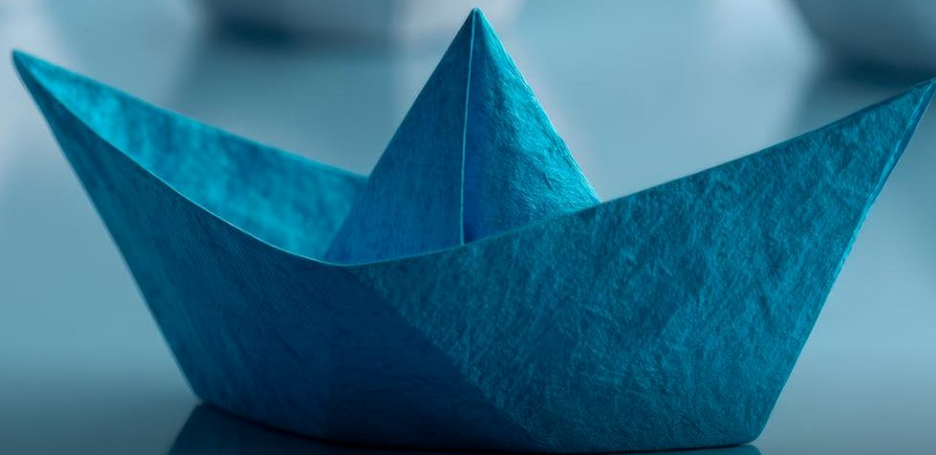


CareEdge-ESG PULSE

Monthly Newsletter

June 2026

SEBI Registered | IFSCA Approved | ICMA Enlisted



**Beyond Compliance,
Into Leadership**

What India's Most Sustainable Companies Reveal About the ESG Imperative

Reflections from CareEdge-ESG — Official Knowledge Partner, BT India's Most Sustainable Companies Summit & Awards 2026

1000+

Companies Screened

Top-listed entities evaluated

255

Companies Shortlisted

Final award evaluation pool

16

Awards Conferred

Across 13 sectors + 3 leadership

Setting the Stage: India's ESG Moment Has Arrived

On June 6, 2026, **CareEdge-ESG served as the Official Knowledge Partner** at BT India's Most Sustainable Companies Summit & Awards 2026 in New Delhi — powering the entire evaluation process with rigorous, data-driven ESG assessments. Union Minister Bhupender Yadav presented awards to leaders across 13 sectors, marking a defining moment for India Inc.'s sustainability journey.

Importantly, these are not aspirational goals: India has a proven track record of early delivery. By February 2026, India already achieved 52.57% non-fossil installed power capacity, surpassing its 2030 target five years ahead of schedule. Its emissions intensity already declined by 36% from 2005 to 2020. The new NDC builds on this momentum, raising the bar further while embedding climate action into the country's broader Viksit Bharat narrative.

"Capital will flow to credibility, not just ambition."

— Defining theme — India's Most Sustainable Companies Summit 2026

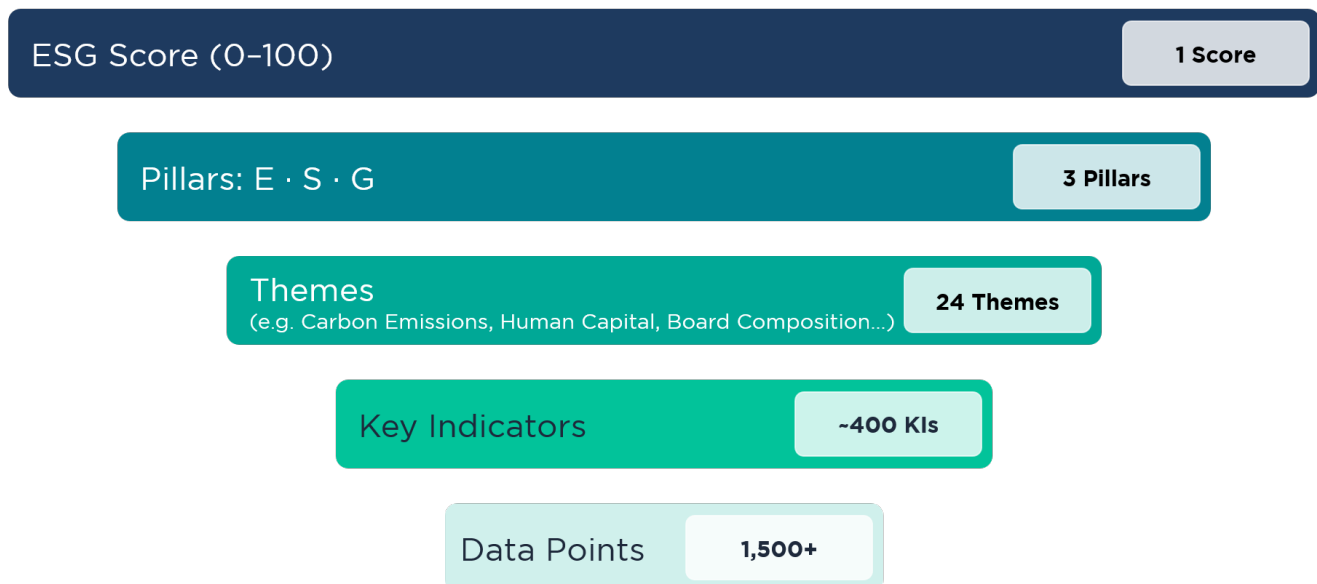
The CareEdge-ESG Assessment Framework: Intelligence Behind the Awards

