for Sustainable Agriculture
 8. National Mission on Strategic Knowledge for Climate Change

Sustainability & Triple Bottom-Line



First few words about the work we do....

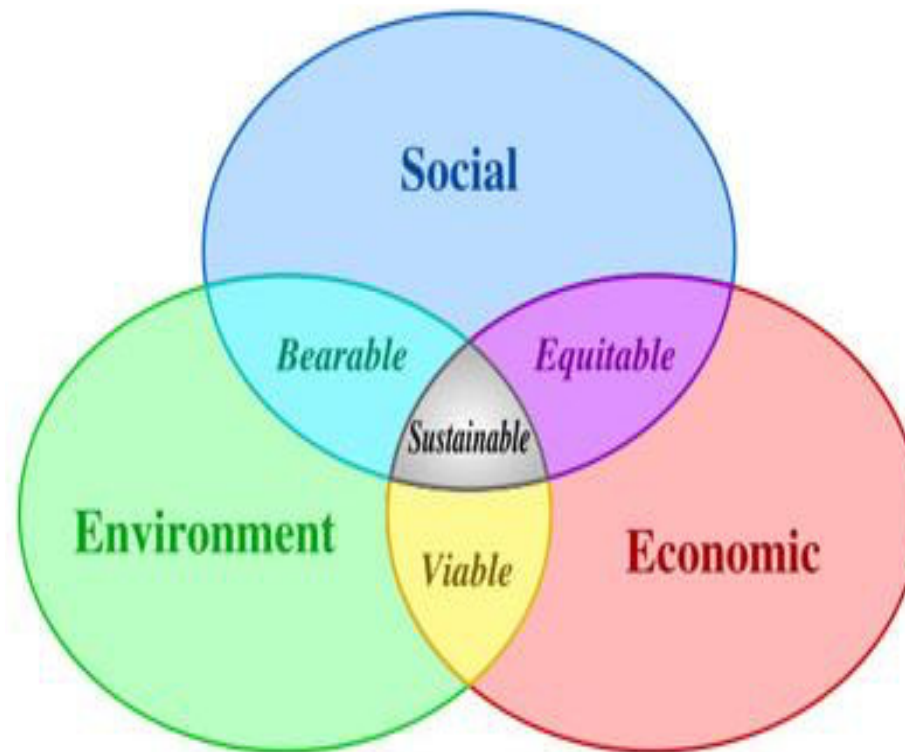


- KVEEC is in the business of consulting services related to energy and environment management since 2012
- Energy
 - End-to-end program management & project management for Mega Watt Scale grid connected solar power projects set-up & operations
 - Innovation & technology solutions for energy management
 - Acquired patents in USA and applied for patents in other countries for our technology
- Environment
 - Sustainability Assessment & Reporting
 - CSR Consulting
 - Leadership in Energy & Environmental Design
 - Sea Water Desalination Consulting

