February 2025

ESG Corner

Our Monthly Newsletter

FOREWORD

Greetings, and welcome to this month's Uniqus' ESG Corner edition! As businesses navigate an increasingly complex ESG landscape, staying ahead of regulatory shifts, market dynamics, and emerging sustainability trends is more critical than ever.

In this edition, we explore pivotal developments that are reshaping corporate sustainability strategies. With a global focus on achieving net-zero goals, we analyze the evolving regulatory landscape, including updates on mandatory sustainability disclosures and their impact on corporate governance. In this edition, we have also covered the recently released EU Omnibus proposals. Our deep dive into recent ESG policy changes offers insights into how businesses can enhance compliance and reporting while driving meaningful sustainability outcomes.

We are also delighted to feature an exclusive conversation with Mr. Mahesh Pratap Singh, Head of Investor Relations, ESG at Zee Entertainment – an industry leader who shares perspectives on integrating ESG into a business strategy, overcoming key challenges, and leveraging ESG as a driver of long-term value creation. These insights provide valuable guidance for organizations at various stages of their sustainability journey.

At Uniqus, we aim to bring you relevant, actionable insights that help you navigate the rapidly evolving ESG space. We hope this edition provides valuable perspectives and equips you with the knowledge to make informed decisions on your sustainability initiatives.

Enjoy the read!

Anu Chaudhary
Partner, Global Head of ESG Consulting

IN THE NEWS

This section focuses on key developments globally, in the US, India, and the Middle East. It dissects the most recent news and analyzes its potential to influence regional landscapes, businesses, and consumers. Uniqus provides insights into how these developments may shape current market dynamics and set the stage for future opportunities and challenges.

Global

1. IAASB and IESBA Release New Standards and Guidance Aimed at Improving Sustainability Reporting and Assurance Practices

The International Auditing and Assurance Standards Board (IASB) and International Ethics Standards Board for Accountants (IESBA) have introduced new global standards and guidance to improve sustainability reporting and assurance practices. The new standards establish universal guidelines for assurance and ethics, which can be applied to sustainability information prepared under a variety of suitable sustainability reporting frameworks. In addition to providing a unified global approach for trustworthy sustainability information, these new and revised standards assist with tackling challenges like fraud, greenwashing and non-compliance with laws and regulations. The guidance will assist organizations in meeting the growing demand for comprehensive and reliable sustainability information which aligns with global efforts to enhance the quality of reporting on ESG issues, ultimately strengthening the overall integrity and impact of sustainability practices. The new standards, ISSA 5000 for assurance engagements and IESSA for ethical practices, will come into effect starting December 15, 2026. To help with the transition, the IAASB and IESBA will provide resources like webinars, guidance materials, and feedback channels to facilitate a seamless implementation process.

2. IFRS Guidance for Disclosing Climate-Related Information

The IFRS Foundation has released a new guide to assist companies implementing the ISSB standards, focusing initially on climate-related disclosures in accordance with the IFRS S2 standard. The guidance is designed to help organizations apply the ISSB standards (IFRS S1 and S2), introduced in 2023, to report on climate risks and opportunities. More than one dozen jurisdictions around the world have adopted the standards on a voluntary or mandatory basis. The ISSB introduced “reliefs” when creating the standards, allowing companies to focus on a specific area at a time. The released guidance focuses on this first “relief”, the climate-first transition relief, as investors have expressed a great amount of interest in receiving disclosures regarding climate-related risks and opportunities. This allows companies the opportunity to focus primarily on climate-related information, allowing additional time to follow with other sustainability topics. The released guidance addresses materiality considerations, metrics, target disclosures, and relevant technical factors, such as timing and location of reports. While the publication supports companies in implementing the standards, it also supports investors seeking valuable information needed to evaluate climate-related risks. As a result of recent stakeholder feedback, the ISSB has proposed new amendments to the IFRS S2 standard which include scaling back disclosures of Scope 3 Category 15 GHG emissions to financed emissions.

3. European Commission Unveils Competitiveness Compass Plan

The EU's new "Competitiveness Compass" roadmap outlines measures to simplify sustainability reporting, enhance technological leadership, and drive the EU's productivity forward by concentrating on crucial topics such as innovation and decarbonization. The Compass outlines thirty-eight measures that are to be completed over the next two years. One of the first initiatives is an Omnibus package to streamline and simplify regulations like the CSRD, CSDDD, and the EU Taxonomy. One of the measures in the Omnibus package is targeted at smaller businesses, with proposed goals of reducing reporting burdens by 25% for all companies, and 35% for small-and-medium enterprises. The roadmap also sets out to create a new definition for small mid-cap categories, lessening exposure to complex and extensive reporting and minimizing the impact on supply chains. The Competitiveness Compass plan is also intended to address the EU's Clean Industrial Deal, the proposal of an Industrial Decarbonization Accelerator Act and a Circular Economy Act.

4. The Taskforce on Nature-related Financial Disclosures

The Taskforce on Nature-related Financial Disclosures (TNFD) continues to receive market feedback on its sector-specific guidance for managing and reporting on nature-related issues. The TNFD recently released a second round of sector specific guidance aimed at supporting companies globally. The TNFD is in the process of evaluating the commentary submitted on the draft guidance and making amendments before submitting the final document. The guidance is aimed at providing industries with more information on reporting requirements specific to their company, eliminating uncertainties and questions by tailoring the information specific to each industry.

5. Science Based Targets initiative (SBTi)

The SBTi previously announced revisions would be made to its Corporate Net Zero Standard. A draft was expected to be released for consultation in 2024, however the organization has stated the first public consultation would now be scheduled no earlier than March 2025. There is also expected to be a second consultation at a later date. New Expert Working Groups and two rounds of consultation highlight SBTi's commitment to ensuring adequate feedback from various stakeholders. The SBTi's delays and revisions to its Corporate Net Zero Standard highlight its commitment to ensuring that requirements set out in the Standard are "effective and actionable, without compromising on ambition," ensuring that companies continue to set targets.

Uniqus' POV

The EU has recently released several guidance documents aimed at improving transparency, streamlining compliance, and advancing corporate sustainability efforts. The IAASB and IESBA have introduced global standards to enhance sustainability reporting, focusing on assurance and ethical considerations. The IFRS has issued guidance for companies prioritizing climate-related disclosures aligned with ISSB standards. The EU's "Competitiveness Compass" aims to simplify sustainability reporting and support green industry initiatives by reducing regulatory burdens and fostering innovation. The TNFD and SBTi also continue to make amendments and revisions based on stakeholder commentary and feedback.

As reporting timelines approach and companies begin to gather data to ensure preparedness with reporting requirements, the EU continues to receive pushback. Although certain requirements may continue to evolve, companies should proactively assess their readiness to meet these regulatory objectives and develop a strategy to ensure preparedness.

