



## The Green Bonus

**Can executive compensation and bonus be tied to achieving sustainability goals? 24% of US companies already do. India is making a beginning only now**

**By Benedict Paramanand**

**L**ast year, Unilever CEO Paul Polman earned \$722,230 bonus for meeting sustainability targets including reducing greenhouse gas emissions, water and waste as part of the company's Sustainability Living Plan.

Another publicly traded Dutch materials and life sciences company Royal DSM with \$9 billion in annual revenue last year tied 50 percent of short-term executives' bonuses to sustainability goals. The company began these initiatives in 2010 for over 400 company executives. Compensation-related goals included reducing greenhouse gas emissions, using more sustainable products and services in the supply chain and reducing water usage.

As the third largest aluminum producer in the world, Alcoa has made 20 percent of executive compensation

tied to safety, environmental stewardship, voluntary GHG reductions and energy efficiency.

**According to a recent report published by the sustainability non-profit Ceres (ceres.org), along with Sustainalytics, 24 percent of the 613 largest publicly-traded companies have tied sustainability to executive compensation, which is an increase from 15 percent in 2012.**

Unfortunately, India is a huge laggard in corporate sustainability, leave alone tying executive compensation to it. Except for a handful of business groups and the top five IT companies that have most of their business in the West, 'sustainability' is a vague concept that can wait to be understood and acted upon. Most

**Apple is Greenest Company** 6

**Subsidy for Electric Vehicles Could Boost Demand in India** 7

**Infosys to Become Carbon Neutral by 2018** 8

**Paharpur Business Centre Gets Australian Rating For Clean Indoor Air** 9

**How Unilever Saved One Million Ton of CO<sub>2</sub>** 10



**Transition to Circular Economy Made Easy**  
11  
Ellen MacArthur



Confederation of Indian Industry  
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### CASE STUDIES

**How Adarsh Palm Resort Helps Poor Kids** 12



Mainak Chakraborty  
Executive Director & Co-CEO



Sreekrishna Sankar  
Executive Director & Co-CEO

**Green Power System' Scale Up Pangs** 13

**Why Move to Sustainable Business Model** 14

**Ford India Shows Off With Numbers** 15

**Books, Events** 18

**Purpose:** To excite Indian businesses, SMEs, executives and students about the immense business opportunity in not only adopting Sustainability as Strategy in their companies but also inspire them to the possibilities of a big market for innovative sustainability products and services.

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## WELCOME ABOARD

The SustainabilityNext e-magazine team is delighted that **Mr. Pradeep Kashyap**, Founder & CEO, MART, has agreed to join its Editorial Board. Late C K Prahalad called Mr. Kashyap the 'Father of Rural Marketing'. Today, he is on a mission to drive the idea of sustainable business model among Indian businesses, both for new and established firms, as an imperative for long-term profits and positive social and climate impact.



With his joining, the Editorial Board has three champions. **Madan Padaki** has been championing and demonstrating how employability training of the poor, both rural and urban, can accomplish both diversity and sustainable goals profitably. He is one of India's most successful social entrepreneurs.

**Prof. Vasanthi Srinivasan** has been a vociferous advocate of raising the bar of ethics and governance standards in Indian organizations and the government. She tries to drill these values among her students at IIM Bangalore year after year.



companies are grappling with corporate social responsibility (CSR) and the mandatory two percent investment of net profit has nearly set companies' tail on fire. Some companies are seen tying a nominal incentive for achieving CSR goals.

Says Manoj K Chakravarti, Chief Operations Officer, Centre for Corporate Governance and Citizenship, IIM Bangalore: "With the implementation of the Companies Act 2013 in progress, there appears to some discipline, rigour and priority given to the importance of CSR and sustainability... Most Companies follow the Performance Management System and hence the importance of achieving the sustainability goals would be treated like any other business activity, and the executives compensated in a like manner."

**It is common in India to speak of CSR and sustainability in the same breadth. And the incentive for achieving targets is to the executives of the CSR department and not the senior leadership of the company. The mindset shift from 2 percent to 100 percent mindset will take a while. Or has excessive focus on CSR is diverting senior leadership attention from larger sustainability and climate change goals?**

### Is it a Compliance Issue?

A majority of the sustainability initiatives mentioned in the Ceres report is related to compliance, such as safety issues, that companies are required to disclose anyways. The report states that only "3 percent (19 companies)

link executive compensation to voluntary sustainability performance targets, such as greenhouse gas (GHG) emissions reductions.”

“At the end of the day people are motivated by their pocketbooks,” said Veena Ramani, Ceres’ senior director of corporate programs. “So I think investors have come to recognize that if you want companies to take this stuff seriously, you’re going to have to link it to people’s compensation.”

**Since sustainability initiatives are future oriented and have little impact on short-term financial performance, few companies are integrating related variables into executive pay.**

Royal DSM North America CEO Hugh Welsh thinks differently. He said: “We see that this is a means to create a sustainable competitive advantage,” said. “Going forward, we understood that we wouldn’t just be supplying products to customers, we’d actually be supplying sustainability right beside those products.”

The company uses objective traditional sustainability metrics — such as measuring greenhouse gas emissions, water usage and energy consumption — along with initiatives tied more closely to product development and marketing.

Welsh said that the company’s Eco+ products are products that have a lower carbon footprint than a competing product on the market, while having at least the same functionality. The company’s goal is to have 80 percent of new products in its pipeline be Eco+ by 2015, as well as 50 percent in total sales.

