

CII – Net zero program

Accelerating climate actions in Indian industry

20 June 2024

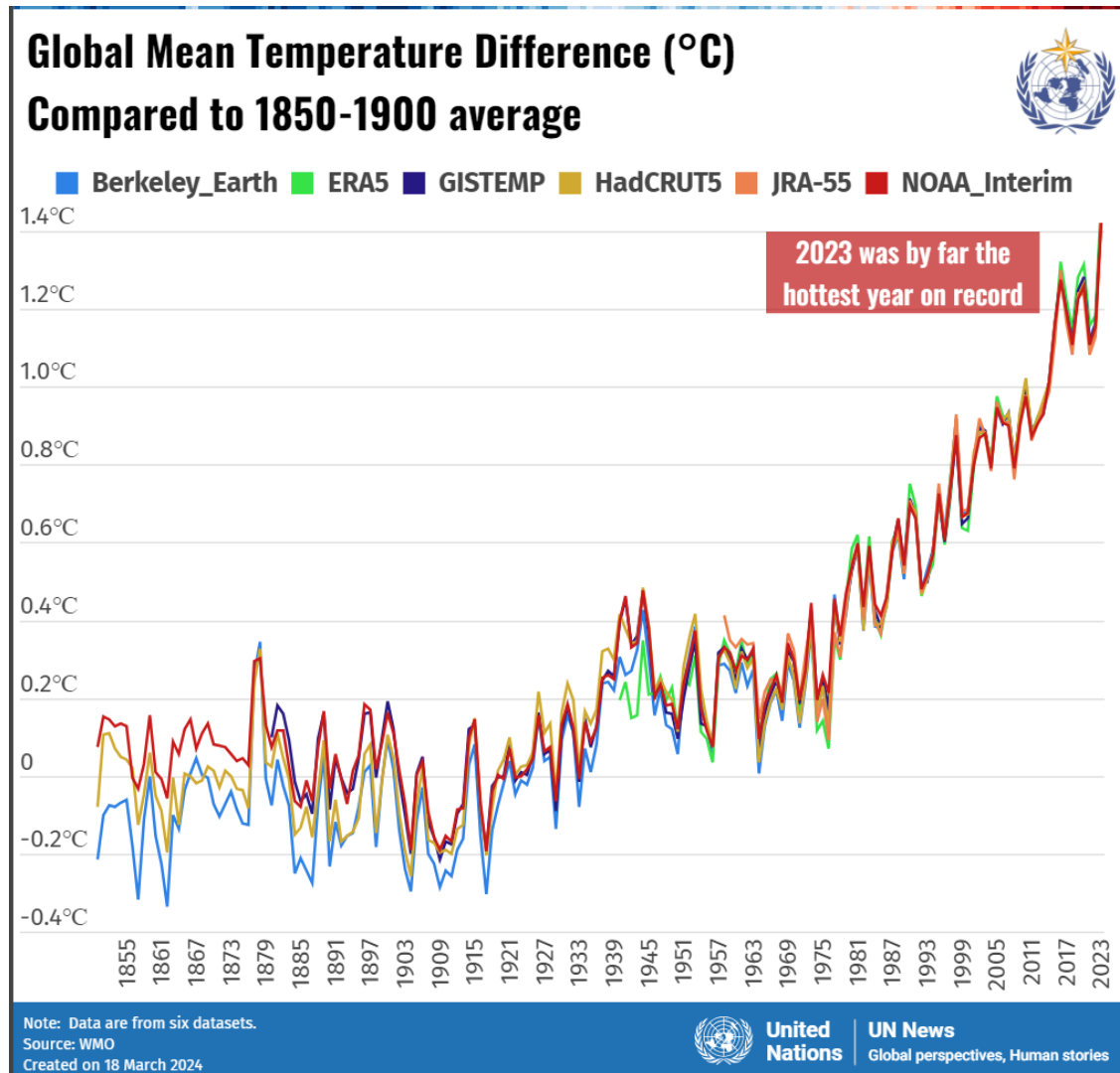
Confederation of Indian Industry

CII - Sohrabji Godrej Green Business Centre
Hyderabad, India

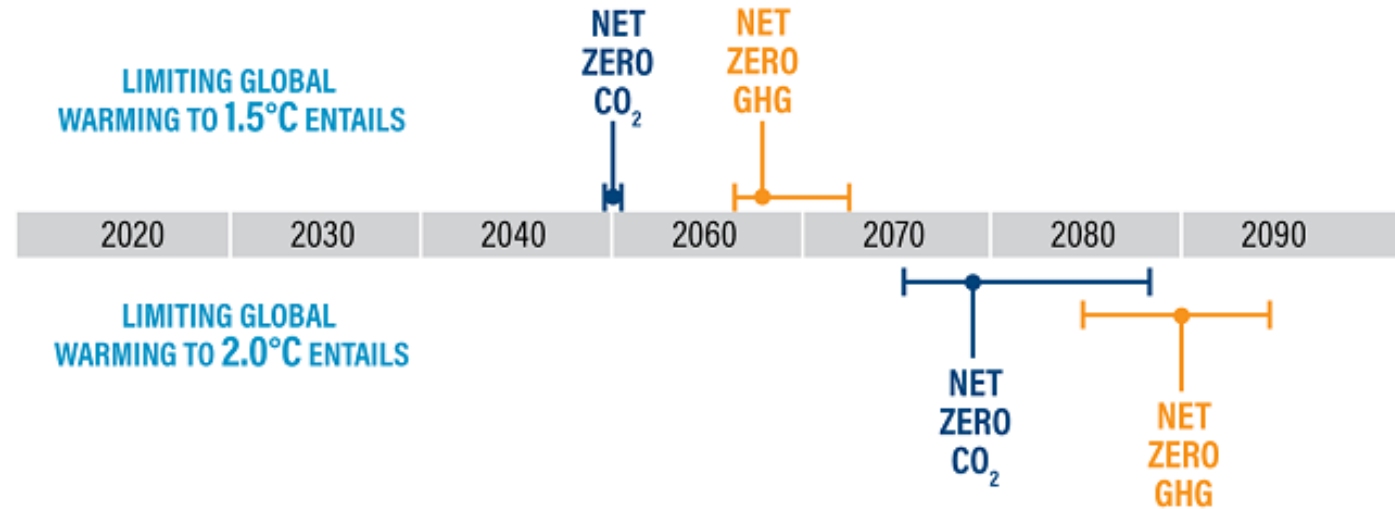


Confederation of Indian Industry

Climate Change & Actions



Global timeline to reach net-zero emissions



Source: IPCC Special Report on Global Warming of 1.5°C

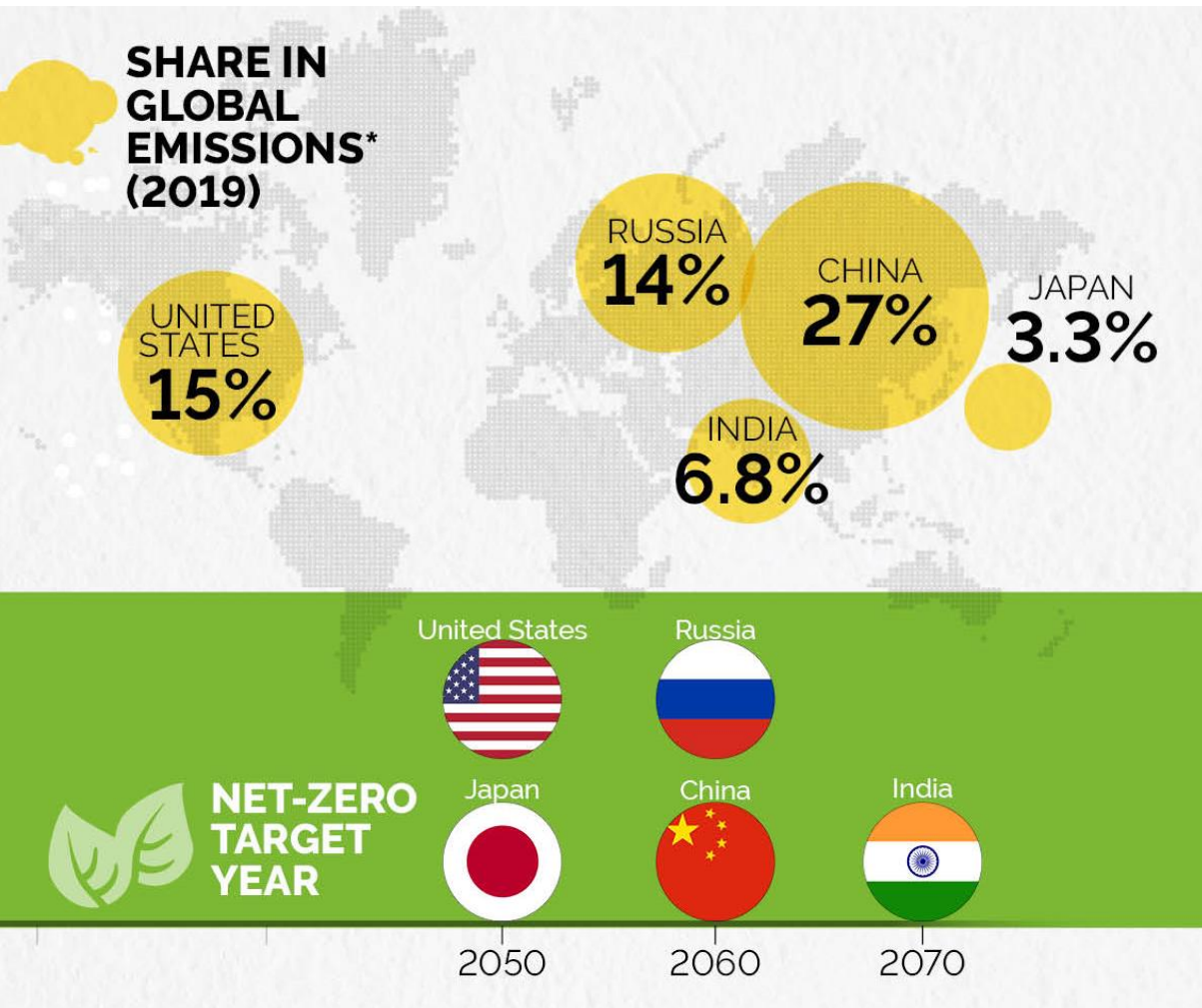
WORLD RESOURCES INSTITUTE

1.5 deg C not target but ceiling

