ESG GUIDE

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

1. Introduction

What is ESG?

ESG stands for Environmental, Social, and Governance — three broad pillars used to evaluate how an organisation manages risks and opportunities that extend beyond conventional financial metrics. These three dimensions collectively reflect a company's sustainability, ethical conduct, and resilience.

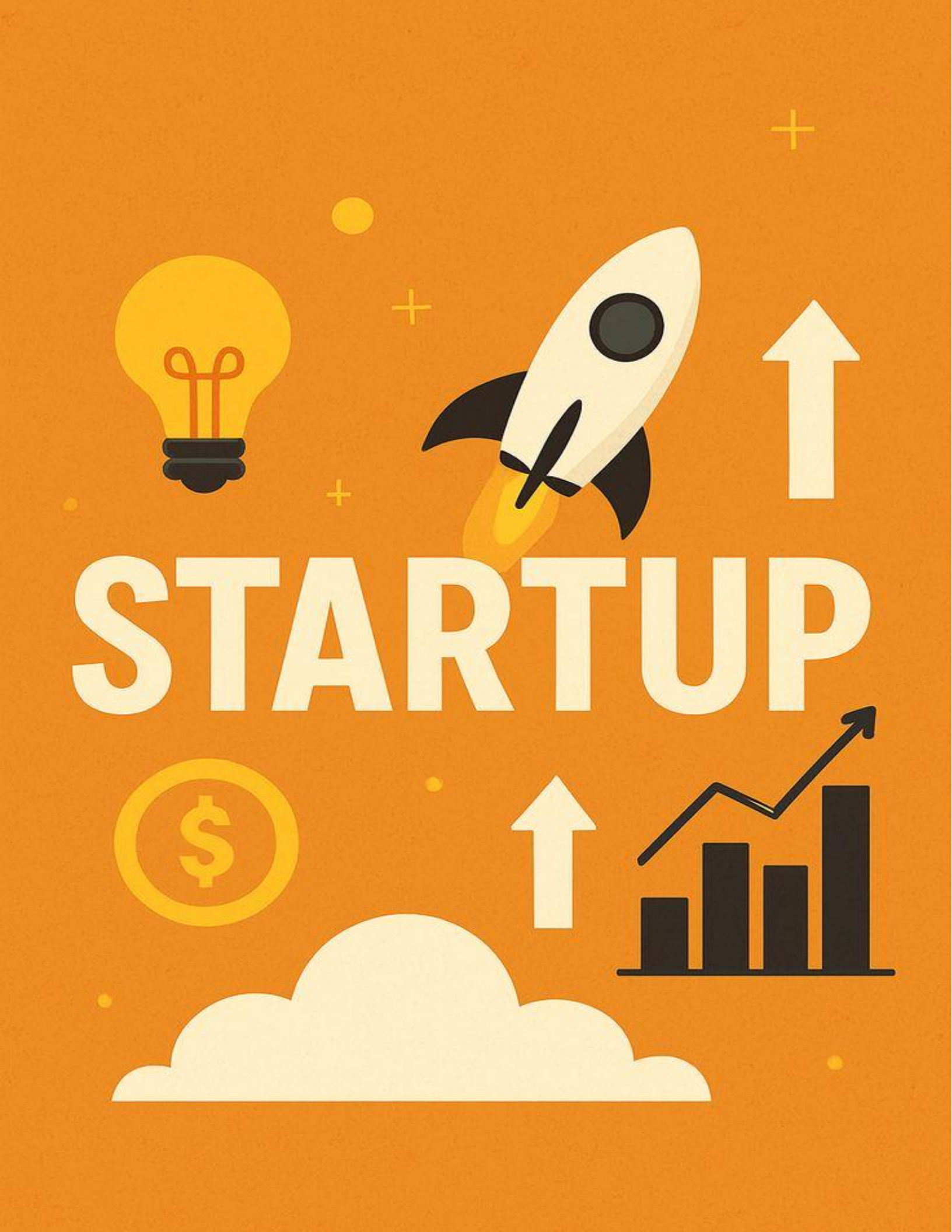
- Environmental factors examine how a company manages its impact on the natural world — including energy consumption, greenhouse gas emissions, water usage, waste generation, and climate risk exposure.
- Social factors assess how an organisation manages relationships with its employees, suppliers, customers, and the communities in which it operates — covering labour standards, workplace safety, diversity and inclusion, and data privacy.
- Governance factors evaluate internal structures and controls — including board composition, anti-corruption policies, regulatory compliance, and transparency in reporting.

