

## Corporate Governance & Sustainability Vision Awards 2012

### **Objectives of the Corporate Governance & Sustainability Vision Awards:**

The **Corporate Governance & Sustainability Vision Awards** acknowledge and reward companies that have taken positive steps to manage and measure their economic, environmental and social impacts and performance, and have integrated sustainability into their core business models. In turn these awards provide a platform to highlight leading examples of sustainable practices and performance to inspire and motivate others to adopt similar policies and practices and transparently communicate on their performance.

### **The Awards**

- **Sustainability Performance Award:** This award recognizes a company that has excelled in its overall environmental, economic and social performance.
- **Sustainability Reporting Award:** This award recognizes a company that has demonstrated excellence in transparently reporting on its sustainability policies, practices and performance in line with internationally agreed reporting principles.
- **Climate Change Award:** This award recognizes a company that has demonstrated commitment to manage its climate impacts through implementing relevant policies, practices and monitoring and measuring its performance.
- **Corporate Governance Award:** This award recognizes a company that has demonstrated commitment to corporate governance through implementing relevant policies, practices and monitoring, measuring and publicly disclosing its performance.

### **Eligibility Criteria**

Any company operating in India for at least past five years is eligible to apply for the ICC Sustainability Vision Awards.

### **Nature of Awards and Presentation**

The Award will be presented by the Chief Guest of the Summit to all the Awardees.

These awards will be presented during the India Corporate Governance and Sustainability Vision Summit during February 2012 at New Delhi.

## **Assessment Process**

On receipt of the applications, the jury will assess the applications to identify the shortlisted companies on the basis of a scoring methodology ratified by Ernst and Young Pvt Ltd, India (EY). The process of short listing the companies will be independently reviewed by EY to ensure that the scoring methodology has been followed. The jury will then review the short listed companies to make their final decision on the award winners.

## **Jury Members**

### **Mr K M Chandrasekhar**

Former Cabinet Secretary, Gol

### **Mr N R Krishnan**

Former Secretary,  
Ministry of Environment and Forests, Gol

### **Mr R S Pandey**

Former Secretary,  
Ministry of Petroleum and Natural Gas, Gol

### **Mr Anil Razdan**

Former Secretary,  
Ministry of Power, Government of India

### **Mr Bhaskar Chatterjee**

Director General  
Indian Institute of Corporate Affairs

### **Mr S K Roongta**

Managing Director  
Vedanta Aluminum

### **Dr. S. P. Gon Chaudhuri**

Renewable Energy Advisor to the  
Dept of Power, GoWB

### **Dr. Prof. A. Gosain**

Head, Dept of Civil Eng, IIT, Delhi

## Application Process

### Timelines

Last date of submission of the Award Nomination Form – [5<sup>th</sup> January 2012].

Please send us the filled up nomination form along with the required documents mentioned below to

Ms Suranjana Moitra  
Indian Chamber of Commerce  
4, India Exchange Place, Kolkata – 700001  
T: +91 33 22534293/22303242-44  
C: +91 9874264503  
F: +91 33 22313377/80  
E: [icc3@indianchamber.net](mailto:icc3@indianchamber.net)

### Documents required

Providing the information required under section 1 is mandatory for all participants. Thereafter the participating companies are requested to answer the questions specific to the award categories for which they would like to apply for. **Companies are requested to submit their 2010/2011 sustainability reports and annual reports year ending 31 March 2011, and any additional supplementary evidence to support their claims.**

### **Section 1 – Applicant Company Information & Contact details**

Name of Company	
Address of Head office	
Telephone number	
Company website	
Year of incorporation	
Name of Managing Director	
Name of Chairman	
Turnover of the organization (In INR)	
Awards applied for :	Sustainability Performance Sustainability reporting Climate Change Corporate Governance
Contact person for application submission	

Contact 's email ID	
Contact's mobile number	
Contact's direct line	

### **Sustainability Performance Award Questions**

The global policy debate around sustainability has led to discussions about the responsibilities of business, and companies have begun to reconsider their traditional approach to business. They are realizing that they do not operate in isolation and are impacted by, as well as directly and indirectly impact the wider environment, economy and society. Non-financial impact, which contributes to climate change and water scarcity, presents risks for the company, for example, increased operating costs. Regulatory agencies, customers, shareholders, investors and most other stakeholders want to know how prepared an organization is to evolve itself for meeting the risks and challenges of financial and environmental sustainability.

