

Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

ESG Risk Rating

22.1

Last Full Update Mar 5, 2025

Not available

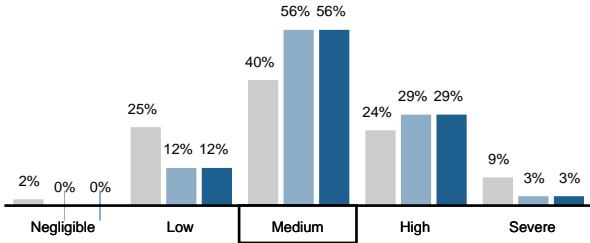
Momentum

Medium Risk



ESG Risk Rating Score Change Log

ESG Risk Rating Distribution



ESG Risk Rating Ranking

UNIVERSE	RANK	PERCENTILE
	(1 st = lowest risk) (1 st = Top Score)	
Global Universe	5365/15176	36th
Electrical Equipment INDUSTRY	57/313	19th
Electrical Equipment SUBINDUSTRY	57/313	19th

Peers Table

Peers (Market cap \$8.7 - \$10.0bn)	Exposure	Management	ESG Risk Rating
1. Polycab India Ltd.	38.1 Medium	58.0 Strong	17.1 Low
2. nVent Electric Plc	41.5 Medium	56.0 Strong	19.3 Low
3. Suzlon Energy Ltd.	43.0 Medium	51.6 Strong	22.1 Medium
4. Bharat Heavy Electricals Ltd.	45.1 Medium	46.4 Average	25.2 Medium
5. Fujikura Ltd.	43.8 Medium	39.0 Average	27.5 Medium

Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

ESG Risk Exposure

42.9 **Not available**
Medium **Momentum**
Beta = 0.95

Low 0-35 Medium 35-55 High 55+

SubIndustry

Exposure to ethical breaches is derived mostly from the company’s business relations within its value chain, as well as from its countries of operation and size. These may include political lobbying, conflicts of interest, anti-competitive practices, corruption, tax and accounting irregularities. The company’s product and service portfolio, as well as its customer base expose it to quality and safety issues. Types of misconduct include unsafe features, insufficient transparency and misleading marketing. Due to its employee base and talent needs, the company is exposed to labour relations issues and skills deficit. Companies that are unable to effectively manage their workforce may face obstacles, such as high operational costs, business disruptions and other inefficiencies.

The company's overall exposure is medium and is similar to subindustry average. Business Ethics, Product Governance and Human Capital are notable material ESG issues.

Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company’s ESG programs, practices, and policies.

ESG Risk Management

51.6 **Not available**
Strong **Momentum**

Strong 100-50 Average 50-25 Weak 25-0

Suzlon Energy has designated board level responsibility to oversee ESG issues. The company's overall ESG-related disclosure is cited with reference to the GRI Standards, signalling strong accountability to investors and the public. Additionally, the environmental policy is assessed as strong. Moreover, the whistleblower programme in use is strong.

The company's overall management of material ESG issues is strong.

Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Material ESG Issues

These are the Material ESG Issues driving the ESG Risk Rating.

Issue Name	ESG Risk Exposure	ESG Risk Management	ESG Risk Rating	Contribution to ESG Risk Rating
	Score Category	Score Category	Score Category	
Corporate Governance	6.7 Medium	50.6 Strong	3.3 Low	14.9%
Raw Material Use	3.8 Low	24.5 Weak	3.1 Low	13.8%
Business Ethics	5.7 Medium	55.6 Strong	2.7 Low	12.2%
Product Governance	5.4 Medium	59.4 Strong	2.2 Low	9.9%
Carbon -Products and Services	2.8 Low	32.1 Average	1.9 Negligible	8.8%
Human Capital	3.8 Low	51.9 Strong	1.9 Negligible	8.7%
E&S Impact of Products and Services	2.7 Low	42.5 Average	1.8 Negligible	8.1%
Occupational Health and Safety	3.0 Low	58.0 Strong	1.3 Negligible	6.1%
Carbon -Own Operations	3.2 Low	65.2 Strong	1.1 Negligible	5.0%
Emissions, Effluents and Waste	2.0 Low	56.1 Strong	1.0 Negligible	4.5%
Human Rights -Supply Chain	1.9 Low	60.5 Strong	1.0 Negligible	4.4%
Stakeholder Governance	2.0 Low	60.7 Strong	0.8 Negligible	3.6%
Overall	42.9 Medium	51.6 Strong	22.1 Medium	100.0%

Events Overview

Identify events that may negatively impact stakeholders, the environment, or the company's operations.

Category (Events)

5 Severe (0)

4 High (0)

3 Significant (0)

2 Moderate (0)

1 Low (1)

Quality and Safety

Suzlon Energy Ltd.

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Events Overview

Identify events that may negatively impact stakeholders, the environment, or the company's operations.

Category (Events)

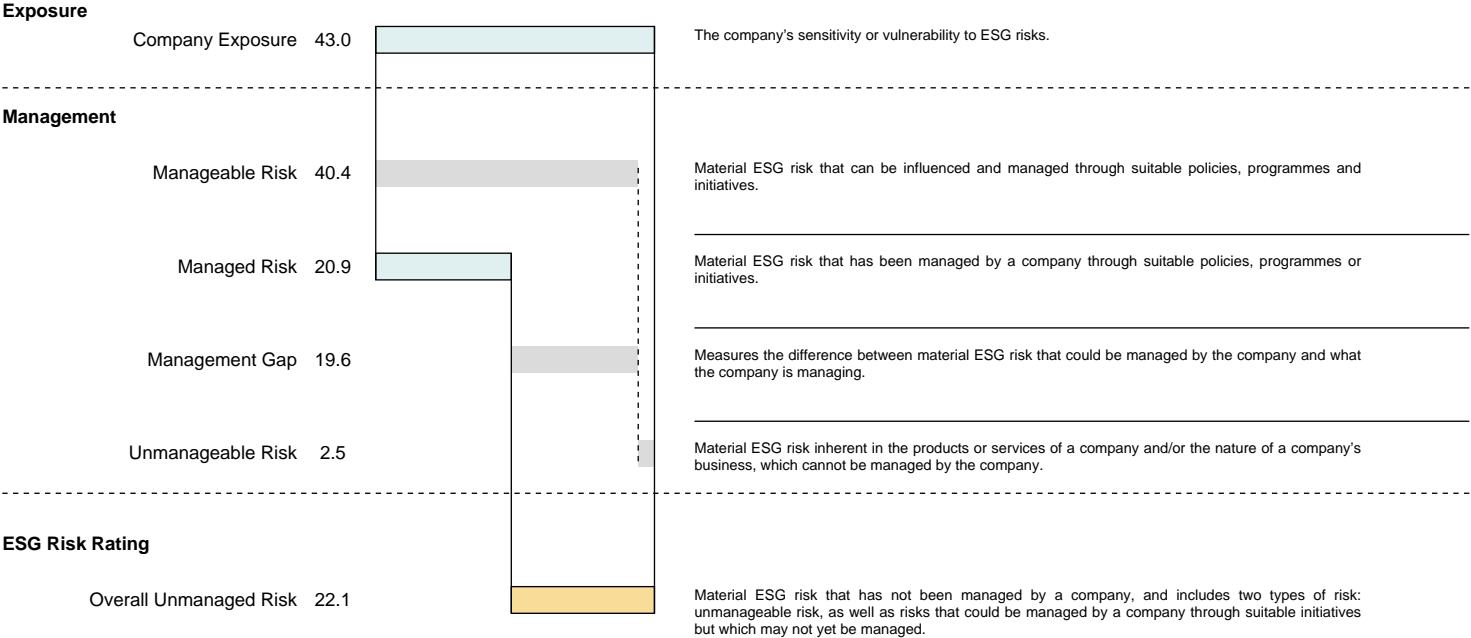
None (21)