For the second consecutive year, CareEdge-ESG designed and executed the comprehensive assessment framework. Screening India's top **1,000 listed companies** and evaluating **255 in depth** across manufacturing and BFSI sectors, the methodology is rigorous, transparent, and grounded in publicly available disclosures.

How the Framework Works

- **Three Core Pillars:** Environmental, Social, and Governance — each assessed through ~10 sector-specific Core categories.
- **Quantitative + Qualitative:** Key Indicators (KIs) from Indian and international ESG standards, using both absolute (binary) and relative (benchmark-based) methods.
- **Transition Readiness:** Forward-looking FY24→FY25 transition performance explicitly integrated — rewarding momentum, not just current state.
- **Activity Weights:** Weights favour measurable outcomes over mere policy presence — penalising disclosure without action.
- **Materiality Weights:** Each KI's impact is calibrated to industry specifics for sector-appropriate assessment

From 1,500+ data points to a single 0-100 ESG score



This framework is not static. It evolves with India's regulatory landscape, incorporating SEBI's BRSR Core requirements and climate-risk assessments. The result is an assessment that is simultaneously globally comparable and India-specific.



The Winners: India's Most Sustainable Companies 2026

The 2026 awards recognised companies across **13 sectors** through three categories: Sustainability Leadership Awards, Special Recognition Awards, and the Special Jury Award.

Sustainability Leadership Awards — Sector Winners

Sector	Sustainability Leadership Award Winner
Automobiles	Hero MotoCorp
Capital Goods	ABB India Limited
Cement	ACC Limited
Chemicals	Tata Chemicals
FMCG	Dabur India Ltd.
Infrastructure	Larsen & Toubro
Logistics & Ports	Adani Ports & SEZ Ltd.
Metals & Mining	Tata Steel
Oil & Gas	BPCL
Power Generation	JSW Energy
Realty	Oberoi Realty
BFSI – Banks	Yes Bank
BFSI – NBFC	L&T Finance Holdings

Special Recognition Awards

 Best ESG Performer of the Year L&T Finance Holdings Recognised for outstanding year-on-year improvement across all three ESG pillars	 Best Disclosures & Transparency Leader ONGC Highest standards of transparency and governance in sustainability reporting
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 Special Jury Award for Sustainability Leadership Mahindra & Mahindra For demonstrating exemplary, long-term, board-driven sustainability leadership that integrates ESG into core business strategy across the entire value chain

What Award Winners Do Differently: The Data Behind Leadership

An analysis of the 2026 winning companies reveals consistent patterns separating sustainability leaders from the rest of India Inc. The data shows winners outperform peers by **20–35 percentage points** on key assessment dimensions.