Together, these three pillars provide a holistic view of an organisation's long-term viability and ethical orientation.

Why is ESG Data Collection Important?

The collection and disclosure of ESG data has become increasingly central to modern business practice. There are several key reasons for this:

- **Capital allocation decisions:** Investor Expectations
  - Institutional investors, ESG-focused funds, and impact investors increasingly require structured ESG disclosures before committing capital. Reliable ESG data enables organisations to access a wider pool of funding and reduces the cost of capital.
- **Legal and policy mandates:** Regulatory Compliance
  - Governments and regulatory bodies globally — including India's SEBI through the Business Responsibility and Sustainability Report (BRSR) framework — mandate ESG disclosures at various stages of a company's growth. Compliance requires accurate, consistent ESG data.
- **Resource and cost optimisation:** Operational Efficiency
  - Tracking energy, water, and waste data enables organisations to identify inefficiencies, reduce costs, and improve resource utilisation over time.
- **Identifying non-financial risks:** Risk Management
  - ESG data helps organisations identify environmental, social, and governance risks — such as climate exposure, supply chain vulnerabilities, and regulatory breaches — before they materialise into financial losses.
- **Stakeholder trust:** Reputation and Brand Value
  - Organisations with strong ESG credentials build greater trust among customers, employees, and civil society. Transparent reporting reduces reputational risk.


STARTUP

2. Startup — ESG Data Requirements

A startup is an early-stage company, typically with a small team, limited operations, and an evolving business model. At this stage, ESG practices are foundational — organisations are building internal awareness, establishing basic compliance, and creating a culture of sustainability from the ground up.

ESG data requirements for startups focus on basic operational footprint, foundational governance, and workforce-related social metrics. The primary drivers are investor credibility, regulatory baseline compliance, and internal accountability.

Company Profile Data

Before ESG metrics can be assessed, basic organisational context must be captured. For startups, this includes the company name, primary industry, approximate headcount, number of regions or states of operation, and the stakeholder type. This data provides the framework within which ESG metrics are interpreted — a tech startup in a single city has a fundamentally different ESG baseline compared to a manufacturing startup operating across multiple states.

Environmental Data

Monthly Energy Usage (kWh)	Even at an early stage, tracking energy consumption establishes a carbon baseline. Investors and accelerators increasingly request this as evidence of environmental awareness. It also helps identify cost-saving opportunities in office or infrastructure operations.
% of Renewable Energy Usage	Demonstrates whether the startup is making proactive choices to reduce its carbon intensity. Relevant for green finance applications and ESG-aligned funding rounds, particularly from impact investors.
Diesel Generator Usage	Diesel generators are a direct source of Scope 1 emissions. Knowing whether they are used — and how frequently — is critical for any preliminary carbon footprint calculation, especially in regions with unreliable power grids.
Formal E-Waste Disposal (Tech/Hardware Sector)	Technology and hardware companies generate electronic waste as part of regular operations. Tracking formal disposal demonstrates compliance with India's E-Waste Management Rules and responsible handling of hazardous materials.
Operation in Disaster-Prone or Extreme Heat Zones	Identifies physical climate risk exposure. Relevant for insurance, business continuity planning, and investor risk assessment. Startups operating in vulnerable geographies must disclose this to help stakeholders understand operational resilience.

Tracking Carbon Credits	While carbon credit trading is more advanced for larger organisations, startups with a mission to address climate change may already engage with voluntary carbon markets. Tracking this establishes credibility and positions the company for future carbon market participation.