Foreword

In the News

In-depth Analysis

In Conversation with ESG Pioneers

Regulatory Watch

CSRD Updates

US

1. Climate Disclosure Bills Reintroduced in New York

New York has reintroduced climate disclosure bills which would require large businesses to report on greenhouse gas emissions and climate risks, resembling the California Climate Laws introduced in 2023. Bill 3456, The Climate Corporate Data Accountability Act, mandates reporting on Scope 1 and 2 greenhouse gas emissions starting in 2027, covering emissions from the prior fiscal year, and Scope 3 emissions to be reported the following year. The Bill states that Scope 1 and 2 emissions require limited assurance in the first reporting period, with reasonable assurance beginning in 2031. Additionally, a bill requiring climate-related financial risk reporting was introduced, aligning with global frameworks like the TCFD. Bill 3697 states that by January 1, 2028, and every two years after that, "covered entities," meaning "any business entity formed under U.S. law with total annual revenues exceeding USD 500 million in its prior fiscal year and that does business in New York," is required to disclose a climate-related financial risk report. While the climate bills are in the early stages, they are intended to avoid duplicative efforts by aligning with other reporting requirements such as those introduced by the IFRS.

2. U.S. State-Led Commitment to Paris Agreement Goals

Following the recent withdrawal of the United States from the Paris Agreement, the US Climate Alliance, a group of twenty-four US states, submitted a letter to the UN Climate Chance Executive Secretary, confirming their commitment to the Paris Agreement goals to limit global warming and reduce greenhouse gas emissions. The Paris Agreement's primary objective is to curb the increase in global temperature to below 2 degrees Celsius above pre-industrial levels, and ideally to below 1.5 degrees. Governors from the twenty-four states expressed their dedication to achieving targets to reduce GHG emissions at least 50% – 52% by 2030, on a 2005 basis, and by 61% – 66% by 2035.

3. Investment Stewardship Policy Updates by Large Asset Managers

Two of the world's largest asset managers, BlackRock and Vanguard, have recently made changes to voting policies and engagement priorities with respect to governance, compensation, sustainability, and shareholder engagement, effective January 2025. Key changes include:

1. Board Governance & Diversity:

Both firms emphasize independent boards and diverse leadership. BlackRock requires audit, compensation, and governance committees to be fully independent, and places enhanced emphasis on the importance of "appropriately qualified" boards with added language to elaborate on this term. However, BlackRock removes specific numerical diversity targets but maintains expectations around diversity and considerations for taking voting actions around board diversity. Vanguard highlights the importance of diversity in thought, experience, and demographics.

2. Executive Compensation & Strategic Targets:

Compensation should align with long-term shareholder value and sustainable growth. Both firms will scrutinize excessive pay, dilution risks, and lack of performance-based metrics. For example, BlackRock places expectations for companies to provide detailed explanations for targets and indicate the board's role when strategic targets are significantly missed or materially restated. Vanguard advocates for compensation structures that align executives' interests with long-term shareholder value, with a policy that suggests that pay should be linked to performance metrics that drive sustainable growth and reflect company-specific circumstances.

3. Shareholder Rights & Oversight:

Vanguard and BlackRock support mechanisms that hold boards accountable. For example, Vanguard encourages shareholder influence, including the ability to propose and vote on significant governance matters. BlackRock has shifted its stance, indicating likely support for shareholder proposals requesting disclosures that enhance understanding of material risks and opportunities, especially when such information adds to existing company disclosures.

4. Risk Management & Sustainability:

Boards are expected to assess and disclose material ESG-related risks. BlackRock encourages clear reporting on sustainability risks that impact long-term financial performance, with clarity around the definition of materiality in sustainability as drivers of risk and financial value creation. Vanguard prioritizes strong oversight of corporate strategy and risk management, including climate and social risks.

5. Climate-Related Disclosures:

BlackRock has recognized the value of climate-related financial disclosures for companies where climate risk is material, noting that such disclosures may be considered best practice even in jurisdictions without mandatory climate reporting. Vanguard also emphasizes the importance of board oversight in managing material risks, including those related to climate change. Vanguard is more likely to support proposals that focus on comprehensive disclosure of material risks over the long term, but is less inclined to support environmental and social (E&S) proposals that are prescriptive in nature.

These policy updates occur amidst significant regulatory changes. For example, in February 2025, under Acting SEC Chairman Mark Uyeda, the U.S. Securities and Exchange Commission (SEC) implemented actions making it more challenging for shareholders to propose resolutions on issues like climate change and diversity. Therefore, recent policy updates from large investors may indicate a shift towards a more flexible approach to E&S topics, aligning with cautious support for E&S shareholder proposals seen in recent proxy seasons. In response to new SEC rules requiring extensive ownership disclosures for ESG-related engagements, BlackRock and Vanguard temporarily paused meetings with some portfolio companies to assess the impact of these regulations.

Uniqus' POV

Amid shifting federal policies, the US is demonstrating state-led climate action. After California's introduction of climate laws in 2023, New York has recently introduced its own climate disclosure bills, closely aligned with those in California. While New York's climate bills are centered around reporting Scope 1, 2, and 3 emissions, they take into consideration global frameworks to eliminate duplicative efforts. By aligning with frameworks and organizations such as TCFD the IFRS's ISSB standards, companies can begin to prepare for compliance with climate disclosure regulations in California and New York. Furthermore, following the US's withdrawal from the UN's Paris Agreement, a number of states have announced their continued commitment to meeting emissions reduction targets outlined in the Agreement.

Similar to amendments and refinements being made to global regulations, revised voting principles by large institutional investors in the US highlight a nuanced approach to corporate governance that incorporates flexibility and adaptability. As the SEC's recent policies shift power from investors to corporate boards, these measures make it more challenging for shareholders to propose resolutions on ESG issues. Therefore, asset managers like Vanguard and BlackRock are cautiously updating their approaches to engagement with investee companies on environmental, social, and governance topics to balance regulatory requirements, shareholder interests, and long-term financial value creation.

India

1. Accelerating Climate Action: India's Path to Sustainable Growth and Global Leadership

India is at the forefront of global climate action, setting ambitious goals to combat climate change while fostering economic growth. The nation aims to reduce its emission intensity by 45% from 2005 levels by 2030 and increase its non-fossil fuel power capacity to 50%. Despite nearing its capacity target, with non-fossil fuel sources making up about 45% of installed capacity, actual electricity generation from these sources remains low at around 23%, signaling significant opportunities for growth. Vulnerable sectors like agriculture, which significantly contribute to GDP, highlight the critical need for robust climate resilience and adaptation strategies. To bridge the gap between current achievements and necessary climate goals, India is pushing for stronger Nationally Determined Contributions (NDCs) and strategic investments, particularly in sustainable agriculture and circular economy initiatives. This dual focus not only aims to mitigate environmental impacts but also to secure long-term economic stability, making India a beacon for other developing countries in the climate crisis battle.