- Accounting and Taxation
- Anti-Competitive Practices
- Bribery and Corruption
- Business Ethics
- Carbon Impact of Products
- Corporate Governance
- Emissions, Effluents and Waste
- Employees - Human Rights - SC
- Energy Use and GHG Emissions
- Environmental Impact of Products
- Intellectual Property
- Labour Relations
- Labour Relations - SC
- Lobbying and Public Policy
- Marketing Practices
- Occupational Health and Safety
- Occupational Health and Safety - SC
- Sanctions
- Scarce Resource Use
- Social Impact of Products
- Society - Human Rights - SC

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Risk Decomposition



Momentum Details

Not available due to a lack of comparable historical information.

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ESG Risk Rating Score Change Log [View Glossary](#)

Insufficient data. We require at least two score changes within the past 12 months to display a meaningful chart.

Attribute Date	Value Before Change	Value After Change	△ Change In Value	Change Trigger
2024/04/27	28.5	28.1 ↓	-0.4	<input type="checkbox"/> Partial Update

Suzlon Energy Ltd.

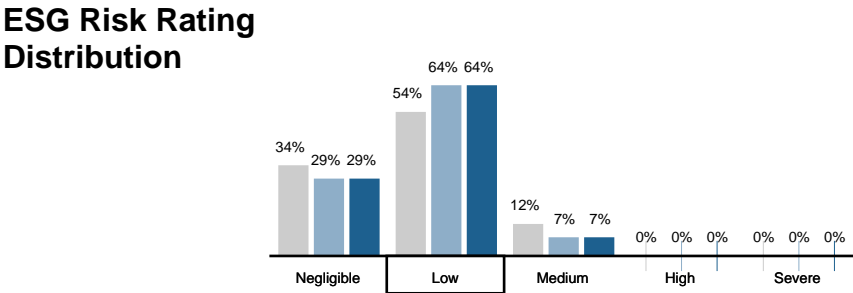
Electrical Equipment India BOM:532667

Issue Contribution 14.9 %

Corporate Governance
 Corporate Governance encompasses the mechanisms, processes and policies by which a company is managed and overseen to ensure its ability to mitigate risks, increase long-term value creation and safeguard its reputation.

ESG Risk Rating **3.3** **Low Risk**

NEGL	LOW	MED	HIGH	SEVERE
0-2	2-4	4-6	6-8	8+



ESG Risk Rating Ranking

UNIVERSE	RANK	PERCENTILE
	(1 st = lowest risk)	(1 st = Top Score)
Global Universe	2979/4273	70th
Electrical Equipment INDUSTRY	50/76	66th
Electrical Equipment SUBINDUSTRY	50/76	66th

Peers Table

Peers (Market cap \$8.4 - \$11.2bn)	Exposure	Management	ESG Risk Rating
1. nVent Electric Plc	6.7 Medium	85.9 Strong	0.9 Negligible
2. TBEA Co., Ltd.	7.0 Medium	63.4 Strong	2.6 Low
3. Havells India Ltd.	8.1 High	60.2 Strong	3.2 Low
4. Fujikura Ltd.	6.7 Medium	51.2 Strong	3.2 Low
5. Suzlon Energy Ltd.	6.7 Medium	50.6 Strong	3.3 Low

Suzlon Energy Ltd.

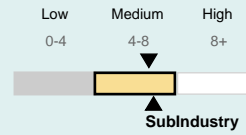
Electrical Equipment India BOM:532667

ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

ESG Risk Exposure

6.7
Medium



Corporate Governance has risen in prominence over the past 20 years, following a series of high-profile company failures throughout the world. These failures have resulted in value destruction through record fines, bankruptcies, or the dilution of existing shareholder equity. As a result, stricter standards on company disclosure and practices have emerged among institutional investors, stock exchanges, regulators, and other market actors. In practice, Corporate Governance focuses on issues such as board and committee composition, audit, shareholder voting rights, risk oversight and executive remuneration. Shortcomings in any one of these areas may signal increased risk for shareholders (especially minority shareholders) and other stakeholders. This growing emphasis on governance has led to the adoption of frameworks and guidelines designed to enhance transparency, ensure accountability, and protect the interests of all stakeholders. Enhanced governance practices can not only mitigate risks but also contribute to companies' sustainable growth and long-term value creation.

The company's exposure to Corporate Governance issues is medium and similar to the subindustry exposure.

Exposure Analysis

Subindustry Issue Exposure	7.0
Issue Beta	x 0.95
Company Issue Exposure	6.7

Beta Indicators

Beta Signal

Largest Shareholder Voting	-0.07
Corporate Governance	0.00
Qualitative Overlay	0.00
Exceptional Event Adjustment	0.00
Total Beta Signal	-0.05
Baseline	+1.00
Overall Beta	0.95

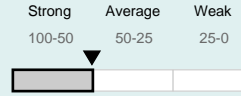
Suzlon Energy Ltd.

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Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.

ESG Risk Management

50.6
Strong



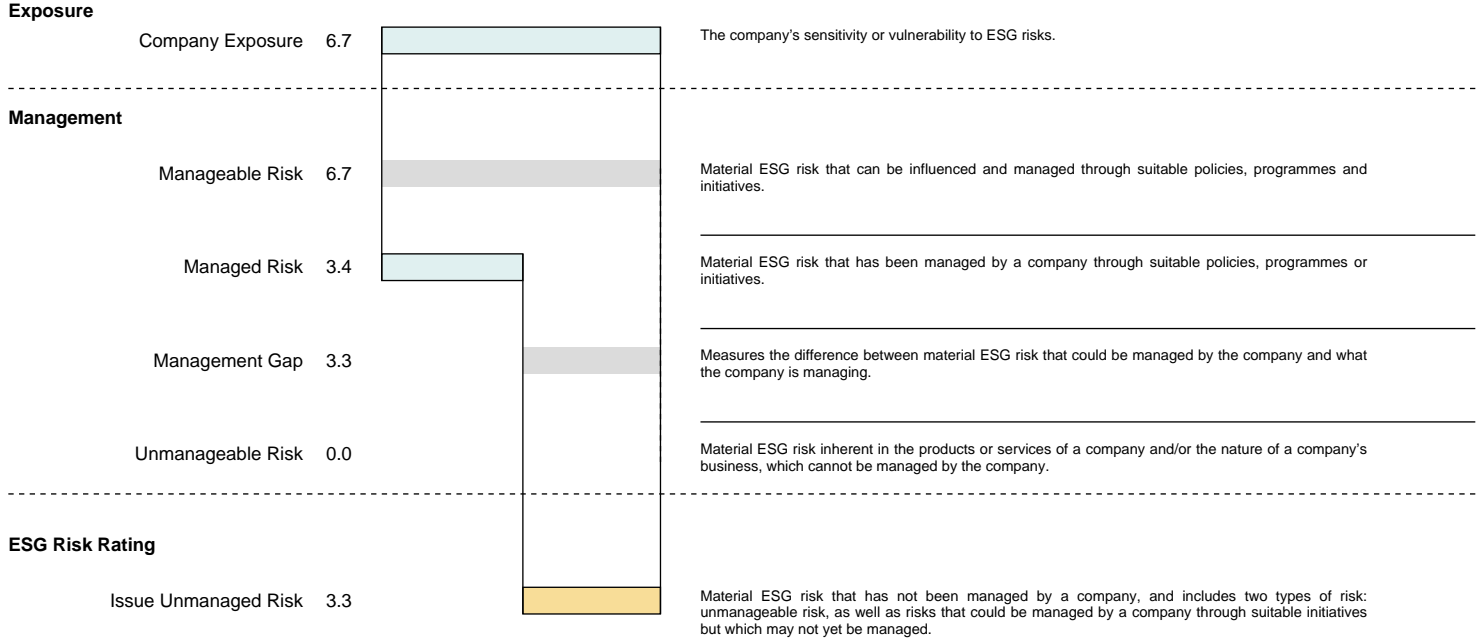
In our view, the company's management of the issue is above average.