Social Data

% of Women / Under-Represented Groups in Total Headcount	Diversity at the workforce level is a critical social metric even for small organisations. Investors, particularly those aligned with Diversity, Equity, and Inclusion (DEI) mandates, evaluate this data early. It also signals organisational culture and values.
Minimum Wage and Safety Compliance for Third-Party Staff	Startups often rely on contract workers, delivery partners, or outsourced services. Ensuring that these workers receive minimum wage and operate in safe conditions protects the company from labour law violations and reputational damage.
Carbon Literacy Sessions	A social metric reflecting internal ESG culture. Conducting sessions on carbon awareness demonstrates a company's commitment to building ESG knowledge among employees, which is especially relevant for startups with a sustainability-aligned mission.
Formal Policy for Workplace Safety and Mental Wellbeing	Even at an early stage, having documented policies for physical safety and mental health signals organisational maturity. It reduces liability exposure and is increasingly expected by talent, investors, and incubators.

Governance Data

At Least One Independent or Diverse Board Member	Board diversity is a core governance metric. Having an independent or diverse board member prevents excessive founder concentration, improves decision-making quality, and is often a requirement for grant applications and institutional funding.
Anti-Corruption Policies	Demonstrates that the organisation has baseline ethical safeguards in place. Anti-corruption policies are required for compliance with Indian laws and are scrutinised by institutional investors, large corporate clients, and accelerator programmes.
Compliance with the Indian DPDP Act 2023	The Digital Personal Data Protection Act 2023 creates new obligations for how companies collect, process, and store personal data. Even startups handling user or employee data must be compliant to avoid penalties and maintain stakeholder trust.
ESG Screening of Key Suppliers	Extending ESG standards into the supply chain — even informally — signals governance maturity. For startups seeking B2B contracts

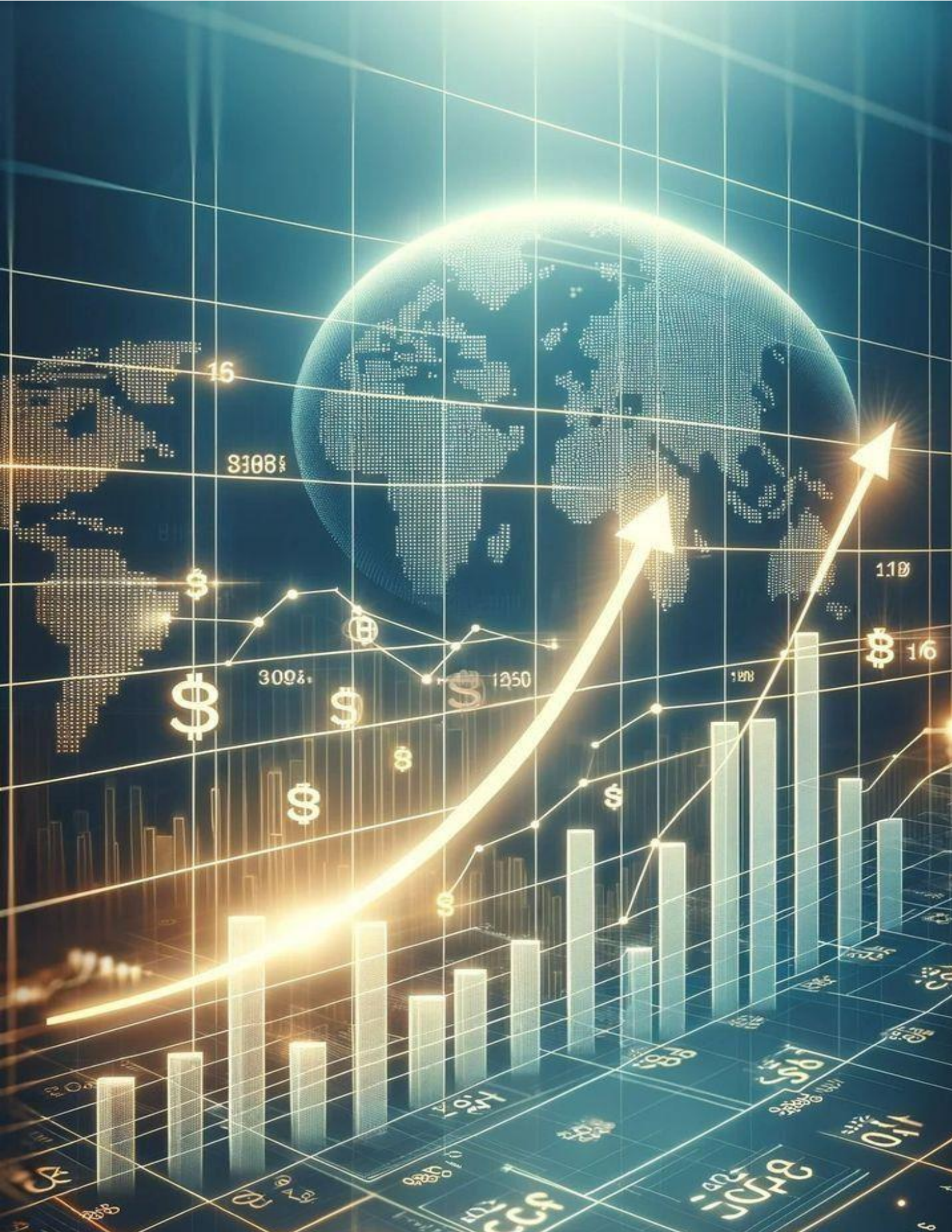
	or CSR-aligned partnerships, demonstrating supplier accountability is increasingly expected.