Uniqus' POV

The urgency and complexity of the climate crisis require not just national commitment but also a global collaborative effort. India's steps towards significant climate action serve as a model for other developing nations, balancing economic growth with environmental sustainability. However, the disparity between current achievements and the targets set by the Paris Agreement suggests a need for more aggressive policy enforcement and innovative financing solutions. The integration of private equity in sectors like waste management and renewable energy can catalyze these transitions. As we move forward, fostering robust public-private partnerships will be pivotal in scaling up efforts and achieving more comprehensive and sustainable outcomes. These actions are not just beneficial for the climate but also offer lucrative opportunities for ESG-focused investors looking to contribute to meaningful, impactful change.

2. Financing the Future: Navigating India's Renewable Energy Challenges in the Wake of Global Banking Withdrawals

India's ambitious renewable energy targets face significant financial hurdles following the withdrawal of key global banks from the Net-Zero Banking Alliance (NZBA). This retreat threatens the sourcing of approximately 40% of the financial backing required to achieve India's goal of mobilizing USD 1 trillion by 2030 for renewable projects. Prompted by rising legal and political challenges and greenwashing accusations, this banking exodus poses a critical threat to India's objectives to install 500GW of non-fossil fuel power by 2030 and to reach net-zero emissions by 2070. With domestic banks historically reticent to fund renewable ventures—public and private banks have only contributed 1% and 19%, respectively, to renewable financing since 2016—the need for India to cultivate resilient and innovative alternative financing strategies has become more pressing.

Uniqus' POV

The withdrawal of international financial support places India's renewable energy sector in a precarious position, risking the delay or cancellation of pivotal projects and potentially undermining the country's climate commitments. The dependence on these now-dwindling external funds highlights the urgent requirement for India to diversify its financing approaches. It is crucial for India to tap into alternative financial instruments such as green bonds, and to seek funds from international bodies like the World Bank and the Asian Development Bank. Simultaneously, there is a substantial need to incentivize domestic financial institutions and attract private investment to fill the gap left by the exiting banks. By reinforcing financial policies and enhancing domestic funding capabilities, India can take steps to not only meet its ambitious renewable energy goals but also strengthen its role as a resilient leader in the global transition to sustainable energy. This shift towards more reliable and controlled financial strategies will prove essential in maintaining momentum towards India's extensive climate objectives.

3. Himachal govt forms carbon credit panel to explore additional revenue stream

The Himachal Pradesh government has established a Carbon Credit Committee, chaired by the Additional Chief Secretary of Forests, to delve into the carbon market and generate new revenue streams for the state. This ten-member committee will assess both international and domestic carbon markets, aiming to tailor carbon credit strategies specifically for Himachal Pradesh. Announced by Chief Minister Sukhvinder Singh Sukhu, the committee's mandate includes identifying potential projects, integrating carbon credits into state programs, and forming guidelines for project developers and traders.

Uniqus' POV

The new Carbon Credit Committee signifies Himachal Pradesh's proactive approach to leveraging carbon markets for economic and environmental benefits. This strategic initiative not only aims to boost state revenue through carbon credits but also positions the state as a leader in sustainable environmental management. By aligning its development goals with environmental conservation, Himachal Pradesh sets a benchmark for other states, illustrating how economic growth and environmental stewardship can coexist effectively.

4. Budget 2025's role in strengthening governance and boosting climate-resilient development in India

India is actively addressing the challenges of sustainable development and climate resilience as it progresses towards its vision of 'Vikasit Bharat' by 2025. The government is enhancing governance and building robust infrastructure to shield ecosystems and communities from climatic threats. With the ambitious goal to mobilize USD 2.5 trillion by 2030 in accordance with the Paris Agreement targets, India is focusing on developing climate-resilient infrastructure and leveraging cutting-edge technologies in the agriculture and energy sectors. These efforts are bolstered by substantial international financial support, including from the Green Climate Fund, to help reduce the nation's carbon footprint and enhance its climate resilience.

Uniqus' POV

India's commitment to sustainable growth and climate adaptability is clearly articulated in its 2025 budgetary allocations and policies. By fortifying institutional frameworks and securing the necessary funding, the country is proactively transforming its approach to tackle climate change through adaptation and mitigation. This strategy not only aligns with global sustainability and climate commitments but also cements India's position as a leader in integrating economic development with environmental stewardship. The detailed and proactive climate action plans offer valuable insights and opportunities for ESG investors, showcasing India as a model for other nations striving to harmonize economic aspirations with ecological sustainability.

5. Upholding Integrity: SEBI's Focus on Greenwashing

Concerns about greenwashing in Indian corporations were highlighted at the FICCI ESG Summit. Misleading disclosures in Business Responsibility and Sustainability Reporting (BRSR) reveal a gap between claimed and actual environmental impact, especially in the manufacturing and automotive sectors.

SEBI issued a circular on "Dos and don'ts relating to green debt securities to avoid occurrences of greenwashing" in February 2023. Issuers of green debt securities must ensure that funds are used only for projects that meet the regulatory definition of "green" and continuously monitor their environmental impact. They must avoid deceptive terminology, assess negative externalities, prevent misrepresentation of certifications, and report any deviations from planned fund use, with potential early redemption if necessary.

At the summit, it was suggested that artificial intelligence (AI) could enhance monitoring by accurately tracing emissions and combating greenwashing with credible data. The observations align with existing frameworks and emphasize the need for transparency and verifiable data to protect investors and promote a trustworthy, sustainable finance market.

Middle East

1. Oman's new renewable energy policy to drive new investments in energy storage

Oman's Ministry of Energy and Minerals introduced a new policy framework known as the "Electricity Self-Generation, Direct Sales, and Wheeling Policy," which is designed to promote the growth of integrated renewable energy capacity, including generation, transmission, and crucially, energy storage.

The new policy framework aims to address the energy challenges of Oman's energy infrastructure by enabling the deployment of economically feasible battery storage infrastructure. The policy defines electricity storage as the conversion of electrical energy into another form for storage and later reconversion for direct consumption or grid delivery.

The policy outlines two categories of developers who stand to benefit from these initiatives—the self-generators who invest in renewable energy capacity for captive consumption, and the developers who are eligible to invest in renewable energy capacity for supply to large consumers.

The policy also aligns with Oman's broader vision of generating 90% to 100% of its electricity from renewable sources by 2050. This ambitious target supports the Sultanate's commitment to reducing carbon emissions and promoting sustainable development.

Uniqus' POV

The Electricity Self-Generation, Direct Sales, and Wheeling Policy has immense potential to improve energy efficiency, diversify energy sources, and ensure grid reliability in the Sultanate, through a collaborative approach involving the government, private sector and individuals in the energy sector. The policy is a transformative step in Oman's energy sector, providing a comprehensive regulatory framework that supports the implementation of self-generation and direct sale projects.