Management Indicators	Raw Score	Weight	Weighted Score
Board Committee Structure	100	6.0%	6.0
Shareholder Dissent	100	3.0%	3.0
Voting Proportionality	100	10.0%	10.0
Board Gender Representation Target	75	2.0%	1.5
Remuneration Committee	75	6.0%	4.5
CEO Pay Magnitude (Industry)	60	2.0%	1.2
CEO Pay Magnitude (Region)	60	2.0%	1.2
Board Executive Experience	50	5.0%	2.5
Board Non-Executive Experience	50	5.0%	2.5
Nominating Committee Independence	50	6.0%	3.0
Risk Oversight	50	5.0%	2.5
Short-Term Incentive Programme	50	5.0%	2.5
Board Gender Diversity	33	3.0%	1.0
Audit Committee Experience	25	7.0%	1.8
Audit Committee Independence	25	7.0%	1.8
Board Effectiveness	25	6.0%	1.5
Board Independence	25	7.0%	1.8
Long-Term Incentive Programme	25	6.0%	1.5
Say on Pay	25	4.0%	1.0
Executive Compensation Clawback	0	3.0%	0.0
 Corporate Governance	Category 0	0%	0.0
Weighted Sum			50.6

Suzlon Energy Ltd.

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Risk Decomposition



Suzlon Energy Ltd.

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Issue



Raw Material Use

Contribution 13.8 %

Raw Materials Use encompasses a company's management of raw material inputs (excluding energy and petroleum-based products) in the production process. It includes the selection, use and efficiency of raw material inputs.

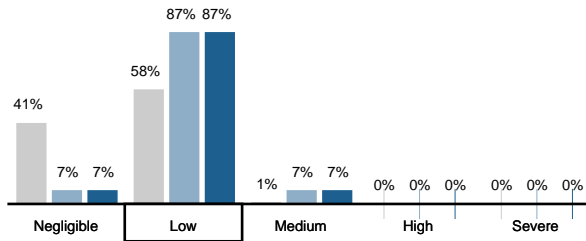
ESG Risk Rating

3.1

Low Risk



ESG Risk Rating Distribution



ESG Risk Rating Ranking

UNIVERSE	RANK	PERCENTILE
	(1 st = lowest risk)	(1 st = Top Score)
Global Universe	243/318	77th
Electrical Equipment INDUSTRY	14/30	45th
Electrical Equipment SUBINDUSTRY	14/30	45th

Peers Table

Peers (Market cap \$9.0 - \$9.0bn)

Exposure

Management

ESG Risk Rating

1. Suzlon Energy Ltd.

3.8 Low

24.5 Weak

3.1 Low

Suzlon Energy Ltd.

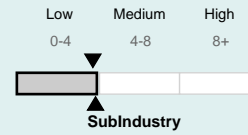
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ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

ESG Risk Exposure

3.8
Low



The Electrical Equipment industry is heavily reliant on raw materials such as aluminium, copper and rare earth elements (REEs), which include neodymium and dysprosium. They materials are essential for the manufacture of power generation and transmission equipment, batteries, electrical wires and lighting fixtures. It is estimated that by 2050, the global demand for aluminium and copper will increase by around 80% and 100%, respectively, compared to 2020, while the demand for both neodymium and dysprosium is projected to increase by at least 1,000%. One of the main factors contributing to the growth in demand is the deployment of green technologies, notably wind turbines and electric motors in vehicles, to decarbonize the economy. However, the extraction and processing of REEs, aluminium and copper are energy-intensive, and bring with it potential environmental impacts like pollution of water, soil, air and land degradation, as well as toxicity for humans. Furthermore, the supply and refining capacity of these metals is highly concentrated in countries such as China, Brazil, Chile, Australia and Russia. Thus, Electrical Equipment companies face operational risks, should supply chain disruptions and price volatility ensue as a result of geopolitical strife or export bans. To reduce these risks, they could invest in R&D initiatives that aim to identify sustainable end-of-life take-back programmes and alternative materials for products that contain REEs, aluminium and copper. Moreover, recycling production waste for recovery and reuse, alongside setting up repair and refurbishment centres for such products, are also considered best practices. Finally, manufacturers of Electrical Equipment need to conduct robust environmental assessments of their suppliers to ensure their compliance with good practices, and reduce the risk of involvement with third parties that are subpar performers.

The company's exposure to Raw Material Use issues is low and similar to the subindustry exposure.

Exposure Analysis

Subindustry Issue Exposure	4.0
Issue Beta	x 0.95
Company Issue Exposure	3.8

Beta Indicators

Beta Signal

Scarce Resource Use	0.00
Operating Performance	-0.03
Solvency	0.02
Financial Flexibility	-0.03
Asset Performance	-0.03
Qualitative Overlay	0.00
Subindustry Correction Factor	0.00
Exceptional Event Adjustment	0.00
Total Beta Signal	-0.05
Baseline	+1.00
Overall Beta	0.95

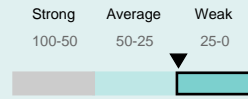
Suzlon Energy Ltd.

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Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.

