April 2025

ESG Corner

Our Monthly Newsletter

FOREWORD

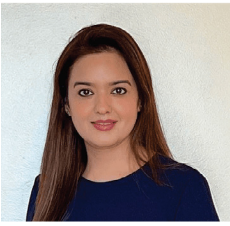
Greetings, and welcome to this month's edition of Uniqus' ESG Corner newsletter! As the ESG landscape evolves remarkably, navigating regulatory shifts, market dynamics, and stakeholder expectations has become more critical than ever.

In this edition, we explore pivotal developments that are shaping sustainability strategies around the world. With global momentum building around climate action and responsible business practices, we analyze the latest regulatory updates, including the delay to CSRD and CSDDD deadlines in the EU and key initiatives such as the IFRS Foundation's new roadmap tool for ISSB adoption. Our analysis highlights how organizations can balance ambition with operational pragmatism to build resilient, future-ready ESG programs.

We are also delighted to feature an exclusive conversation with Mr. Gaurav Sarup, Chief Sustainability Officer at Vedanta Group—an industry leader who shares his perspectives on integrating ESG into core business strategy, driving transformation at scale, and balancing sustainability commitments with growth ambitions. His insights offer valuable lessons for organizations striving to embed ESG deeply and meaningfully across their operations.

At Uniqus, our goal is to bring you actionable, forward-looking insights to help you stay ahead in the fast-changing ESG environment. We hope this edition provides the perspectives and tools you need to make informed decisions on your sustainability journey.

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. EU Council Approves Delay to CSRD and CSDDD Sustainability Reporting Regulations

The Council of the European Union has agreed on the 'Stop-the-clock' mechanism to enhance EU competitiveness and provide legal certainty to businesses. This decision, part of the broader 'Omnibus I' package, aims to simplify EU rules, particularly in the field of corporate sustainability reporting and due diligence requirements.

The 'Stop-the-clock' directive postpones the application dates of specific corporate sustainability reporting and due diligence requirements. Specifically, it delays the entry into application of the Corporate Sustainability Reporting Directive (CSRD) requirements for large companies and listed SMEs by two years. Additionally, it postpones the transposition deadline and the first phase of the Corporate Sustainability Due Diligence Directive (CSDDD) by one year.

2. EU Commission Asks EFRAG to Fast-track Development of Simplified CSRD Sustainability Reporting Standards

On 28 March 2025, Maria Luís Albuquerque, the European Commissioner for Financial Services and the Savings and Investments Union, addressed the European Financial Reporting Advisory Group (EFRAG) Sustainability Reporting Board regarding the simplification of the European Sustainability Reporting Standards (ESRS). This initiative is part of the broader Omnibus simplification plans.

The European Commission has tasked EFRAG with simplifying the first set of ESRS. The goal is to reduce the number of mandatory data points, prioritize quantitative over narrative data, and clarify provisions to ensure only material information is reported. EFRAG is expected to start the simplification process immediately and provide a detailed timeline and work plan by 15 April 2025. The Commission aims to adopt the revised standards by the end of 2026, allowing companies to apply them for the 2027 reporting year. The revisions should enhance interoperability with global standards and provide more explicit instructions on using the materiality principle. This will help companies focus on reporting essential information without excessive resource allocation.

Commissioner Albuquerque emphasized the importance of these changes in making sustainability reporting more efficient and aligned with global standards. The revised ESRS will support companies in meeting their reporting obligations under the CSRD, ultimately contributing to more transparent and effective sustainability practices across Europe.

The official mandate letter can be found [here.]

3. IFRS Foundation Launches Roadmap Tool to Help Jurisdictions Plan Adoption of ISSB Standards

The IFRS Foundation has unveiled a new Jurisdictional Roadmap Development Tool to support adopting the International Sustainability Standards Board (ISSB) Standards. This tool is a key component of the IFRS Foundation's Regulatory Implementation Programme, designed to help jurisdictions plan and design their adoption roadmaps for ISSB Standards.

Launched at the first IFRS Foundation Implementation Partners Workshop in London on 26 March 2025, the Roadmap Tool aims to provide practical support to jurisdictions and implementation partners. It builds on the concepts set out in the Inaugural Jurisdictional Guide for adopting the ISSB Standards, offering a structured approach to navigate policy considerations and key steps in the adoption process.