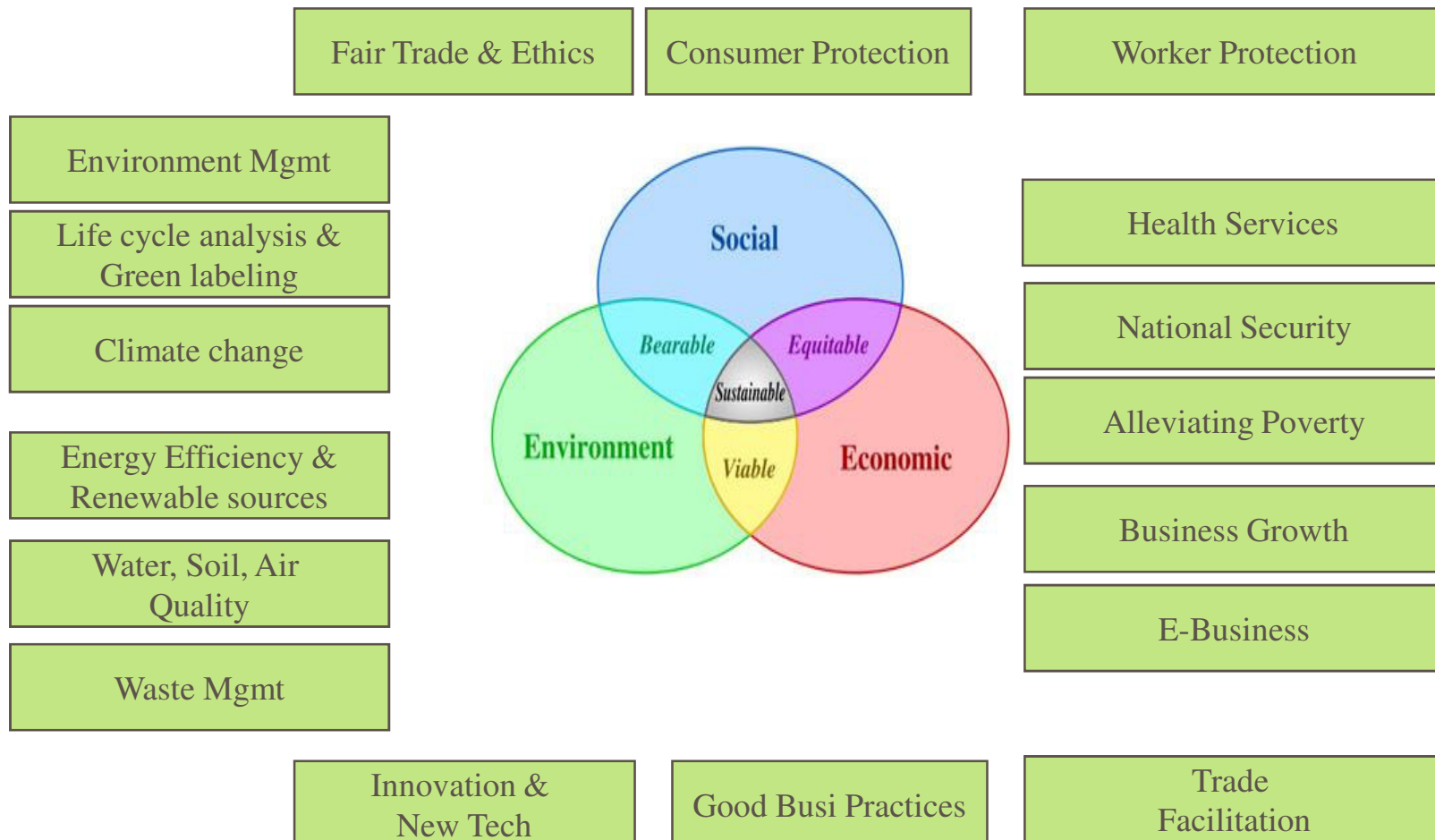
Why Sustainability?

- Its no more a “trust me” world or “show me” world. It is now “involve me” world
- Companies must adopt sustainability as business philosophy
- Long term shareholder value through practices that are increasingly satisfying to all stakeholders
- Sustainability is more than a vision of a distant future, it is the core of corporate strategy
- Sustainability Reporting is increasing becoming mandatory