There has been an absence of energy storage technologies in Oman, notably due to the high costs involved, however, the new policy seeks to establish the deployment of economically feasible battery storage infrastructure, and for costs to be recouped from large consumers benefitting from such investments. The new policy is expected to contribute to achieving an ideal mix of energy resources to sustain Oman's energy requirements over the next 15 years.

2. GCC countries pledge USD 100 billion for renewable energy to reduce emissions by 20% by 2030

The Gulf Cooperation Council (GCC) countries have announced a historic USD 100 billion investment in renewable energy by 2030. This move is part of a broader strategy to transition to clean energy and reduce carbon emissions. The investment will stimulate the acceptance of clean energy, including renewables, nuclear energy and hydrogen, and align with international climate agreements stemming from convenings such as COP summits. It is important for GCC countries to take active measures in climate mitigation strategies, policy changes, and technologies needed to accelerate the region's energy transition.

Uniqus' POV

The GCC region accounts for 23.2% of total global oil production and contributes 1.5 billion tonnes of CO2 annually, accounting for around 4% of global emissions. However, these countries are facing increasing climate risks such as water scarcity and rising sea levels, with temperatures expected to rise by 2.5°C by the end of the century. The USD 100 billion investment for renewable energy will help the region transition from oil dependency. The investment will go a long way in actualizing climate benefits. This endeavor serves as a call to action for other regions to join and increase their fight against climate change through funding and resource facilitation.

3. Integrated Transport Centre (Abu Dhabi Mobility) publishes handbook on Environmental, Social, and Governance Maturity in maritime sector

Integrated Transport Centre (Abu Dhabi Mobility), part of the Department of Municipalities and Transport (DMT), has published its inaugural reporting handbook on Environmental, Social, and Governance (ESG) Maturity in the maritime sector, which is set to become an essential guide for sustainability within the maritime ecosystem. The handbook introduces an ESG framework for the maritime sector designed to provide guidance on embedding sustainability into maritime operations to aid the sector on its sustainability journey by aligning with both national and international sustainability objectives. At the core of the publication lies a comprehensive overview of ESG maturity within Abu Dhabi's maritime sector, including a detailed evaluation of the sector's current ESG practices and performance, strategies for integrating sustainability into daily maritime operations, and examples of initiatives that align with broader sustainability goals.

Uniqus' POV

Abu Dhabi's maritime sector is navigating towards a sustainable future. This handbook underscores the sector's commitment to fostering a fundamental practice of sustainable practices and processes. Adherence to this handbook will enable companies in the maritime sector to produce transparent and credible reports on their environmental, social, and sustainability performance, thereby strengthening transparency, building stakeholder trust, and advancing efforts to protect the marine environment for current and future generations.

All relevant stakeholders in the maritime sector are encouraged to join in this journey, leveraging this handbook as a guide to elevate the collective ESG maturity of the sector.

IN-DEPTH ANALYSIS

This section delves deep into a significant ESG development, offering comprehensive insights and a nuanced perspective. We break down the critical facets of this development, analyzing its implications for businesses, investors, and regulators. Our in-depth analysis clarifies the potential impact on global markets and how this change may influence strategic decisions across sectors. Join us as we explore this development, shedding light on the opportunities and challenges in the evolving ESG landscape.

Decarbonizing the Agrifood System: A Strategic Imperative for Sustainable Growth

As climate change advances, bringing in decreased agricultural yields, we must come to terms with a harsh reality: the very food system that nourishes us, also contributes to the climate crisis. This paradox – where the foundation of our survival potentially threatens our future, demands urgent action.

Global Trends in the Agrifood System

It has long been recognized that the agrifood system is carbon intensive. However, recent studies have revealed that the global agrifood system is responsible for approximately 16 billion metric tons of carbon dioxide equivalent (CO2e) emissions, with fertilizer production and use accounting for approximately 7% of the total emissions.[1] The Food and Agriculture Organization (FAO) found that almost all countries identify agrifood systems as a priority for climate change adaptation and mitigation. However, mitigation gaps are significant as the current Nationally Determined Contributions (NDCs) address only 40% of these emissions.[2]

The Indian Scenario

The agriculture sector in India emitted 406 MTCO2e emissions in 2020 and was the third largest emitter of greenhouse gases, behind energy and industrial processes. It represented 13.7% of India's total greenhouse gas emissions (4,05,983 GgCO2e) in 2020.[3]

Table 1: Greenhouse gas emissions by source

GHG Sources and Removals	1994	2000	2007	2010	2014	2016	2017	2018	2019	2020
	Mt CO_2e									
Source	INC	SNC	SNC	BUR1	BUR2	BUR3	TNC	TNC	TNC	BUR4
Energy	744	1027	1374	1510	1910	2129	2204	2344	2374	2238
Industrial Processes and Product Use	103	89	142	172	202	226	244	263	264	239
Agriculture	344	356	373	390	417	408	411	417	421	406
LULUCF	14	-223	-177	-253	-301	-308	-312	-437	-485	-522
Waste	23	53	58	65	78	75	70	72	73	76
Total (without LULUCF)	1214	1524	1947	2137	2607	2839	2929	3096	3132	2959
Total (with LULUCF)	1229	1301	1772	1884	2306	2531	2617	2659	2647	2437

Source: Fourth Biennial Update Report to the United Nations Framework Convention on Climate Change (UNFCCC)

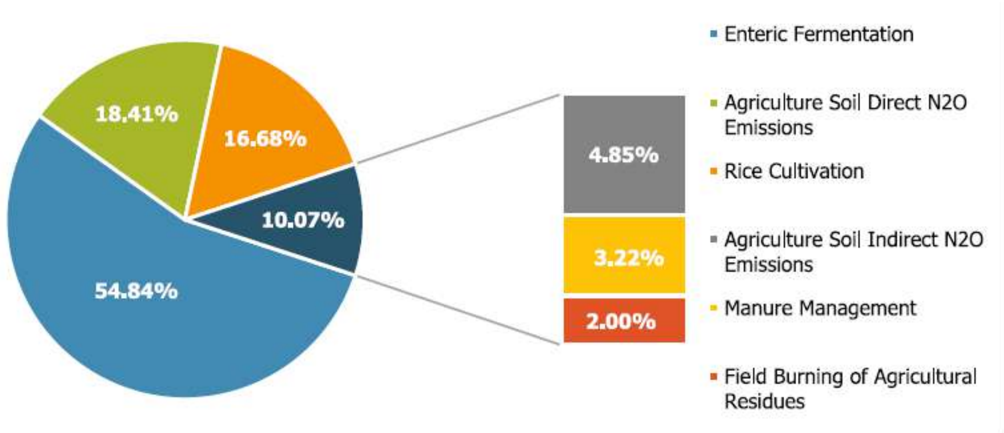
1. https://openknowledge.worldbank.org/handle/10986/41468