Emmanuel Faber, Chair of the ISSB, highlighted the significance of this tool in supporting effective and efficient capital markets. "The launch of the Roadmap Tool marks a significant milestone and confirms the ISSB's commitment to developing tools and resources that are useful to jurisdictions," Faber said. "This tool equips regulators to make informed decisions about their approach towards adoption or other use of ISSB Standards."

The Roadmap Tool addresses four key decision areas:

- Regulatory Process: How to adopt or otherwise use ISSB Standards.
- Reporting Entities: Identifying who will be subject to the requirements.
- Requirements: Defining the specific content covered in the sustainability-related disclosure requirements.
- Readiness: Setting a suitable timeline for when requirements will become effective and considering scaling and phasing in.

By using this tool, jurisdictions can make informed decisions and develop tailored roadmaps for the adoption of ISSB Standards, ensuring a smooth transition and effective implementation. The IFRS Foundation's initiative demonstrates its commitment to supporting global sustainability reporting and enhancing the quality and comparability of sustainability-related disclosures.

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The recent regulatory developments across Europe and within the international standard-setting community signify a clear shift towards more pragmatic and implementation-focused approaches to corporate sustainability reporting. While momentum for enhanced corporate transparency remains strong, the focus has transitioned to making disclosures more manageable, relevant, and aligned with business realities.

The European Union's decision to delay the implementation of the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD) is a measured response to the growing concerns raised by businesses and policymakers. This 'Stop-the-clock' measure, introduced as part of the broader Omnibus I package, offers a two-year postponement of CSRD reporting obligations for firms in wave 2 (large companies) and wave 3 (listed SMEs), and a one-year delay for the first phase of the CSDDD. This move demonstrates an understanding of companies' operational burdens when adapting to the EU's new disclosure requirements, particularly considering broader economic pressures and the complexity of value chain assessments.

Simultaneously, the European Commission has instructed EFRAG to streamline the initial set of European Sustainability Reporting Standards (ESRS), explicitly requiring a simplification of mandatory metrics and more definitive guidance on the double materiality principle. EFRAG has also been instructed to minimize narrative requirements while prioritizing quantitative, decision-useful information, reflecting a significant shift toward more relevant, standardized reporting requirements. EFRAG's simplification efforts are anticipated to result in revised standards that will be practical from 2027, with a process aimed at enhancing alignment with global frameworks while easing compliance burdens.

At the international level, the IFRS Foundation has launched a Jurisdictional Roadmap Development Tool to assist governments and regulators in designing adoption strategies for the ISSB Standards. This tool outlines key decision areas, such as identifying applicable entities, determining the scope of disclosures, and sequencing timelines, and provides practical support to jurisdictions at different stages of readiness. The initiative reinforces the ISSB's commitment to facilitating the global uptake of its sustainability standards by aiding local adaptation and scalability while maintaining consistency in disclosure quality.

Taken together, these developments reflect an emerging consensus: sustainability reporting must be both credible and practicable. The regulatory community recognizes that the success of sustainability frameworks depends on their ambition and clarity, interoperability, and administrative feasibility. The direction of disclosure standards continues toward greater transparency and accountability, but with increased emphasis on proportionality, coordination, and strategic prioritization of material issues.

US

1. A USD 1.8 trillion ESG market thrives as US government agencies drive demand

A specific corner of the sustainable debt market is experiencing growth, partly driven by US government agencies. Despite a broader downturn in sustainable finance markets, the sales of social bonds, which fund projects in areas such as health, housing, and education, soared 130% to USD 657 billion globally in 2024. This trend continued into 2025, with the market for social bonds now valued at USD 1.8 trillion, closing in on the USD 3.9 trillion green bond market. These bonds have become a haven for sustainability-minded investors amid increasing political contention over climate-related issues.

A key driver of this growth is the Government National Mortgage Association (Ginnie Mae), which has expanded its debt program to support low-income households and veterans. Ginnie Mae's initiatives have significantly boosted the issuance of social bonds, accounting for nearly two-thirds of the USD 149 billion in new deals this year.