ESG Risk Management

24.5
Weak



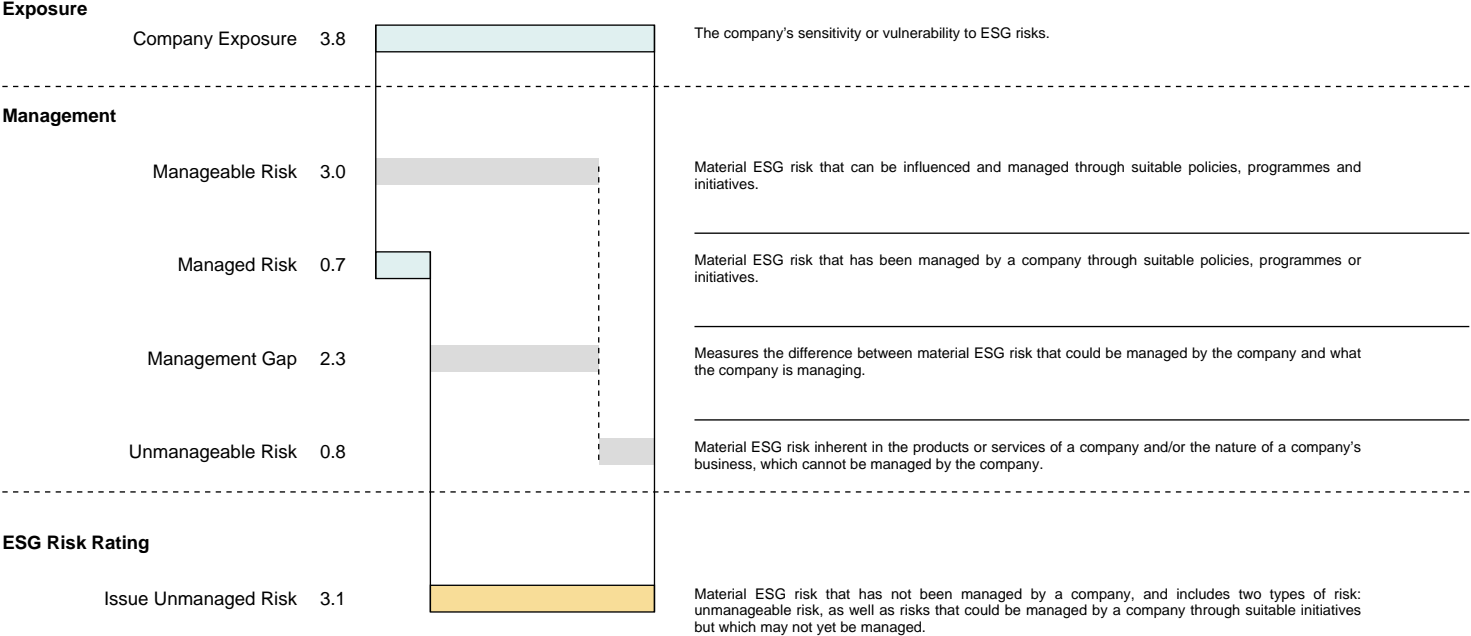
In our view, the company's management of the issue is below average.

Management Indicators	Raw Score	Weight	Weighted Score
EMS Certification	100	2.5%	2.5
Environmental Management System	100	5.0%	5.0
Environmental Policy	75	2.5%	1.9
Eco-Design	50	17.5%	8.8
Raw Material Innovation Programmes	25	17.5%	4.4
Recycled Material Use	20	10.0%	2.0
End-of-Life Product Stewardship	0	20.0%	0.0
Recycled Material Programmes	0	15.0%	0.0
Recycled Material Use Commitment	0	10.0%	0.0
 Scarce Resource Use	Category 0	0%	0.0
Weighted Sum			24.5

Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Risk Decomposition



Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Issue

Contribution 12.2 %



Business Ethics

Business Ethics encompasses business practices that may be legal or illegal, and result in a financial benefit to an individual specifically or a company while having a negative impact on society or other company stakeholders.

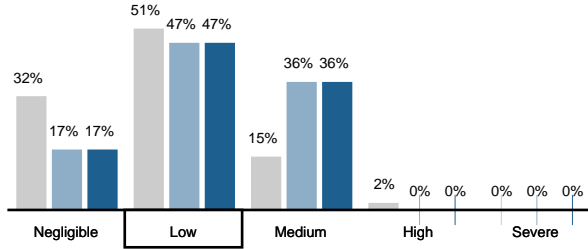
ESG Risk Rating

2.7

Low Risk



ESG Risk Rating Distribution



ESG Risk Rating Ranking

UNIVERSE	RANK (1 st = lowest risk)	PERCENTILE (1 st = Top Score)
Global Universe	2343/4395	54th
Electrical Equipment INDUSTRY	23/76	30th
Electrical Equipment SUBINDUSTRY	23/76	30th

Peers Table

Peers (Market cap \$8.4 - \$11.2bn)

	Exposure	Management	ESG Risk Rating
1. nVent Electric Plc	6.0 Medium	69.4 Strong	2.0 Low
2. Suzlon Energy Ltd.	5.7 Medium	55.6 Strong	2.7 Low
3. Havells India Ltd.	5.4 Medium	36.9 Average	3.5 Low
4. TBEA Co., Ltd.	6.3 Medium	18.1 Weak	5.2 Medium
5. Fujikura Ltd.	6.6 Medium	20.7 Weak	5.3 Medium

Suzlon Energy Ltd.

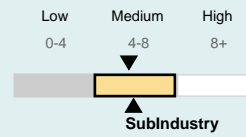
Electrical Equipment India BOM:532667

ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

ESG Risk Exposure

5.7
Medium



Business Ethics issues for Electrical Equipment companies involve mainly corruption and anti-competitive practices. Despite not being very active in government procurement, companies that supply equipment, such as cables for power plants or power grid projects, have been implicated in bribery incidents, mainly in developing countries. Companies in this subindustry may collude or engage in price fixing to maximize revenues.

The company's exposure to Business Ethics issues is medium and moderately below the subindustry exposure.

Exposure Analysis

Subindustry Issue Exposure	6.0
Issue Beta	x 0.95
Company Issue Exposure	5.7

Beta Indicators

Beta Signal

Accounting and Taxation	0.00
Anti-Competitive Practices	0.00
Bribery and Corruption	0.00
Business Ethics	0.00
Intellectual Property	0.00
Lobbying and Public Policy	0.00
Sanctions	0.00
Operating Performance	-0.03
Solvency	0.02
Financial Flexibility	-0.03
Asset Performance	-0.03
Qualitative Overlay	0.00
Subindustry Correction Factor	0.00
Exceptional Event Adjustment	0.00
Total Beta Signal	-0.05
Baseline	+1.00
Overall Beta	0.95

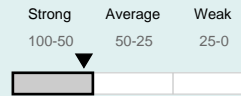
Suzlon Energy Ltd.

Electrical Equipment India BOM:532667








Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.