This award considers a company's sustainability policies, practices and performance over a range of parameters including sustainability management, reporting, corporate governance, equal opportunities, stakeholder engagement, economic impacts, environmental management, labor relations, supply chain management, human rights impact, corruption, and community impact and engagement.

***Companies are scored up to a maximum of 100 marks.***

#### **Sustainability Management**

1. Does the company have a documented sustainability policy?
2. What are the key sustainability risks facing the company in the medium to long term?
3. Does the company have a documented sustainability strategy and action plan and how does this address the key sustainability risks facing the company?
4. What are the company's key sustainability goals and targets?
5. What monitoring mechanisms does the company have in place to ensure that sustainability plans are being implemented?
6. What mechanism does the company have in place to communicate its sustainability policy and strategy to employees?

#### **Sustainability Reporting**

7. Does the company produce an annual sustainability report and is the company's sustainability report publicly available?
8. Is the company's sustainability report assured by a third party?
9. Does the company produce its sustainability report in line with the GRI Guidelines?

## **Corporate Governance**

10. What process is in place for determining the composition, qualifications, and expertise of the members of the highest governance body of the company?
11. What is the percentage of women are in the company's highest governance body?
12. Is executive compensation is linked to non financial performance parameters?

## **Equal Opportunities**

13. Does the company have a documented equal opportunities policy?
14. What percentage of the senior management are women?
15. What measures does the company have in place to increase the number of women in management?
16. What is the percentage of disabled individuals in the organization?
17. What measures does the company have in place to increase the number of disabled in the organization?

## **Stakeholder Engagement**

18. What process does the company have in place to identify and engage with its key stakeholders to discuss the company's sustainability risks and opportunities and how does the company integrate stakeholder feedback into its consideration of setting strategic goals?
19. What were the key concerns raised by stakeholders over the last 12 months?

## **Economic Impact**

20. What percentage of the workforce receives company contributions towards their pension?
21. What percentage of annual profits did the company invest in the community in the last year?
22. How does the company measure its direct and indirect economic impact on the community and what are the results achieved over the last 12 months?

## **Environmental Management**

23. Does the company have an environmental policy?
24. How does the company assess the environmental impacts of its products and services?
25. What targets does the company have in place to reduce its direct energy usage?
26. What measures has the company implemented to reduce its direct energy usage?

27. What has been the percentage reduction in the company's direct energy usage?
28. What targets does the company have in place to reduce its direct water usage?
29. What measures has the company implemented to reduce its direct water usage?
30. What has been the percentage reduction in the company's direct water usage over the last year?
31. What has been the monetary value and total number of fines for non compliance with environmental laws and regulations in the last year?

### **Labour Relations**

32. Does the company have a documented Human Resources policy?
33. What are the mechanisms in place for employees to be trained on the Human Resources policies and procedures?
34. What is the average number of hours of training per employee per year?
35. What percentage of the company's workforce receives health insurance?
36. What percentage of employees are covered by collective bargaining agreements?
37. What is the employee grievance mechanism?

### **Supply Chain Management**

38. Does the company have a documented code of conduct for suppliers?
39. What non financial selection criteria are applied for choosing suppliers?
40. What mechanisms are in place to train new and existing suppliers on the company's code of conduct?
41. How does the company monitor compliance by suppliers to its code of conduct?

### **Human Rights Impacts**

42. Does the company have a documented human rights policy?
43. What provisions employees to be trained on the human rights policy and issues such as child labour and indigenous rights?
44. What mechanism does the company have in place to ensure compliance with its human rights policy?

### **Corruption**

45. Does the company have a documented anti corruption policy?

46. What steps does the company take to analyze risks and monitor incidence of corruption?

### **Community Impact and Engagement**

47. How frequently does the company implement a community impact assessment for its operations?

48. What is the company's approach for community engagement and how frequently does the company engage?

49. Does the company have a community grievance mechanism?

50. What results have been achieved through the company's community initiatives and are they verifiable by a third party?