Large institutional banks like JPMorgan Chase & Co. and BNP Paribas SA are underwriting these social bond deals, further fueling the market's expansion. However, the current administration's cost-cutting measures targeting agencies like Ginnie Mae have raised concerns about potential disruptions in the mortgage bond market. Despite these challenges, the global sustainable finance market's resilience highlights the continued importance of sustainable investments.

2. US judge lifts federal freeze on climate and infrastructure grants

On 15 April 2025, U.S. District Judge Mary McElroy issued an injunction, blocking the U.S. Presidential administration from freezing billions in grants allocated under the Infrastructure Investment and Jobs Act of 2021 and the 2022 Inflation Reduction Act. These funds were designated for projects to address climate change, reduce pollution, and modernize infrastructure in the United States. When the President signed an executive order back in January, the administration directed agencies to pause funding approved under these two laws pending a review to ensure they supported his policies.

The judge ruled that the administration lacked the authority to stop the disbursement of congressionally approved and already awarded funds, grants, loans, and other financial assistance amounting to over USD 3 trillion. The Presidential administration argued that the judge lacked jurisdiction to hear the case, and its position was strengthened after the Supreme Court ruled earlier in April to terminate teacher training grants related to diversity, equity & inclusion initiatives. This is an ongoing story with forthcoming developments.

3. First sustainability-focused US stock exchange targets 2026 launch

On 14 April 2025, the SEC approved the Green Impact Exchange (GIX), making it the first U.S. stock exchange dedicated to sustainability-focused companies. Set to launch in early 2026, GIX will serve as a new platform for public companies and investors committed to advancing sustainable solutions and managing climate risks. The GIX requires listed companies to publicly commit to long-term sustainability, align their strategy with clear goals, adopt recognized reporting frameworks, and demonstrate accountability through governance, operations, and stakeholder engagement. GIX will initially operate as a dual listing venue, meaning companies must already be listed on another exchange. In the future, GIX plans to expand its offerings to become a primary listing option for companies leading in sustainability.

GIX aims to improve access to capital for sustainability-driven businesses while raising the bar for transparency and disclosure. Backed by exchange operator MEMX's technology, it will offer competitive trading for companies aligned with the growing USD35 trillion sustainability economy.

Uniqus' POV

Despite increased political scrutiny and changing federal priorities, the U.S. sustainable finance ecosystem demonstrates measured resilience, particularly in areas emphasizing social outcomes and infrastructure modernization. Recent developments in the financial and legal landscapes emphasize how institutional investor momentum and judicial oversight influence the trajectory of sustainability-linked funding, even as executive regulatory actions aim to redirect or restrict public investment flows.

The global growth in social bond issuance, now representing a USD 1.8 trillion market, highlights a significant rebalancing within the broader sustainable finance landscape. As green bond markets experience volatility amid climate politicization, social bonds have emerged as a compelling alternative for sustainability-minded investors due to their political insulation and connections to crucial public outcomes (e.g., affordable housing, healthcare access, and education). Central to this growth are U.S. government-backed entities like Ginnie Mae, whose debt programs aimed at underserved communities have stimulated two-thirds of this year's global social bond issuances. Major underwriters such as JPMorgan and BNP Paribas have also contributed to this market.

At the same time, the U.S. judiciary plays a pivotal role in reinforcing the integrity of federally mandated sustainability-related investments. The injunction issued by U.S. District Judge McElroy on 15 April has, at least for now, halted the executive order that froze funds from the Infrastructure Investment and Jobs Act and the Inflation Reduction Act – two landmark pieces of legislation supporting the country's climate and infrastructure funding. The court's ruling also reaffirms balances on executive authority, emphasizing that duly authorized appropriations cannot be arbitrarily paused or redirected for political purposes.

Further signaling a maturing and diversifying sustainable finance market, the U.S. Securities and Exchange Commission approved the Green Impact Exchange (GIX) on 14 April, marking the country's first stock exchange dedicated to sustainability-focused companies.