**“This [executive compensation linked to sustainability] is still an extraordinary rare phenomenon with large cap companies, and I don’t see that changing much in the short term,” said Bennett Freeman, former senior vice president for social research and policy of the Calvert Group, to Ceres.**

“This is going to be an evolution of many years and indeed over generations. In the meantime, we need

## India Inc. Makes a Beginning

I have been talking to the senior leadership personnel from ITC, Tata, a few consultants, CII, IICA and the following picture emerges:

A Sustainability Group or a Division has been formed under a manager of the level of a General Manager

or Vice President in all the major Companies. Key Goals Tasks and Performance indicators have been clearly identified and time- lines set. In some Corporations , HOD’s of different divisions have clear sustainability and CsR goals set and performance against these goals are clearly linked with the remuneration. The fact that a Business Responsibility Report is mandatory facilitates an easier measurement of performance against the goals set. Hence at an operating level, there is now clear evidence of a correlation between achieving the targeted goal and remuneration. Like any other performing division of the Corporation.

Companies, at least the big ones, are now professing great belief in the importance of sustainability as a strategic necessity. Not ‘nice to do’ but rather a ‘must do’ . More so, as there is now a Director on the Board who is responsible as well as accountable.

A CEO’s remuneration is often based on several criteria- leadership, vision, brand endearment, and a gamut of performance criteria related to the profit and the profitability matrix. Since sustained profitability would also depend on the sustainability strategy of the corporation, one could argue, that it becomes inherently linked to leadership compensation too.



**Manoj Chakravarti**

*Chief Operations Officer  
Centre for Corporate Governance  
and Citizenship*





*Paul Polman, CEO, Unilever*

education as well as role models like Paul Polman,” said Freeman. Freeman suggests this evolution will take a number of years in part because of lax regulation and enforcement.

## Sustainability Risks

Companies around the world can be pushed to take sustainability seriously if regulatory bodies insist on declaring sustainability risks in greater detail. Even in the US sustainability concerns have not been made a priority by the SEC with the exception of two pieces of legislation regarding disclosing climate change as a risk and conflict minerals in the eastern Democratic Republic of Congo.

**SEBI in India only requires top 100 companies to file annual sustainability reports. This law should be extended to all companies including SMEs. Since verifying all of them will be impossible, an independent body should be allowed to pick 500 companies randomly or the current CSR compliance model could also be adopted.**

The authors of the Ceres report despair that the short-term horizon of the shareholders would ensure that executive compensation or spending on sustainability initiatives are less important. No wonder Paul Polman’s first major decision when he took over Unilever in 2009 was to scrap quarterly guidance system.

With climate change becoming a hot topic, only customers will be able to force brands to adopt sustainability friendly strategies. But more powerful than that will be when sustainability practices result in higher profits and provide competitive edge. This day is not too far.

*To read full report log on to <http://www.ceres.org/roadmap-assessment/progress-report/performance-by-expectation/governance-for-sustainability/executive-compensation-tied-to-esg-performance-1>*

## Connecting Good Corporates & Good NGOs for CSR

Problem of plenty is as difficult to handle as problem of scarcity. The Indian government’s mandatory two percent spend on CSR projects has thrown up the problem of good companies chasing right projects to fund and the right NGO which can implement them.

The NGO community is eager but is not able to market itself too well.

**SustainabilityNext** is one of India’s better platforms that can connect the two effectively so that precious time and resources can be used optimally.

The e-magazine is sold on **Magzter.com** and **Newshunt.com** and read by more than 40,000 business leaders, NGOs, entrepreneurs and graduate students.

Companies can **advertise here** to attract the best of people and NGOs to maximize the impact of their funds and NGOs can advertise to showcase their projects and capabilities.

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# Sustainable Smart Cities India

3 - 4 September 2015, Vivanta by Taj, Bengaluru, India

## Conference Overview

India faces rapid urbanization and the urban population set to rise by more than 400 million people by 2050. It is also estimated that in the next 15 years, the urban population will contribute nearly 75% to the India's GDP. The government has identified the need for creating well planned cities that can match and foster this growth. In last 12 months, India has been extremely aggressive in executing its vision of setting up 100 Smart Cities and the cabinet on 29th April 2015 has approved the Centre spending of about INR 1 lakh crore (USD 15.6 Billion) on urban development under two new urban missions — Smart Cities Mission and the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) of 500 cities. The vision is to preserve our traditional architecture, culture & ethnicity while we implement modern technology. These smart cities are currently attracting global investment, will create new job opportunities, improve communications and infrastructure, decrease pollution and ultimately improve the quality of living.

Some of the top challenges will include devising a fool-proof plan to develop smart cities, meaningful public-private partnership, increasing the renewable energy, water supply, effective waste management, traffic management, meeting power demand, urban mobility, ICT connectivity, e-governance, etc., while preparing for new threats that can emerge with implementation of these new technologies. "Sustainable Smart Cities India" will bring in national and international experts and stakeholders in this sector to discuss the opportunities and challenges in creating smart and responsible cities and citizens. Conference will help in creating a roadmap for converting the smart cities vision into a reality that is best suited for India.

## Event Highlights

- 200+ Prequalified Delegates
- 20+ Interactive Sessions
- 5+ International Case Studies
- 20+ Solution Showcase
- 4+ Panel & Round Table Discussions
- 16+ Hours of Networking Opportunities

Invited Chief Guest

**Shri. Vinay Kumar Sorake**

Honorable Minister for Urban Development, Govt. of Karnataka

## Advisory Panel & Keynote Speakers



**Pratap Padode**, Founder & Director,  
**Smart Cities Council India**



**Gautham RK**, Head – Operations, Sustainability  
Excellence, **Cushman & Wakefield (I) Pvt Ltd**



**Karan Grover**, Principal Architect  
**Karan Grover & Associates**



**M Selvarasu**, Director, **LEAD Consultancy & Engineering Services (India) Pvt Ltd**



**Karuna Gopal**, President,  
**Foundation for Futuristic Cities**



**Shyam Khandekar**, Founder, MLC

@Indiansmartcity

## Benefits of Attending

- Participate in envisioning smart and responsible cities
- Understand the feasibility of building smart cities from existing unplanned cities
- Identify ways to retain tradition and culture while developing futuristic cities
- Learn from international case studies
- Gain knowledge on the available technologies
- Meet and network with the government authorities, corporate majors and market experts
- Take away sensible, tangible and actionable conclusions

