



Sustainability Learning

A foundation for green and inclusive growth



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The green and inclusive growth agenda

The urgency to tackle climate change has never been greater. In line with India's ambitious "Viksit Bharat" (or Developed India) programme, the Indian government has set out a blueprint for inclusive growth and sustainability.

India has already declared a decarbonisation roadmap to 2070, and significant changes to the energy ecosystem are underway. For any economy, the transition towards a green future needs a deeper management of policy, people and underlying technologies. The economy, society, business and environment don't exist in isolation, they are part of a system that interacts and influences one another.

In light of India's growth trajectory in recent years, these systems will need continuous redesign for greater resilience. To meet the Paris Agreement goals and avoid climate impacts, we need to accelerate our efforts significantly. For India's ambition to be a USD10 trillion economy, the next 10 years will need focus on equity, jobs and the transition to a green future. Growth and sustainability are the twin wheels on which the Indian economy needs to travel. The shift towards Net Zero needs new forms of innovation, green products, technology, and therefore, new skills.

Environmental, Social, and Governance (ESG) considerations have become a central focus for organisations globally. Over the past few years, significant progress has been made in

establishing compliance frameworks, standards, and reporting mechanisms to govern ESG operations. However, for ESG initiatives to make a meaningful impact, they must be deeply embedded in the organisation's DNA— influencing its culture, language, behaviours, and daily decisions of every employee, and not just of leadership teams. ESG must move from isolated pockets in specific job descriptions and become a collective commitment shared by all members of the organisation.

An important way in which organisations are institutionalising sustainable behaviours and driving real impact is through Sustainability Learning. As India strives to achieve its climate goals and targets, ESG training and green skilling will empower the workforce to lead this transformation, ensuring inclusive growth, environmental stewardship, and a resilient economy for future generations.

The second edition of the ESG Conclave 2024 focuses on these key areas critical for India and Indian companies. The conclave brings together government, industry stalwarts and eminent thought leaders to define the trajectory that the Indian Industry needs to take.

Yezdi Nagporewalla

Chief Executive Officer
KPMG in India



Leadership transformation for green growth

Achieving ESG goals necessitates new thinking and integrated actions to address broader social and environmental impacts. With global risk and compliance requirements on the rise, the urgency to equip teams with the right knowledge and skills is influencing corporate strategies and investor expectations worldwide. Executives have traditionally focused on financials alone and must now recognise that ESG encompasses corporate strategy, new processes, skills and the oversight of core business activities within these standards.

At the same time, the role of the CSO is becoming increasingly crucial, with expectations to align sustainability with core strategy, risk mitigation, and direct reporting to the board. Furthermore, finance teams must adapt by integrating ESG issues into financial performance and ensure comprehensive measurement across operations, talent, natural capital, and supply chains. However, this is just the beginning – employees across all levels, functions,

and business units must be equipped with the right information, knowledge, and skills, so they can actively contribute to sustainable practices and behaviours in their individual roles.

Globally, the shift to climate resilience and a green economy is accelerating.

The World Economic Forum Global Risk Report 2023 underscores concerns such as the degradation of natural ecosystems, chronic human health risks, threats to human security, and increasing economic stability issues. The most significant risks over the next decade include the failure to mitigate or adapt to climate change, natural disasters, extreme weather events, biodiversity loss, and ecosystem collapse. India's Net Zero goals and ambitious climate change mitigation policies, are expected to significantly alter labour markets and skill demands, necessitating effective career guidance and investment in education and training.



Over the past few years, significant progress has been made in establishing compliance frameworks, standards, and reporting mechanisms to govern ESG operations. Organisations are appointing Chief Sustainability Officers, and people across functions – legal, audit, finance, risk management, procurement, and HR – to help organisations stay on track with ESG requirements. This is good news for the organisations concerned, but it's not enough. Right now, as more sectors transition to low-carbon models, every job is becoming a green job.

Sunit Sinha

Partner and Head, Human Capital Advisory Solutions





New skills for a sustainable world



Green shoots in corporate India

The success of ESG-integrated organisations

By prioritising environmental stewardship, education, social responsibility, and strong governance, firms are reducing risks and capitalising on new opportunities. They attract investment, enhance brand reputation, and improve operational efficiencies.

Aligning their core purpose with sustainable development and working with a range of stakeholders to understand the full life cycle of their products and services has been at the forefront of leading companies today. By ensuring governance over key metrics, they are avoiding a silo-based approach, setting evidence-based targets, measuring them consistently and reporting on them transparently. Firms are also investing in circular economy models to minimise waste and promote resource efficiency. They are reducing carbon footprints through renewable energy adoption, improving supply chain transparency with blockchain, and enhancing diversity and inclusion initiatives. Additionally, by incorporating nature-based solutions into corporate strategy, biodiversity and ecosystem services, while also mitigating climate risks and improving sustainability are showing great returns on investments.