- Warmest year since 1850
- Last 10 years (2014-2023) ranked 10 warmest year on records

2023

Countries – Net zero commitments



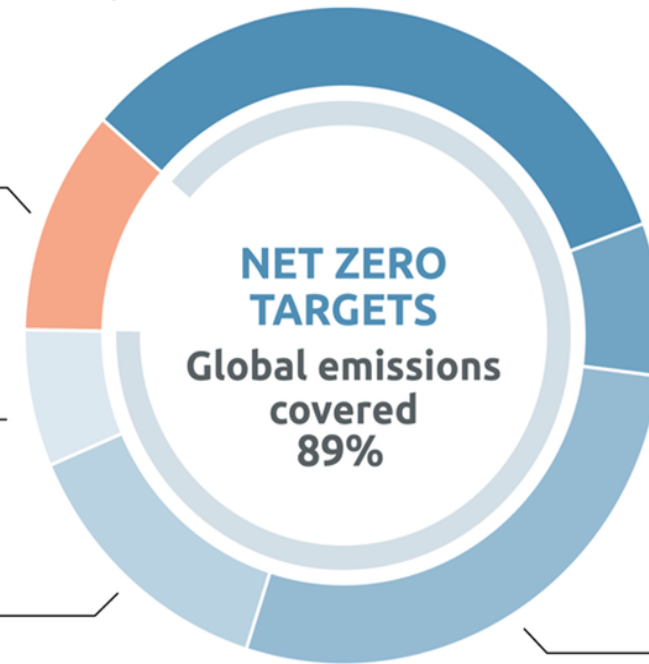
in law, as part of an initiative, or discussion

Dec 2023
Update

Countries with no net zero target
11%

United States
14%

India
7%



Other countries with similar net zero announcements
33%

European Union (EU2)
7%

China
28%

Fortune 500 companies

- 76% of the companies report annual emissions
- 55% report scope 3 (few categories) & 28% all categories