## Who Should Attend:

Government Bodies, Regulatory Bodies, Local Authorities & Policy Makers (Ministers, Mayors, Commissioners, Administrators, Municipalities, City Planners), Stakeholders of National Missions: Smart Cities Mission, Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Digital India, Make In India and Swachh Bharat Abhiyan, Infrastructure development firms, Urban Planners, Architects, Designers, Real Estate Developers, Project Management Consultants, Conglomerates, Senior Stakeholders of Industrial Corridors, Public and Private Companies involved in Smart Cities Public and Private Transport Operators, Metro Rail, Traffic Management, Gated Communities, Business Parks, Tech Parks, Organisations with large office spaces Research & Development Centre, Tourism, Hospitality, Entertainment, Citizen Communities (NGOs)

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# Apple is the Greenest

## Greenpeace on major impact of rapid growth in digital consumption

Apple is not only the most valuable brand in the world it is also the greenest IT company according to a recent ranking by **Greenpeace**.

All three of its data center expansions announced in the past year will be powered with renewable energy.

**Apple** is also having a positive impact on pushing major colocation providers to help it maintain progress toward its 100% renewable energy goal.

The report notes that:

- Colocation companies continue to lag far behind consumer-facing data center operators in seeking renewable energy to power their operations, but **Equinix's** adoption of a 100% renewable energy commitment and offering of renewably hosted facilities is an important step forward.
- **Google** continues to match **Apple** in deploying renewable energy with its expansion in some markets, but its march toward 100% renewable energy is increasingly under threat by monopoly utilities for several data centers including those in North and South Carolina, Georgia, Singapore and Taiwan.
- **Amazon's** adoption of a 100% renewable energy goal, while potentially significant, lacks basic transparency and, unlike similar commitments from **Apple**, **Facebook** or **Google**, does not yet appear to be guiding **Amazon's** investment decisions toward renewable energy and away from coal.
- The rapid rise of streaming video is driving significant growth in our online footprint, and in power-hungry data centers and network infrastructure needed to deliver it.
- **Microsoft** has slipped further behind **Apple** and **Google** in the race to build a green internet, as its cloud footprint continues to undergo massive growth in an attempt to catch up with **Amazon**, but has not kept pace with **Apple** and **Google** in terms of its supply of renewable electricity.

- Data center operators committed to renewable energy goals will need to redouble their efforts to work together to push policymakers for changes that allow them to procure renewable energy, overcoming the resistance of monopoly utilities.



**The magic of the internet seems almost limitless. But each new internet enabled magic trick means more and more data, now growing over 20% each year.**

The emergence of cheap smart phones means that internet traffic from mobile devices will soon exceed what is delivered over wired connections. Global mobile data was estimated to increase by a whopping 69% in 2014, and is expected to maintain its breakneck growth through at least 2019, due to the rapid increase of video streaming to mobile devices and as more of the world's population gains basic access to the internet via smart phones.

The online population topped 3 billion in 2014, and mobile broadband subscriptions are expected to jump to a staggering 7.6 billion by 2020. While there may be significant energy efficiency gains from moving our lives online, the explosive growth of our digital lives is outstripping those gains. Publishing conglomerates now consume more energy from their data centers than their printing presses. **Greenpeace** has estimated that the aggregate electricity demand of our digital

infrastructure back in 2011 would have ranked sixth in the world among countries.

The rapid transition to streaming video models, as well as tablets and other thin client devices that supplant on-device storage with the cloud, means more and more demand for data center capacity, which will require more energy to power.

The transition to online distribution models, such as video streaming, appears to deliver a reduction in the carbon footprint over traditional models of delivery. However, in some cases, this shift may simply be enabling much higher levels of consumption, ultimately increasing the total amount of electricity consumed and the associated pollution from electricity generation.

**Unless leading internet companies find a way to leapfrog traditional, polluting sources of electricity, the convenience of streaming could cause us to increase our carbon footprint**

Unless leading internet companies find a way to leapfrog traditional, polluting sources of electricity, the convenience of streaming could cause us to increase our carbon footprint.

Full report <http://www.greenpeace.org/usa/Global/usa/planet3/PDFs/2015ClickingClean.pdf>

## Subsidy For Electric Vehicles Kicks In

**M**ahindra Reva Electric Vehicles Company slashed the price of its electric vehicle e2o by 16 per cent (92,000) in May 2015 by passing on the benefits of a recently announced government subsidy to buyers.

India's only electric car is now priced at 4.79 lakh (on road Delhi), while the fixed energy fee remains the same at 2,999 a month for five years or 50,000 km, the company said in a statement.

This is a direct result of the Government's recent subsidy under Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) scheme. FAME, which has a focus on investments in R&D, provides incentives for demand creation, by setting up of charging infrastructures and rolling out of electric vehicle pilot projects. The FAME Scheme intends to tackle the twin issues of energy security and environmental pollution.

**Mahindra Reva**, a **Mahindra Group company**, has also installed 300 accessible charge ports across the country. A charge port can also be installed at home, it added.

### Tiger Global's Rs.75 cr Funding Boosts Electric Scooter Firm Ather Energy



The Rs 29,000 subsidy for electric scooter could play a big role in boosting demand in India. Bengaluru-based **Ather Energy** received the much-needed funding from Tiger Global of Rs. 75 crore to bolster its prototype development.