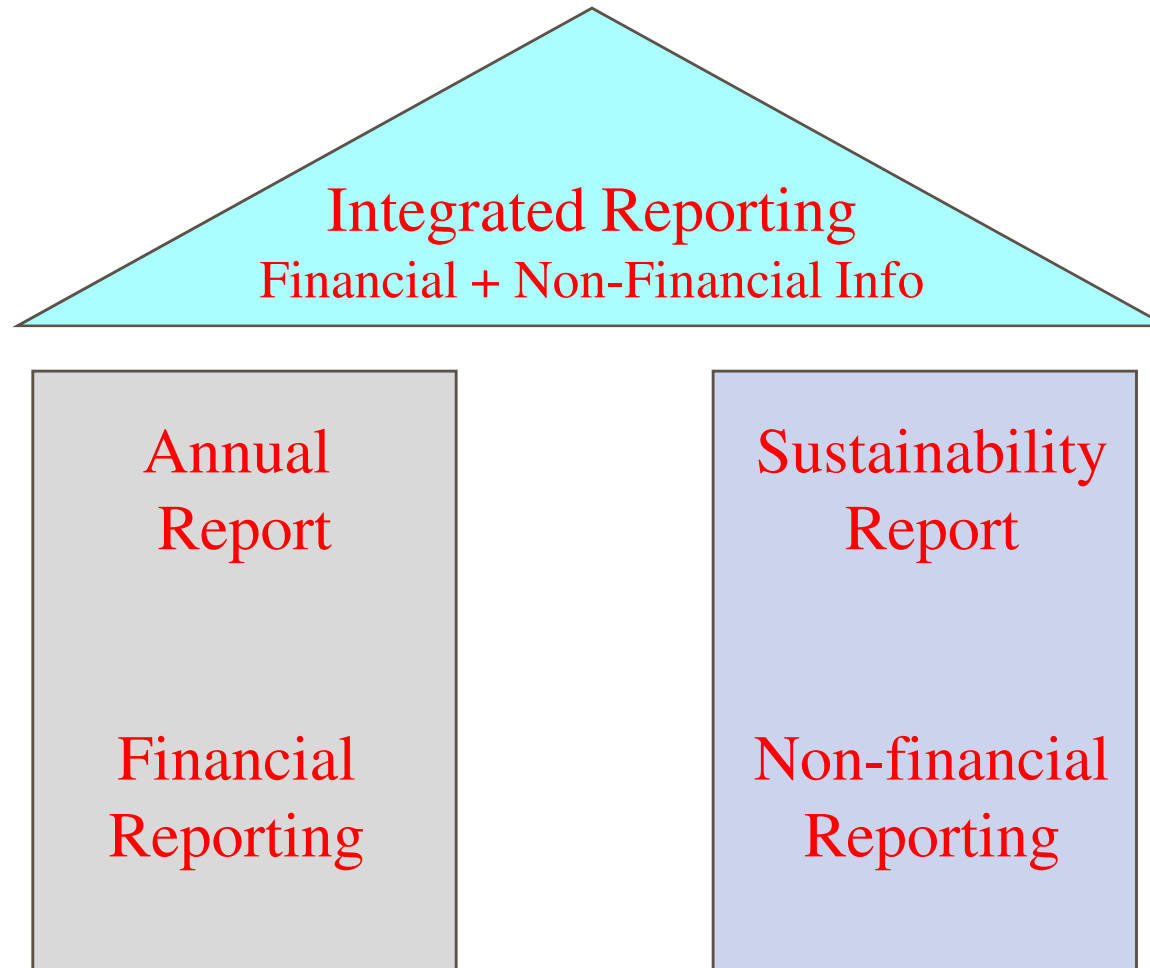
Concept of Triple Bottom-line



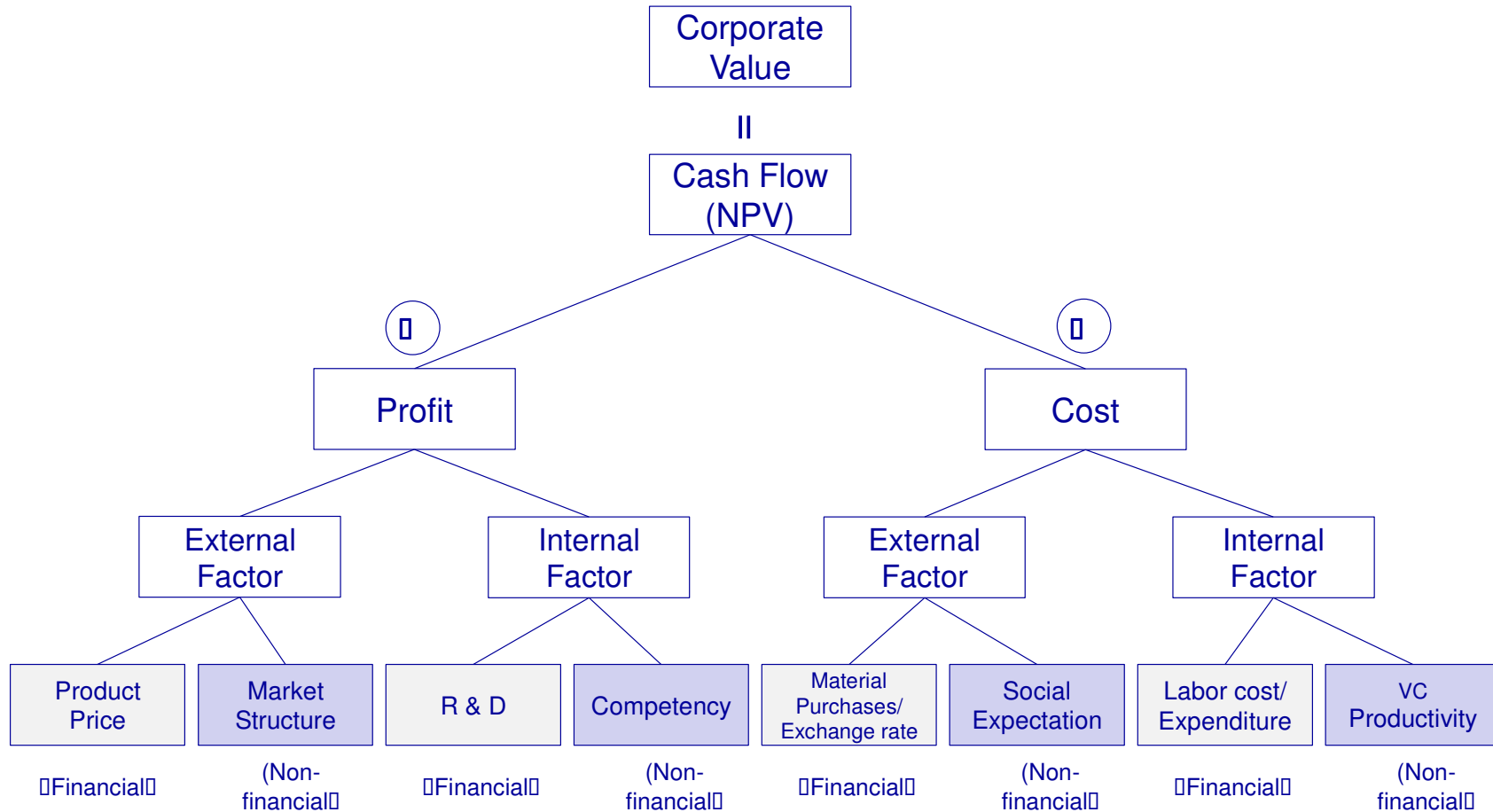
Factors that impact Triple Bottom-line



Integrated Reporting



Integrated Reporting



GRI Sustainability Reporting Guidelines

- Global Reporting Initiative (GRI) – an international independent standards organization for sustainability reporting
 - Supported by United Nations Environment Program (UNEP)
 - GRI G4 is guidelines until 2015, but this year, it is a Standard: GRI Sustainability Reporting Standards (GRI Standards)
 - G4 stands for Generation 4
 - Pretty much everyone is moving towards GRI G4 now
- Why GRI G4
 - Continued growth in sustainability reporting
 - Increased interest in what organizational leadership identifies as critical sustainability topics
 - Increasing interest from report users for clearly presented and accessible information
 - Harmonization between reporting tools & systems
 - Increased integration of financial & sustainability reporting

GRI G4 Details

- Objectives
 - User-friendly for beginner & experienced reporters
 - Improve technical quality with clearer definitions
 - Align with other international reporting references/frameworks
 - Lead to reports that cover material topics
 - Provide guidance on how to link sustainability and integrated reporting, aligned with the IIRC (International Integrated Reporting Council)
 - Improve data access (XBRL)
- Focus on what matters, where it matters
- Identify what is critical to be managed & changed, even if the organization is not ready to manage it
- GRI G4 is not about all possible sustainability related topics that an organization monitors, but GRI G4 focused on the material ones.