No matter the sector, region or regulation, ESG success has been seen in companies that work hand-in-hand with subject matter experts and the right technology. The right technology is driven by the right data, and the right data is driven by the right people in the business. Skilling them appropriately and ensuring their continued learning is crucial.

Institutionalising sustainable behaviours organisation wide is key to realising the true impact of ESG initiatives. By focusing on capability, communication, and culture, organisations can embed ESG into their DNA, ensuring that every employee contributes to creating a sustainable future. Through tailored training, open and effective communication, and a supportive culture, organisations can create an environment where ESG principles are not just a compliance requirement, but are entrenched in the organisation's core value and purpose, guiding every decision and action.

Green shoots in corporate India

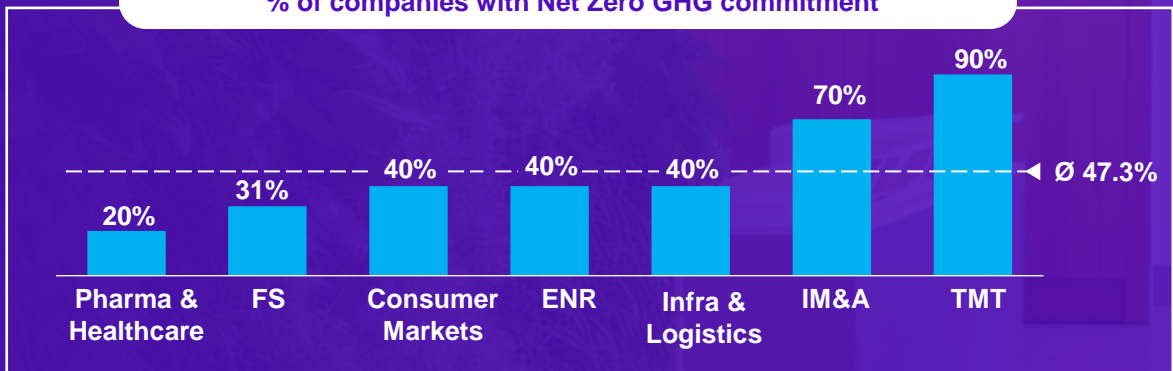
Indian businesses prepare for the Net Zero transition

Leading Indian businesses and their CEOs understand the link between commitment to decarbonisation and profitability. CEOs want their companies to succeed and want their companies to reflect the concerns of their new customers, who are increasingly alarmed by the changing climate. They look to achieve bold net zero commitments and still must meet their growth targets. To succeed in these twin efforts, they will need to deploy new technologies that can increase efficiency and reduce waste across the value chain while transitioning away from carbon intensive practices.

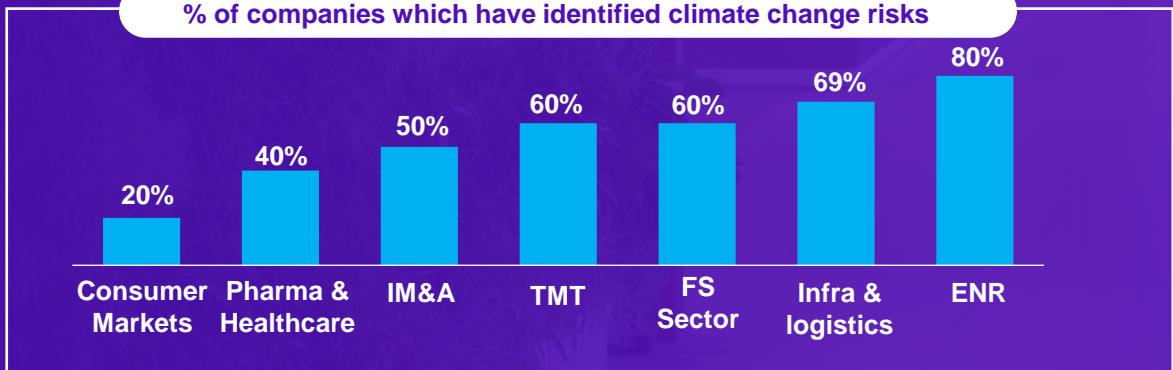
Companies in every sector in India are at the center of efforts to reduce emissions. An analysis of the top performing ESG companies across large, small/mid cap categories* highlighted that conscious companies are beginning to benchmark, stress test, and risk manage their investments. 50 per cent of the companies have specific emission reduction programmes and have committed specific years by when they will achieve these numbers; most of them have given 2040 as a target year.