66%

have a significant
climate commitment

39%

have a net zero target

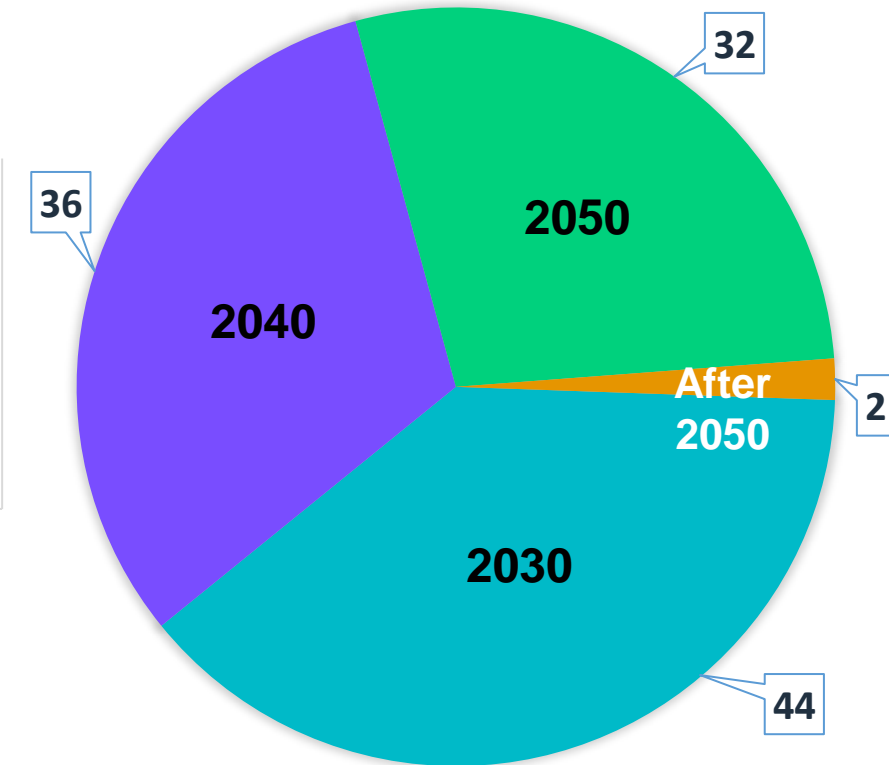
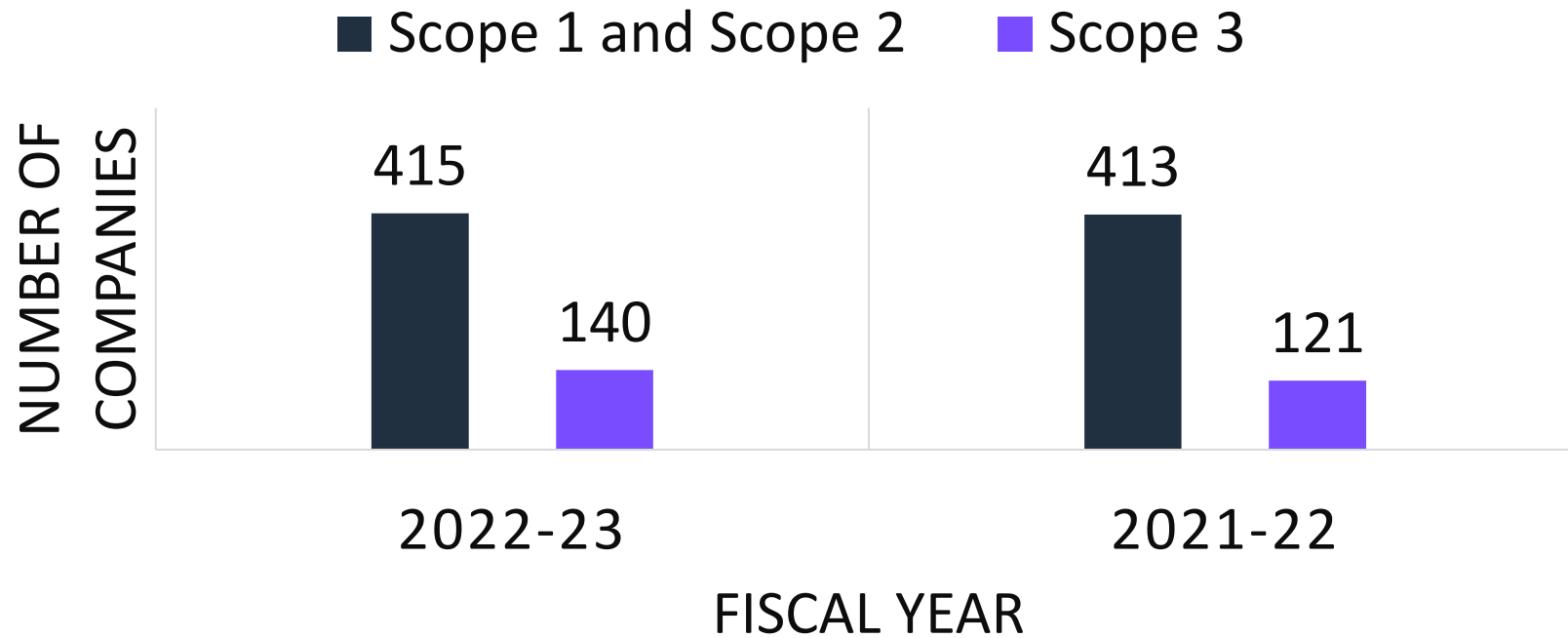
\$41 trillion in revenue

\$2.9 trillion in profit

70 million employees

20 billion tonnes CO₂e
of annual emissions reported

NSE 500 companies

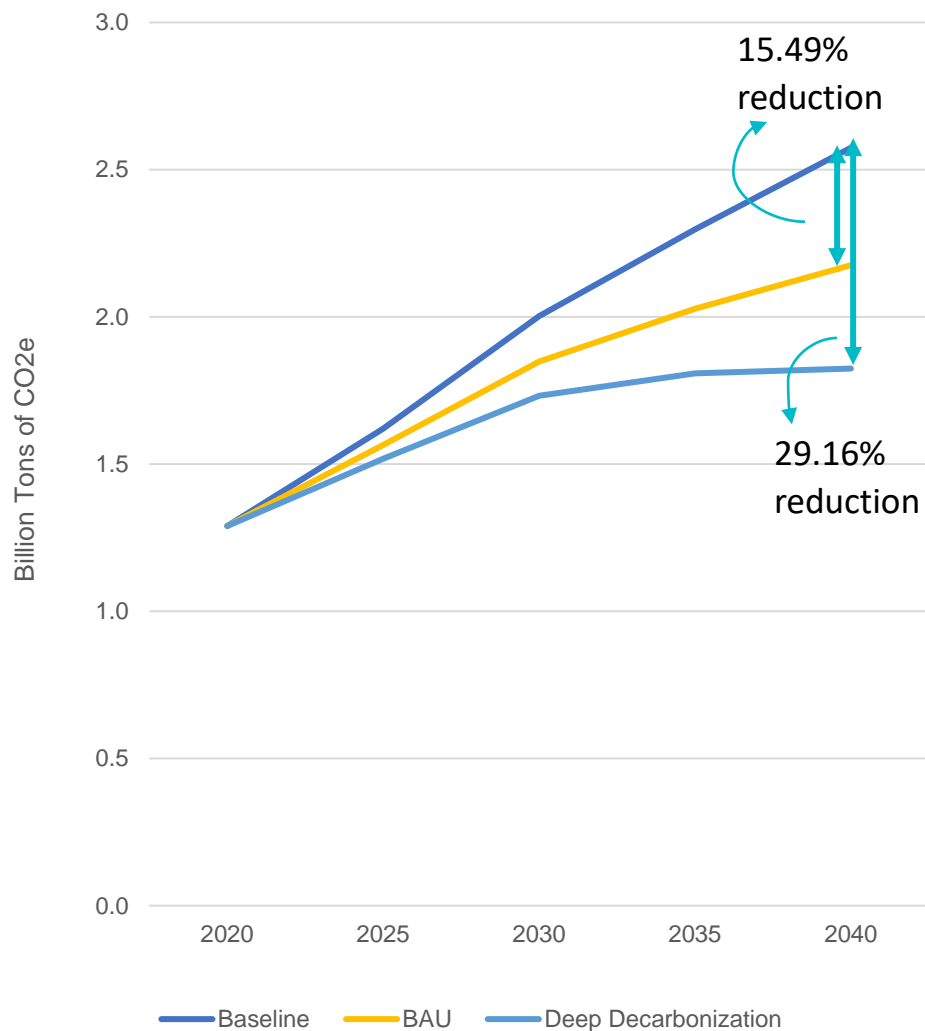


- Industry emissions contribution estimated to be 45%
- 83% companies reported S1 & S2 emissions
- 33% (2023) and 29% (2022) reported S3 emissions
- 114 Net zero commitments