GRI G4 Reporting Principles

- Content: Materiality, stakeholder inclusiveness, sustainability context and completeness
- Quality : Balanced, comparability, accuracy, timeliness, reliability and clarity
- Boundary : How to set reporting boundary

GRI G4 Materiality & Boundary

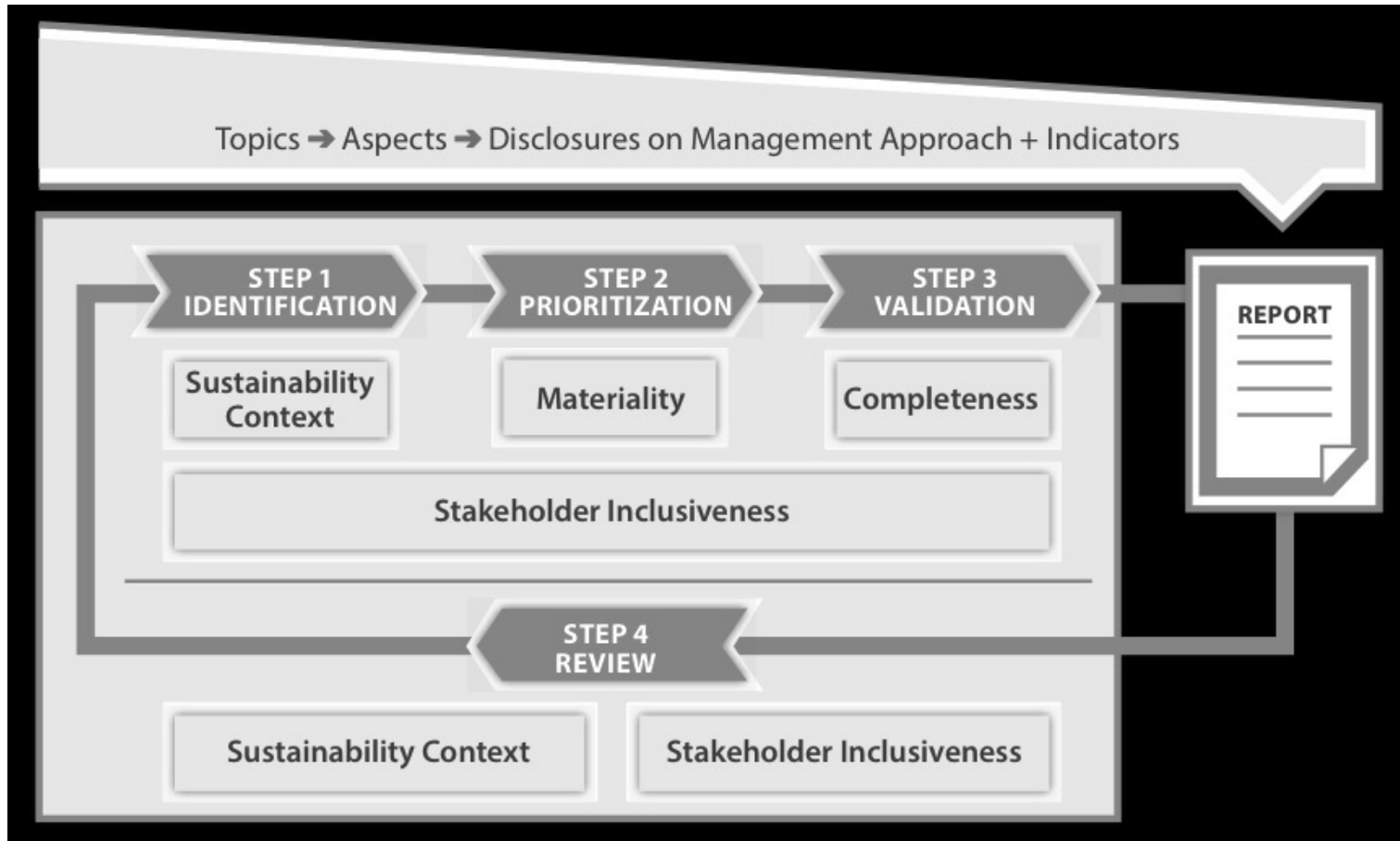
- Emphasis on what is material – Organizations can provide only information critical to their business & stakeholders
- Organizations & Report Users can concentrate on sustainability impact that matters (reports that are more strategic, more focused, more credible & easier to navigate)
- G4 provides guidance on how to select material topics and explain boundaries of where these occur

General Standard Disclosures



List all the material Aspects identified in the process for defining reporting content