Companies are identifying climate related risks that can significantly impact business operations, revenue and expenditures, and ESG strategies are now evolving rapidly. Regulations and compliances are driving and enhancing the way forward for large conglomerates and small/medium enterprise who are looking to stay ahead of the changing climate and safeguard their stakeholders.

% of companies with Net Zero GHG commitment



% of companies which have identified climate change risks



Source: Data from 73 of India's leading ESG companies' Annual and Sustainability reports for FY 2023

*Companies with market capitalisation of above Rs 20,000 crore as on 01 Apr 23 is considered as Large Cap and remaining companies as Mid/Small-Cap

Top trends in ESG

ESG considerations have become a cornerstone of corporate strategy in India. As stakeholders increasingly prioritise sustainability, transparency, and ethical business practices, the country's leading companies are responding by integrating ESG factors into their core operations.

Data analysis from some of India's major ESG front-runners were qualitatively analysed to identify recurring ESG themes and strategies. Understanding ESG trends involved analysing the top performing companies in ESG under the large (38) and mid/small cap (35) companies* across key sectors including finance, manufacturing, real estate, technology, energy, pharmaceuticals, and consumer goods. These themes were grouped into broader trends such as climate action and diversity, with their significance determined by frequency and emphasis.

A comparative analysis across industries highlighted sector-specific priorities, and the findings were validated through cross-referencing with existing ESG research in India. These reports provide a wealth of data, offering insights into how

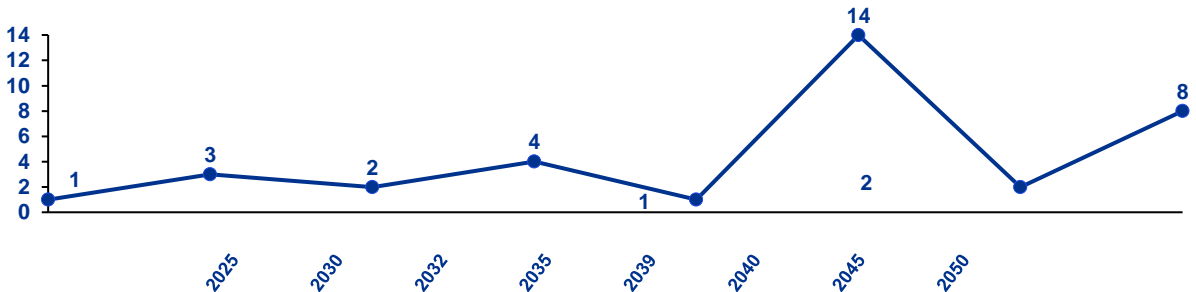
these corporations are navigating the complex landscape of ESG, setting benchmarks for the broader business community, and contributing to India's sustainable growth. An analysis of these 73 businesses reveals several key trends shaping their ESG strategies.

Climate Action and Decarbonisation

India contributes to approximately 8 per cent of global emissions, ranking as the third-largest emitter with 2.83 Bn tons of CO2 emissions. Additionally, it is among the top ten countries for per capita emissions, at 2 tons. A major trend is the aggressive push towards decarbonisation.

Nearly half of the assessed companies have committed to Net Zero and implemented specific emission reduction programmes, with the 69% of the companies aiming for the year to be 2040 or later. It has been observed that yearly there has been a 64 per cent increase in renewable energy consumption across the sectors, with companies having an average of 15 per cent renewable energy in their energy mix.

Number of companies with Net Zero commitment by target year



Net Zero Targets & Commitments

The Industrial Manufacturing and Automotive sector has the highest emission intensity owing to higher Scope 1 emissions. However, Pharma and Healthcare sector leads with significant YoY emission intensity reductions attributed to focused shift towards renewable energy, eco-friendly medical equipment design, and enhanced production technologies.

55 per cent of the companies assessed have identified climate related risks that can significantly

impact business operations, revenue and expenditures. Out of these, 70 per cent of the companies in the Financial Services sector have identified climate risks, driven by managing financial exposures to sectors vulnerable to climate change and the push towards green finance. This proactive stance is supported by the RBI's draft guidelines on 'Disclosure Framework on Climate-Related Financial Risks,' which will require disclosures from regulated entities.

*Companies with market capitalisation of above Rs 20,000 crore as on 01 Apr 23 is considered as Large Cap and remaining companies as Mid/Small-Cap

Top trends in ESG

Water Management and Conservation

With 18 per cent of the world's population and only 4 per cent of its water resources, India is one of the most water-stressed countries globally. By 2030, it is projected that the country's water demand will be twice the available supply, leading to severe scarcity affecting a lot of people, industrial operations, and economic activities.