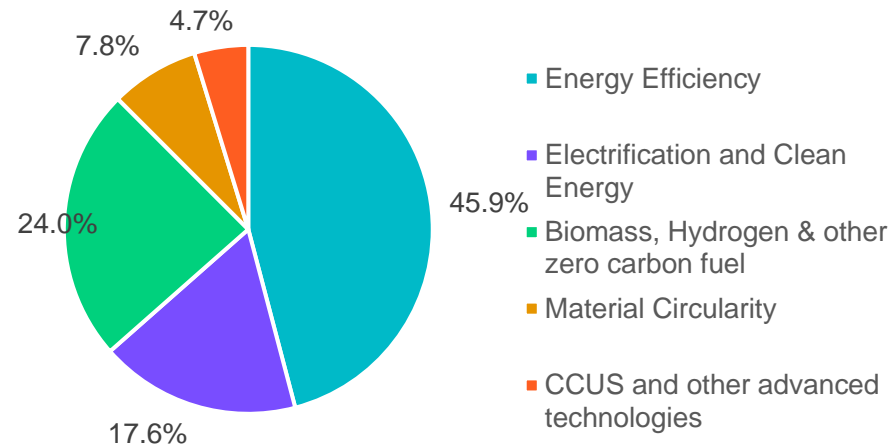
Measures for Net zero transition

CII analysis on decarbonization of industries: Estimated Emission Reduction

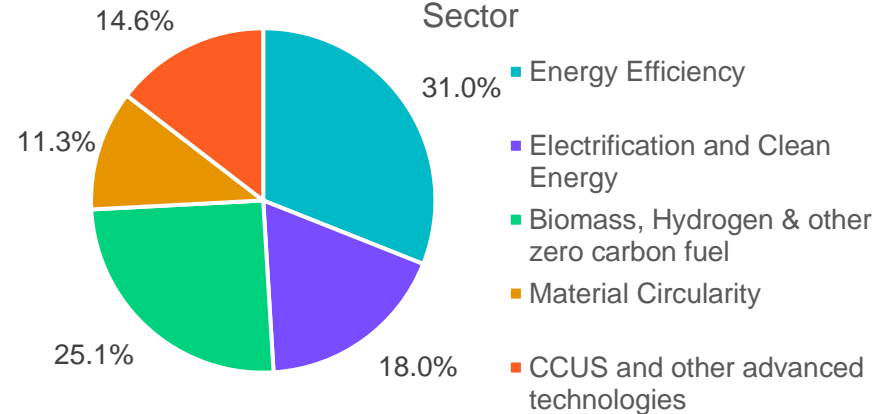
Industrial Emissions Extrapolated to 5 selected sector's Emission reduction (Billion Tons of CO₂e)



Impact of All Levers - Baseline Vs BAU Scenario for Entire Industrial Sector



Impact of All Levers - Baseline Vs Deep Decarbonization Scenario for Entire Industrial Sector



Source: CII analysis on "Decarbonization of Indian Industrial Sector"

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Confederation of Indian Industry

500 GW by 2030

Renewables – Shining measure of decarbonization

- Installed RE capacity 193 GW 43% & 21%
- NISE estimated solar energy potential 748 GWp
- Trajectory for Renewable Purchase Obligation (RPO) up to the year 2029-30
- Green Energy corridor – intra-/ inter-state transmission system , 8 RE rich states
- Green Term Ahead Market (GTAM)



Bio-fuels & EV

- 20% blending of ethanol by ESY 2025-26
 - Current blending 12.6% ESY 2023-2024
- National Bio energy program
 - 750 million tons & 230 million tons
- Blending of CBG in CNG and PNG
- Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India - III
 - Financial incentives - 2 & 3-wheelers and government-owned buses
- BS7 – PM, Nitrogen oxide & CAFE 3 (Corporate average fuel eff)



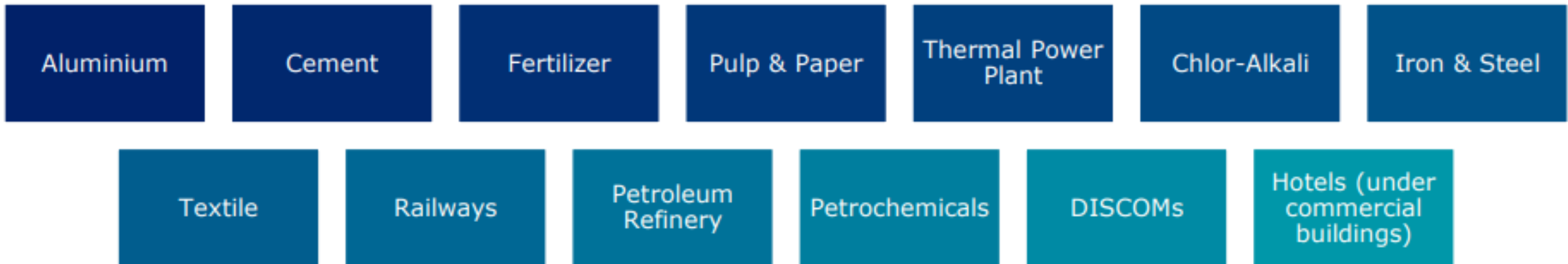
Green Hydrogen & BRSR

- National Green Hydrogen mission
 - Incentivize commercial production of green hydrogen and make India a net exporter
 - Production of 5 MMT by 2030
 - 50 MMT per annum of CO₂ emissions
- Mainstreaming ESG
- SEBI Framework for assurance & ESG disclosures for Value Chain



