
3. ESG - Marching Towards Sustainable Development Goals

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Abstract:

The UN Sustainable Development Goals 2030 are a worldwide initiative initiated by 193 Member States, calling for major initiatives in sustainable development aimed at people, the planet, peace and prosperity. It is in this context, the initiative to achieve Sustainable Development Goals through Environmental Social Governance is of particular importance. A number of less developed countries, however, have quietly taken major initiatives. Significant steps have also been taken by India, with the new framework for business responsibility and sustainability reporting, BRSR, coming into effect from the financial year 2022-23. A comprehensive Humanist Approach, supported by sheer professionalism with a multidisciplinary base to use ESG as an enabling framework for achieving Sustainable Development Goals is the way forward.

Introduction:

As the global environment remains highly volatile and uncertain due to diverging monetary policy stances, geopolitical tensions, elevated crude oil prices and persistent supply bottlenecks, emerging economies are vulnerable to destabilizing global spill overs on an ongoing basis. The ability to forecast the future course of the global economy is contingent on the evolution of the virus and the ongoing conflict between Ukraine and Russia.

Thus, policymakers face daunting challenges even as recovery from the pandemic remains incomplete. “Sustainable development refers to a mode of human development in which resource use aims to meet human needs while preserving the environment so that these needs can be met not only in the present, but also for the generations to come.” – **Dr. A P J Abdul Kalam, Former President of India**

While the last 30 years have clearly seen sweeping progress and economic development around the world, there are three main concerns. And its rapid growth is driven by many unique challenges to deal with. If we do not address the current problems of our planet and the environment, they will escalate rapidly and become more difficult to deal with. The Sustainable Development Goals (SDGs) are viewed as guidelines that require concrete plans to meet these challenges. India's population is estimated at 17% of the world's population, with only 2.4% of arable land and depleted water and forest resources. Moreover, India is set to become the world's most populous country by 2025.

India's future society will only be sustainable if the country can meet at least the basic necessities for the proper survival of its entire population.

The current developments underline the imperatives for countries to make this planet a better place to live. The harsh truth for all countries, whether rich or poor, is that as long as society is economically unbalanced as well as unstable, fuelling sustainable economic and social growth addressing all sections of the society and the environmental concerns is a pipe dream.

The requirement is a sincere, open and inclusive mind set as well as gigantic effort, calling for a new model of development that will simultaneously give a push to positive economic advancement, provide a framework for sustainability in decent living for all in an inclusive manner and reverse the damage already caused to the environment at the least, failing which any endeavour towards SDG's is bound to be piecemeal and / or exclusive and / or inadequate. In this context, ESG through crystal clear policy measures is suggested as the route to be pursued for marching towards attaining Sustainable Development Goals (SDG's).

The Sustainable Development Goals (SDGs):

The SDGs 2030 is a global initiative by 193 Member Nations of the United Nations (UN) calling for bold initiatives towards sustainable development focusing on people, planet, peace and prosperity and they offer a globally accepted framework with uniform metrics for all countries against which to measure and compare progress.

The SDGs identify 17 areas across 163 interrelated indicators, encouraging alignment and concerted and coordinated action among stakeholders. You can see that the SDGs are ambitious goals aimed at eliminating, rather than reducing, things like malnutrition and poverty. From India's perspective, the development narrative needs to be reviewed and revised so that no one is left behind as the country seeks to grow into true leadership.

Conceptual Framework of ESG:

Whenever a company or company's sustainability is assessed from an investor's perspective, both financial and non-financial aspects are considered and analysed. On the non-financial side, he has three key dimensions for measuring and evaluating the sustainability of a company's or society's investment.

ESG is about integrating social and environmental concerns into business operations and pursuing long-term vision rather than short-term opportunism. Companies and corporations that adhere to ESG standards are widely believed to demonstrate their willingness to act ethically in these three key dimensions.

Commitment to ESG commitments is inevitable over the long term, in value and substance, given the global and domestic scenario of being held so high by all other stakeholders, including the companies themselves.

Strategy Led Action Plan:

ESG is more than good intentions. It's about creating a tangible, practical plan that achieves real results. Success is not about climate change, diversity and disclosures alone.

It's about embedding these principles- and more across business- from investment to sustainable innovation. Bringing together your best people and smartest technology so you can see more, go deeper and act swiftly. Enabling to tackle the biggest challenges of today – and capture the best opportunities of tomorrow.

Transforming from the Inside for the Outside:

How well is business adapting to a changing world? A world where success is no longer measured by financials alone? From net zero to the circular economy.(needs fragmentation) When put ESG at the very heart of your operation, take bold steps towards a model that will deliver sustainable business advantage and measurable value. It's an approach that makes possible the operational, cultural and financial changes needed to future-proof business.

The Measure of Transparency:

Responsibility. Sustainability. Diversity. How well does your business measure up? A new business environment needs new thinking. One that infuses ESG metrics right through all areas of operation and creates maximum transparency. With the right combination of data and disclosures, can be confident in both clearer reporting and greater trust...not just for now, but for the long term.

The Leadership Agenda:

Sharp, actionable insights curated to help turn ESG theory into action. Covering everything from the economic realities of ESG to how leaders can close the gap between net zero ambition and reality.

Business leaders, like ship captains, must navigate both surface waves and deeper currents. As every captain knows, waves on the ocean surface can capsize a ship, and so must be carefully navigated. But it's the currents—the more enduring forces that are sometimes harder to see—that exert lasting influence on a ship's direction of travel.

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