ESG Risk Management

55.6
Strong



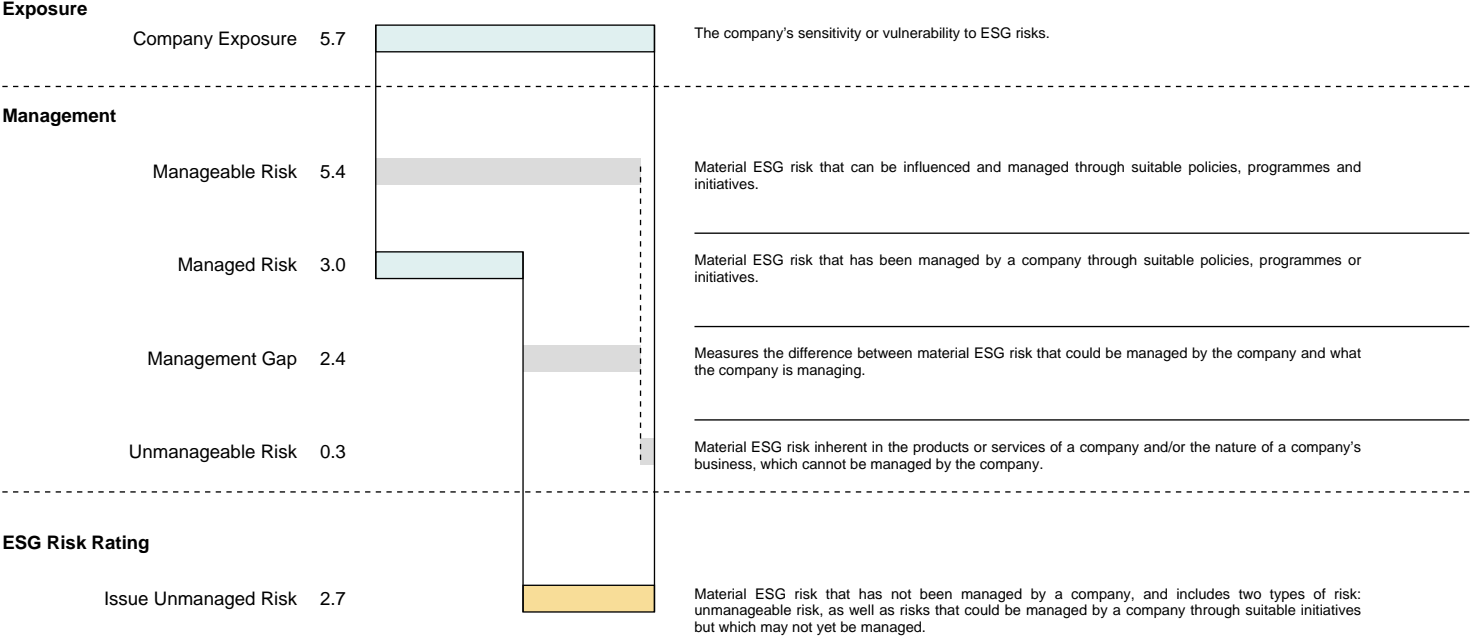
The company has set up strong whistleblowing mechanisms. Specifically, it has an independent reporting hotline that is available 24/7. However, it does not permit anonymous reporting and it is unclear if whistleblower reports are treated confidentially. Moreover, it does not disclose a policy that addresses political involvement and contributions. In our view, the company's management of the issue is above average.

Management Indicators	Raw Score	Weight	Weighted Score
Bribery & Corruption Policy	75	7.5%	5.6
Bribery & Corruption Programmes	75	25.0%	18.8
Whistleblower Programmes	75	25.0%	18.8
Business Ethics Programme	50	25.0%	12.5
Political Involvement Policy	0	7.5%	0.0
Transparency on Lobbying and	0	10.0%	0.0
 Accounting and Taxation	Category 0	0%	0.0
 Anti-Competitive Practices	Category 0	0%	0.0
 Bribery and Corruption	Category 0	0%	0.0
 Business Ethics	Category 0	0%	0.0
 Intellectual Property	Category 0	0%	0.0
 Lobbying and Public Policy	Category 0	0%	0.0
 Sanctions	Category 0	0%	0.0
Weighted Sum			55.6

Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Risk Decomposition



Suzlon Energy Ltd.

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Issue

Contribution 9.9 %



Product Governance

Product Governance encompasses a company's management of the entire lifecycle of its products and services to prevent and mitigate risks and consequences for its customers and end-users.

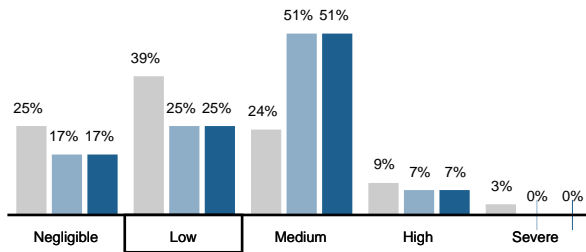
ESG Risk Rating

2.2

Low Risk



ESG Risk Rating Distribution



ESG Risk Rating Ranking

UNIVERSE	RANK	PERCENTILE
	(1 st = lowest risk)	(1 st = Top Score)
Global Universe	1139/3770	31 st
Electrical Equipment INDUSTRY	14/76	18 th
Electrical Equipment SUBINDUSTRY	14/76	18 th

Peers Table

Peers (Market cap \$8.4 - \$11.2bn)

	Exposure	Management	ESG Risk Rating
1. Havells India Ltd.	5.1 Medium	62.5 Strong	1.9 Negligible
2. Suzlon Energy Ltd.	5.4 Medium	59.4 Strong	2.2 Low
3. nVent Electric Plc	6.6 Medium	25.0 Average	5.0 Medium
4. Fujikura Ltd.	6.6 Medium	25.0 Average	5.0 Medium
5. TBEA Co., Ltd.	6.3 Medium	12.5 Weak	5.5 Medium

Suzlon Energy Ltd.

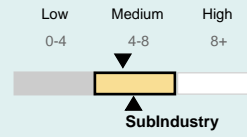
Electrical Equipment India BOM:532667

ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

ESG Risk Exposure

5.4
Medium



The quality of equipment can determine both the energy efficiency as well as the general operational productivity of other industries. Quality defects in products can be life-threatening for customers. Such defects have resulted in serious injuries and operational disruptions, including battery failure in airplanes, automobiles and mobile devices, fires in power grids and blackouts. Since any failure in the system could lead to operational stoppages in the factory, quality assurance is the most important consideration when agreeing to contracts.

The company's exposure to Product Governance issues is medium and moderately below the subindustry exposure.

Exposure Analysis

Subindustry Issue Exposure	6.0
Issue Beta	x 0.90
Company Issue Exposure	5.4

Beta Indicators

Beta Signal

Marketing Practices	0.00
Quality and Safety	0.01
Operating Performance	-0.03
Solvency	0.02
Financial Flexibility	-0.03
Asset Performance	-0.03
Headquarters Location	0.02
Sales Location	-0.05
Qualitative Overlay	0.00
Subindustry Correction Factor	0.00
Exceptional Event Adjustment	0.00
Total Beta Signal	-0.10
Baseline	+1.00
Overall Beta	0.90

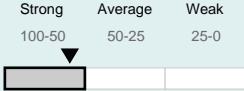
Suzlon Energy Ltd.

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Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.