National Carbon Market

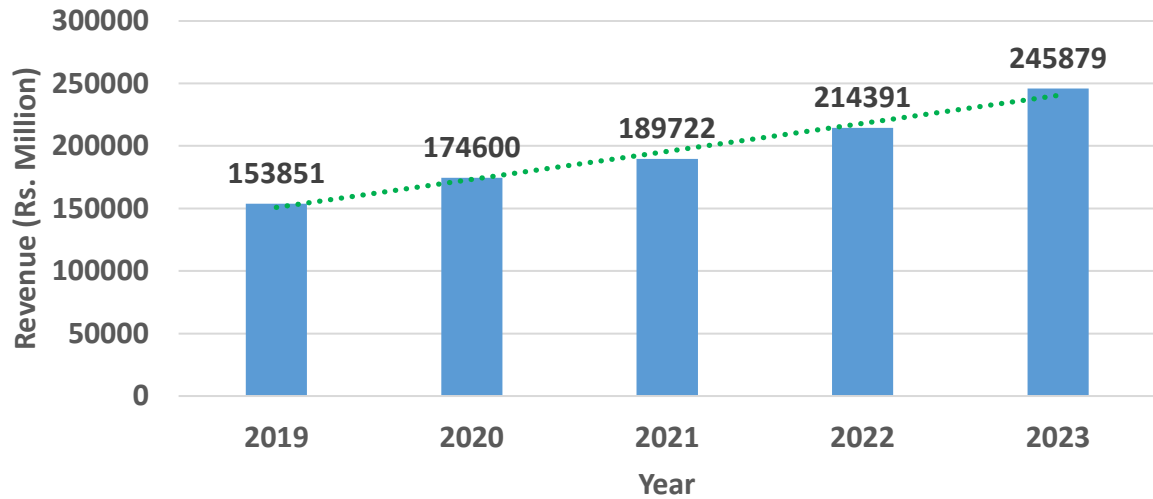
- Carbon credit trading scheme (CCTS)
- PAT scheme to carbon market
- ICM aimed to accelerate decarbonization
 - Mobilize finance & technology



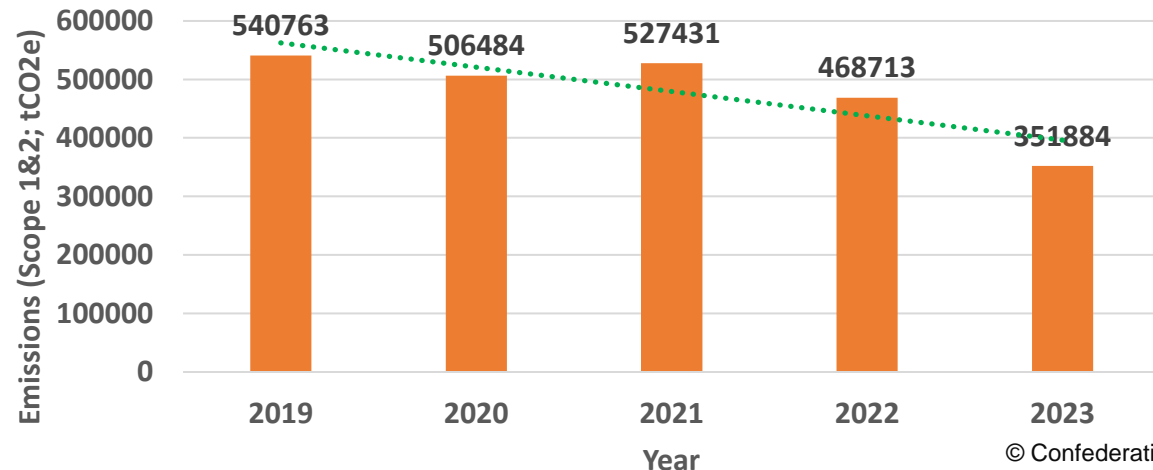
Case studies on decarbonisation

Dr Reddy's Laboratories Limited

Increase in revenue (Rs. Million)



Reduction in emissions (Scope 1&2)



Key Performance Indicators

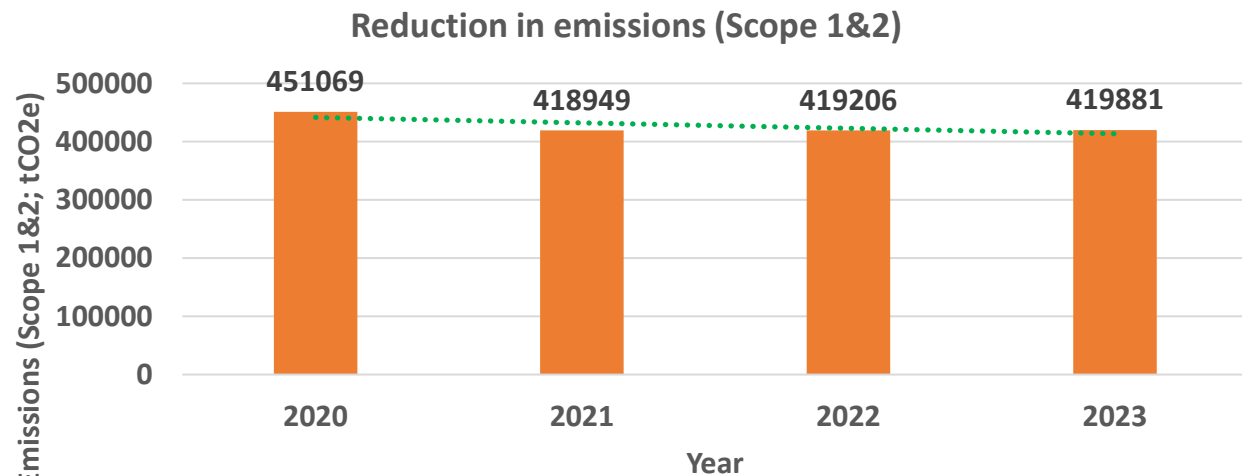
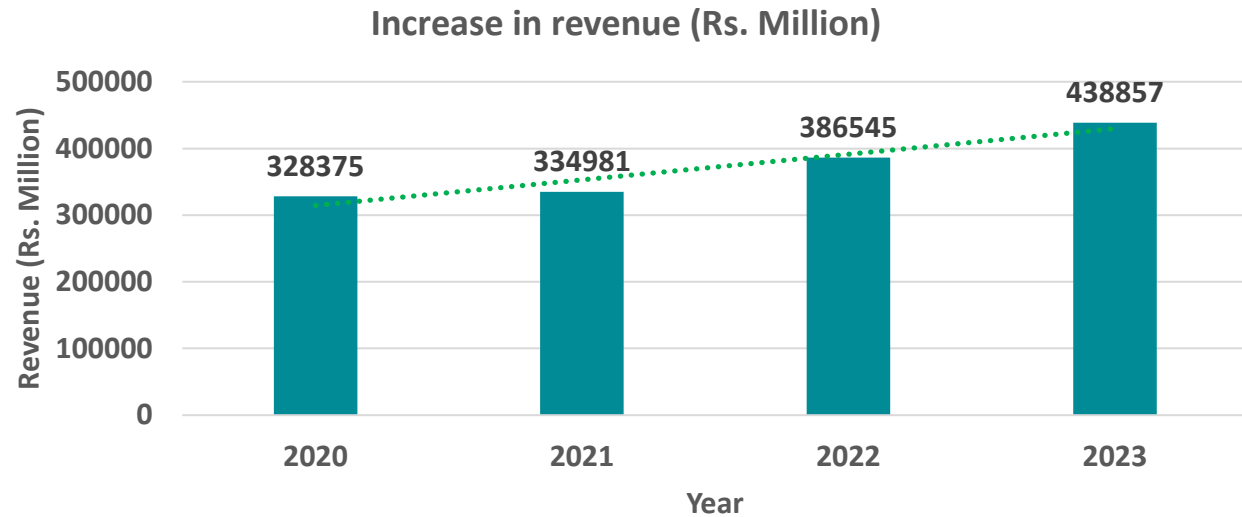
Parameter	Change between 2019 & 2023
Revenue	+ 60%
GHG Emissions (Scope 1&2)	- 35%