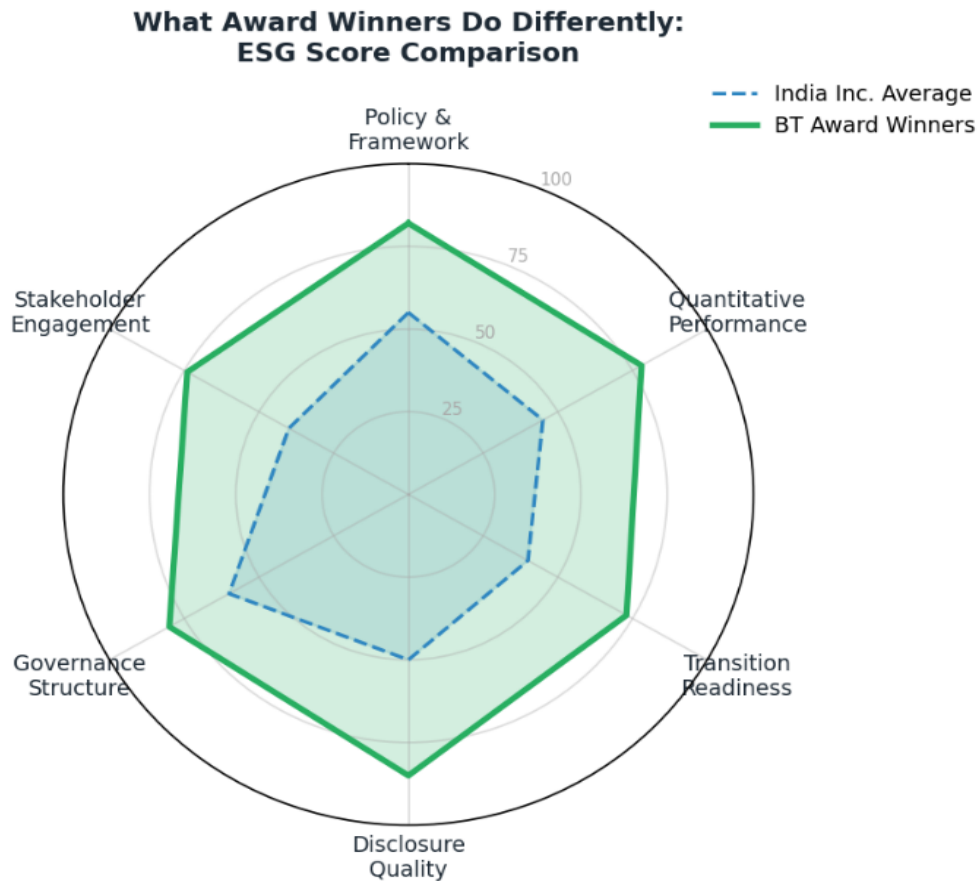


Figure 3: ESG Score Comparison — Award Winners vs India Inc. Average (out of 100) | CareEdge-ESG Assessment Framework

- **Disclosure as a Strategic Asset:** Winners like ONGC treat transparency as competitive positioning. BRSR filings go beyond mandatory requirements — mapping to ISSB S1/S2, providing assured quantitative data, and forward-looking transition narratives.
- **Board-Level Climate Accountability:** Every sector winner had demonstrable board-level ownership of ESG and climate risk, including integration into Board Risk Committees and CFO-level reporting. M&M's Special Jury Award exemplifies this.
- **Credible, Time-Bound Transition Plans:** Companies in energy-intensive sectors — Tata Steel, JSW Energy, BPCL, ACC — distinguished themselves through scientifically grounded pathways with interim milestones and measurable KPIs.
- **Renewable Energy Integration at Scale:** Winners systematically demonstrate progress on renewable energy share. Hero MotoCorp's penetration across manufacturing and JSW Energy's clean energy business model represent two compelling pathways.
- **Value-Chain ESG Engagement:** Highest scorers engage upstream and downstream on ESG — measuring Scope 3 emissions and building climate resilience into procurement. Dabur and Adani Ports exemplify this across different sectors.

India Inc.'s ESG Maturity: A Market-Wide View

The award process — screening 1,000+ companies and evaluating 255 in depth — offers a rare, data-rich window into the state of corporate sustainability across India. The picture shows rapid but uneven progress.

India Inc.'s ESG Maturity Spectrum - Top 1,000 Listed Companies



*BT Sustainability Awards 2026 Winners | CareEdge-ESG Illustrative Estimate

Figure 4: India Inc.'s ESG Maturity Spectrum — Illustrative Distribution of Top 1,000 Listed Companies

Key Insight: The gap between India's ESG leaders and the broad market remains wide. While companies at the top — the BT Award winners — demonstrate globally competitive ESG performance, the majority of India's top 1,000 listed companies remain in early-stage compliance and disclosure modes. Regulatory tightening under SEBI's BRSR framework and RBI's climate-risk expectations will progressively narrow this gap — but proactive companies that invest in ESG now will gain a significant head start in terms of capital access and investor confidence.