Water scarcity being a critical issue in India, companies are focusing on water stewardship. Many companies are setting targets to reduce water usage per unit of production, reflecting a broader commitment to sustainable water use. The ENR sector is among the highest in water intensity as 83 per cent of the total electricity production in India is based on the utilisation of water. Nonetheless, by using seawater cooling, water recycling, and rainwater harvesting strategies, companies have cut water consumption intensity by 24 per cent YoY, reducing surface water dependence

Diversity, Equity, and Inclusion (DEI)

Social factors, particularly diversity and inclusion, are becoming more prominent. Companies are increasingly disclosing their workforce demographics and setting targets for improving gender diversity, especially at the leadership level. The analysis revealed 16 per cent of the total workforce of the companies assessed comprise women. 20 per cent of Board positions and 13 per cent of management roles are occupied by women.

Reports show that DEI initiatives also extend to supply chain management, with a growing emphasis on fair labor practices and community engagement.

Waste and Circularity

Companies are focusing on reducing waste and increasing circularity. 17Mn tons plastic is produced in India annually. Of this, ~60 per cent is used for packaging, however only 15 per cent of it is recycled, and remaining is incinerated or landfilled.

microplastics into the environment and 31,500 tons of chemical additives into waterways annually. Companies are increasingly deploying 'Reduce, Reuse, and Recycle' approach to manage the burgeoning issues of waste management across different sectors and locations. 60 per cent companies in the Consumer Markets sector have publicly disclosed their commitments and programmes related to packaging use. This is significant in comparison to only 10 per cent of the total assessed companies that have made public disclosures and established group-wide commitments regarding their use of packaging highlighting a potential area for improvement around transparent disclosures.

Governance and Ethical Leadership

Strong governance practices are being prioritised, with companies enhancing their board diversity, improving risk management frameworks, and committing to ethical leadership. Transparency in reporting and stakeholder engagement are also key areas of focus, with companies aiming to build trust through detailed disclosures on ESG performance. 79 per cent of these companies have obtained external assurance for their sustainability reports for financial year 2022-23.

From ambitious climate action and decarbonisation efforts to a deepened focus on water management, diversity, and ethical governance, these companies are setting new standards in their industries. As they continue to align with global ESG benchmarks, they are not only contributing to a more sustainable future for India but also enhancing their competitiveness on the global stage. These efforts underscore the growing importance of ESG as a driver of long-term value creation, reflecting a broader commitment to responsible growth and societal well-being.

New skills for sustainability

In times of great shifts, perspectives change and so do processes and systems. To navigate this new world of shifting priorities and systems, new skills are needed. The methods of imparting knowledge also need to scale and adapt to new realities. Digital transformation with the lens of green growth can give India the opportunity to scale current efforts into something that can be useful and crucial to build a workforce with the right skills so that the country is in the strongest position possible to take advantage of opportunities in the future.

As we transition to renewable energy sources, especially involving decentralised electricity networks, operating them will require a workforce with new skills. India's renewable energy sector, particularly solar and wind, is a major driver of green

employment, creating numerous jobs in manufacturing, installation, and maintenance of solar panels and wind turbines. Additionally, the emphasis on energy efficiency across various industries opens opportunities for energy auditors, sustainability consultants, and green building professionals.

From monitoring of sites using drone technology, managing energy systems, transitioning fuel stations to EV charging points, the element of digital literacy will play a crucial role. Rapid learning methods, efficient processing, and profound knowledge from diverse industry sectors can result in transformative effects. Jobs that combine environmental benefits with digital competence have the potential to positively impact both the economy and nature.

65%

of India's fast-growing population is under 35 and many lack skills needed by a modern economy.

Source: World Bank





7 Tipping points for green and inclusive growth



Green and inclusive growth

Increasingly, firms will be measured and judged against their stewardship, net zero plans, carbon footprints, new green products, and leadership in the transition. It will be crucial for organisations to align strategy and business models with ESG goals, set transparent and measurable targets, design for circularity, promote green supply chains, adopt nature-based solutions, boost skilling and ensure purpose driven business growth.

A green economy, built around positive tipping points, will enable environmental stability and financial growth. A strong learning system for leading companies will be influenced by India's growth drivers, and unique economic landscape. Our economic policies will evolve and in turn will accelerate the pace at which industries

transform. These transformative signals in the Indian economy will lead to two fundamental shifts. First, they will reshape the economy, opening new markets and signal to others that changes are afoot. Additionally, these changes will have significant impacts on corporate strategy that would increasingly get aligned to green products, services and solutions.

It is imperative to identify and leverage the positive tipping points in industry, policy, and social behavior to create rapid and widespread changes. When aligned with the environmental and social impact measures, green skills in the workforce could see a major uptick, accelerating the green transition.