Together, these developments create a subtle picture of resilience within the U.S. sustainability funding ecosystem. Even as parts of the federal system aim to reduce climate-related programs, institutional demand – from investors and underwriters to public agencies – will persist in directing capital toward socially and environmentally beneficial outcomes. Furthermore, the judiciary's readiness to uphold the integrity of legislated appropriations should ideally serve as a crucial counterbalance to executive overreach, maintaining the operational continuity of climate and infrastructure projects. Looking ahead, uncertainty remains as legal challenges to sustainability-related spending proliferate and regulatory priorities evolve. Nevertheless, investor appetite, judicial enforcement, and other innovations suggest that the underlying demands for sustainable investment will likely persist and adapt – whether under labels of ESG or otherwise.

India

1. Indian Bureau of Energy Efficiency (BEE) releases comprehensive guide for Carbon Credit Trading

The Bureau of Energy Efficiency (BEE) has released a comprehensive guide detailing the procedures for the Offset Mechanism under India's Carbon Credit Trading Scheme (CCTS). This document aims to streamline the process for stakeholders involved in carbon offset projects, ensuring transparency and consistency.

Key updates include the registration and issuance procedures, where entities must register on the Indian Carbon Market (ICM) portal and submit a detailed Project Design Document (PDD). The document also outlines the validation and verification processes by Accredited Carbon Verification Agencies (ACVAs), emphasizing the importance of accurate and reliable data collection.

The project standards section highlights the eligibility criteria, requiring projects to comply with all relevant regulations and demonstrate additionality beyond business-as-usual scenarios. It also integrates Sustainable Development Goals (SDGs) into project design, focusing on environmental and social benefits. The validation and verification standards ensure that projects undergo rigorous assessment to maintain high integrity.

Additionally, the SDG standard section addresses environmental and social safeguards, ensuring that projects do not negatively impact local communities or ecosystems. It also requires projects to demonstrate positive contributions to national SDG targets. Lastly, the methodology development and adoption section provides guidelines for creating and approving new methodologies and adopting existing ones from other carbon markets.

Overall, this document provides a robust framework for the Offset Mechanism under CCTS, aligning with global standards and promoting sustainable development.

2. From Gray to Green: A Glimpse of the Future of Green Hydrogen in India

A recent field study in India highlighted the growing role of green hydrogen as a cornerstone of the country's net-zero ambitions, particularly in hard-to-abate industrial sectors like steel, cement, and chemicals. The visit to a leading electrolyzer manufacturing facility showcased the technical maturity of modular proton exchange membrane (PEM) systems, strong local supply chains, and a structured talent development pipeline. Despite the sector's nascency, these innovations reflect how India is positioning itself at the forefront of clean energy manufacturing. The experience also brought to light critical structural challenges such as renewable energy costs and infrastructure gaps that must be addressed for green hydrogen to scale meaningfully.

Uniqus' POV

The developments observed reflect a significant step toward decarbonizing industrial sectors while building domestic capacity in clean technologies. The integration of local sourcing, investment in technical talent, and commitment to innovation contribute to building a resilient green hydrogen ecosystem. However, realizing the full potential of this sector will depend on enabling policies, cost reductions in renewable energy, and the development of large-scale storage and transport infrastructure. These insights underline the importance of aligning industrial growth with sustainability goals and offer a compelling case for continued support and investment in green hydrogen initiatives.

3. The CII highlights the necessity and strategies for decarbonizing India's growing cold storage sector to enhance food and energy security while mitigating climate change

India's ambition to achieve Viksit Bharat@2047, the UN SDGs by 2030, and Net Zero by 2070 places food and energy security at the forefront, especially amid climate-induced disruptions. Cold chains, while vital for food preservation, contribute around 1% of global GHG emissions. In response, the Confederation of Indian Industry (CII) Cold Chain Committee has launched the Decarbonisation Playbook for Cold Storage to drive sustainable transformation. The playbook outlines strategies like renewable energy integration, low-Global Warming Potential (GWP) refrigerants, Thermal Energy Storage (TES), and circular economy practices. These interventions could reduce emissions by 77 mtCO_2e annually by 2038, create 1.7 million jobs, and unlock a USD 29 billion green investment opportunity.