## **Sustainability Reporting Award Questions**

Amid calls for greater corporate accountability regarding a company's non financial impacts, sustainability reporting provides a platform for an organization to transparently communicate its policy, practices and performance to its various stakeholders. This type of reporting refers to organizations formally disclosing information on their social, environmental and economic impact. While it includes a company's philanthropic and community investment initiatives, including employees volunteering for these programs, it goes beyond this to incorporate other social and environmental performance information related to its core business.

It also provides a management tool for the company to internally identify potential risks and operational inefficiencies, cut waste and save money. Identification of these weaknesses is the first step toward improving the internal systems and processes of a company. The report can also be used to reach out to and foster meaningful dialogue with internal and external stakeholders in order to identify material issues, risks and opportunities that influence their view of the company, as well as to establish their views on practices. Therefore, a well prepared sustainability report benefits an organization's reputation and places it as a trusted and credible entity both in the view of internal stakeholders, such as employees and, external stakeholders, such as investors.

This award considers a company's approach to disclosing its sustainability performance. It judges a company based on its degree of transparency and not in terms of its actual sustainability performance. It considers the extent to which a company has adhered to generally agreed reporting principles related to quality and completeness, materiality, stakeholder inclusiveness, clarity in communications and sustainability context.

***Companies are scored up to a maximum of 100 marks.***

### **Quality and Completeness**

1. Does the company produce a publicly available sustainability report?
2. Does the company produce its sustainability report in line with the GRI Guidelines?
3. If the company reports in line with the GRI Guidelines, what application level does it adhere to?
4. Is the company's sustainability report assured by a third party?
5. What is the boundary of the sustainability report?
6. Does the company provide its data for three reporting years?
7. Has the company reported on which targets it has met since the last reporting period?
8. Which areas of performance has the company highlighted where it has scope for improvement?

9. Which targets has the company reported it has not met since the last reporting period?
10. Does the company report on its plans on how to meet its unmet targets by the next reporting period?

### **Materiality**

11. How has the company reported on the sustainability challenges facing the company and the company's strategy for addressing these key issues?
12. How has the company reported on its approach to identifying the material issues and indicators to report on its sustainability performance?
13. What sector specific sustainability issues has the company identified in its reporting?
14. What sustainability performance information has the company reported related to these sector specific sustainability issues?

### **Stakeholder Inclusiveness**

15. Does the company report on its process to identify and engage with its key stakeholders to discuss the company's sustainability risks and opportunities?
16. Does the company report on how it integrates stakeholder feedback into its consideration of setting strategic goals?
17. Does the company report on the key concerns raised by stakeholders over the last 12 months?
18. Does the company report on how it intends to address the key concerns of stakeholders in the future, with timelines for implementation?

### **Clarity in Communications**

19. What external sustainability principles or initiatives does the company endorse?
20. Where does the company report the extent to which it has implemented and adhered to the principles and initiatives it endorses?
21. In what formats is the sustainability report available?
22. How does the company disseminate its sustainability report?
23. Does the company have a dedicated section on its website for its sustainability performance?

### **Sustainability Context**

24. To what extent does the company describe the context for its sustainability reporting and performance to industry benchmarks or sector norms?

25. To what extent does the company describe the context for its sustainability reporting and performance by connecting the following wider sustainability issues and trends to its performance:

- Poverty
- Climate Change
- Water scarcity
- Population growth
- Increased urbanization
- Gender inequality
- Level of education
- Corruption

## **Climate Change Award Questions**

There is an emerging global consensus among decision makers, scientists and academics that addressing climate change is one of the most paramount challenges of the 21st century, and combating it has become one of the fundamental requisites for attaining sustainable development worldwide. Today, for many organizations, climate change is at the top of the business agenda. Climate change is a concern for both established global leaders and high growth companies. Many global organizations have already weighed the risks and opportunities of responding to climate change, particularly impending regulation and the need to adapt to a carbon constrained world. They have developed and piloted new strategies and implement projects related to the need to mitigate and adapt to climate change. This award considers a company's approach to managing and mitigating its climate related impacts and adapting to a new tomorrow.