7 Tipping points that will accelerate the need for new skills

1. **Climate resilient development**
2. **Changes in agriculture, waste, water, and circularity**
3. **Scaling up sustainable finance**
4. **Gender and educational diversity on the rise**
5. **Consumer choices and the move away from Greenwashing**
6. **Technology at scale enhancing transformation, performance, and resilience**
7. **Green supply chains to boost India's global competitiveness**

Tipping point 1

Climate resilient development

Climate change poses a serious threat to India's natural habitats, vegetation, and vital bio-resources. The country needs to adopt more adaptive strategies in its agricultural and industrial sectors to reduce the damage. According to the World Bank, over 80 per cent of India's people reside in districts that are prone to climate-induced disasters. Estimates suggest that productivity decline due to heat stress may lead to job losses for around 34 million people in India. Climate disasters are also likely to impact quality of life and livelihoods. Strategic thinking is needed to implement measures to create a climate resilient roadmap across sectors.

The Economic Survey of India speaks of integrating measures to adapt to climate change across all industries. The country will need to manage the

impact of climate change while ensuring that developmental priorities continue to get the focus. On-ground action and policy shifts will drive reduction of emissions and boost economic growth. Further, broader benefits including access to clean energy, low-carbon electrification, and promoting zero and low-carbon products and associated services.

The management of agriculture, water, waste, and circularity is increasingly recognised as vital for sustainable development in India. ESG and technology are two interrelated and mutually reinforcing concepts that can help India achieve this in a sustained and clean manner.



If things don't change 45 million people will be forced to migrate from their homes by 2050 as a result of climate change having a cascading effect on local economies.

Namrata Rana

Partner and National Head of ESG



53%

of Indian CEOs agreed that failure of climate-change adoption will negatively impact their organisation's prosperity over the next three years



Source: World Bank; Forbes India; WEF; 125 Indian companies considered as a part of the global KPMG CEO Outlook Survey 2023

Tipping point 2

Changes in agriculture, waste, water, and circularity

India's agricultural sector is a cornerstone of its economy and livelihoods. Implementing ESG principles in food production involves promoting sustainable farming practices, reducing chemical use, and enhancing supply chain transparency. Technology-driven solutions can help monitor and optimise resource use, ensuring food security while minimising environmental impact.

A repeated issue known all too well is water scarcity and its access in India. Water risks must be viewed as equally important to climate risks. The impact of water scarcity is felt throughout the country and poses an alarming risk for the top Indian companies. Advanced technologies to monitor water usage and

detect leaks, while sustainable practices such as rainwater harvesting, and wastewater recycling can augment water availability.

Waste management is a significant challenge in India, with growing urbanisation exacerbating the problem. Circular economy models, where waste is viewed as a resource, can be pivotal.

The circular economy approach is crucial for sustainable growth. In India, integrating circularity into ESG strategies involves rethinking product lifecycles from design to disposal. Leading organisations led by proactive leadership teams can harness technology to achieve these goals, ensuring a resilient and responsible business ecosystem.



In India's agricultural and industrial sectors, embracing sustainability is key to securing a resilient future. Adopting advanced technologies and circular economy models can address critical issues like water scarcity and waste management. It's about rethinking how we use our resources and transforming challenges into opportunities for growth.

Nilachal Mishra

Partner, Head of Government and Public Services



Between 2015 and 2021:

- India lost 33.9 million hectares of crops due to excess rains and an additional 35 million hectares due to drought.
- Agriculture suffered USD159 billion in economic losses in 2021 due to lost working hours from extreme climate impacts

By 2030, India is projected to see a substantial 5.8 per cent decline in working hours – equivalent to 34 million full-time jobs – due to heat stress

Source: World Economic Forum

Tipping point 3

Scaling up sustainable finance

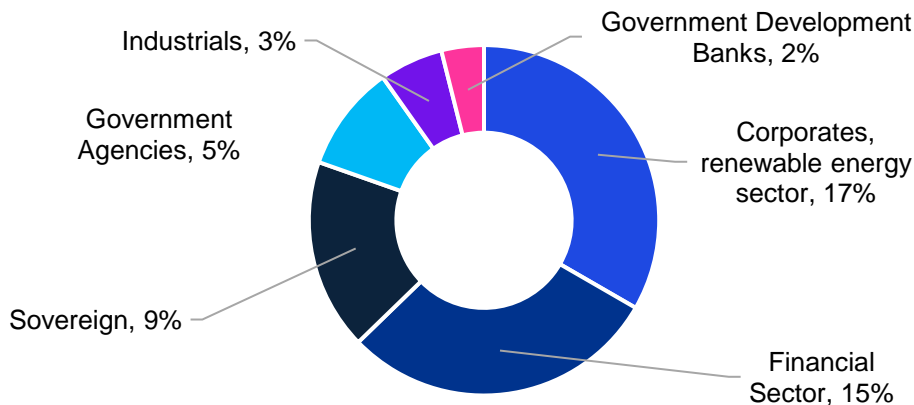
A significant increase in climate finance is essential. While the government can play a crucial role by reducing barriers to lowering emissions through public funding and clearing pathways for investors, at the same time, private banks, PE and VC's need to help scale green finance portfolios. The RBI has announced regulatory guidelines on climate risk and sustainable finance, also a Climate finance taxonomy is in the works.