Work Travel and Value Chain

Frequency of Business Travel	Business travel contributes to Scope 3 emissions. Tracking frequency — even in a binary or qualitative sense — helps startups understand the emissions associated with their operations and supports early Scope 3 accounting.
Incentives for Public Transport, EV, or Carpooling	This metric captures whether the organisation is actively reducing its commute-related environmental footprint. It also reflects social policy — supporting sustainable commuting is part of an employee-focused culture.
Percentage of Workforce Operating Remotely	Remote work reduces office energy consumption, commute emissions, and physical infrastructure costs. Tracking this percentage provides insight into the company's environmental footprint and its approach to flexible work.

Mission Alignment

Tracking Carbon Awareness Among the Masses	Relevant for startups with an environmental or climate-tech mission. This data point assesses impact measurement — whether the company's product, service, or campaigns are generating measurable public awareness or behaviour change related to carbon.
India-Developed Carbon Credit Technology	Relevant for startups operating in the carbon credit ecosystem. Demonstrates alignment with the Make in India initiative and local technology development, which can support access to government grants, regulatory advantages, and national carbon trading schemes.



SECTION 3: SCALE-UP

3. Scale-up — ESG Data Requirements

A scale-up is a company that has progressed beyond the early stage — it has achieved product-market fit, is generating meaningful revenue, and is growing its workforce, infrastructure, and geographic footprint. ESG data requirements at this stage become significantly more quantitative and operationally grounded.

Scale-ups face a transition period: they are not yet subject to full statutory ESG reporting, but are expected by investors, clients, and supply chain partners to demonstrate measurable progress against ESG commitments. The emphasis shifts from awareness to accountability.

Company Profile Data

In addition to identity and industry data, scale-ups must disclose financial and workforce metrics: annual revenue (in INR Crores), net worth, number of permanent and contract employees, and the most important ESG topic for the business. These data points contextualise ESG performance — a company's emissions or social metrics only become meaningful when normalised against revenue, output, or headcount.

Environmental Data

Energy Intensity (kWh per Unit of Revenue or Output)	This normalised metric shows how efficiently the organisation uses energy relative to its economic output. It allows meaningful comparisons across reporting periods and against industry benchmarks, which is critical for ESG-focused investors.
% of Renewable Energy Used	Reflects the organisation's progress in transitioning to clean energy. As scale-ups grow their physical infrastructure, the renewable share becomes a key decarbonisation indicator and a differentiator for low-carbon procurement programmes.
Green Energy Credits	Tracks whether the organisation is purchasing Renewable Energy Certificates (RECs) or other instruments to offset non-renewable consumption. This is relevant for Scope 2 reporting and demonstrates market engagement with India's green energy ecosystem.
Scope 1 Emissions (Tonnes CO2e)	Scope 1 covers direct greenhouse gas emissions from company-owned or controlled operations — including fuel combustion and company vehicles. This is a mandatory input for any structured