To be priced competitively at Rs. One lakh, the scooter's specs include a 75 km a hour top speed, 60 km ride on a single charge for one hour. The company is fighting hard to match the performance of petrol scooters.

**Ather Energy** was founded in 2013 by two **IIT Madras** alumni **Tarun Mehta** and **Swapnil Jain**.

FAME India is a part of the National Electric Mobility Mission Plan. The scheme envisages Rs 795 crore support in the first two fiscals starting with the current year.



# Infosys To Become Carbon Neutral by 2018



**T**he Climate Group recently announced Infosys joining a global platform for major companies committed to 100% renewable power. **As part of its commitment to RE100, Infosys aims to become carbon neutral by 2018.** The company is already working to reduce its per capita electricity consumption by 50 per cent from its 2007-2008 levels and source all its electricity from renewable resources by 2018.

**Ramadas Kamath, executive VP and head - Infrastructure and Sustainability, Infosys,** said: “We are working towards building a clean energy future. Expanding the share of renewables is key to addressing the chronic energy crisis our country is facing today. By taking the first step towards hundred per cent renewables, we want to lead the way in creating a sustainable future and bring about an energy transformation in India.”

During fiscal year 2015, Infosys met 29 percent of its electricity needs - about 72.08 million units - for its locations across India through green power. During the same period, Infosys generated over 2911 MWh of electricity through its onsite solar PV installations across India.

**Krishnan Pallassana, executive director, The Climate Group India,** said: “We are delighted to welcome an innovative and forward thinking organization such as Infosys into the campaign. We need more companies that are willing to set bold targets and demonstrate the business case for renewable power. India plays a crucial role in sealing a global climate deal and could benefit the most from investing into a low-carbon future, which can generate sustainable and consistent energy for all.”

**Damandeep Singh, CDP India Director,** said: “Infosys has been a pioneer in embedding sustainability into their business practices and is a leading example of how long-term vision can save company money. RE100 is a perfect fit for this global IT bellwether company.”

RE100 was launched at Climate Week NYC on September 22, 2014. Seventeen companies have now joined the campaign and made a public commitment to become 100% renewable, including founding members IKEA and Swiss Re. As the campaign spreads in India, it is expected that more Indian companies will switch to renewable power and demonstrate the huge opportunity that exists in India’s growing clean economy.



## First IT Company to Adopt G4 Reporting

Earlier, Infosys was the first information technology company globally to publish its sustainability report based on the latest Global Reporting Initiative (GRI) G4 comprehensive framework. GRI is the most widely respected sustainability reporting framework, worldwide.

A company press note said its integrated reporting framework provides synergy between its economic, social and environmental strategies, action plans, and desired outcomes. This has significantly helped Infosys achieve its sustainability goals.

Since the first reporting year, Infosys reduced its per capita electricity and fresh water consumption by about 44 percent and 35 percent respectively as of FY 2014. **Infosys recently won a gold award at the prestigious Ashden Awards in London, considered the Green Oscars for its achievements in building energy efficiency.**

Infosys Foundation continues to engage with over 372 engineering colleges through Campus Connect, its flagship industry-academia partnership program. The company's sustainability efforts have been recognized at various national and international forums.

## Paharpur Business Centre Gets Australian Rating For Clean Indoor Air

Melbourne based company **CETEC Pty. Ltd.**, a technical risk management consultancy focusing on occupational health and safety, environmental consulting awarded **Paharpur Business Centre (PBC)**, a USGBC LEED (EB) Platinum Certified and BEE 5 Star rated, green office building, located New Delhi with the first-ever certification under the **National Australian Built Environment Rating System (NABERS)**.

NABERS is a performance-based rating system for existing buildings, which rated the Paharpur Business Centre based on its measured operational impact on the environment on several parameters including indoor air quality, ventilation and levels of pollutants.

The Paharpur Business Centre is India's first retrofit building to earn top rating for its green space and its indoor air quality conforms to American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) World Health Organizations (WHO) standards.

The lighting levels, noise and comfort parameters were controlled by continuous recording and attention to data of the building's operation. The outstanding feature of the NABERS rating was the exceptionally high 'occupant-satisfaction score.' High tenant satisfaction

also indicates high occupant productivity which is vital for India's recovery.

**Mr. Kamal Meattle, CEO Paharpur Business Centre and Software Technology Incubator Park**, said "Given that Delhi's air is practically unfit for breathing, it is great that we have a third party verification of good air quality at PBC – for wellness and productivity of our occupants. People working in buildings need to keep well and it is a well-known fact that indoor air is 10 times more polluted than outside or ambient air. What does one do, when the ambient air is itself unacceptable?

PBC grows fresh air with the help of more than 1,200 air purifying plants that not only detoxify the indoor air but also enrich it with oxygen.

PBC was awarded by ET Now for **Best Workplace**, in February 2013. PBC has also received special commendation from CoreNet Global in April 2013, for **Industry Excellence, Economic Development and Sustainable Leadership**. PBC has also been recognized for energy management practices and was presented the **15th CII National Award for Excellence in Energy Management in October 2014**.

# Unilever Saves One Million Tons of CO<sub>2</sub>

Unilever again showed it is the world's leader in practicing sustainability when it announced recently that it has saved 1

million tons of CO<sub>2</sub> throughout its manufacturing network since 2008. Just three months ago Unilever announced its success with zero waste to landfill across its global factory network.

The company also said its energy consumption has decreased by 20 percent — the same energy used to run 40 factories or the equivalent in carbon absorbed by over 800,000 acres of forest in one year — which has resulted in significant cost savings of 244m.

"We're delighted to have hit this milestone in our CO<sub>2</sub> reduction," Unilever Chief Supply Chain Officer, Pier Luigi Sigismondi said. "Reducing our energy consumption not only cuts our greenhouse gas emissions — the equivalent in carbon of 800,000 acres of forest each year — but also cuts our costs. Since 2008, we've saved over 244m by reducing our CO<sub>2</sub> emissions.