When millions of investors and major asset managers act on their clients' demands, their statements become significant. Markets and firms take notice when these statements turn into investment or divestment choices. This is how real

change manifests in the markets, making narratives tangible through action.

Inparallel, signals from asset managers, insurers, and banks on the need for companies to decarbonise are increasing and unambiguous. Increasingly, most investment firms will make an increasing proportion of their investment decisions based in part on a firm's progress towards ESG goals. The alignment of companies with their own and the country's net-zero goals will become a material fiduciary factor in each company's success and impact its ability to secure investment and investor support.

Green Bonds Issued in India



Source: World Bank

Sustainable finance in India is crucial for aligning economic growth with environmental and social well-being. With increasing awareness of climate change and social inequalities, it can help mitigate risks and boost resilience in the economy.

Manoj Kumar Vijai

Office Managing Partner Mumbai and Head - Risk Advisory



Tipping point 4

Gender and educational diversity on the rise

India has witnessed a remarkable increase in diversity across women and individuals from varied educational backgrounds, reflecting a broader shift towards inclusion in the socio-economic fabric. The trend highlights an evolving narrative where gender equity and access to diverse educational opportunities are becoming focal points of growth.

The rise in women's participation in the workforce and leadership roles is particularly noteworthy. Government initiatives as well as corporate gender diversity policies, have contributed to the empowerment of women across sectors. Women are breaking barriers in traditionally male-dominated fields like STEM, manufacturing, and even politics. This shift not only fuels economic growth but also challenges long-standing gender biases.

Educational diversity, on the other hand, is reshaping the talent pool across industries. Historically, India's education system focused heavily on engineering, medicine, and traditional academic streams. However, there is now a broader recognition of the value that diverse educational backgrounds, including arts, humanities, social sciences, and vocational training, bring to the table. Individuals with unconventional educational paths are increasingly finding opportunities in sectors like

technology, design, entrepreneurship, and development. This diversity in education is promoting creativity, innovation, and a holistic approach to problem-solving, which is essential for addressing complex challenges in a rapidly changing global economy.

This dual rise in diversity of gender and educational backgrounds signals a shift towards a more inclusive India, where diverse perspectives and experiences are recognised as key drivers of progress. As these trends continue to evolve, they will play a crucial role in shaping a more equitable and dynamic society.



There is a big awakening which has happened in corporate India which is increasingly looking at bettering gender ratios. On the demand side, there is a pull for more women managers. On the supply side, there are more women getting into the higher-education ecosystem. All this is reflecting in improved diversity numbers in MBA classrooms.

Narayanan Ramaswamy

National Leader - Education and Skill development



Tipping point 5

Consumer choices and the move away from greenwashing

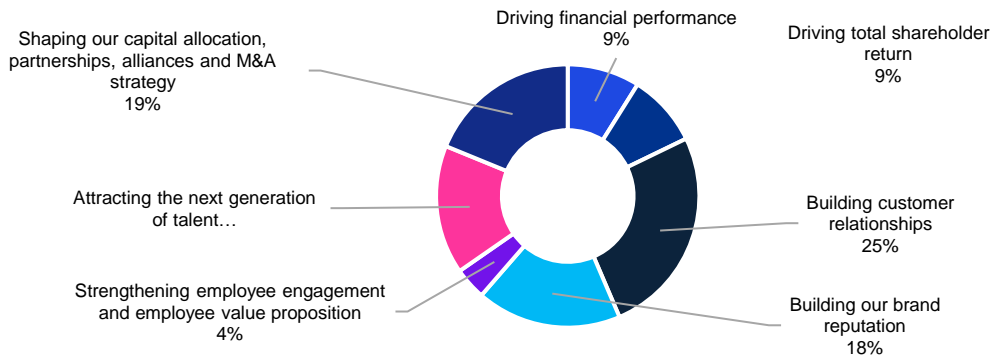
Increased access to information has resulted in products being viewed very differently from the past. Consumers are not just interested in better quality; they also want to know how products are made, researching truth behind any claim. Hence, brands may associate themselves with a cause, but customers may not readily trust it.