2. https://www.fao.org/newsroom/detail/cop29--new-fao-analysis-maps-nationally-determined-contributions--identifies-opportunities--gaps-and-risks-related-to-agrifood-climate-solutions/en

3. https://www.downtoearth.org.in/climate-change/energy-and-agriculture-sectors-lead-emissions-in-indias-latest-greenhouse-gas-inventory#:~:text=Biennial%20Update%20Report-,The%20agriculture%20sector%20contributed%20406%20MtCO%E2%82%82e%20of%20GHG%20emissions%20in,animal%20husbandry%20and%20crop%20production

In India, the primary sources of greenhouse gas emissions through agricultural activities are animal husbandry and crop production. Upon further analysis, enteric fermentation accounts for the largest share, contributing to 54.8% of total greenhouse gas emissions, followed by agricultural soils (23.3%), which include direct N2O emissions (18.41%) and indirect N2O emissions (4.9%). Other notable sources of greenhouse gas emissions include rice cultivation (16.7%), manure management (3.2%), and field burning of agricultural residues (2%).

Figure 1: Primary sources of greenhouse gas emissions in agricultural activities



Source: Fourth Biennial Update Report to the United Nations Framework Convention on Climate Change (UNFCCC)

A deep dive on the trends in fertilizer consumption

It is important to note that in 2020, enteric fermentation, manure management and rice cultivation saw a decrease in greenhouse gas emissions by 0.38%, 52.5% and 7.8% respectively from 2019 levels. Greenhouse gas emissions from agriculture soils, on the other hand, rose by 6.8% from 2019 levels due to synthetic fertilizer-based nitrogen consumption. Within agriculture soils, direct emissions of N2O represent 79.2% of total emissions, whereas indirect emissions of N2O represent 20.9% of total emissions.[4]

Table 2: Trends in nitrogen consumption (2017-2020)

Million tonne	2017	2018	2019	2020
Nitrogen consumption*	16,959	17,629	19,101	20,078
Nitrogen from compost	1.1260	1.1260	1.1260	1.0843
Nitrogen from crop residue	2.581	2.624	2.623	2.496
Manure nitrogen other than poultry	1.049	1.057	1.051	1.321
Nitrogen input from below-ground biomass	2.341	2.384	2.376	2.278

Source: Fourth Biennial Update Report to the United Nations Framework Convention on Climate Change (UNFCCC)

4. Fourth Biennial Update Report

Table 2 showcases the trend in nitrogen consumption over the past four years. Nitrogen consumption consistently increased, from nearly 17 million tons in 2017 to over 20 million tons in 2020, a cumulative increase of 18.4% over the period, indicating a growing reliance on nitrogen-based fertilizers. Organic nitrogen inputs such as nitrogen from compost, nitrogen from crop residue and nitrogen from below-ground biomass have shown a minor downward trend, potentially signaling that agriculture in India has rising preferences for synthetic nitrogen sources.

In addition to being carbon intensive during the use phase, fertilizer production is a significant source of emissions due to its energy intensive production process and extensive fossil fuel use, in particular natural gas.[5] The Indian fertilizer industry emits ~0.58 tons of CO2 per ton of fertilizer produced, totaling ~25 million tons of CO_2.[6] Urea production accounts for about 65% of the total emissions and the remaining is from the production of di-ammonium phosphate (DAP) and other complex fertilizers (OCF).[7]

Some policy measures

In its fourth Biennial Update Report to the United Nations Framework Convention on Climate Change (UNFCCC), India laid out several policies it has undertaken to promote climate-smart agriculture. This includes the formulation of programs such as the National Action Plan on Climate Change (NAPCC) that covers eight national missions, including the National Mission for Sustainable Agriculture[8] and the National Adaptation Fund on Climate Change (NAFCC) to fund adaptation actions in State and Union Territories (UTs)[9]. In the coming decades, the shift to a more sustainable model of agriculture will poise itself as one of the most complex for India, with two primary priorities: educating and empowering farmers to adopt greener agricultural practices and establishing support systems across sectors to accelerate the green transition.

National Action Plan for Climate Change[10]

The National Action Plan on Climate Change (NAPCC) was launched in June 2008, with the objective of addressing measures towards climate change mitigation. The NAPCC consists of eight National Missions on climate change. They are:

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 Eco-system
6. National Mission for a Green India
7. National Mission for Sustainable Agriculture
8. National Mission on Strategic Knowledge for Climate Change

5. https://www.ceew.in/sites/default/files/how-can-sustainable-fertilisers-production-achieve-the-net-zero-carbon-emissions.pdf

6. https://www.ceew.in/sites/default/files/how-can-sustainable-fertilisers-production-achieve-the-net-zero-carbon-emissions.pdf

7. https://www.ceew.in/sites/default/files/how-can-sustainable-fertilizer s-production-achieve-the-net-zero-carbon-emissions.pdf

8. Fourth Biennial Update Report, Page 59

9. Fourth Biennial Update Report, Page 191

10. https://dst.gov.in/climate-change-programme

National Adaptation Fund on Climate Change (NAFCC)

Established in August 2015, the National Adaptation Fund for Climate Change (NAFCC) supports adaptation costs in India's States and Union Territories most vulnerable to climate change. NAFCC operates on a project basis, having sanctioned 30 projects across 27 States and UTs—including Andhra Pradesh—with a total cost of INR 847.48 crores (~USD 97.3 million). NABARD, as the National Implementing Entity, receives project funds in performance-based instalments per NAFCC guidelines.[11]

For the former, educating farmers on implementing climate smart agricultural practices is important. An example is the civil society engagement conducted under the Kenyan Agricultural Carbon Project (2010-2017) that involved 30,000 smallholder farmers, mostly women. The project promoted group-based learning and helped farmers implement improved land management practices.[12] For the latter, it is essential to enhance green finance to aid in India's transition. This would involve modifying priority sector lending targets to include sustainability as a separate category, facilitating deeper bond markets, and encouraging innovation in green finance instruments.[13]

Tackling sources of emissions within the agrifood system

It is essential to implement targeted policy measures on the sources of emissions of the agrifood system. For instance, fertilizer production is energy-intensive, making it a key area for intervention. Deploying energy efficiency measures has the potential to reduce the fertilizer industry's emissions intensity by ~10%.[14] Financial incentives can be helpful to encourage businesses to adopt energy-efficient technologies and increase operational efficiency. The Indian Carbon Market (ICM) and the Perform, Achieve, and Trade (PAT) schemes can play a crucial role in the uptake of energy-efficient technologies and potentially mitigate ~2.3MTCO_2e. Additionally, ammonia production accounts for ~95% of emissions in the fertilizer industry. Switching to green ammonia can make the Indian fertilizer industry net carbon negative.[15] Recognizing this, the Government of India has boosted the allocation for the fertilizer sector under the SIGHT Programme of the National Green Hydrogen Mission (NGHM) from 5.5 lakh (550,000) tons per annum to 7.5 lakh (750,000) tons per annum to achieve a production capacity of 5 million tons per annum of green hydrogen by 2030.[16]