ESG Risk Management

59.4
Strong



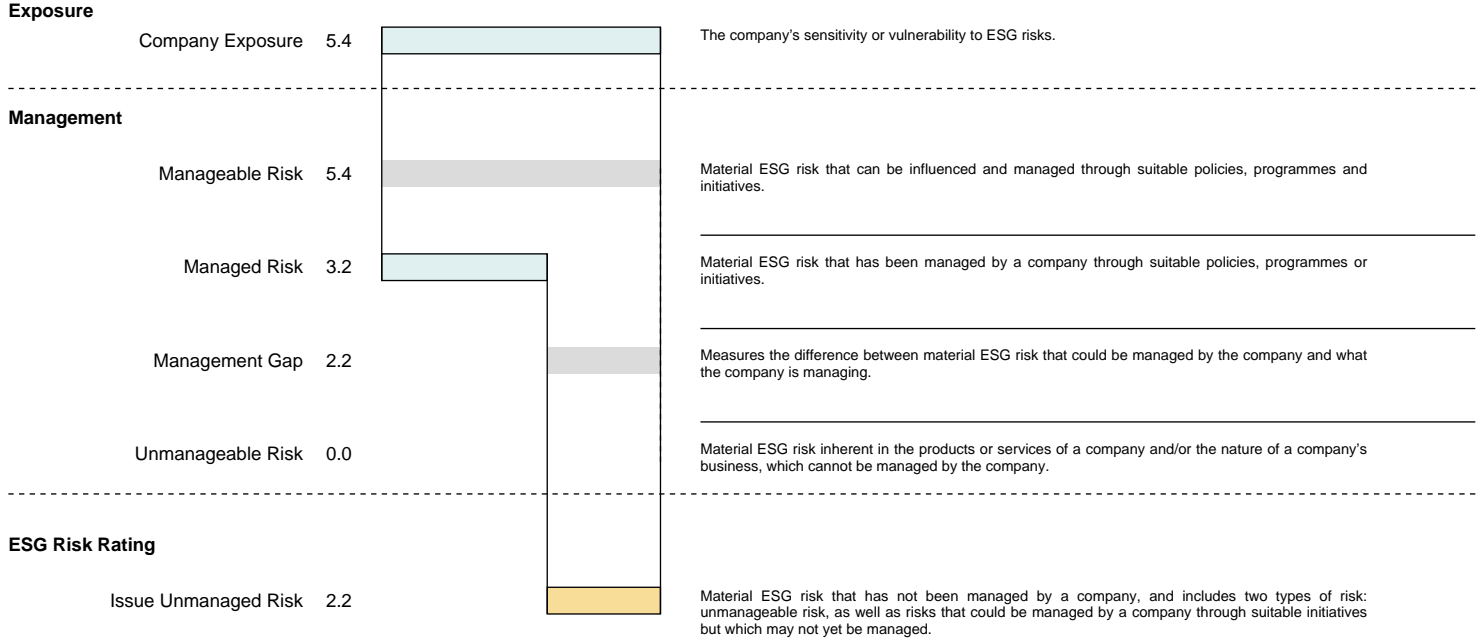
It is assessed that almost all of Suzlon Energy's facilities have received external certification to a recognized quality management system. Besides, its programme for managing product and service safety risks is weak. It does not conduct periodic risk assessments on product and service safety, and it lacks managerial level responsibility to manage this issue. The company has above average preparedness measures to address Product Governance issues and has been implicated in minor controversies related to the issue. In our view, the company's management of the issue is above average.

Management Indicators	Raw Score	Weight	Weighted Score
QMS Certifications	100	47.5%	47.5
Product and Service Safety	25	47.5%	11.9
Quality and Safety	Category 1	5%	0.0
Marketing Practices	Category 0	0%	0.0
Weighted Sum			59.4

Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Risk Decomposition



Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Issue

Contribution 8.8 %



Carbon - Products and Services

Carbon - Products and Services encompasses a company's management of energy efficiency and greenhouse gas emissions of its products and services during their use phase, excluding carbon risks related to financial services.

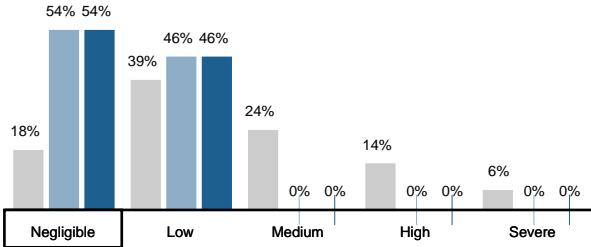
ESG Risk Rating

1.9

Negligible Risk



ESG Risk Rating Distribution



ESG Risk Rating Ranking

UNIVERSE	RANK	PERCENTILE
	(1 st = lowest risk)	(1 st = Top Score)
Global Universe	109/687	17th
Electrical Equipment INDUSTRY	41/76	54th
Electrical Equipment SUBINDUSTRY	41/76	54th

Peers Table

Peers (Market cap \$8.4 - \$11.2bn)	Exposure	Management	ESG Risk Rating
1. Havells India Ltd.	2.6 Low	56.0 Strong	1.1 Negligible
2. Fujikura Ltd.	3.8 Low	70.0 Strong	1.1 Negligible
3. Suzlon Energy Ltd.	2.9 Low	32.1 Average	1.9 Negligible
4. nVent Electric Plc	3.3 Low	36.0 Average	2.1 Low
5. TBEA Co., Ltd.	3.0 Low	27.0 Average	2.2 Low

Suzlon Energy Ltd.

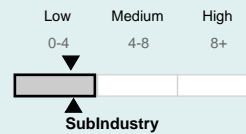
Electrical Equipment India BOM:532667

ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

ESG Risk Exposure

2.8
Low



Carbon Products and Services refers to the emissions of a company's products and services. Energy-efficient products improve customers' electricity use and therefore help them to reduce their operational costs. Companies that provide these products are able to capture market share and serve customers better, who are increasingly focused on energy efficiency to stay ahead of regulations. Most companies in this subindustry supply systems that enhance energy efficiency through automation for factories, optimization of transportation and air conditioning systems, as well as services that reduce energy leakage. Examples of customer focus include, power loss on transmission lines, the unit-power consumption of lamps, battery lifespan, and energy loss in voltage switchgear. For other companies who provide heavy equipment for power generation and transmission, energy efficiency and carbon emissions of products are also key considerations. Environmental regulations also affect customer demand for energy-efficient products, particularly in China, which recently strengthened its carbon regulations. As a consequence, clients are requiring companies to disclose more environmental information about their products. Best practice includes transparent disclosure of the carbon impact and energy requirements of products, establishing eco-design in the R&D process, and maintaining frequent consultation with relevant stakeholders.

The company's exposure to Carbon -Products and Services issues is low and moderately below the subindustry exposure.

Exposure Analysis

Subindustry Issue Exposure	3.0
Issue Beta	x 0.95
Company Issue Exposure	2.8

Beta Indicators

Beta Signal

Carbon Impact of Products	0.00
Operating Performance	-0.03
Solvency	0.02
Financial Flexibility	-0.03
Asset Performance	-0.03
Carbon Solutions Offering	0.00
Qualitative Overlay	0.00
Subindustry Correction Factor	0.00
Exceptional Event Adjustment	0.00
Total Beta Signal	-0.05
Baseline	+1.00
Overall Beta	0.95

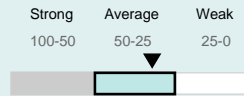
Suzlon Energy Ltd.

Electrical Equipment India BOM:532667


Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.