Uniqus' POV

The decarbonisation of cold storage is no longer optional. It is a strategic imperative for companies in agriculture, food processing, and logistics. Beyond reducing emissions, it plays a crucial role in strengthening long-term business resilience by managing regulatory risks, lowering energy costs, and improving resource efficiency. The Decarbonisation Playbook offers a practical roadmap to align operations with evolving sustainability standards, while also unlocking government incentives and access to climate-focused investments. This is the right moment for businesses to embed climate action into their core operations by adopting renewable energy, low-GWP refrigerants, and thermal energy storage. Taking the lead on these fronts not only enhances competitiveness but also builds more resilient and future-ready value chains.

4. India, 62 countries agree to world's first global carbon tax in shipping industry

India has joined 62 other countries in supporting the world's first global carbon tax on commercial shipping, introduced by the UN's International Maritime Organisation (IMO). This initiative brings the shipping sector, which contributes about 3% of global greenhouse gas emissions, under a structured climate action framework. The tax, expected to be formally adopted in October, will apply from 2028 to ocean-going vessels over 5,000 gross tonnage. Ships that continue using conventional fuels may be charged between 100 and 380 dollars per tonne of emissions, based on compliance thresholds. The revenue, projected to reach up to USD 40 billion by 2030, will be directed toward decarbonizing the maritime sector. While the tax may result in an estimated 10% reduction in emissions by 2030, it sets a strong precedent for climate accountability in international shipping.

Uniqus' POV

The global carbon tax on shipping sends a clear message that environmental impact is now a cost factor in international trade. For companies involved in logistics and global supply chains, this move highlights the urgency of investing in cleaner fuels, more efficient vessels, and low-emission operations. The expected financial impact from 2028 should be viewed as a strategic driver for long-term planning, innovation, and risk management. This is a defining moment to realign operations with climate goals and prepare for a future where carbon efficiency becomes a key measure of performance and resilience. Businesses that move early will not only avoid rising costs but also position themselves as leaders in a more sustainable global economy.

Middle East

1. Saudi Arabia rolls out USD 533 million water, sewerage projects as part of Vision 2030

Saudi Arabia launched water and sewerage projects worth USD 533 million as part of its efforts to expand public utility services and meet the growing demand. The programme includes 30 projects covering nearly 2,000 km across Riyadh city and its surrounding governorates. The goal is to expand service coverage and enhance system efficiency in line with Saudi Vision 2030.

Of the 30 projects, 16, valued at over SAR 1 billion (USD 266 million), are focused on expanding water services. These include the construction of 18 reservoirs with a total storage capacity of 85,000 cubic meters, the installation of nearly 1,200 kilometers of new pipelines, and the development of pumping stations with a daily capacity of 247,000 cubic meters.

Designed to serve over 80,000 people, the purification plants will be supported by integrated water treatment and distribution systems, aimed at improving supply reliability in resource-limited regions. This represents a crucial step toward bolstering essential services in the Kingdom.

Uniqus' POV

Saudi Arabia is among the driest regions in the globe due to its minimal rainfall with maximum evaporation rates. Given the Kingdom's ongoing challenges with water scarcity due to its arid climate and limited natural resources, there is an increased need to foster innovative solutions in water production, management, and distribution.

There have been numerous partnership agreements in the Kingdom to further solve the challenge of water scarcity and production. In March, the Saudi Water Authority and National Water Company signed an agreement to build and operate 16 decentralized purification plants across the Kingdom. This partnership seeks to improve the availability of drinking water and advance sustainable groundwater desalination technologies. The plants are expected to produce over 18,000 cubic meters of water daily.

The water and sewerage projects are aimed at strengthening water distribution, addressing environmental challenges, enhancing sustainability, and supporting national objectives under Vision 2030. It also aligns with the government's Vision 2030 plan, which aims to boost infrastructure investment and improve the quality of life as population and economic activity continue to grow.

2. Kuwait forms committee to promote energy and water conservation

The Ministry of Electricity and Water, through a ministerial decision, is to establish a committee aimed at raising awareness about rationalizing electricity and water consumption among citizens and residents, with a focus on sustainability, especially during the summer months.

The committee's primary responsibility is to develop a comprehensive system of awareness programs that will emphasize the importance of rationalizing consumption and highlight its direct impact on preserving public funds and protecting the environment. These programs will be delivered through various media and social media platforms.