**"Climate change is having a huge impact on the environment and on business. Ahead of Climate Week in Paris, we are continuing to show that sustainability is a driver for growth, and the only long-term option for business in a volatile world."**

Unilever said how it was able to achieve CO<sub>2</sub> savings:

- In South Africa, a bi-product of the seed oil from Flora, Stork, Rama and Rondo brand oils is used to fuel factory boilers.
- In the UK Marmite factory, 18,000 tons of solid Marmite waste is converted via an anaerobic

digester into methane, which is used to provide 30 percent of the factory's thermal energy.

## Helping Others

Unilever is also helping other industries to reduce their carbon emissions. In Indonesia, waste from Unilever's operations goes into another company's cement as a material, helping to reduce the carbon impacts of the cement industry — the sixth-largest contributor to greenhouse gas emissions in the world.

**Unilever, which has been assessing its greenhouse gas emissions since 1995, has proven that reducing energy use not only benefits the environment, but has a clear business purpose as it helps to drive down costs and leaves the company less exposed to changes in the energy price market, improving business resilience.**

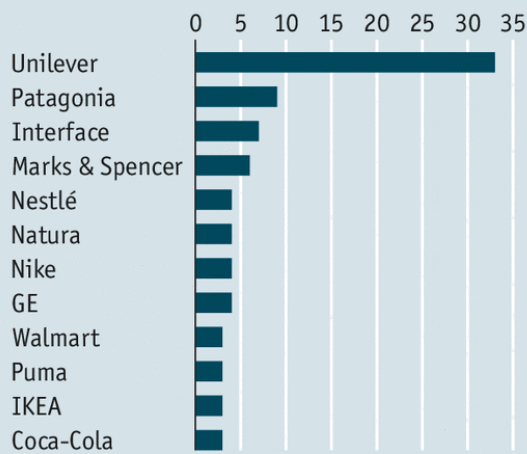
The company has a clear strategy to switch to renewable energy. Currently, 28 percent of the energy used by Unilever factories comes from renewable sources, with 39 percent of electrical energy produced from this source.

Unilever has a target to reach 40 percent renewable energy by 2020 and plans to work towards 100 percent. It joined the RE100 campaign to accelerate the scale-up of renewable power. The goal of RE100 is — at least 100 of the world's most influential businesses to commit to switching to 100 percent renewable sources of electricity in the near future.

*Related Reading <http://www.economist.com/news/business/21611103-second-time-its-120-year-history-unilever-trying-redefine-what-it-means-be>*

## By a mile

Leaders in sustainability, % of analysts polled



Source: GlobeScan/SustainAbility Survey



# Transition to Circular Economy

## New Performance Indicators

The **Ellen MacArthur Foundation** and **Granta Design** have launched new indicators which, for the first time, enable companies to assess how well a product or company performs in the context of a circular economy

A report by Sustainable Brands shows how the new indicators measure the extent to which the material flows of a product or company are restorative. In doing so, they will enable companies to measure their progress in making the transition from linear to circular models, and to identify areas of further opportunity.

It shows how businesses can benefit from adopting circular economic principles by capturing additional value from their products and materials, and mitigating risks from material price volatility and material supply. The indicators will be beneficial to product designers, as well as for internal reporting, procurement decisions and the evaluation or rating of companies.

The Circularity Indicators are the result of a two-year research project funded by the European Commission's Life program. The project brought together European businesses, expert designers and leading academics to support the development, testing and refinement of the measurement approach and to ensure its robustness and relevance economy-wide.

### Web Tool

The project has delivered a publicly available indicators methodology, a project overview and collection of non-technical case studies, and integration of the product-related indicators into a commercially available web-based tool. This software tool, GRANTA MI: Product Intelligence™, enables users to analyze and evaluate a range of environmental, regulatory and supply chain risks for their designs and products. **A version including the Circularity Indicators will be available for trial in June 2015.**

Speaking of thoughtful approaches to product design

the **Cradle to Cradle Products Innovation Institute** and **Autodesk** announced the winners of the inaugural, which asked participants to design products made with materials that can return safely to industry or nature at the end of use, fulfilling a core criterion of “remaking the way we make things.”

### Ellen MacArthur Foundation

Ellen MacArthur foundation is a UK-base charity that promotes the ‘circular economy’ idea and practices around the world. Its members include more than 100 large MNCs. It does not include an Indian company. Since its launch in September 2010, the Foundation has placed an emphasis on the real-world relevance of its activities. Its partners include Cisco, Philips, Renault, Kingfisher & Unilever) <http://www.ellenmacarthurfoundation.org/>



*Dame Ellen MacArthur & Cris Edgell*

**Granta Design** is a leader in materials information technology and works to advance materials engineering and education, and to enable better, greener, safer products.

Founded in 1994 as a spin-out from the University of Cambridge, Granta helps hundreds of engineering enterprises to manage information on the materials (metals, plastics, composites, and more) that are essential to their businesses.

<http://www.grantadesign.com>

# Gated to Gateway

How one of Bengaluru's posh gated communities cares for those outside it

May 30, 2015 was the fifth year celebration of residents of Adarsh Palm Retreat, not among themselves, but with the children of their domestic staff and kids from neighboring slums. In all, the residents have improved the lives of 1,900 children going to school this year and 3,500 during the last five years.

This is rare collective effort especially of the women residents with support from their spouses. Teju Vijay took the bold step and set up a group called Sahayog, which means cooperation in Hindi. Her friends Shoma Barke, Lakshmi, Hema and Veena joined her to raise funding. They have been able to supply most of the annual supplies of back to school kits.