	carbon accounting framework and lays the foundation for net-zero target setting.
Scope 2 Emissions (Tonnes CO2e)	Scope 2 covers indirect emissions from purchased electricity and heat. Tracking this alongside energy usage enables organisations to calculate their full operational carbon footprint and assess the impact of renewable energy procurement decisions.
Total Water Withdrawal (Kilolitres)	Water is increasingly recognised as a constrained resource. Tracking withdrawal volumes is necessary for water-intensive industries and is required for compliance with India's environmental regulations. It also supports water risk assessment in climate-vulnerable regions.
% of Wastewater Treated	Demonstrates environmental responsibility in water management. Compliance with India's wastewater treatment norms (under the Environment Protection Act) requires tracking and reporting, and this metric is evaluated by ESG rating agencies.
Plastic Waste Generated (Tonnes)	Governed by India's Plastic Waste Management Rules, this data point is required for regulatory compliance and for demonstrating the organisation's approach to circular economy principles. Increasingly scrutinised by corporate buyers and ESG auditors.
E-Waste Generated (Tonnes)	India's E-Waste Management Rules require producers, manufacturers, and bulk consumers to register and report e-waste generation. Accurate data supports compliance, Extended Producer Responsibility (EPR) obligations, and responsible disposal tracking.
Hazardous Waste Generated (Tonnes)	Governed by the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, this metric is legally mandated for organisations generating hazardous waste. Non-compliance carries significant regulatory and reputational risk.
% of Total Waste Recycled	Demonstrates the organisation's commitment to waste reduction and circular economy practices. A higher recycling percentage reduces landfill contribution and supports alignment with India's zero-waste-to-landfill goals.

Social Data

Gender Pay Gap Ratio	Measures the disparity in average compensation between male and female employees. Closing the gender pay gap is a key social justice objective, and its disclosure is increasingly expected by investors, employees, and regulators as a governance and social accountability measure.

% of Women in Management	Tracks gender diversity at decision-making levels, beyond overall headcount. A higher share of women in management is associated with better organisational performance and is a required disclosure under SEBI's BRSR framework for listed companies.
Lost Time Injury Frequency Rate (LTIFR)	A critical safety metric that measures the number of work-related injuries per million hours worked. It is a standard global indicator for workplace safety performance and is required by investors and supply chain auditors to assess operational risk.
Mental Health Coverage	As scale-ups experience rapid growth, employee wellbeing becomes operationally significant. Providing mental health coverage reduces attrition, improves productivity, and signals that the organisation values holistic employee welfare — a key expectation from ESG-aware talent.
Audit of Labour Standards for Contractors	Scale-ups increasingly rely on contract labour. Auditing labour standards — including wages, working hours, and safety practices — mitigates supply chain risk and aligns with India's Contract Labour (Regulation and Abolition) Act obligations.
POSH Complaints Received and Resolved	India's Prevention of Sexual Harassment (POSH) Act mandates that all organisations with 10 or more employees constitute an Internal Complaints Committee and maintain records of complaints. Tracking receipt and resolution rates demonstrates compliance and a zero-tolerance culture towards workplace harassment.