Defining Material Aspects and Boundaries



'In Accordance' Two Options

- Core
- Comprehensive
- Table 3 (General Disclosures) & Table 4 (Specific Disclosures) of GRI G4 Reporting Principles and Standards Disclosure Guide provides information on which sections to be covered under core and comprehensive reporting options

TABLE 3: REQUIRED GENERAL STANDARD DISCLOSURES		
General Standard Disclosures	'In accordance' – Core (This information should be disclosed in all cases)	'In accordance' – Comprehensive (This information should be disclosed in all cases)
Strategy and Analysis	G4-1	G4-1, G4-2
Organizational Profile	G4-3 to G4-16	G4-3 to G4-16
Identified Material Aspects and Boundaries	G4-17 to G4-23	G4-17 to G4-23
Stakeholder Engagement	G4-24 to G4-27	G4-24 to G4-27
Report Profile	G4-28 to G4-33	G4-28 to G4-33
Governance	G4-34	G4-34 G4-35 to G4-55(*)
Ethics and Integrity	G4-56	G4-56 G4-57 to G4-58(*)
General Standard Disclosures for Sectors	Required, if available for the organization's sector(*)	Required, if available for the organization's sector(*)

TABLE 4: REQUIRED SPECIFIC STANDARD DISCLOSURES (DMA AND INDICATORS)		
Specific Standard Disclosures	'In accordance' – Core	'In accordance' – Comprehensive
Generic Disclosures on Management Approach	For material Aspects only(*)	For material Aspects only(*)
Indicators	At least one Indicator related to each identified material Aspect(*)	All Indicators related to each identified material Aspect(*)
Specific Standard Disclosures for Sectors	Required, if available for the organization's sector and if material(*)	Required, if available for the organization's sector and if material(*)

GRI G4 – General Standard Disclosures

- Strategy & Analysis : G4-1, G4-2
- Organizational Profile: G4-3 to G4-16
- Identified Aspects & Boundaries : G4-17 to G4-23
- Stakeholder Engagement: G4-24 to G4-27
- Report Profile: G4-28 to G4-33
- Governance: G4-34 to G4-55
- Ethics & Integrity : G4-56 to G4-58

GRI G4 – Specific Standard Disclosures

- Management Approach – G4-DMA
- Indicators by Aspects
 - Economic : G4-EC1 to 9 (covering economic performance, market presence, indirect economic impacts, procurement practices)
 - Environmental : G4-EN1 to 34 (covering materials, energy, water, biodiversity, emissions, effluents, waste, products/services, compliance, transport, supplier environmental assessment, environmental grievances mechanisms)
 - Social: G4-LA1 to 16 (covering employment, labor/mgmt relations, health & safety, training/education, diversity, equal opportunity, equal remuneration to women & men, supplier assessments, grievances mechanisms)
 - Human Rights G4-HR1 to 12 (covering child labor, compulsory labor, freedom of collective bargaining/associations, security practices, indigenous rights, supplier assessments, grievances mechanisms etc)
 - Society G4-SO1 to 11 (covering local community, anti-corruption, public policy, anti-competitive behavior, compliances etc)
 - Product Responsibility G4-PR1 to 9 (covering customer health & safety, product/service labeling, marketing communications, privacy and compliance)

What to Report?

Category	Environment	Local Comm unities	Suppli ers	Inboun d Transp ortation	Outbou nd transpo rtation	Recycli ng Faciliti es	Custo mer
Aspects	Materials						
	Energy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
	Water	<input type="checkbox"/>		<input type="checkbox"/>			
	Biodiversity	<input type="checkbox"/>					
	Emissions, effluents and waste	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
	Products and services						
	Compliance						
	Transport						
	Overall						
	Screening and assessment						
	Remediation						