11. https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2041460
12. https://www.fao.org/climate-smart-agriculture-sourcebook/enabling-frameworks/module-c3-policy/chapter-c3-5/zh/
13. https://www3.weforum.org/docs/WEF_Mission_2070_A_Green_New_Deal_for_a_Net_Zero_India_2021.pdf
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Strategic Interventions for Green Hydrogen Transition (SIGHT) Programme

The Strategic Interventions for Green Hydrogen Transition (SIGHT) Programme is a key initiative under the National Green Hydrogen Mission, with a budget allocation of INR 17,490 crores (~USD 2.01 billion). It introduces two distinct mechanisms aimed at supporting the domestic manufacturing of electrolyzers and the production of Green Hydrogen.

To reduce emissions in the use phase of fertilizers, precision agriculture techniques can be applied to optimize resource use by allowing farmers to apply inputs such as water, fertilizers, and pesticides at varying rates across a field based on real-time data and specific crop requirements.[17] Furthermore, fertilizer companies can collaborate across their value chain to help overcome challenges relating to financing, support and knowledge, specific to their products, geographic location and supply chain complexity. The International Fertilizer Association has laid out pathways for better collaboration between fertilizer companies and their value chain.[18] This includes:

1. Guiding farmers on proper fertilizer application methods.

2. Providing farmers with products designed to improve efficiency and reduce environmental impact

3. Engaging in commercial partnerships reward farmers who adopt sustainable practices.

4. Capacity building sessions to educate farmers on best practices of fertilizer application to reduce emissions

Fertilizers play a crucial role in achieving the United Nations Sustainable Development Goals (UN SDGs), particularly SDG Goal 2 (No Hunger). In the context of an expanding global population accompanied by the shrinking of arable land, fertilizers are crucial for achieving global food security. For India that seeks to achieve food security amid challenges posed by extreme weather events, fertilizers play an important role in increasing agricultural productivity.[19] However, given India's commitment of achieving net zero emissions by 2070, targeted policy interventions are needed reduce greenhouse gas emissions within the agrifood system, with a focus on sustainable fertilizer use. Companies must recognize their critical role in fertilizer management and align their operations with India's sustainability objectives.

17. https://onlinelibrary.wiley.com/doi/10.1155/2024/2126734#:~:text=GPS%2Dguided%20machinery%20ensures%20accurate.data%20and%20specific%20crop%20requirements.

18. https://www.fertilizer.org/wp-content/uploads/2022/09/2022_IFA_Systemiq_Reducing_Emissions_from_Fertilizer_Use_Report_Jan_12_2023.pdf

19. https://www.weforum.org/stories/2024/08/income-insurance-india-climate-resilience/

IN CONVERSATION WITH ESG PIONEERS

Zee Entertainment Enterprises Limited (ZEEL) is a leading content company offering entertainment content to diverse audiences. With a presence in over 190 countries and a reach of more than 1.3 billion people around the globe, ZEE is among the largest global Media and Entertainment (M&E) Companies across genres, languages, and integrated content platforms.

Mr. Singh has 22 years of diverse experience spanning across global investor relations, ESG, and broad-ranging business operating roles. He has worked with Zee Entertainment, Flipkart, Tata Communications, and Firstsource Solutions in various leadership roles. Currently at Zee Entertainment, he is responsible for leading company's ESG agenda and investor relations, spearheading the engagement with the investor and analyst community, proxy firms and rating agencies. He has completed his MBA from the Indian Institute of Technology (IIT) Madras in 2003.

Below is an excerpt from our conversation with Mr. Singh:

1. **How have you embedded ESG within your organization structure? (e.g., senior leadership positions, collecting and reporting ESG data responsibilities, dedicated ESG team, etc.)**

ESG is an integral part of our business framework. Our ESG values flow through our operations and in the content we create. The approach to embed ESG in our organizational structure is collaboration with stakeholders, measurement of ESG elements, and communication of the ESG strategies through public reporting. Our Company has a dedicated ESG team that centrally implements ESG initiatives within the organization and maintains the status of organizational goals through Technology solutions. This team is steered by the Head of Investor Relations (IR) and ESG and directly operates under the Deputy Chief Executive Officer, who is one of the members of the Risk Management Committee (RMC) and functions as Chief Risk Officer (CRO).

Our ESG strategy and the implementation roadmap are developed based on the material issues identified through a comprehensive materiality assessment exercise, which considers external and internal impacts on business. Our key issues about Data privacy and Information security, Business ethics, Employee engagement, Employee Health and Safety, Media pluralism, and climate change are managed through mitigation measures and standard operating procedures within our organization. `

Our constant engagement with internal stakeholders through training programs, knowledge building, and interactions to develop internal expert resources remains central to the implementation strategy. However, collaboration with external agencies is also critical to validate our ESG approach, which we diligently follow. We also collaborate with external NGOs to focus on building the nation through community development programs to drive positive societal change. Our Company holds great trust in social development to uplift communities that need support.

Our Company strongly believes in transparency in reporting and communication. For the last few years, we have disclosed ESG parameters and initiatives in the public domain. Our reports include statutory and

Mr. Mahesh Pratap Singh

Head of Investor Relations and ESG at Zee Entertainment voluntary disclosures based on internationally acceptable standards. We internally communicate through our ESG newsletter to bring forth the latest updates at the Company and global level. We have also spoken about our achievements in securing high ESG scores in S&P CSA through a recent press release.

2. What are the biggest challenges you foresee in transforming into an ESG-driven organization? (e.g., technological, regulatory, management, etc.)

The rapidly evolving Media & Entertainment (M&E) sector is increasingly being defined by creativity and its ability to entertain and inform consumers. ZEE's ESG team centrally implements ESG programs within the organization. However, implementation at a broader level has some challenges:

- Lack of industry level benchmarking and data sets – Unlike manufacturing and services sectors where ESG benchmarking data with peer groups is readily available, for us, being in the niche business of M&E, it's a challenge. We would appreciate greater availability of ESG data relevant to the M&E sector, which can be consumed for benchmarking purposes.

- Technical capacity building – Although we have a dedicated ESG team, engaging employees from every vertical of business is pivotal. Energy and time are critical in training and developing internal experts in ESG, and maintaining such resources for the long run is essential for ESG success. Our company has developed an internal training module to upgrade our employees' skills and drive a culture of sustainability.

- Data collection and reporting – Our business is spread across distinct regions and nations. The operations from multiple locations and teams lead to a challenge in obtaining accurate and consistent ESG data. In the current year, we have implemented a web-based tool and provided access to all relevant teams. We will soon evaluate the effectiveness of this technological interface in the upcoming reporting cycle.