ESG Risk Management

32.1
Average



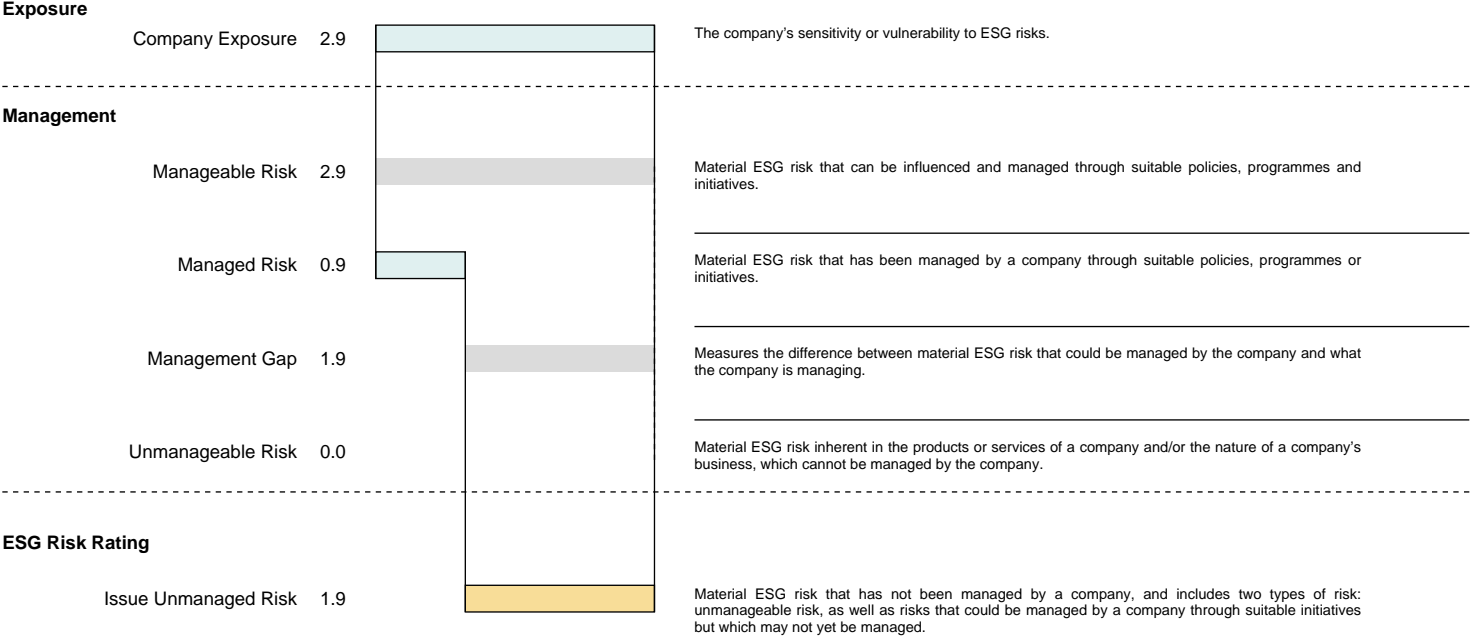
In our view, the company's management of the issue is average.

Management Indicators	Raw Score	Weight	Weighted Score
Sustainable Products & Services	100	14.3%	14.3
Eco-Design	50	35.7%	17.9
End-of-Life Product Stewardship	0	50.0%	0.0
 Carbon Impact of Products	Category 0	0%	0.0
Weighted Sum			32.1

Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Risk Decomposition



Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Issue

Contribution 8.7 %



Human Capital

Human Capital encompasses a company's management of its human resources, from acquiring and retaining top talent, to providing advancement opportunities in a diverse and equal work environment, and adopting an inclusive corporate culture.

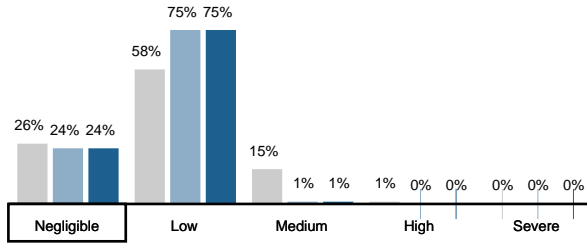
ESG Risk Rating

1.9

Negligible Risk



ESG Risk Rating Distribution



ESG Risk Rating Ranking

UNIVERSE	RANK (1 st = lowest risk)	PERCENTILE (1 st = Top Score)
Global Universe	1024/4394	24th
Electrical Equipment INDUSTRY	17/76	22nd
Electrical Equipment SUBINDUSTRY	17/76	22nd

Peers Table

Peers (Market cap \$8.4 - \$11.2bn)

	Exposure	Management	ESG Risk Rating
1. nVent Electric Plc	4.0 Medium	58.6 Strong	1.8 Negligible
2. Suzlon Energy Ltd.	3.8 Low	51.9 Strong	1.9 Negligible
3. Havells India Ltd.	3.6 Low	41.3 Average	2.2 Low
4. TBEA Co., Ltd.	4.2 Medium	28.4 Average	3.1 Low
5. Fujikura Ltd.	4.4 Medium	25.7 Average	3.3 Low

Suzlon Energy Ltd.

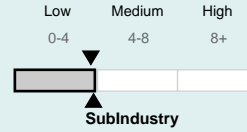
Electrical Equipment India BOM:532667

ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

ESG Risk Exposure

3.8
Low



Human Capital issues for Electrical Equipment companies involve anticipating technological advancements and trends and recruiting and retaining the right expertise to innovate accordingly, as well as labour relations issues affecting factory employees. New product designs require more ICT technicians, data scientists, transportation experts, and user experience and interface visualization practitioners, who are also highly sought after by IT companies, governments and start-up companies.

The company's exposure to Human Capital issues is low and similar to the subindustry exposure.

Exposure Analysis

Subindustry Issue Exposure	4.0
Issue Beta	x 0.95
Company Issue Exposure	3.8

Beta Indicators

Beta Signal

Labour Relations	0.00
Operating Performance	-0.03
Solvency	0.02
Financial Flexibility	-0.03
Asset Performance	-0.03
Qualitative Overlay	0.00
Subindustry Correction Factor	0.00
Exceptional Event Adjustment	0.00
Total Beta Signal	-0.05
Baseline	+1.00
Overall Beta	0.95

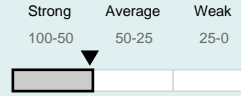
Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.


ESG Risk Management

51.9
Strong



A strong freedom of association policy has been developed by Suzlon Energy. The company also has a strong diversity programme, with training and guidance on diversity together with monitoring. The company has established a strong human capital development programme. Although, it has initiatives addressing talent development, it lacks disclosure on talent recruitment.

