

PROFESSIONAL PROGRAMME

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) – PRINCIPLES & PRACTICE

Corporate governance is the fulcrum of organizational sustainability and growth, as it encompasses the tenets of best practices pertaining to business activities, stakeholders management, especially the shareholders of the company, environment, reporting, board effectiveness, data governance, green initiatives and so on and so forth.

It is imperative for Governance Professionals to espouse various critical facets of corporate governance in order to discharge their professional obligations efficiently and safeguard the interests of the stakeholders. Further, the scope of governance has expanded its wings and covers environmental and social aspects too. In view of this, it is essential for a Governance Professional to be conversant with the various developments occurring in environmental and social dimensions.

In light of the aforesaid fact, this Paper has made an endeavour to incorporate all the pertinent laws, approaches, models, case studies, concepts etc. relating to environmental, social and governance.

This Paper is divided into three parts: Part I deals with Governance and Sustainability, Part II deals with Risk Management and Part III deals with Environment and Sustainability Reporting.

Part I elucidates the conceptual, legal framework and approaches relating to corporate governance, various corporate governance forums, boards effectiveness, types of board committees, i.e., mandatory and non-mandatory committees, data governance, whistle blower mechanism, environmental aspects, green initiatives, empowering of the Company Secretary Profession etc. **Lesson 6: Building Better Boards have been merged with Lesson 3: Board Effectiveness / Building Better Boards.**

Part II focus on risk management and all the crucial aspects related to it have been extensively covered, i.e., concept of risk management, forms of risks, case studies on risk management etc.

Part III emphasizes on environment and sustainability reporting, ESG rating, Integrated Reporting Framework, Global Reporting Initiative Framework etc. This portion have made an attempt to throw light on the contemporary and significant topics like evolution of integrated reporting framework, Business Responsibility and Sustainability Reporting (BRSR), key dimensions of sustainability audit, GRI Standards for Reporting etc.

It is to be noted that the concept of ESG (Environmental, Social and Governance) have gained significant position both at global and national levels and corporate world across the globe.

The legislative changes made upto May 31, 2023 have been incorporated in the study material. In addition to Study Material students are advised to refer to the updations at the Regulator's website, supplements relevant for the subject issued by ICSI and ICSI Journal Chartered Secretary and other publications. Specifically, **students are advised to read "Student Company Secretary" e-Journal which covers regulatory and other relevant**

developments relating to the subject, which is available at academic portal <https://www.icsi.edu/student-n/academic-portal/>. In the event of any doubt, students may contact the Directorate of Academics at academics@icsi.edu.

The amendments to law made upto 31st May of the Calendar Year for December Examinations and upto 30th November of the previous Calendar Year for June Examinations shall be applicable.

Although due care has been taken in publishing this study material, the possibility of errors, omissions and/or discrepancies cannot be ruled out. This publication is released with an understanding that the Institute shall not be responsible for any errors, omissions and/or discrepancies or any action taken in that behalf.