The summit discussions reinforced an emerging consensus: the next 24–36 months will be a decisive period for India's ESG ecosystem. Regulatory mandates will intensify, investor expectations will sharpen, and access to sustainable finance will increasingly discriminate between companies with genuine ESG credentials and those with only surface-level compliance. The companies that close this maturity gap fastest will gain the most durable competitive advantage.

Sustainable Finance: The Capital Bridge That Rewards ESG Leadership

The BT Sustainability Summit 2026 confirmed: strong ESG performance directly translates into a financing advantage. India's sustainable debt market has grown sharply, with cumulative GSS+ issuances crossing **USD 55.9 billion**, and the trajectory is steeply upward.

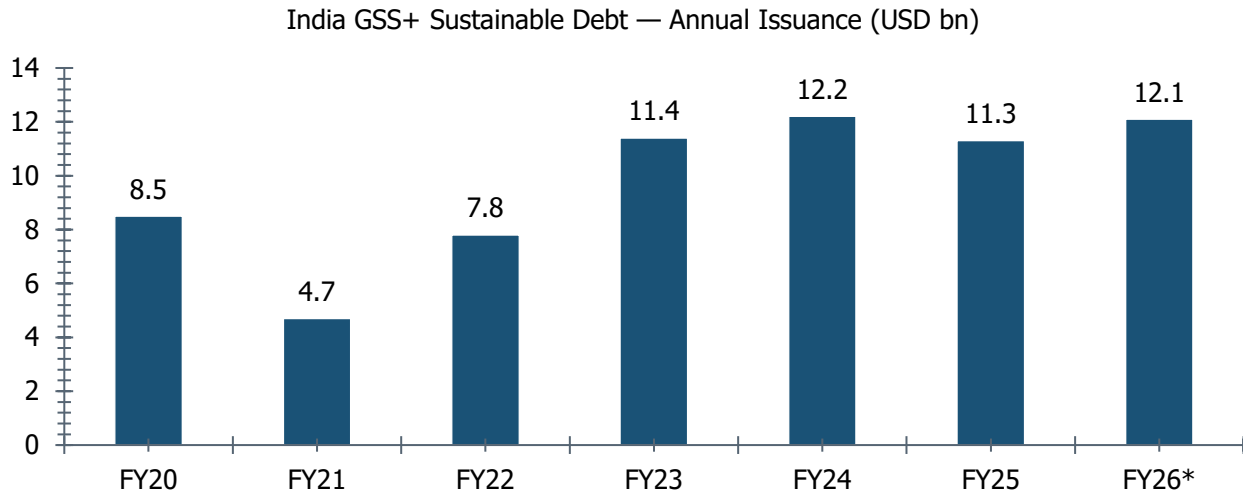


Figure 4: India Annual GSS+ Issuance (USD bn) | Sources: CareEdge-ESG analysis, RBI, SEBI | *FY26 estimate

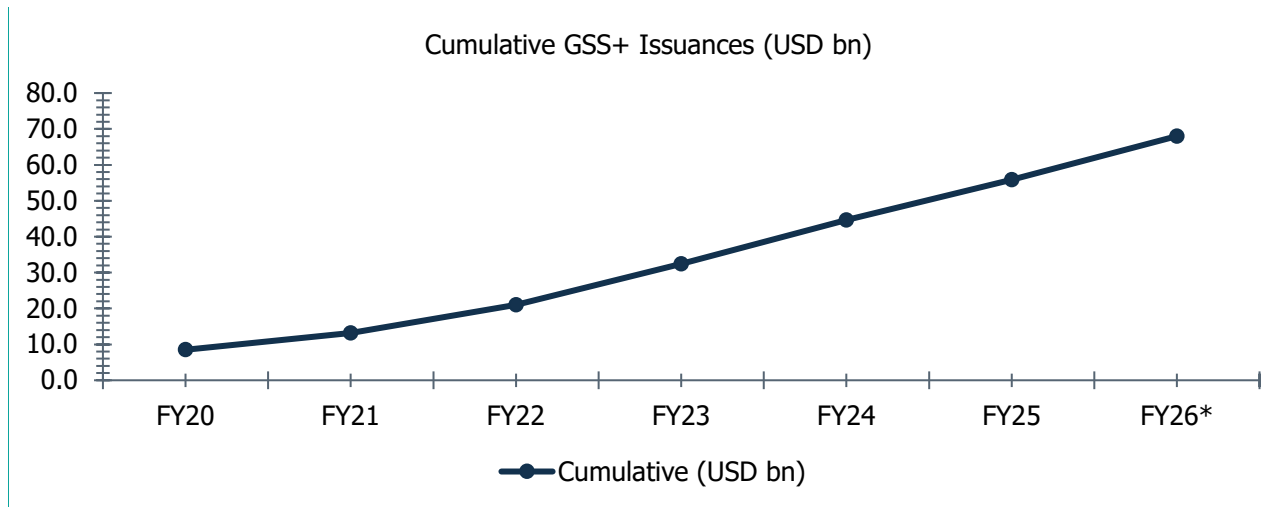


Figure 5: Cumulative GSS+ Issuances (USD bn) | Sources: CareEdge-ESG analysis, RBI, SEBI