Support staff who benefit include domestic help, drivers, maintenance staff, housekeeping staff and others. This extended to orphanages and students of government schools around Adarsh.

"Our task is to help children to go back to school with a smile by providing them with necessary schooling aids like stationary, books, bags, shoes along with few health and hygiene camps to ensure their holistic

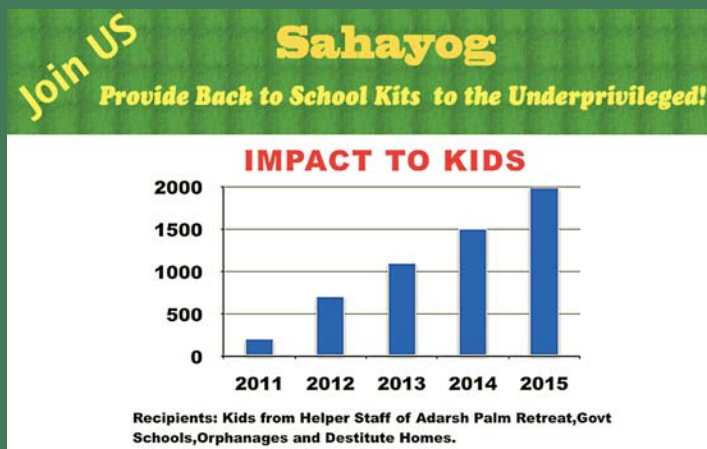
The kit includes pencil set, pouch, pens, note books, eraser, pencil, water bottle, biscuit and school bag. The kit for older girl kids include reusable sanitary pads. The over 2,000 beneficiaries belonged to Thayeemane Orphanage, Santhosh Charity, Government School at Bognahalli, a destitute school and Joan of Arc Foundation School. What's interesting about Sahayog is that its volunteers include kids as young as 5 and also 70-year olds.



Adarsh Palm Retreat Volunteers

**Sahayog can be an inspiration for apartment associations to formally contribute to the well-being of their support staff as well as the poor living around their complex. This could create communities of goodwill – much needed in hectic and impersonal city life.**

development and start their schooling year afresh. Until now we have helped 3500 kids going back to school. In its 5th year, we are to support 2000 children. Details about the year on year growth and impact of the event attached," says Teju Vijay.



For Shoma this is another initiative in the education for the poor space. She runs Lets Do Some Good ([www.ldsg.in](http://www.ldsg.in)) for children of migrant labor in Bengaluru. She has created this as a platform for several NGOs and businesses to contribute.



Kids making kits for distribution



# Green Power Systems

By Subhadip Roy, Asst. Professor, IIM Udaipur and  
Subhalaxmi Mohapatra, Research Associate, IIM Udaipur

This case study won the first prize at the recent competition  
hosted by SBM Forum in Delhi



Founders receive Sankalp award

**G**reen Power Systems (GPS Renewables Private Limited or simply GPS), was a cleantech company based in Bangalore, co-founded by Mainak Chakraborty and Sreekrishna Sankar (Sankar) in late 2010. They were both MBA graduates from IIM Bangalore, who were working in the corporate sector.

Chakraborty was aware of the worsening situation across India on bio-waste treatment because of lack of space, improper reutilization and poor maintenance of the existing technology models. However, he knew about successful bio-waste energy management practices in the western world and how companies have been successful in turning bio-waste into energy.

Thus, along with his MBA senior Sankar he conducted a study across the country and found the urban centres to generate major amount of food waste from a very small percentage of the population/area such as restaurants, hotels, corporate kitchens, schools and colleges. Given that one of biggest cost-heads for such establishments was commercial cooking fuel, it made a lot of sense to convert the waste into energy locally. However, Chakraborty and Sankar also found that the general opinion about bio-gas was negative because of many shortcomings, such as: need for dedicated piece of land with civil works, significant water requirements, difficult maintenance and a messy repair/recovery method in case of breakdowns.

Both Chakraborty and Sankar realized that there was a need for a compact biowaste-to-energy reactor that would be designed keeping in mind the budget, space and other constraints of private and institutional clients. The idea was to build a for-profit firm but with a social and environmental impact. Thus, the two set up GPS in 2010. However, having found the gap, filling it was not an easy job.

Chakraborty said: “India has a lot of quality information technology (IT) engineers. However, we needed mechanical and electrical engineers who had the power of innovation. This was not easy.” Subsequently, they came up with a design of a compact bio-waste reactor that was prefabricated and could be assembled at the clients place with little effort.

The major innovation though was in the technology support since it was an IT- based cloud support mechanism which required very little human intervention for monitoring unlike traditional bio-gas plants. The first prototype was given shape in 2011.

## Akshaya Patra

The next challenge was to convince the target audience as Chakraborty found out that there was a lot of negative affect towards bio-gas solutions. Thus, the first round of convincing led GPS to Akshaya Patra, a Bangalore based NGO who allowed GPS to run the product at their site on a trial basis by late 2012. GPS had broken the ice.

After a year of commercial pilot experience at Akshaya Patra, GPS started commercialization of their product named BioUrja that had received lukewarm response from its potential customers by late 2013. Some of the top brass at Akshaya Patra were also associated with Infosys, a leading IT company in India. When they saw the product and its functionality, they were interested and GPS got the contract to install and run similar plants at Infosys offices across India.

**By 2014, GPS was able to gain a foothold by installing its plants at many institutions and organizations in India. The company was also successful in receiving seed money from the Government of India and various accolades that provided publicity to the company.**

However, there were two major challenges that the company was facing in 2014. The first was the issue of scaling up operations. The company was founded at a low financial base and being a non-stylized venture unlike online retail or technology ventures, it was not attractive to funding institutions. The other challenge was that of consumer awareness was low.