2030 Commitments

100% RE by 2030
Carbon neutrality (S1 & S2)
12.5% reduction in S3



Sun Pharmaceutical Industries Limited

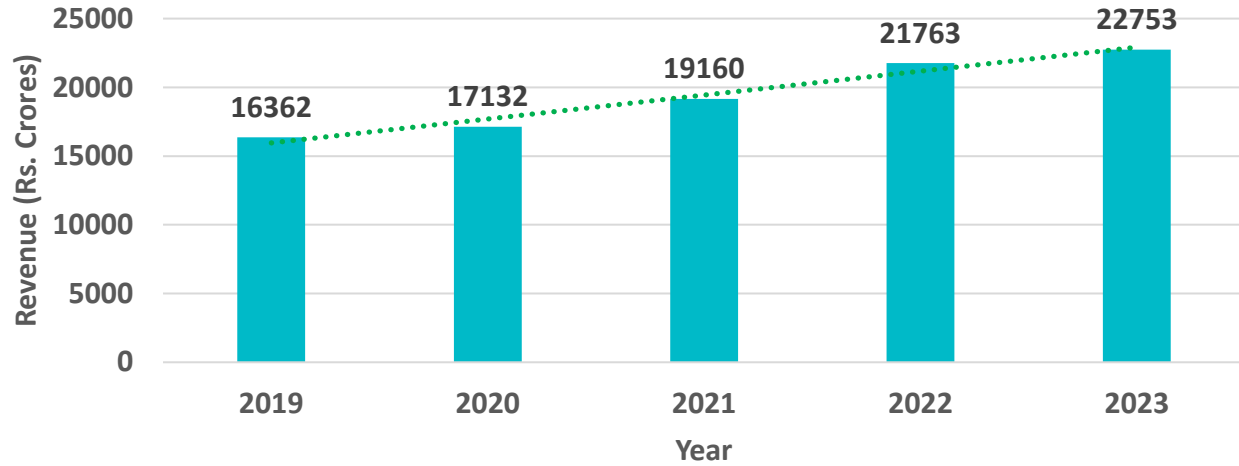


Key Performance Indicators

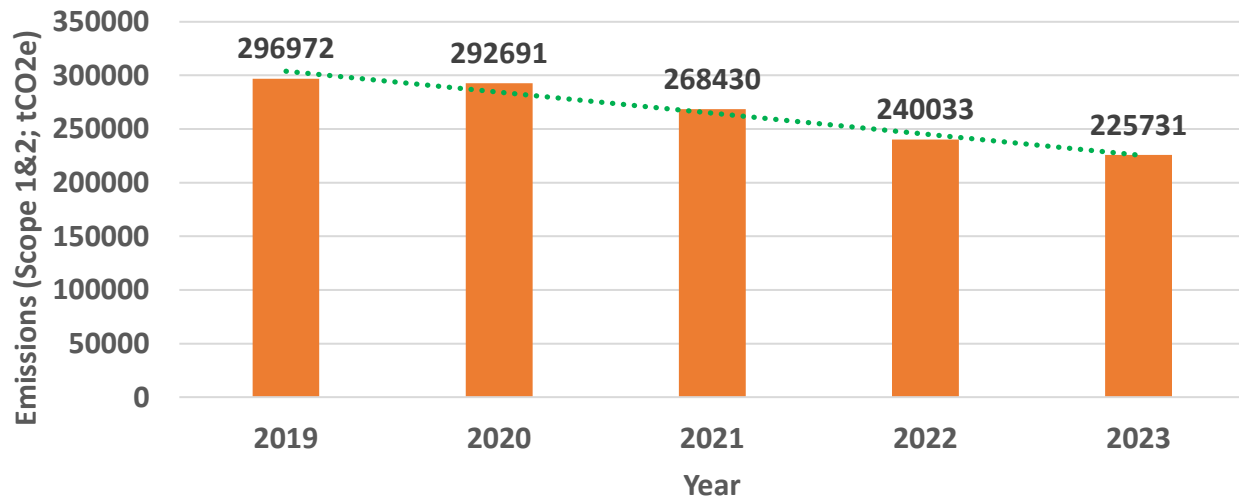
Parameter	Change between 2020 & 2023
Revenue	+ 34%
GHG Emissions (Scope 1&2)	- 7%
2035 commitments	
35% reduction in Scope 1&2	

Cipla Limited

Increase in revenue (Rs. Crores)



Reduction in emissions (Scope 1&2)