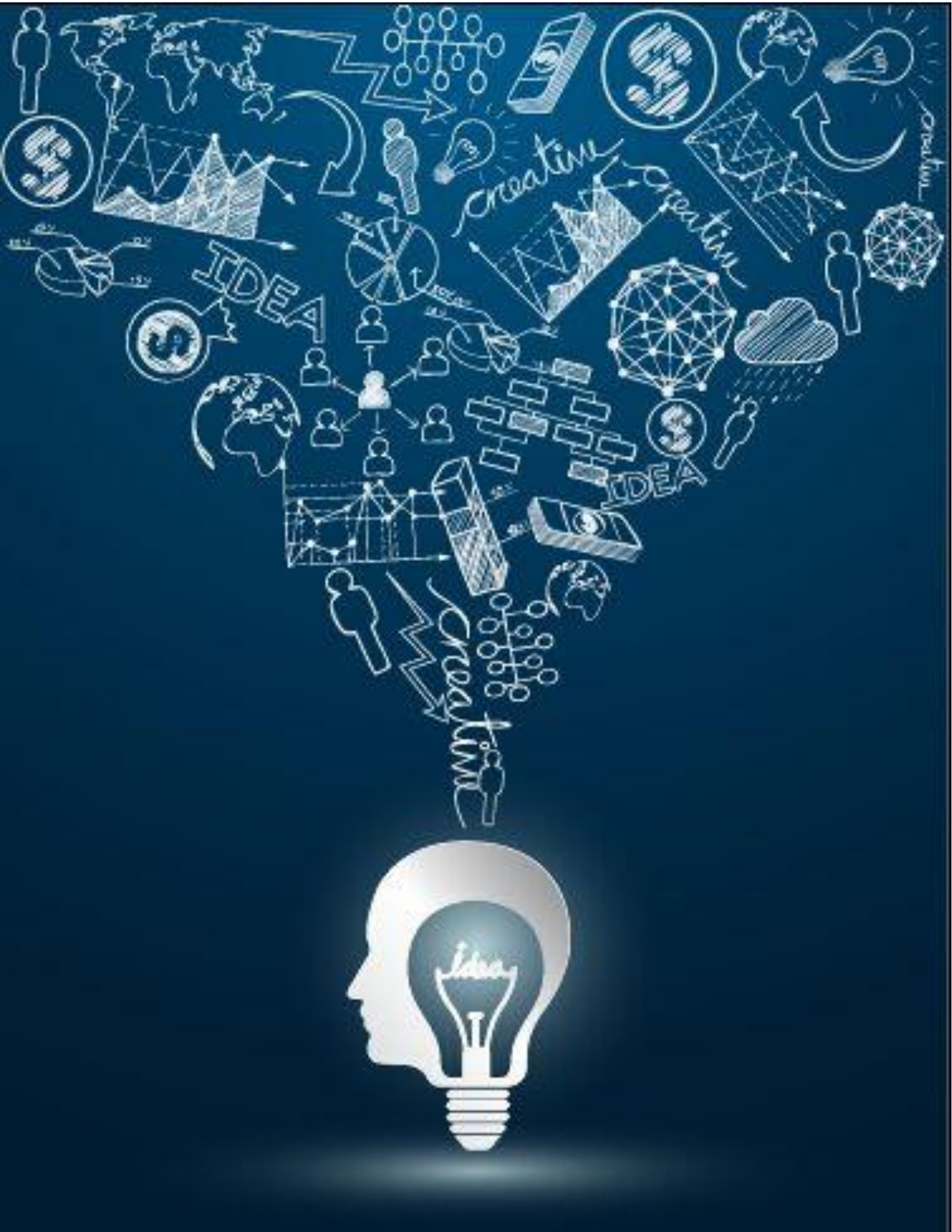
Governance Data

Board-Level ESG Committee	Signals that ESG has been elevated to a strategic priority. A dedicated board committee overseeing ESG matters improves accountability, decision-making quality, and investor confidence — particularly in preparation for future public listings.
DPDP 72-Hour Breach Reporting Readiness	The Digital Personal Data Protection Act 2023 requires organisations to report data breaches to the Data Protection Board within 72 hours. Having an established system to detect, assess, and report breaches within this window is a governance imperative with direct legal consequences.
% of Employees Trained on Anti-Corruption	Quantifies the breadth of ethics and compliance training across the workforce. Anti-corruption training is required under India's Prevention of Corruption Act obligations for organisations with government contracts, and is a standard ESG governance expectation.
Supplier Code of Conduct (75% of Purchases Coverage)	Extending governance standards through the supply chain is a key ESG requirement. Requiring suppliers representing at least 75% of

	procurement value to sign a code of conduct ensures that the company's ethical standards are embedded across its value chain.

Scope 3 Travel Emissions

Air Travel Emissions (Tonnes CO2e)	Business air travel is one of the most significant sources of Scope 3 emissions for professional services and technology companies. Quantifying this is a prerequisite for setting science-based targets and demonstrating climate accountability to investors.
Rail Travel Emissions (Tonnes CO2e)	Rail travel is a lower-emission alternative to air travel. Tracking rail emissions enables the organisation to report a more complete Scope 3 picture and incentivise employees to choose lower-carbon travel modes.
Road Travel Emissions (Tonnes CO2e)	Covers company vehicles, employee travel reimbursements, and last-mile logistics. Road travel emissions are frequently underreported but are significant in India's high-traffic urban environments.
% of Employees Using EV or Public Transport	Captures the commute-related emissions footprint of the workforce. Supporting EV and public transport adoption reduces employee commuting emissions (Scope 3, Category 7) and reflects the company's social commitment to sustainable urban mobility.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SECTION 4: ENTERPRISE

4. Enterprise — ESG Data Requirements

An enterprise is a large, often publicly listed organisation with complex operations across multiple geographies, significant revenue, and extensive stakeholder relationships. ESG data requirements at this stage are comprehensive, quantitative, and often subject to mandatory external assurance and regulatory disclosure.