The committee's tasks also include engaging institutions and key economic sectors to raise awareness, particularly during the summer period (months and time of the day). The committee will focus on educating the community about adopting energy-efficient systems and water conservation technologies in residential buildings, factories, agricultural holdings, and public institutions. It will also organize awareness workshops and lectures in public benefit associations, universities, and schools.

The committee will also collaborate with the private sector, as well as scientific and research institutions, to implement joint projects that incorporate renewable energy technologies on building roofs, improve air conditioning systems, and employ modern technologies to rationalize water consumption.

The initiative aims to encourage responsible consumption practices and contribute to the sustainable management of the country's resources.

Uniqus' POV

Saving water can affect energy conservation by significantly reducing how much energy is used and the emissions released into the environment. A study shows that saving over 500,000 million gallons of water can translate into emissions savings comparable to taking 111,000 cars off the road for a year. Additionally, electricity savings from reducing water consumption are about 11% greater than the energy savings produced by electricity efficiency programs.

The awareness of the benefits of responsible consumption in terms of electricity and water cannot be overemphasized as this will benefit the residents and communities in Kuwait, as well as the country. As such, Kuwait is focused on raising this awareness at a country-level on conserving its electricity and water, especially during summer months.

The establishment of this committee will bring Kuwait in a leadership position in ensuring awareness of sustainable use of water and energy and facilitate think-tanks focused on the efficient use and management of the country's resources.

IN CONVERSATION WITH ESG PIONEERS

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Vedanta Limited is a globally diversified natural resources and technology conglomerate with operations in India, South Africa, Zambia, and the UAE. Vedanta produces vital resources, including zinc, lead, silver, oil and gas, aluminum, copper, iron ore, and steel. Guided by its purpose of "Transforming for Good," Vedanta is committed to delivering sustainable growth for all stakeholders while building a greener, more inclusive future.

As Vedanta Limited's Chief Sustainability Officer, Mr. Gaurav Sarup leads the Group's ESG strategy, execution, and stakeholder engagement. His role spans climate action, decarbonization, social impact, and governance systems across diverse businesses. He works closely with CXOs, Boards, and business partners to ensure Vedanta leads the way in responsible resource management and sustainable value creation.

1. How have you embedded ESG within your organization structure (overall Group and multiple BU level)?

At Vedanta, ESG has to become a way of doing business and so embedding it into our structure, both at the Group and Business Unit levels, has been a big priority for us.

We've established a strong governance framework, starting from the top. Our Board ESG Committee, chaired by a non-executive independent director, sets the tone and expectations for the company's ESG strategy. Next, our Group Executive Committee keeps ESG firmly on the leadership agenda. Each Business Unit also has its own ESG Head to drive initiatives on the ground. Additionally, we have a centralized ESG team that develops strategy, ensures consistent reporting, and unites everyone through a common platform for tracking performance.

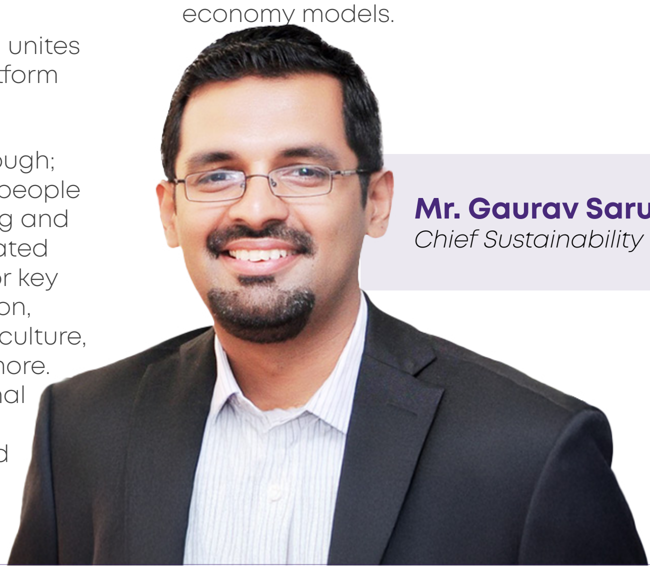
However, structure alone isn't enough; the rubber meets the road when people across the organization start living and breathing ESG. That's why we created Communities of Practice (CoPs) for key focus areas like energy and carbon, water management, people and culture, supply chain sustainability, and more. These groups consist of our internal experts – passionate colleagues who collaborate, share ideas, and help solve real-world challenges together. The CoPs exist at the site, business unit, sector, and Group levels, ensuring that strategies and KPIs are transmitted consistently across all levels of the organization and that feedback from the ground is communicated back up. Over the years, we have found this to be a very effective way of ensuring a consistent strategy rollout across all our businesses. These communities create a genuine sense of ownership and momentum, embedding ESG deeply into how we think, plan, and operate every day.