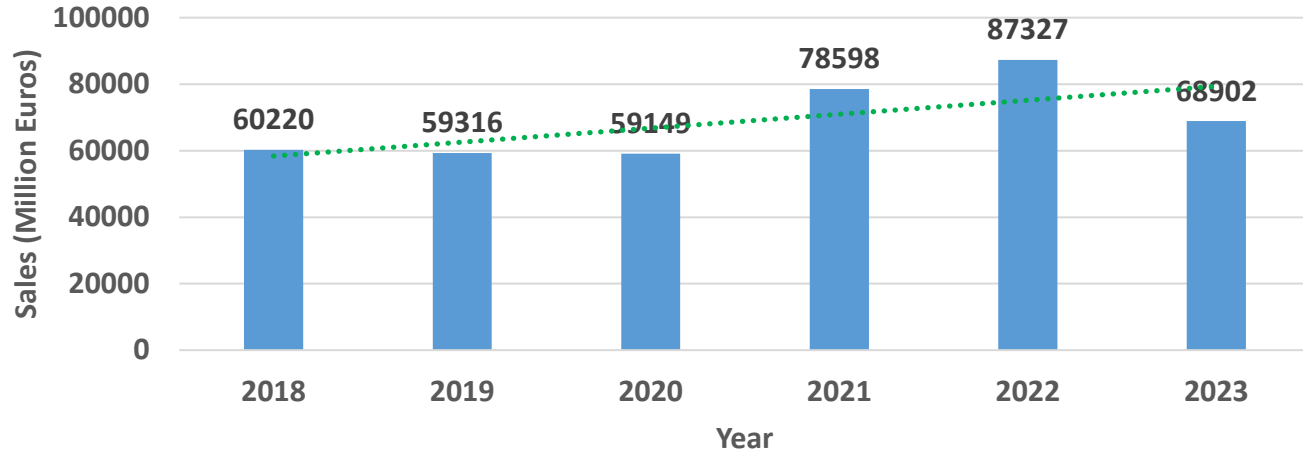


Key Performance Indicators

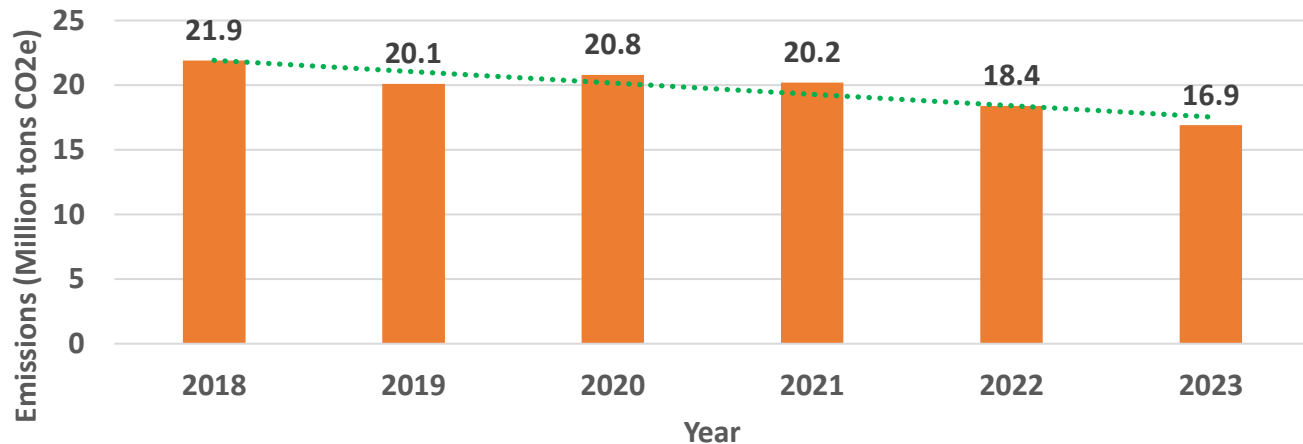
Parameter	Change between 2019 & 2023
Revenue	+ 39%
GHG Emissions (Scope 1&2)	- 24%
Commitments	
Carbon neutral (S1& S2) by December 2025	

BASF Global

Increase in sales (Million Euros)



Reduction in emissions-Scope 1&2 (Million tons CO2e)



Key Performance Indicators

Parameter	Change between 2018 & 2023
Revenue	+ 14%
GHG Emissions (Scope 1&2)	- 23%

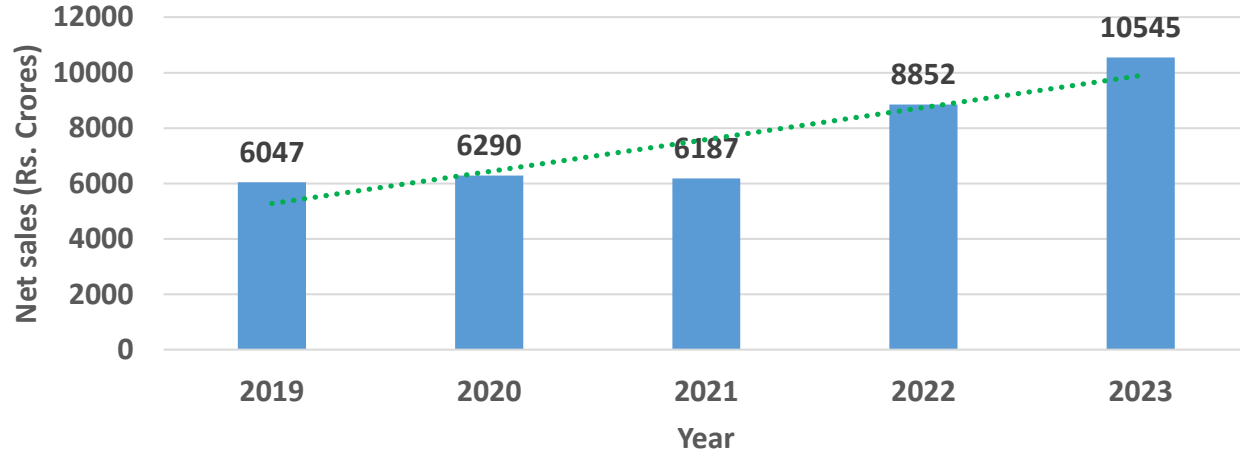
2030 Commitments

25% reduction in S1 & S2
15% reduction in S3
Net-Zero emissions by 2050 – Scope 1, 2, and 3 (category 1)

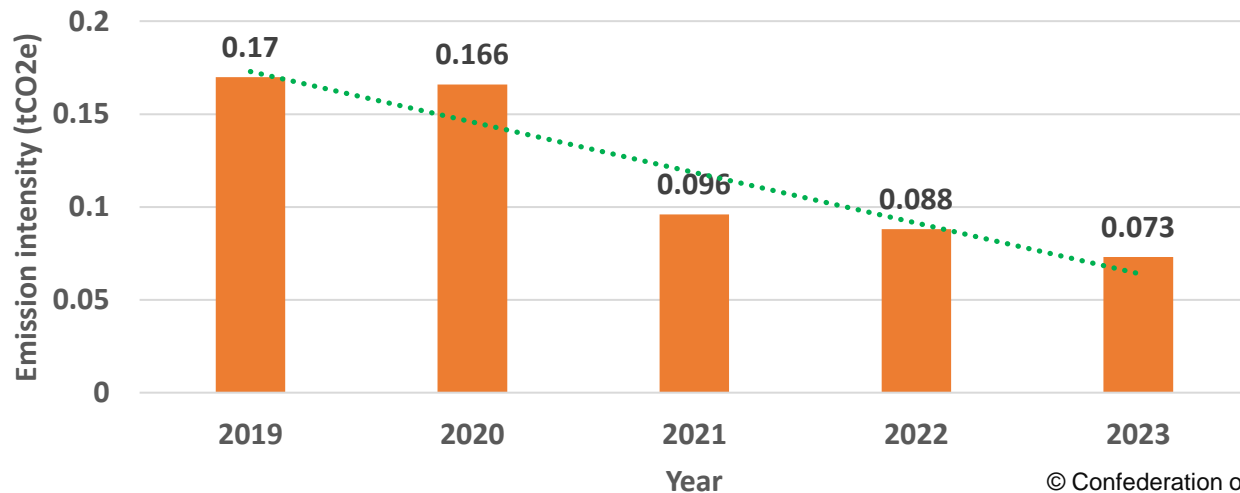


Pidilite industries Limited

Net Sales (Rs. Crores)



Reduction in emission intensity - Scope 1&2
(tCO₂e/ MT of production)



Key Performance Indicators

Parameter

Change between
2019 & 2023

Revenue

+ 74%

GHG
Emissions
(S1 & S2)