Majority equated BioUrja with a traditional biogas plant and thus were sceptical about its efficiency. To move ahead, GPS had to tackle both these issues. How did they do that?

To avail the entire case, please contact – The SBM Forum;  
sbmforum@martrural.com, Ph: +91-120-4215323, 4273995

# Redesigning Business Models



Shankar Venkateswaran, Chief Sustainability Officer, Tata Group, making his point. On the dais - Pradeep Kashyap, Founder of MART, Madhugar Shukla, XLRI, Poonam Madan (moderator) from INESA

- Becoming sustainable can yield both bottom-line and top-line returns in the long run.
- Corporate Social Responsibility as practiced by most companies is to contribute towards community development. The emphasis of Sustainable development has been towards conservation of the environment from degradation and deforestation.
- However, the proposition of a sustainable business model focuses on transforming the existing businesses. **The objective of SBM is to encourage existing 'for profit' companies to re-design their business models such that they can sustain in the long run.** They can sustain the environment related challenges such as resource constraints and also sustain the society related challenges such as social license to operate and yet make profits.
- In the context of emerging markets, a business cannot be understood as profitable if it does not take care of the larger pressing needs of the economy or vice versa. **It becomes indispensable for businesses to revolve their business models around solving larger social and environmental issues such as water.**
- Sustainable Business Models in a country like India can't be thought of without including the BoP consumers, which form a huge proportion of populace.
- With rural income growing faster than urban in last five years and subsequent shift of non-consumers of past becoming the consumers of present, we need to **find the sustainable ways to handle this growing demand from new consumers.**
- CSR may ensure short-term sustainability but long-term sustainability of a company is questionable in light of the fact that CSR deals with only 2% of company's profit (in Indian context), however, the rest of 98% of the business is taken care of in a sustainable business model.
- There is a distinction between the three terms – CSR (people > planet > profit), sustainable development (planet > people > profit) and Sustainable Business Models (profit > planet > people).
- Currently business entities are looking at sustainability from a risk mitigation perspective rather than looking at the opportunistic side of it.
- Sustainability is a compulsory board room mission and also the importance of managing complexities in organizations to achieve SBM.

**Compiled By SBM Forum Team**



# Ford India Shows Off With Numbers

With a strong focus on practices that drive energy management, Ford's **Chennai Vehicle Assembly and Engine Plant (CVAEP)** achieved a reduction of 16 percent in terms of energy consumed per car produced since 2009.

Continuous improvement measures have also led to a reduction of **30 percent in water consumed per car produced, while volatile organic compound (VOC) emissions reduced by close to 40 percent**, over the same period.

The plant treats **100 percent of its waste water which is reused within the facility, making this a zero liquid discharge facility**. The entire hazardous waste generated is either recycled or co-processed into allied cement industries, making this plant a zero landfill facility.

The Chennai plant was adjudged as **the Excellent Energy Efficiency Unit at the 15th CII National Energy Management Awards in 2014**, out of a 100 shortlisted companies, in recognition of the plant's various energy-saving initiatives. Similarly, the paint facility at Sanand will use Ford's innovative three-wet paint process that allows three coats of paint to be applied and dried simultaneously. **The energy efficient process significantly reduces wastage, energy consumption and helps in lowering paint**

## How Green is Ford

- **16% less energy since 2009**
- **30% less water since 2009**
- **40% less emission of volatile organic compound**
- **100% waste water reuse**
- **Zero landfill**

**Ford's Chennai plant was adjudged as the Excellent Energy Efficiency Unit at the 15th CII National Energy Management Awards in 2014, out of a 100 shortlisted companies.**

**shop carbon-dioxide emissions by up to 25 percent.**

Our commitment to the environment is reflected not only in its manufacturing processes, but also in its vehicle and engine offerings. **More than 2 million consumers around the world have opted for EcoBoost powered vehicles. The 1.0L EcoBoost engine was unanimously awarded the 'International Engine of the Year' award for 3 years in a row in 2012, 2013 and 2014 by a panel of over 82 automotive journalists from across 35 countries.**

The goal of the One Ford strategy is to create profitable growth for all and this is intrinsically linked with the sustainability strategy. Around the world, Ford operations endeavors to integrate sustainability issues into business practices and manage them like other key issues. Ford will continue to identify emerging environment-related challenges and opportunities and to mobilize resources within the company to address them, which will help Ford remain competitive in a changing world.

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13<sup>th</sup> Edition

# Green Building Congress 2015

Indian Green Building Council (IGBC) is organising the 13th edition Green Building Congress 2015, India's flagship event on green buildings and green built environment at Gandhinagar, Gujarat to further advance green building movement in the country.

The event features International Conference & Exhibition on Green Buildings

International Conference & Exhibition on Green Buildings and Green Built Environment  
19 - 21 Nov 2015 Mahatma Mandir, Gandhinagar, Gujarat

## Major Highlights

|| Over 100 speakers, International & National || Over 100 Exhibitors || Over 7,000 Footfalls || Over 2,000 Delegates  
|| Expected participation from Australia, Canada, China, Emirates, Finland, France, Germany, Hong Kong, Indonesia, Japan, Malaysia, Nepal, Netherlands, Saudi Arabia, Singapore, Sweden, Switzerland, Sri Lanka, UK, USA.