2. What are your biggest challenges in transforming into an ESG-driven organization?

The transformation into a truly ESG-driven organization is both rewarding and complex. One of our biggest challenges is aligning legacy systems and decision-making models with new-age sustainability thinking. Technology adoption, data integration across diverse units, and building internal ESG capabilities at all levels require significant effort and investment. Additionally, driving cultural change across a 100,000+ workforce and contractor base—so that sustainability becomes everyone's job—is a long-term challenge we are addressing through engagement and training.

3. What are the biggest opportunities you foresee when transforming into an ESG-driven organization?

ESG integration opens opportunities. At Vedanta, it strengthens our social license to operate and enhances investor confidence, particularly from global ESG-focused funds. Our journey toward net zero presents significant scope for innovation, especially in energy transition, green technologies, and circular economy models.



Mr. Gaurav Sarup
Chief Sustainability Officer

Being ESG-driven also helps attract top talent, build resilient supply chains, and create shared value with our communities. It aligns business growth with long-term planetary health, ultimately benefiting both our businesses and society in the long term.

4. What are the key steps, in your view, organizations need to take to meet their public net-zero targets?

Achieving net zero is a systemic effort. Our net zero efforts focus on four levers:

1. Large-scale deployment of RE: At Vedanta, we've committed to net zero by 2050 and aim to use 2.5 GW of round-the-clock (equivalent) renewable energy (RE): across our operations by 2030. We have already signed more than 1 GW of Power Distribution Agreements (PDAs). Additional PDAs are being planned.

2. Switching to low-carbon fuels/ feedstocks (e.g., using biomass to replace coal in our thermal power plants): Our goal is to use at least 5% biomass and switch all of our light-motor vehicles to EVs by the end of the decade.

3. Continued energy efficiency programs.

4. Use carbon sequestration and carbon offsets for any residual emissions.

5. We have developed a clear roadmap with interim targets aligned to SBTi. Annual checkpoints keep the organization accountable. We also regularly monitor the technology landscape for green hydrogen, carbon capture, and process equipment developments.

Additionally, we are also in the process of developing a decarbonization roadmap to reduce our Scope 3 emissions.

Lastly, we have also developed an internal carbon price to help incentivize low-carbon investments during the project development stage.

5. How do you embed ESG in your overall strategy and operations, please share examples for the industry to follow.

ESG is a core pillar of Vedanta's strategic roadmap. It influences our capital allocation, growth plans, and risk management. For instance, ESG performance directly impacts executive compensation.

We've implemented "carbon budgets" in project approvals, ensuring each decision considers emissions. Our partnerships with the World Economic Forum, such as with 1T.org, are helping us set ambitious goals and showcase them on a global platform, enhancing our reputation.

The Community of Practice discussed earlier is a key driver in helping embed sustainability, as are the 60+ ESG KPIs tracked and reviewed monthly across all our businesses.

We have also found regular engagement with our stakeholders - particularly those from the investment community, instrumental in benchmarking our program with global expectations. We have used these discussions to develop ESG programs in those areas where we found gaps between our strategy and stakeholder expectations.

6. How significant and meaningful is the role of a sustainability leader like yours in a large Group like Vedanta to convince all the functions and drive their approach in an ESG-aligned direction?

In a diversified Group like Vedanta, a sustainability leader's role is strategic and catalytic. My role involves influencing, integrating, and aligning ESG priorities across functions like Finance, Strategy, Operations, and HR.