India's sovereign green bond curve, growing rupee-denominated labelled issuances, and SEBI's ESG Debt Securities Circular are creating a structured market where ESG performance directly influences financing terms. **Companies with independently validated ESG ratings and robust transition plans are accessing this capital at demonstrably better terms.**

The ESG-to-Capital Virtuous Cycle






Second Party Opinions: The Credibility Layer for Sustainable Finance

As BT Award winners and other leading Indian companies access green bonds, sustainability-linked loans, and transition instruments, Second Party Opinions (SPOs) from ICMA-enlisted providers like CareEdge-ESG serve as the independent credibility layer that institutional investors require. Our SPOs validate:

- **Framework alignment:** ICMA/LMA principles, BRSR Core linkages, Draft Climate Finance Taxonomy eligibility.
- **KPI materiality:** Sector-relevant KPIs calibrated to science-aligned targets — not arbitrary metrics chosen for convenience.
- **Use-of-proceeds integrity:** Project eligibility, DNSH safeguards, exclusion lists, and taxonomy technical criteria.
- **MRV readiness:** Allocation tracking, impact indicators, and reporting mechanisms designed to withstand post-issuance scrutiny.

Three Themes That Defined the 2026 Summit

 <p>Financing the Transition India needs USD 200–250 bn annually through 2030 for energy transition alone. The summit debated how transition bonds, blended finance, and SLLs can unlock capital for hard-to-abate sectors that cannot simply 'go green' overnight.</p>	 <p>Energy Security vs Decarbonisation The West Asia conflict has renewed focus on coal gasification as a bridge to grid resilience. The summit examined whether and how this can be reconciled with India's 60% non-fossil power target by 2035 — a genuine policy tension with no easy answer.</p>	 <p>Sustainable AI AI's environmental footprint — energy consumption, water use, and infrastructure demands — emerged as an unexpected but significant agenda item. The summit explored AI's dual role: a contributor to emissions and a potential accelerator of climate solutions.</p>
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CareEdge-ESG View: What This Means for Corporate India

The 2026 awards mark a milestone — but also reveal how much further most of corporate India must travel. The regulatory ratchet is tightening, ESG ratings are moving from niche to necessary, and the sustainability-profitability nexus is **now documented corporate practice across sectors.**

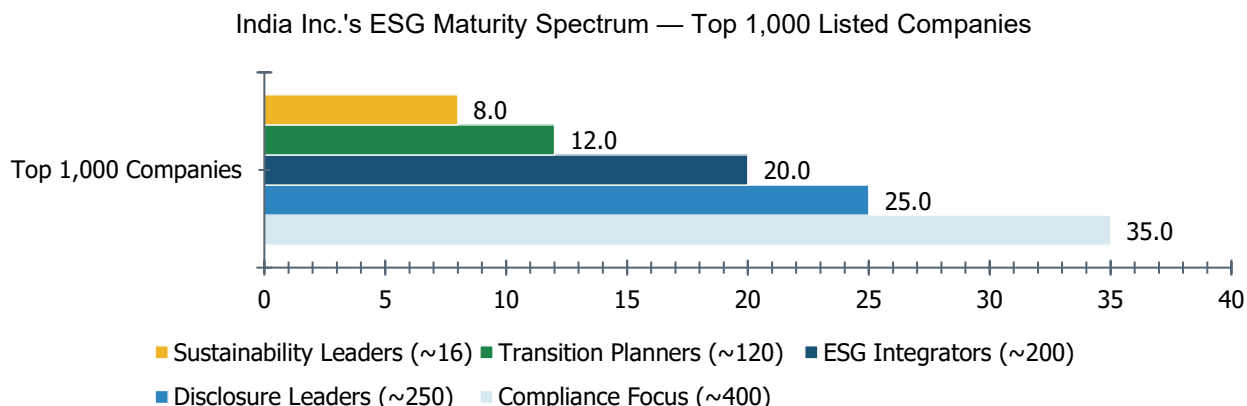


Figure 6: India Inc.'s ESG Maturity Spectrum — Top 1,000 Listed Companies (Illustrative) | CareEdge-ESG