***Companies are scored up to a maximum of 100 marks.***

### **Management Approach**

1. Does the company have an environmental policy?
2. How does the company assess the environmental impacts of its products and services?
3. What initiatives have been undertaken to reduce the negative environmental impact of the company's products and services?
4. To what extent has the company innovated around its existing products and services or provided new products or services that lead to either climate change mitigation or adaptation solutions?
5. How does the company analyze the financial risks to the company as a result of climate change?

### **Energy Usage and Greenhouse Gas Emissions**

6. What is the company's approach for mapping its energy related risks at the locations of its operation?
7. What targets does the company have in place to reduce its direct energy usage?
8. What targets does the company have in place to reduce its indirect energy usage?
9. What measures has the company implemented to reduce its direct energy usage?
10. What measures has the company implemented to reduce its indirect energy usage?
11. What has been the percentage reduction in the company's direct energy usage?
12. What has been the percentage reduction in the company's indirect energy usage?
13. What targets does the company have in place to reduce its green house gas emissions?

14. What measures has the company implemented to reduce its direct green house gas emissions?
15. What has been the percentage reduction in the company's direct green house gas emissions by weight since last year?

### **Water**

16. What is the company's approach for mapping the water sources affected by its operations and its water related risks at its locations of operation?
17. What targets does the company have in place to reduce its direct water usage?
18. What measures has the company implemented to reduce its direct water usage?
19. What has been the percentage reduction in the company's direct water usage over the last year?
20. What is the percentage and total volume of water recycled by the company?
21. What measures has the company implemented to measure and monitor the quality and quantity water discharge?
22. What is the amount of water discharged by the company?

### **Biodiversity**

23. How does the company analyze its biodiversity related risks and impacts?
24. How does the company analyze the financial risks to the company as a result of biodiversity loss due to climate change?
25. What is the company's strategy for managing its impacts on biodiversity?

### **CDM project**

26. Has the company taken up any CDM project?
27. If yes, is any project registered?
28. If yes, have carbon credits been issued from the project?

## **Corporate Governance Award Questions**

Trust is a vital element in business partnerships, joint ventures or acquisitions, and impeccable corporate governance is fundamental for creating this trust among different parties. When Indian or foreign investors look for companies to invest in, from the perspective of investors, the greater confidence they have in how a company is managed, the more likely they are to invest in it. They have more confidence in companies, especially in emerging markets, that comply with leading practices in business management and corporate governance.

This award considers a company's sustainability policies, practices and performance in corporate governance. The questions asked for this award also form a component of the corporate governance section of the Sustainability Performance Award.

***Companies are scored up to a maximum of 100 marks.***

### **Corporate Governance**

1. What process is in place for determining the composition, qualifications, and expertise of the members of the highest governance body of the company?
2. What is the percentage of women are in the company's highest governance body?
3. How many members of the board are independent board members?
4. What is the process for nominating independent board member?
5. Do the board members performance criteria include non financial performance parameters and targets?
6. Is executive compensation is linked to non financial performance parameters?
7. Does the company a have an independent committees directly reporting to the board with oversight on sustainability matters?
8. Does the board have a code of conduct/ethics for the business?
9. What is the policy and process in place for managing conflict of interest of the members of the board?
10. Does the company have a documented anti corruption policy?
11. What steps does the board take to analyze risks and monitor incidence of corruption?

12. What policies and practices are in place to ensure that timely and accurate disclosure is made on all material matters regarding the company, including the financial and non financial performance, ownership, and governance of the company?
13. What procedures are in place to independently verify and safeguard the integrity of the company's financial reporting?
14. What training have board members received over the last 12 months, and on what topics were they trained?
15. What policies and practices does the company have in place to recognize and safeguard shareholders ' rights including legitimate interests and information needs?
16. What policies and practices does the company have in place to ensure the equitable treatment of shareholders?
17. To which external voluntary frameworks and commitments on corporate governance does the company subscribe?