Enterprises operate under statutory ESG reporting frameworks — including SEBI's BRSR, GRI Standards, and TCFD recommendations — and are subject to scrutiny from regulators, institutional investors, rating agencies, supply chain partners, and civil society. The ESG data architecture must be robust, auditable, and strategically integrated into board-level decision-making.

Company Basics and Corporate Profile

At the enterprise level, legal identity data is required in full: legal name as per registration, Corporate Identification Number (CIN), stock exchange listing, ISIN number, and headquarter country. Corporate profile data includes number of business units or countries of operation, annual revenue, market capitalisation, designation of a Data Protection Officer, and an internal carbon price per tonne of CO2e. The internal carbon price is particularly significant — it reflects how the organisation financially values its carbon emissions internally, which influences capital allocation, investment decisions, and decarbonisation strategy.

Environmental Data

Scope 1, 2, and 3 Emissions (Tonnes CO2e)	Full greenhouse gas accounting across all three scopes is required under BRSR, GRI Standards, and Science Based Targets initiative (SBTi) frameworks. Scope 3 is the most complex, covering upstream and downstream value chain emissions, and often represents over 70% of a company's total footprint.
% of Value Chain Covered in Scope 3	Incomplete Scope 3 reporting is a common gap in ESG disclosures. Tracking the percentage of value chain covered ensures transparency about data completeness and guides efforts to improve supply chain emissions data quality over time.
CBAM Product Exports and Embedded Emissions	The European Union's Carbon Border Adjustment Mechanism (CBAM) imposes a carbon cost on imported goods from sectors like steel, aluminium, cement, and chemicals. Enterprises exporting to EU markets must calculate and report embedded emissions per consignment to determine their CBAM liability.

% Renewable Energy and Procurement Mode	Large enterprises must not only report renewable energy share but also disclose the mechanism — Power Purchase Agreements (PPAs), open access, RECs, or on-site generation. This level of detail is required by institutional investors and ESG rating agencies.
Average Data Centre Power Usage Effectiveness (PUE)	PUE measures how efficiently a data centre uses energy — specifically, how much of the total energy consumed is used by the computing equipment versus cooling and infrastructure. A PUE of 1.0 is perfectly efficient. This metric is critical for technology-intensive enterprises to demonstrate operational energy efficiency.
Water Withdrawal per Unit of Revenue	A normalised water intensity metric that enables benchmarking across reporting periods and peer comparison. Water scarcity is an escalating risk in India, and this metric is monitored by ESG frameworks such as CDP Water Security and BRSR.
Waste Recycled or Reused (%), E-Waste, and Plastic Waste Tracking	Enterprises are expected to report these metrics against India's Extended Producer Responsibility (EPR) targets and circular economy commitments. Full tracking and third-party verification is expected at this level.

Social Data

Gender Pay Gap Ratio and Median Employee Wage	Enterprises must report both the gender pay gap and the median employee wage in INR per month. These metrics are required under BRSR and enable assessment of internal pay equity. Median wage also helps evaluate whether the company's lowest-paid employees are adequately compensated relative to industry norms.
LTIFR for Permanent and Contract Employees	Unlike scale-ups that may report a single LTIFR, enterprises must disaggregate safety data by employee type. This ensures that the often higher risks faced by contract workers — who are sometimes excluded from safety reporting — are fully visible and addressed.
Vendor Auditing for Child Labour and Minimum Wage	Enterprises with extensive supply chains face significant exposure to social risk in the value chain. Auditing vendors for child labour and minimum wage compliance is required under the UN Guiding Principles on Business and Human Rights and is expected by global institutional investors.
CSR Spend (Rs. Crores) and Number of People Impacted	Under India's Companies Act 2013, companies meeting certain financial thresholds must spend at least 2% of average net profit on Corporate Social Responsibility activities. Reporting CSR expenditure and beneficiary reach is a legal obligation and a key social impact metric.