- Emerging ESG regulations and Value chain – ESG reporting obligations and compliance are rapidly evolving, and ZEE, being a listed company, is also needing to prepare for upcoming regulatory requirements. Our company foresees the challenge of engaging value chain partners to acquire ESG-relevant data. We are engaging with a few partners for handholding, orientation, and awareness sessions. However, a favorable response may take time, and we must invest human and financial resources to achieve the desired goal.

3. What are the biggest opportunities you foresee when transforming into an ESG-driven organization? (e.g., net-zero commitments, investor relations, circular economy, etc.)

As a content creator, our work is crucial to us and our stakeholders. Our ESG-driven approach has fostered sustainable growth, and we aim to expand our ESG initiatives. We see a growing emphasis on ESG in our investor engagements and seek to enhance this dialogue. In the coming years, we plan to focus on developing our strategies in climate action and community support programs and integrating ESG into our content creation.

Addressing climate change and reducing carbon emissions is a global priority. Our company has compiled a Green House Gas (GHG) emissions inventory for the past two years, identifying sources of emissions both within and outside our organization. We are now developing a climate change strategy and a Net Zero commitment to tackle these issues.

Community development is central to ZEE's mission. We are committed to several programs supporting the underprivileged, focusing on women empowerment, family support, education, rural development, disaster relief, and helping the ultra-poor.

As a storyteller, we integrate ESG concepts into our content. Our Hindi and regional language shows address topics like environmental protection, human rights, menstruation, health and safety, workplace diversity, business conduct, and child protection, presenting these issues in an accessible way to raise viewer awareness.

4. What could be enabling factors for facilitating an organization's ESG journeys? What is the role of regulators, and what, in your view, is needed from them?

Our ESG agenda is both driven by proactive initiatives and response to regulatory and investor requirements, aiming for a sustainable business framework beyond mere compliance. We have participated in ESG assessments and performed well.

Regulators have significantly influenced sustainability practices among the top 1000 listed companies in India. Challenges in timely compliance and stakeholder interdependency should be recognized, and continuous guidance from authorities on sustainability reporting is essential. We also advocate for simplified and standardized reporting to encourage wider adoption.

As a publicly listed company, ZEE adheres to the National Guidelines on Responsible Business Conduct (NGRBC) reporting requirements and validates disclosures through an external assurance agency. Our commitment to these requirements has been consistent.

Our ESG initiatives include Diversity and Inclusion (D&I), GHG emissions mapping, employee wellbeing, sustainable content creation, risk management, and robust Information Security Management Systems (ISMS), all contributing to our journey toward a sustainable business model.

5. What are some ESG best practices in your view? (please mention one for each pillar)

In recent years, Environment, Social, and Governance factors have become key value drivers in investment decisions. Our driving initiatives in E, S, and G have garnered key recognition for the company in global rating platforms. Our journey towards sustainable business growth has resulted from some of the best practices we have implemented within ZEE.

Environment—Circular Economy—Our commitment to sustainability encouraged us to implement processes and initiatives to manage resources in a circular economy. This includes an effective waste management system, treated water recycling mechanism, consumption of biodegradable materials, etc. The vigorous processes implemented for waste management were waste segregation and most waste disposal either through recycling or a buy-back process, leading to waste diversion from landfills.

Social—Diversity and Inclusion—We have ensured a diverse working group at every level within the organization and in the value chain. The increase in women's representation in the organization and at the board level is evident. Our hiring process encourages diverse groups in age, sex, religion, location, nationality, disability, etc. ZEE business teams promote diversity and inclusion in content creation groups.

Governance—Dedicated ESG team—In our experience, a dedicated ESG team could help the board create goals, metrics, and targets, monitor the process, and make the company resilient and future-proof. An internal ESG team can build a strong ESG framework and incorporate ESG into the company's DNA. We have also found it helpful to leverage technological tools to drive data collection and ESG reporting.

REGULATORY WATCH

Regulation around ESG continues to evolve rapidly. This section summarizes some of the latest regulatory developments across critical global markets, including the US, EU, UK, India, and the Middle East. Our analysis captures the nature of the legislative changes or updates and our high-level assessment of broader implications on business practices and compliance strategies.

Global

Governing Body	Update	Uniqus' Impression
Platform on Sustainable Finance	The Platform on Sustainable Finance has published a report aimed at simplifying and enhancing EU Taxonomy Reporting. The report identifies five core proposals set to reduce the burden of corporate reporting by one-third. Suggestions include clarifying the do no significant harm (DNSH) assessment and reporting obligations, introducing materiality principles, establishing clear guidelines for estimates, expanding the use of proxies and estimates in the context of green asset ratio (GAR), green investment ratio (GIR), and developing voluntary, simplified approaches for SMEs, banks, and investors.	With consistent changes occurring in the global ESG landscape, it is important to know that recommendations are being considered. There is a strong push towards simplifying and streamlining reporting to ensure compliance and minimize efforts for companies in scope.
European Commission	The European Commission is set to ban PFAs in consumer products, also known as 'forever chemicals.' These chemicals do not break down naturally in the environment and have raised environmental and health concerns. Due to their strength and resistance to external conditions, they can be found in products ranging from cosmetics to semiconductors. There will be some exemptions as the chemicals have been deemed 'essential' for some industrial use, and therefore, the proposal is not expected to come together until 2026 at the earliest.	The EU's stance to ban toxic chemicals in consumer products demonstrates its commitment to creating a cleaner and safer environment for all. Although the use of PFAs may still be present in some products, this marks a positive change in eliminating human exposure to harmful chemicals.

Governing Body	Update	Uniqus' Impression
European Banking Authority	In January, the European Banking Authority (EBA) released its final guidance on managing ESG risks. The guidelines, created in line with the regulator's roadmap on sustainable finance, are to assist with the mandate to identify, measure, manage, and monitor ESG risks, emphasizing the importance of resilience as the EU progresses toward reaching its goal of climate neutrality by 2050. Key requirements include regular materiality assessments of ESG risks, supported by mapping ESG factors to traditional financial risk categories, implementation tools, and methodologies to assess ESG risk drivers across short-, medium-, and long-term horizons, and establishing information management systems to effectively handle ESG risk data. Large institutions are required to comply by January 2026, and small and non-complex institutions by January 2027.	As the EU continues to make strides towards prioritizing ESG across all industries, agencies are also providing companies with the necessary resources to effectively comply with requirements. The EBA's recent guidance on managing ESG risks provides institutions with additional information and methodologies to better understand the requirements so they can be adequately prepared.