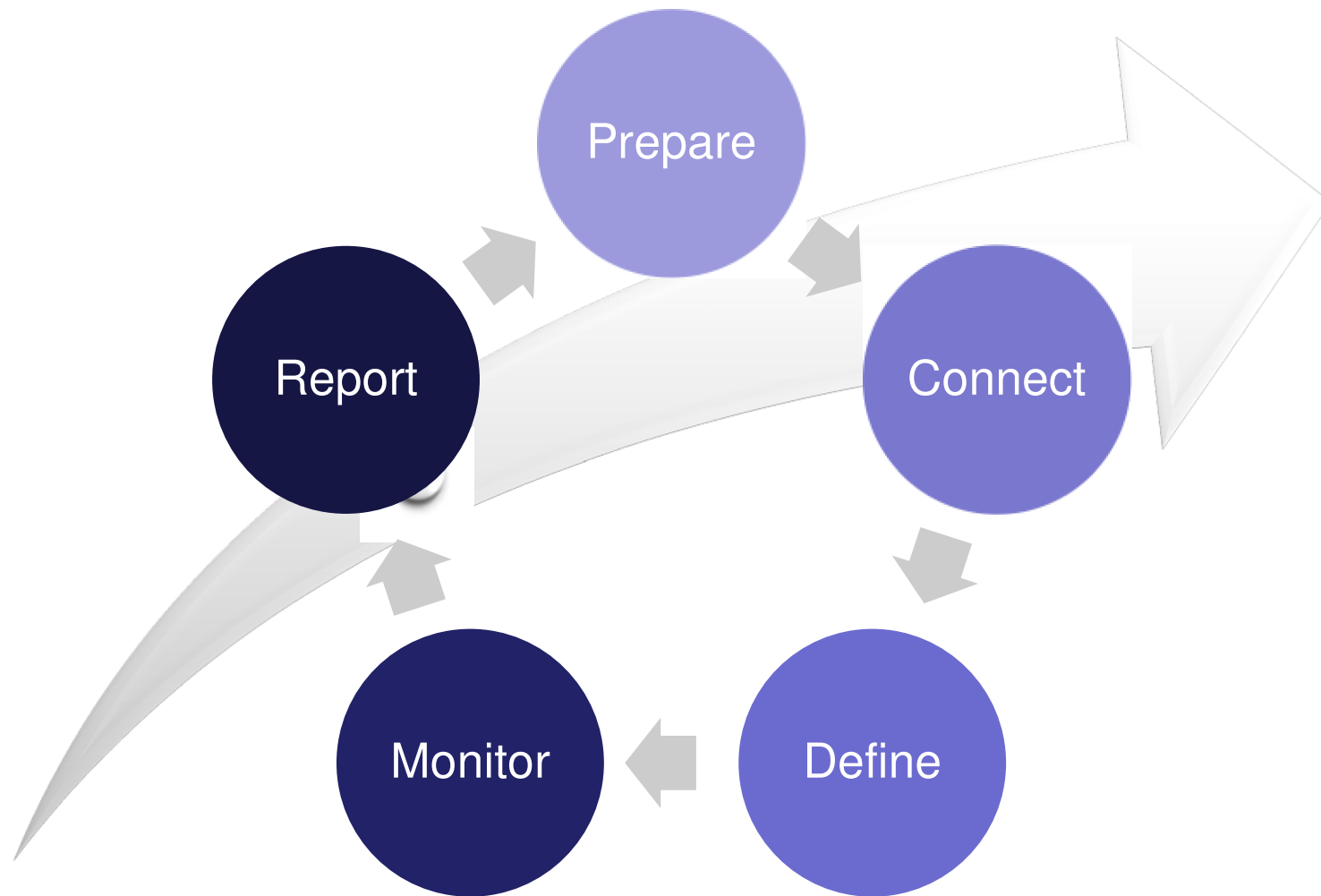
Materiality

Scope

Boundary

- Why Assure?
 - Increased recognition, trust, credibility
 - Reduced risk, increased value, improved stake holder communication
 - Improved Board & CEO level engagement
 - Strengthening the internal reporting & management systems
- Assurance Engagement Considerations
 - Scope, Responsibilities, Access to Evidence
- Who Assures?
 - Globally: Accounting Firms, Engineering Firms & Sustainability Services Firms
 - In India: Accounting Firms and Engineering Firms have limitations.
- Assurance Standards
 - ISAE 3000 (international standards federation of accountants) – only certified accountants can be ISAE 3000 certified.
 - AA1000AS (AccountAbility think tank) – Non-accountants can be AA1000AS certified.

Continuous Improvement



Continuous improvement through reporting process

Thank You For Your Time.
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