Governance Data

72-Hour Board Data Breach Reporting Capability	At the enterprise level, the board must be capable of receiving and acting on a data breach notification within 72 hours, as required by the DPDP Act 2023. This requires a formal incident response infrastructure, documented protocols, and board-level digital literacy.
Transparent Digital Consent Management System	With large volumes of customer and employee personal data, enterprises must demonstrate robust digital consent management — enabling individuals to grant, withdraw, and manage consent for data processing. This is a central requirement of the DPDP Act 2023.
ESG Assurance Level	Enterprises are expected to disclose whether their ESG data has been independently verified, and at what level — limited assurance or reasonable assurance. External assurance by a recognised auditor significantly enhances the credibility of ESG disclosures and is increasingly required by institutional investors.
Political Contributions and Lobbying Disclosure	Transparency in political donations and lobbying activities is a governance expectation under BRSR and global ESG standards. Large enterprises are scrutinised for potential conflicts of interest between political spending and stated public positions on issues like climate policy.

Carbon Market Data

Participation in the Carbon Credit Trading Scheme (CCTS)	India's Carbon Credit Trading Scheme, established under the Energy Conservation (Amendment) Act 2022, creates a regulated domestic carbon market. Enterprises in designated sectors must participate and report their position as buyers or sellers of carbon credits.
Carbon Credit Certificates Purchased and Sold	Accurate reporting of carbon credit transactions is necessary for compliance with CCTS obligations, for verification of net emission claims, and for demonstrating to investors and regulators that the organisation is actively managing its carbon position.
SBTi Net Zero Target Year	Science Based Targets initiative (SBTi) net zero commitments require enterprises to set emissions reduction targets aligned with 1.5°C climate pathways. Publicly disclosing the target year creates accountability, signals strategic commitment to investors, and is increasingly a requirement for inclusion in ESG indices.
Progress Against 2030 Target (%)	Tracking and publicly disclosing the organisation's percentage progress towards its interim 2030 emissions reduction target is the most direct measure of whether ESG commitments are translating into real-world action. This metric is closely scrutinised by ESG rating agencies, institutional investors, and regulators.

5. Conclusion

The ESG data requirements presented in this document illustrate a clear and progressive evolution in complexity, depth, and regulatory obligation as organisations grow from Startup to Scale-up to Enterprise.

How ESG Data Evolves Across Organisational Growth

- **Foundational Awareness:** At the Startup stage
  - ESG data requirements are largely qualitative or semi-quantitative. The focus is on establishing basic environmental awareness (energy tracking, renewable usage), foundational social policies (diversity, safety), and elementary governance controls (board independence, anti-corruption). The primary audience is early-stage investors, accelerators, and government grant bodies. ESG at this stage is about credibility-building and cultural foundation.
- **Quantitative Accountability:** At the Scale-up stage
  - ESG data requirements become significantly more quantitative and operationally embedded. Full carbon accounting across Scope 1, 2, and 3 is introduced. Social metrics expand to include formal safety indicators (LTIFR), legal compliance requirements (POSH), and labour audit obligations for contractors. Governance requirements include board-level committee structures and digital data protection readiness. The audience expands to institutional investors, supply chain partners, and regulatory bodies.
- **Systemic Integration and External Assurance:** At the Enterprise stage
  - ESG data requirements are comprehensive, externally verified, and strategically integrated into board-level decision-making. Full value chain emissions accounting (including CBAM-relevant data), independent assurance, participation in regulated carbon markets, and SBTi-aligned net zero commitments define ESG at this level. The audience includes global institutional investors, stock exchange regulators (SEBI), ESG rating agencies (MSCI, Sustainalytics), and civil society. Non-disclosure or poor data quality at this stage carries direct financial and reputational consequences.

Key Takeaways

- ESG is not a static checklist but a dynamic, evolving framework that mirrors organisational growth.
- Data depth, measurement precision, and disclosure transparency increase with organisational scale and regulatory exposure.
- Organisations that begin building ESG data infrastructure early — at the Startup stage — are better positioned to meet the more complex demands of Scale-up and Enterprise reporting without disruption.