- **From Voluntary to Mandatory — Regulatory Ratchet Tightens:** SEBI's BRSR assurance glidepath requires limited assurance for BRSR Core from the top 150 listed companies from FY25, expanding progressively. Boards without audit-ready ESG data face growing regulatory and investor risk.
- **ESG Ratings — From Niche to Necessary:** Independently validated ESG ratings — not self-reported scores — are becoming the trusted currency for investors, lenders, and regulators. As India's NDC targets cascade into sector-level expectations, ratings serve as the mechanism by which transition readiness is priced into capital markets.
- **The Sustainability-Profitability Nexus is Real:** Every 2026 winning company demonstrates sustainability and financial performance as mutually reinforcing. L&T Finance (Best ESG Performer) combines strong governance with robust returns. Tata Steel's transition investments reduce its cost structure while improving ESG scores.

"India's green transition will not be won on ambition alone. It will be won by the companies that move earliest, fastest, and most credibly."

— BT India's Most Sustainable Companies Summit 2026

Your Benefit: What Strong ESG Performance Unlocks

What ESG Leaders Gain

- Access to green and sustainability-linked financing at preferential terms
- Wider domestic and global investor base seeking credible ESG stories
- Enhanced brand reputation and stakeholder trust
- Reduced regulatory risk as SEBI/RBI mandates intensify

Practical Steps to Begin Now

- Engage CareEdge-ESG for an independent ESG rating as your baseline
- Conduct BRSR Core readiness assessment — close data and assurance gaps
- Build a credible transition plan with Board-level ownership and capex alignment
- Choose the right instrument: Green / SLB / Transition Bond for your KPIs

- Talent attraction advantage in a purpose-driven market

- Commission an ICMA-aligned SPO before your next sustainable debt issuance

Why CareEdge-ESG? Your Partner in NDC-Aligned Transition

- **Identifies actionable levers** for emissions intensity reduction, governance improvement, and disclosure quality
- **Quantifies peer benchmarking** against sector-level NDC trajectories and industry medians
- **ICMA-aligned Second Party Opinions (SPOs)** for green, social, sustainability-linked, and transition bonds/loans
- **SEBI-registered | IFSCA-approved | ICMA-enlisted** — trusted by Indian regulators and global investors alike

Ready to Begin? Get Your ESG Rating & SPO | Explore Transition Assessment | Assess Sustainable Finance Framework

Recent CareEdge-ESG Rating Rationales

Sector	Rating Rationale
Road & Infra:	CareEdge-ESG rating rationale for National Highways Infra Trust
Aerospace & Defence:	CareEdge-ESG rating rationale for Bharat Electronics Limited
Auto Components:	CareEdge-ESG rating rationale for JK Tyre and Industries Limited
Electrical Equipment:	CareEdge-ESG rating rationale for Apar Industries Limited
Iron & Steel:	CareEdge-ESG rating rationale for Godawari Power and Ispat Limited
Cement:	CareEdge-ESG rating rationale for Shree Cement Limited
Heavy Electrical Equipment:	CareEdge-ESG rating rationale for Thermax Limited
Power:	CareEdge-ESG rating rationale for NLC India Limited
Mining:	CareEdge-ESG rating rationale for Gujarat Mineral Development Corp
Banking:	CareEdge-ESG rating rationale for Bank of India
Banking:	CareEdge-ESG rating rationale for Union Bank of India
Small Finance Banking:	CareEdge-ESG rating rationale for ESAF Small Finance Bank Limited
NBFC:	CareEdge-ESG rating rationale for Muthoot Microfin Limited
NBFC:	CareEdge-ESG rating rationale for MAS Financial Services Limited

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About Us:

CareEdge is a knowledge based analytical group that aims to provide superior insights based on technology, data analytics and detailed research. CARE ESG Ratings Limited (CareEdge-ESG) is one of the India's leading ESG rating provider fostering sustainability with ESG insights. With an aim of being a catalyst of change for a sustainable future with the most credible ESG assessments, CareEdge-ESG provides a 360-degree appraisal for the ESG performance benchmarking cum transition enabling ESG risk mitigation and enhanced decision-making capabilities for all stakeholders.

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