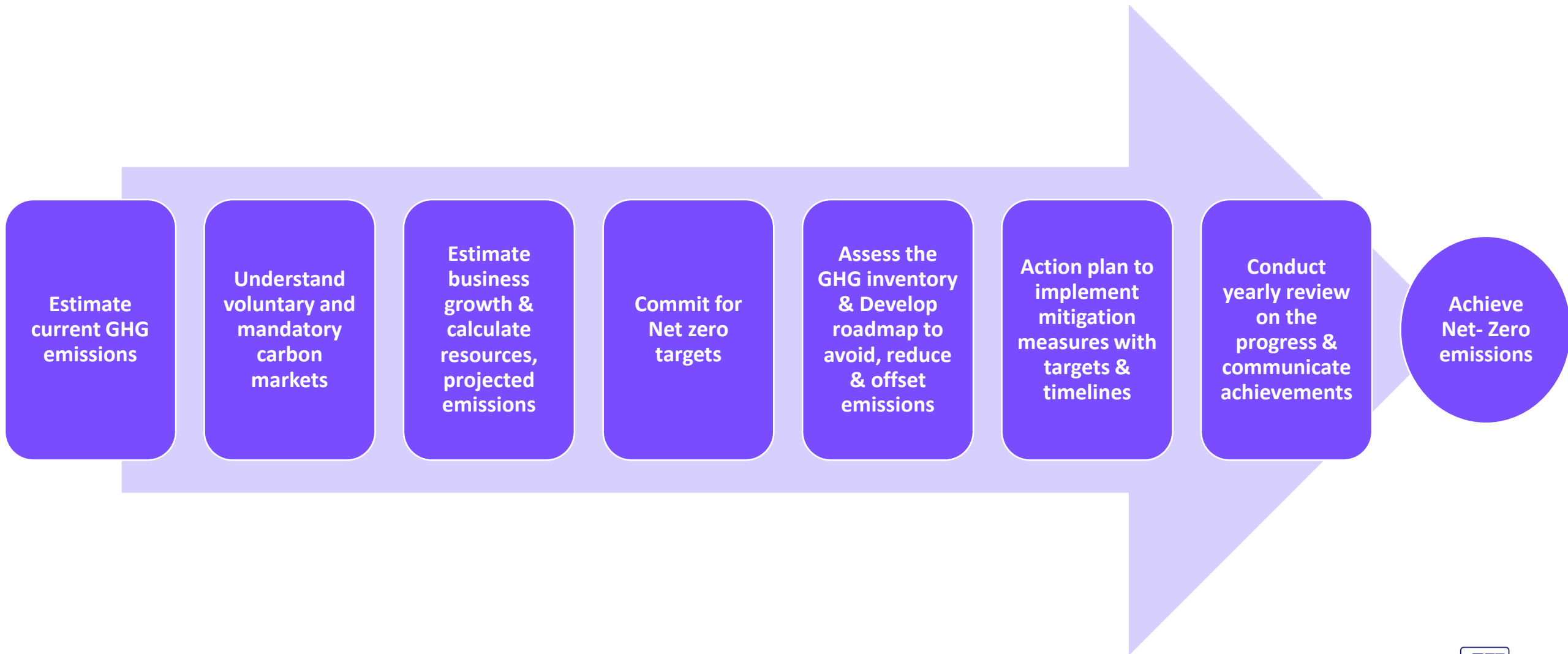
- 57%

2030 Commitments

Emissions intensity (S1 & S2) 80%
reduction per unit production
Energy intensity reduction by 50%
Increase RE to 80% of overall
energy consumption



Organizational Journey To Achieve Net-Zero Emissions



How CII Can Support Your Organization's Net-Zero Journey

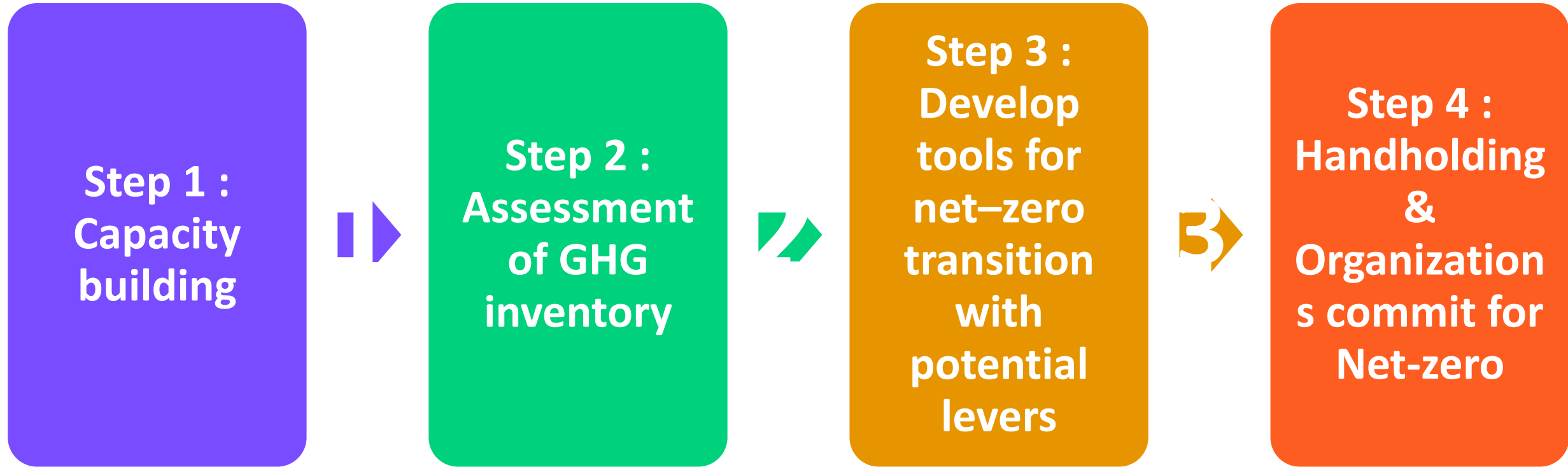
CII has launched the **“CII Net - Zero Program”** with the objective to

“Steer decarbonization pathways by enabling companies & corporates to commit and accelerate actions towards Net - Zero emissions”

CII Net-zero program

- Stream 1 - Transition towards Net – zero emissions (addressing scope 1 & 2)
- Stream 2 - Enhancing sustainable supply chain (addressing scope 3 emissions)

Stream 1- Methodology & Timelines



4-5 months of engagement

Stream 2 – Methodology & timelines (Scope 3 – Category 1)

Supply Chain Analysis

- Categorization of suppliers for on boarding
- Targeting emission disclosure by suppliers: 25% (or 200, whichever is lower) of tier 1&2 suppliers (based on buy value)

Sensitization and Awareness

- Regional workshops, Webinars, Training session for familiarization on emissions and Inventorization through web-based GHG tool

Capacity building and hand holding

- Enabling suppliers to understand GHG framework, management system and protocol
- Facilitating with methodology and data collection process

GHG Inventorization

- Workshops and awareness sessions on GHG Inventorization and Demo of GHG tool
- Facilitate companies to Inventorize emissions through web-based tool

Enhanced Supplier emission disclosure

- Scope-1,2 disclosure for OEM's suppliers
- Enhanced Reporting on emissions
- Reporting and Monitoring

5-6 Month

Organizations committed to CII Net zero program



10+ Million tons of CO2 emissions

Thank you

We request you to transform your organisations decarbonization journey by committing and joining for the “CII – Net Zero program”



Please feel free to reach us for any clarification

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