India

Governing Body	Update	Uniqus' Impression
Securities and Exchange Board of India	SEBI has extended the review timeline for ESG Rating Providers (ERPs) from 10 days to 45 days following the publication of BRSR by listed companies. This decision comes in response to the challenges ERPs face in assessing many companies quickly and aims to ensure more accurate and thorough ESG evaluations.	SEBI's revised timeline for ESG ratings review is a well-considered response to the operational challenges faced by ESG Rating Providers (ERPs). By extending the review period to 45 days following the publication of BRSR, the regulator enables more thorough and accurate evaluations. This change is likely to improve the overall quality of ESG ratings, supporting better-informed investment decisions

US

Governing Body	Update	Uniqus' Impression
U.S. Clean-Energy Tax Credits	Hundreds of representatives from the clean-energy sector are set to engage with members of Congress to plead their case for keeping tax credits introduced in former President Biden's Inflation Reduction Act (IRA). The billions in tax credits have supported the growth and expansion of clean-energy projects, leading to significant investments in the sector. Over 1,800 companies signed letters urging lawmakers to maintain certain incentives, fearing that scaling back could lead to significant job loss or businesses relocating outside of the US.	Upholding clean-energy tax incentives can sustain momentum in the sector, driving innovation, job creation, and economic resilience. Scaling back these incentives risks stalling progress, offshoring investment, and weakening the country's competitive edge in the global clean-energy transition.
U.S. Securities and Exchange Commission	The SEC's Climate-Related Disclosure Rule, adopted in March 2024, continues to face challenges. Since being introduced, the rule has received extensive pushbacks and is currently stayed pending litigation. Acting SEC Chairman Mark Uyeda, who voted against the adoption of the rule, released a statement this month regarding an update on where the rule stands. Chairman Uyeda announced a pause in the agency's defense of the rule, postponing legal proceedings to allow for additional time to determine next steps.	Although the fate of SEC's Climate-Related Disclosure Rule remains unclear, it is important that companies consider reporting in line with some of the requirements outlined. Although climate disclosure may not be mandatory in the US, many companies nevertheless face global reporting requirements that may be applicable to them and, therefore, should continue down the path of gathering necessary data and preparing to provide enhanced transparency.

CSRD UPDATES

In recent weeks, significant developments have unfolded regarding the European Union's Corporate Sustainability Reporting Directive (CSRD), a key regulatory framework to enhance corporate transparency in sustainability. These updates have far-reaching implications for EU-based organizations and international companies with regional operations in the EU.

1. European Commission's Proposal to Simplify Sustainability Reporting:

On February 26, 2025, the European Commission has introduced a set of measures designed to streamline sustainability reporting under the Corporate Sustainability Reporting Directive (CSRD). This initiative aligns with the EU's broader goal of reducing administrative complexity while upholding corporate accountability in sustainability practices. As part of these efforts, the Commission has proposed several key revisions to the CSRD to ease compliance requirements for businesses without compromising transparency or reporting integrity.

a. **Scope Reduction:** The revised directive proposes restricting mandatory compliance under the Corporate Sustainability Reporting Directive (CSRD) to companies with more than 1,000 employees. This adjustment brings the CSRD in line with the thresholds set by the Corporate Sustainability Due Diligence Directive (CSDDD), effectively exempting many small and medium-sized enterprises (SMEs) from mandatory reporting requirements. The Commission argues that this revision will help reduce compliance costs while encouraging voluntary adoption of sustainability practices. This marks a shift from previous requirements, which applied to a broader range of companies, further aligning the CSRD with the regulatory framework established under the CSDDD.

b. **Reporting Delays:** To allow companies more time to adapt, certain reporting obligations will be deferred, with enforcement for some entities pushed back to 2028.

c. **Introduction of Voluntary Standards:** A new voluntary reporting framework will be introduced for companies that fall below the revised threshold. This framework will be structured around the simplified SME standard developed by the European Financial Reporting Advisory Group (EFRAG), ensuring a more accessible approach to sustainability reporting for smaller entities. Additionally, the European Commission plans to roll out digital tools and standardized templates to further simplify and enhance the efficiency of sustainability disclosures for businesses. These measures aim to support companies in meeting reporting expectations while reducing administrative complexity.

2. Diverging Opinions Among EU Member States:

The proposed changes have sparked differing responses among EU member states, with nations divided over the extent of the revisions:

a. Spain and Italy: Both nations advocate for maintaining robust environmental reporting regulations, though with differing approaches. Spain underscores the need to uphold corporate accountability in sustainability efforts, emphasizing the importance of transparent disclosures. Italy, while supporting strong reporting frameworks, has proposed extending reporting timelines and simplifying compliance requirements for small and medium-sized enterprises (SMEs) to reduce administrative burdens.

b. Germany and France: These countries favor more extensive modifications to the directive. Germany has recommended a two-year postponement of Corporate Sustainability Reporting Directive (CSRD) requirements, a move that would impact approximately 13,000 German companies. France, on the other hand, has proposed an indefinite delay for the due diligence component of the directive and a two-year deferral for CSRD compliance, reflecting broader concerns over regulatory complexity and implementation challenges.

3. Reactions from Industry and Environmental Groups:

a. **Business Community Support:** Several industry groups have expressed support for the proposed simplifications, asserting that these revisions will help reduce compliance costs and enhance the competitiveness of European companies in the global market. They argue that a more streamlined approach to reporting will allow businesses to allocate resources more effectively while maintaining compliance with sustainability regulations.

b. **Environmental Concerns:** Conversely, sustainability advocates have voiced concerns that these amendments could dilute corporate accountability and hinder progress toward the European Union's climate and sustainability objectives. They caution that easing reporting obligations may reduce transparency and slow the momentum needed to achieve the EU's long-term environmental and social governance goals.

About Uniqus Consultech:

Uniqus Consultech is a global tech-enabled consulting company that specializes in Accounting & Reporting, ESG and Tech Consulting. The Company was co-founded in December 2022 by consulting veterans Jamil Khatri and Sandip Khetan and backed by marquee investors such as Nexus Venture Partners, Sorin Investments, and other angel investors. Anu Chaudhary, a global ESG specialist with over 20 years of experience, serves as the Global Head of ESG. Abhijit Varma, a veteran technology specialist, leads Tech Consulting globally.

Uniqus now has a global team of 500+ professionals led by 50+ Partners & Directors across eight offices in the USA, India, and the Middle East. The company serves more than 200 clients, including marquee names such as HDFC Bank, Reliance Industries, Al Rajhi Group, Tawal, Flipkart, Zomato, GE, GAP and Grammarly. Uniqus is committed to leveraging technology and an integrated global delivery model to provide best-in-class consulting services that drive measurable results and create long-term value for its clients.

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Feedback

We encourage you to share this newsletter with your colleagues and networks, and to provide us with feedback on topics that you would like to see covered in future issues. Uniqus is here to support you in navigating this evolving landscape. Contact us to learn more about how we can help you on your ESG journey.