It's not always easy—functions traditionally driven by short-term deliverables must be shown the long-term value ESG delivers. We use data to connect ESG performance with business outcomes—like how water positivity de-risks operations or how circularity can unlock new business lines. Strong leadership support and cross-functional ESG councils have helped us break silos and build alignment across the board.

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
UK Financial Conduct Authority (FCA)	FCA's Decision on Sustainable Governance: No New Rules	The FCA's decision not to introduce new sustainability-related governance rules reflects a cautious, principles-based approach to ESG oversight in the UK. Although formal rulemaking is currently off the table, firms are encouraged to proactively integrate sustainability into their governance structures and incentive frameworks according to existing requirements. This presents an opportunity for companies to enhance internal ESG capabilities and stay ahead of future supervisory expectations.

US

Governing Body	Update	Uniqus' Impression
US Securities and Exchange Commission (SEC)	SEC Drops Legal Defense of Climate Disclosure Rule, Leaving Its Future Uncertain	The SEC's decision to stop defending its climate disclosure rule signifies a notable setback, creating more uncertainty for companies managing long-term reporting strategies. While legal and political challenges continue, Uniqus encourages clients to persist with climate-related disclosures that align with global investor expectations and evolving international standards, such as the ISSB Standards, and state disclosure regimes like California's climate accountability laws and New York's proposed climate laws.
US SEC	SEC Extends Compliance Deadline for Names Rule, Impacting ESG and Thematic Funds	The SEC's extension of compliance deadlines for the amended Names Rule provides fund managers with operational flexibility amid ongoing adjustments to product labeling and disclosure practices, especially for ESG and thematic funds. This is an opportunity for asset managers to re-evaluate product labeling conventions and ensure alignment with investor expectations, regulatory intent, and the underlying characteristics of their portfolios.

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. CSRD and CSDDD Deadlines Officially Delayed:

On 16 April 2025, the European Union formally adopted Directive (EU) 2025/794 (commonly referred to as the "Stop-the-Clock" Directive) introducing official delays to several key provisions under the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD). Under the revised timeline, large companies originally slated to begin CSRD reporting in 2026 will now have until 2028. Listed small and medium-sized enterprises (SMEs) will also benefit from the extended phase-in period, although their applicability remains uncertain given the unresolved status of the substantive Omnibus proposals. For the CSDDD, the largest affected entities will receive a one-year grace period before compliance obligations begin. Member States are required to transpose the directive into national law by 31 December 2025. The delay reflects both political pressure and industry pushback, as stakeholders continue to call for more manageable implementation timelines.

2. EFRAG Outlines Plan to Simplify ESRS Framework:

In response to ongoing concerns over the complexity of sustainability reporting requirements, the European Financial Reporting Advisory Group (EFRAG) has set a clear course for streamlining the European Sustainability Reporting Standards (ESRS). On 25 April 2025, EFRAG released its proposed simplification agenda along with a detailed timeline:

- Stakeholder input will be collected through mid-May.
- Exposure drafts of the proposed changes will be developed between May and July.
- Public consultation is scheduled for August–September.
- Final recommendations will be submitted to the European Commission by October 2025.

The simplification effort is aimed at easing the compliance burden, particularly for companies with limited resources or lower reporting maturity, while still preserving the core objectives of transparency and comparability under CSRD.

About Uniqus Consultech:

Uniqus Consultech is a global tech-enabled consulting company that specializes in Accounting & Reporting, ESG and Tech Consulting. The Company is co-founded by consulting veterans Jamil Khatri and Sandip Khetan and backed by marquee investors such as Nexus Venture Partners, Sorin Investments, UST and other angel investors globally. 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 has a global team of 550+ professionals led by 60+ Partners & Directors across eleven offices in the USA, Middle East and India. The company serves more than 250 clients, including marquee names in each of the markets it operates in.

Uniqus is committed to leveraging technology and an integrated global delivery model to provide best-in-class consulting services to its clients.

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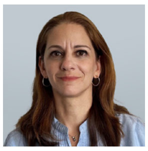

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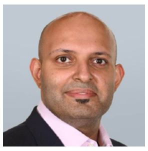

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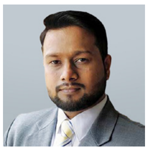

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Feedback

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.