The way millions of market participants make decisions and allocate their trillions of dollars is influenced by the stories they hear. When market narratives shift, new possibilities emerge and become game-changers for reaching the country's emissions targets. Instead of greenwashing - giving a false or misleading impression of how a

company's products are environmentally friendly - investors are choosing to support mission-driven initiatives.

Governments play an essential role of regulating, standard setting, and supervising and setting expectations, altering incentives, and building upon the rate of transition. Indian regulators have come out with Draft Guidelines for Prevention and Regulation of Greenwashing and at the behest of the Supreme Court The Guidelines for Prevention of Misleading Advertisements have been released, some instances even requiring self-certification by advertisers.

Where do companies see their ESG strategy having the greatest impact over the next three years?



Source: 125 Indian companies considered as a part of the global KPMG CEO Outlook Survey 2023

Consumers are viewing authenticity of claims as key to building trust with brands. Regulators are trying to ensure brands uphold their end of the bargain to protect consumer and environmental interests. Authenticating claims with verifiable to data to back up, can strengthen a brands credibility.

Nikhil Sethi

Partner, National Leader FMCG and Lead, Customer CoE



Tipping point 6

Technology at scale enhancing transformation, performance and resilience

Integrating technology into ESG strategies is crucial for modern businesses aiming for sustainability and ethical impact. Technology enables precise tracking and reporting of ESG metrics, providing transparency and accountability to stakeholders. Advanced data analytics, for instance, can assess carbon footprints, optimise resource use, and identify areas for improvement in environmental impact.

The right application of the right technology can drive ethical supply chain management, ensuring compliance with labor and environmental standards through blockchain and IoT. Governance benefits from technology through enhanced risk management and compliance. Automation and AI can streamline regulatory reporting, detect fraud, and ensure adherence to ESG regulations.

Additionally, digital platforms can facilitate stakeholder engagement, providing real-time updates on ESG performance and trust, both becoming paramount in building resilient business. Organisations that have invested in technology to drive ESG impact are seeing returns on their investments in the form of improved financial metrics, ESG goals, customer experience, innovation, software quality, or hiring ability. The involvement of a Chief Technology Officer into overall business strategy ensures that technology investments align with ESG goals, driving innovation and sustainability. By integrating ESG into the core technology strategy, companies can achieve long-term resilience and competitive advantage, while making a positive societal impact.



Companies will soon need to balance technology driven models with social responsibilities so that we have social governance by design. This is particularly important for a large developing economy like India with significant opportunities and scale. India has been a pioneer in disrupting technologies in digital infrastructure and has set its path for disruption in social tech.

Purushothaman KG

Partner, Head, Digital Solutions and Telecom Industry Leader



Tipping point 7

Green supply chains to boost India's global competitiveness

Green supply chains are increasingly crucial in India, aligning with the global push towards sustainability and environmental responsibility. As the world's fifth-largest economy, India plays a significant role in the global supply chain network. Integrating green practices into supply chains helps mitigate environmental impact, enhance resource efficiency, and ensure compliance with international environmental standards.

The emphasis on circular economy principles is reshaping supply chains in India. This approach promotes recycling, reusing, and reducing waste,

ensuring that products are designed for longevity and minimal environmental impact. Companies are increasingly adopting sustainable sourcing practices, selecting suppliers based on their environmental performance and commitment to sustainability.

Green supply chains are vital for India's sustainable development, offering environmental benefits and driving economic growth. By adopting green practices, Indian businesses can meet international standards, enhance their market position, and contribute to global sustainability efforts.



ESG and digital transformation are twin transformations in the minds of industrial manufacturing CEOs. ESG enables long-term sustainable value for the business and it demands both the manufacturer and the supplier ecosystem to go green. It is not only about compliance, but also a fundamental rethinking of the business from a sustainability perspective. Green supply chains need industrial symbiosis to achieve circularity and long-term sustainability.

S Sathish

Partner and National Sector Leader – Industrial Manufacturing





An approach to sustainability learning



Sustainability Learning

The foundation for green growth

An approach to institutionalising sustainable behaviours to drive organisation wide impact of ESG.

With businesses having to consider the impact of their entire value chain, the demand for skills is continuously evolving, with a notable increase in the need for workers adept at technological innovations, understanding of new energy systems, new processes, green chemistry and more. In addition, ambitious climate change mitigation policies will shift labour markets towards low-emission sectors like services, nature first products, circular economy models, and renewable energy, moving away from energy-intensive sectors. Consequently, there will be a decline in demand for skills related to operating and maintaining traditional equipment and tools, particularly in blue-collar and manufacturing sectors.

For India to be ready for the growth acceleration to a 10 trillion-dollar economy under Viksit Bharat, a green skills reboot is essential. For this, companies need to reskill not just the workforce but senior executives and Boards. Investment in education and training is crucial to ensure that the green transition is successful and inclusive, addressing the needs of both young people and the current workforce.