## Objectives

- Expose the participants to the latest global trends in green buildings
- Provide a platform for networking
- Facilitate exploring new business opportunities
- Enable market transformation of green products and equipment

Save the date

19 - 21  
Nov 2015

Join us at

Gandhinagar  
Gujarat

## Glimpses of Previous Editions of Green Building Congress



For more details, contact:

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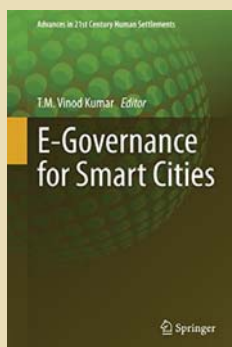
Green-I Contest



\* Confirmed as on 04.03.2015



# BOOKSHELF



## E-Governance for Smart Cities (Advances in 21st Century Human Settlements)

Professor T. M. Vinod Kumar, Springer 2015 Edition

**T**his book highlights the electronic governance in a smart city through case studies of cities located in many countries. “E-Government” refers to the use by government agencies of information technologies (such as Wide Area Networks, the Internet, and mobile computing) that have the ability to transform relations with citizens, businesses, and other arms of government. These technologies can serve a variety of different ends: better delivery of government services to citizens, improved interactions with business and industry, citizen empowerment through access to information, or more efficient government management. The resulting benefits are less corruption, increased transparency, greater convenience, revenue growth, and/or cost reductions.



## Strategies Towards the New Sustainability Paradigm: Managing the Great Transition to Sustainable Global Democracy

By Odile Schwarz-Herion & Dr. Abdelnaser Omran, Springer, April 2015

**O**n a historical global turning point, this book offers a thorough exploration of the “New Sustainability Paradigm”, originally developed by the Global Scenario Group (GSG) of the Stockholm Environmental Institute (SEI) as a starting point for analyzing real-life transitions and transformations. 11 contributors from 5 continents present detailed analyses of economic and political transitions in Western and Eastern Europe, the USA, the Middle East, and in Asia, discussing the role of different players in the implementation of the New Sustainability Paradigm.

It offers an analysis of insights developed throughout the book, and outlines recommendations for the implementation of the New Sustainability Paradigm by civil society, grass-root movements, scholars, politically neutral NGOs, sincere media players, and by open-minded and enlightened politicians to manage and steer the Great Transition towards sustainable global democracy.

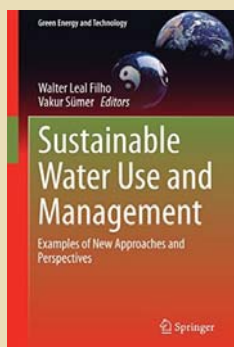


## New Perspectives on Corporate Social Responsibility: Locating the Missing Link

By Linda O'Riordan, Piotr Zmuda, Stefan Heinemann, Springer, April 2015

**P**roviding a timely contribution to the ongoing questions surrounding topics which are by definition subject to varying stakeholder interpretations, this book addresses “the missing link” between theoretical CSR concepts and everyday management practice. It acts as a guide to awaken managers to the advantages of adopting a CSR “mindset” when developing sustainable business strategies.

The book consists of three parts: 1) A theoretical realm which establishes the key concepts and rationale for the adoption of a sustainable CSR approach, 2) A practical realm which addresses putting CSR and sustainability into business practice, 3) An educational realm which proposes how to incorporate the concepts into teaching and training.

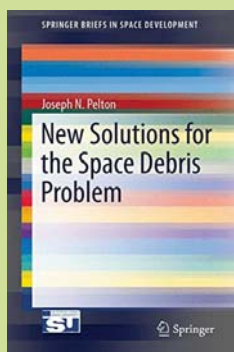


## Sustainable Water Use and Management: Examples of New Approaches and Perspectives (Green Energy and Technology)

Professor Walter Leal Filho & Dr. Vakur Sumer, Springer, January 2015

Contributing to the growing debate on the need for sustainable water use and management, with concrete examples of new approaches, concepts, arguments, methods and findings which illustrate how this can be achieved, this book will be attractive for large groups of readers familiar with one or more of the themes it tackles, and to the general public. Within this context, the book makes use of many tables and graphics, which bring the many messages together. This approach is intended not only for those working on water matters (e.g. bureaucrats, water managers, policymakers, journalists, etc.) and interested in water management issues and sustainability at large, but also for students of water management, water politics, environmental policy, water economics, water engineering and sustainability studies.

Located at the crossroads of two key phenomena: sustainability and water, this book brings forward academic research and discussions on water efficiency, new technologies, and the water-agriculture nexus. It also benefits readers by tackling matters related to trans-boundary cooperation on water (including rainwater) and river-basin management, pricing issues, participatory water management, and the role of women in sustainable water use, amongst others.



## New Solutions for the Space Debris Problem

Joseph N. Pelton, Springer, May 2015

Addressing a pressing issue in space policy, Pelton explores the new forms of technology that are being developed to actively remove the defunct space objects from orbit and analyzes their implications in the existing regime of international space law and public international law. This authoritative review covers the due diligence guidelines that nations are using to minimize the generation of new debris, mandates to de-orbit satellites at end of life, and innovative endeavors to remove non-functional satellites, upper stage rockets and other large debris from orbit under new institutional, financial and regulatory guidelines.

Commercial space services currently exceed 100 billion USD business per annum, but the alarming proliferation in the population of orbital debris in low, medium and geosynchronous satellite orbits poses a serious threat to all kinds of space assets and applications. There is a grave concern that the existing space debris will begin to collide in a cascading manner, generating further debris, which is known as the Kessler Syndrome. Scientific analysis has indicated an urgent need to perform space debris remediation through active removal of debris and on-orbit satellite servicing.

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**The Sixth International Conference on Future Energy Systems**  
 July 14-17, 2015, Bangalore, India  
<http://www.wikicfp.com/cfp/servlet/event.showcfp?eventid=39226&copyownerid=45395>

**CII - Institute of Logistics is organizing a two day conference on AUTO SCM 2015 - "Gearing up to successfully transform supply chain in GST environment"**  
 July 23-24, 2015, New Delhi, Hotel the Grand  
<http://www.ciilogistics.com/>

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 25-26 June, 2015, Chennai

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