This is a big ask. However, there are several organisations who have achieved this culture shift involving their employees, partners, suppliers, clients, and customers, through sustained and multi-faceted efforts to bring change. For example, one global clothing brand is recognised for their deep commitment to environmental sustainability and social responsibility. Their teams identify strongly with the company values

and are proud of their organisation's impact. The company nurtures this pride by encouraging employees to participate in environmental campaigns and offering paid time off for them to volunteer with environmental campaigns. At another such firm, a large furniture retail company, an underlying ESG strategy guides their entire operations, and sustainability is embedded in the role of every employee – from product designers to store associates. A third example is a global technology giant that has integrated ESG into their corporate culture through a 1-1-1 model, where 1 per cent of the company's equity, 1 per cent of employee time, and 1 per cent of product are donated to philanthropic causes. Across industries, there are many such organisations that are leading the way, creating planet and people friendly practices, and setting new standards for the industries in which they operate.

An important way in which firms can institutionalise sustainable behaviours and drive real impact across the organisation is through a sustainability learning approach. It is more than a collection of training programmes offered on a company's learning management system. A well-structured program can help organisations chart out a unified vision and roadmap to institutionalise ESG knowledge and adoption, and drive scale on ESG actions with the entire organisation working towards the vision. To play their part in bringing about such a holistic and effective change, sustainability learning must focus on **3Cs – Capability, Communication, and Culture.**



There is a need for comprehensive change. Businesses in India must adapt by integrating sustainability principles into their operations. This shift requires a workforce well-versed in environmental and social concepts, capable of driving responsible business practices that align with global standards.

Vijay Gogoi

Partner and Lead – Learning Services



Sustainability Learning

Institutionalising sustainable behaviors organisation-wide is essential for driving the true impact of ESG initiatives. By focusing on capability, communication, and culture, organisations can embed ESG into their DNA, ensuring that every employee contributes to a sustainable future. The Sustainability Learning framework provides a structured approach to achieving this goal, fostering a collective commitment to sustainability that transcends individual roles and departments. Through tailored training, effective communication, and a supportive culture, organisations can create an environment where ESG principles are not just a compliance requirement but a core value that guides every decision and action.

Capability	Communication	Culture
<p>Employees at all levels must be equipped with the knowledge and skills they need to understand and apply ESG principles in their roles. A strong Sustainability Learning platform must offer:</p> <ul style="list-style-type: none"> • Role-based curricula • Industry-specific knowledge • Scalable delivery of learning • Action learning projects 	<p>Sustained, targeted, and creative communication is essential to build and keep the momentum required to inculcate ESG-related behaviours across the organisation. To drive a robust communication strategy, below are strategies that ESG Academies can implement:</p> <ul style="list-style-type: none"> • Craft a core message and build a strong brand • Spread the message – clearly, consistently, and across channels • Leverage leadership teams • Set up an ESG champion network • Measure and communicate progress 	<p>Cultivating a culture that supports and values ESG is fundamental to the success of any ESG initiative. This involves creating an environment where sustainable behaviors are encouraged, recognised, and rewarded. Following are a few strategies that can help achieve this:</p> <ul style="list-style-type: none"> • Demonstrate leadership commitment • Showcase and celebrate success of action learning projects • Create a repository of knowledge • Ensure employee commitment by integrating ESG in individual priorities

Achieving ESG goals necessitates new thinking, integrated actions, to addressing broader social and environmental impacts. A well thought out learning approach is essential for fostering transformation and culture change from within, ensuring that sustainability becomes an intrinsic part of every decision and action throughout the organisation.

Conclusion

India is pursuing an ambitious development programme that aims to take its economy to a higher growth trajectory. Simultaneously, it is committed to decarbonisation by 2070 and as a part of its Nationally Determined Contributions (NDCs), it has set aggressive targets on emission reductions and use of renewable energy. Achieving robust economic growth, with the corresponding rise in energy consumption, while progressing towards Net Zero, necessitates a transformational approach. This approach encompasses policy reforms, technological innovations, development of green products, implementation of new processes, and cultivation of a skilled workforce ready to take on the demands and challenges of this transformation.

Transitioning to alternative energy sources, and green products and processes, necessitates new skills for green employment. For organisations to realise the impact of its ESG and sustainability initiatives, it is essential that every individual understands and makes sustainable behaviors a part of their daily life.

Transformational changes for a low-carbon future requires a structured approach to building capability in people and shifting organisational culture. Sustainability learning focused on green skills and driving the desired culture is the systematic approach that will be key in accelerating green and inclusive growth.

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