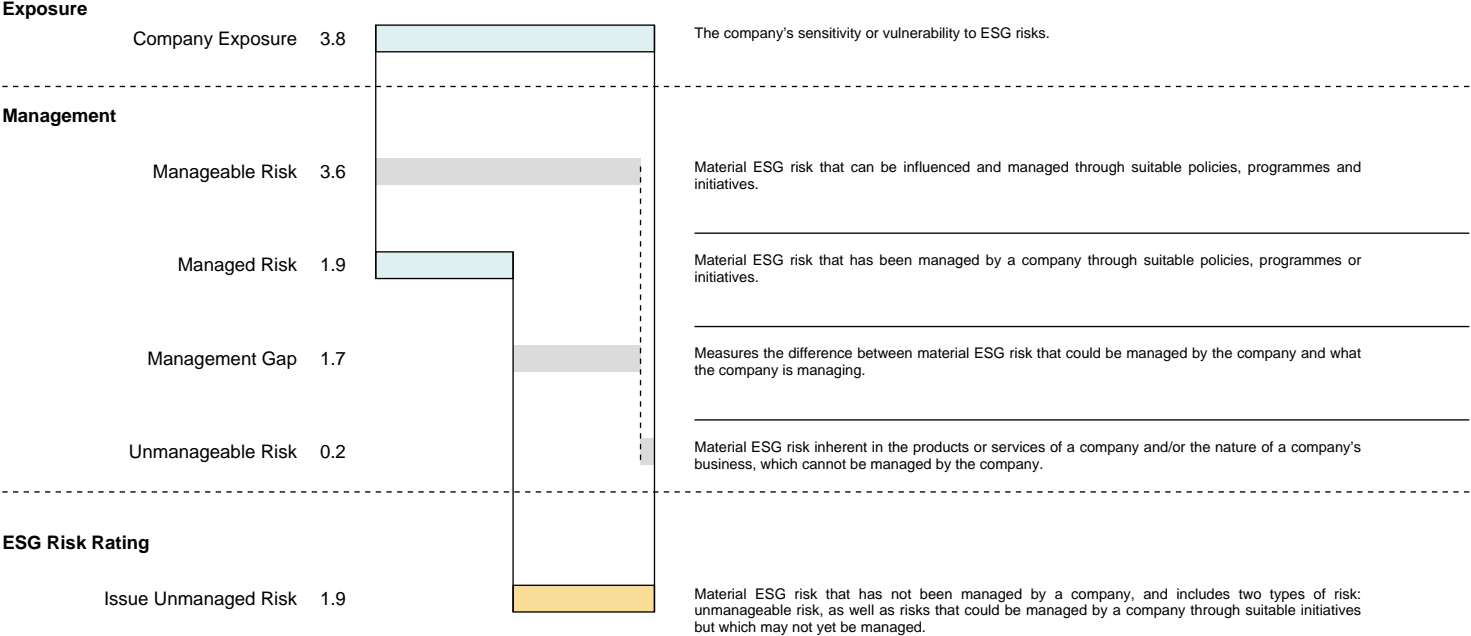
In our view, the company's management of the issue is above average.

Management Indicators	Raw Score	Weight	Weighted Score
Discrimination Policy	100	5.0%	5.0
Freedom of Association Policy	100	7.5%	7.5
Diversity Programmes	75	12.5%	9.4
Human Capital Development	75	30.0%	22.5
Employee Training	50	7.5%	3.8
Collective Bargaining Agreements	25	15.0%	3.8
Employee Turnover Rate	0	15.0%	0.0
Working Hours Policy	0	7.5%	0.0
 Labour Relations	Category 0	0%	0.0
Weighted Sum			51.9

Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Risk Decomposition



Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Issue

Contribution 8.1 %



E&S Impact of Products and Services

Environmental and Social Impact of Products and Services covers how a company manages impacts ranging from product and service design choices to disposal, addressing both inherent risks (e.g. tobacco) and those created by use (e.g. packaging waste).

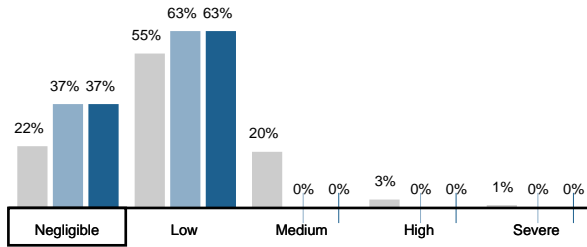
ESG Risk Rating

1.8

Negligible Risk



ESG Risk Rating Distribution



ESG Risk Rating Ranking

UNIVERSE	RANK (1 st = lowest risk)	PERCENTILE (1 st = Top Score)
Global Universe	217/1337	17th
Electrical Equipment INDUSTRY	18/76	23rd
Electrical Equipment SUBINDUSTRY	18/76	23rd

Peers Table

Peers (Market cap \$8.4 - \$11.2bn)

Peers	Exposure	Management	ESG Risk Rating
1. Havells India Ltd.	2.6 Low	50.0 Strong	1.5 Negligible
2. Fujikura Ltd.	3.3 Low	61.3 Strong	1.7 Negligible
3. Suzlon Energy Ltd.	2.7 Low	42.5 Average	1.8 Negligible
4. nVent Electric Plc	3.3 Low	37.5 Average	2.3 Low
5. TBEA Co., Ltd.	3.2 Low	27.5 Average	2.5 Low

Suzlon Energy Ltd.

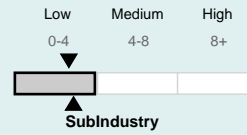
Electrical Equipment India BOM:532667

ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

ESG Risk Exposure

2.7
Low



Companies in this subindustry are providing heavy electrical equipment or/and smaller electrical components and equipment, which have both environmental and social impact. For companies manufacturing electrical equipment, E&S Impact of Products refers to the environmental impacts of products in the use and disposal phases of the product life cycle. These companies face increasing pressure from both customers and regulators to reduce or eliminate the use of hazardous substances. Regulations vary by region, with the EU often enforcing the strictest requirements. The EU revised the Restriction of Hazardous Substances (RoHS) Directive in 2013 and expanded the restriction of certain hazardous substances to all electric and electronic products. Significant areas of development include products with fewer hazardous substances as well as technologies that can reduce emissions, effluents and waste. For heavy electrical equipment companies, E&S Impact of Products refers to the environmental and social impacts related to the infrastructure projects where such equipment is installed. Such equipment includes wind turbines, nuclear reactors, transmission lines and power automation systems, used in power plants and utility facilities, including hydro, wind, thermal and nuclear power plants, as well as power grids and railways. These projects may be criticized by civil society because of their environmental and social impacts, such as changes to the flow of a river, forced eviction of community members, emissions, radioactive contamination and/or environmental damage. Therefore, best practices in this subindustry depends on the company's business model, from assessing the environmental and social impact of the project and provide transparent consultation with community members before project construction for heavy equipment provider, to providing broad portfolio of environmentally friendly products and take-back programmes for component manufacturers.

The company's exposure to E&S Impact of Products and Services issues is low and moderately below the subindustry exposure.

Exposure Analysis

Subindustry Issue Exposure	3.0
Issue Beta	x 0.90
Company Issue Exposure	2.7

Beta Indicators

Beta Signal

Environmental Impact of	0.00
Social Impact of Products	0.00
Operating Performance	-0.03
Solvency	0.02
Financial Flexibility	-0.03
Asset Performance	-0.03
Headquarters Location	0.02
Sales Location	-0.05
Qualitative Overlay	0.00
Subindustry Correction Factor	0.00
Exceptional Event Adjustment	0.00
Total Beta Signal	-0.10
Baseline	+1.00
Overall Beta	0.90

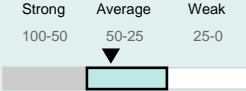
Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.

ESG Risk Management

42.5
Average



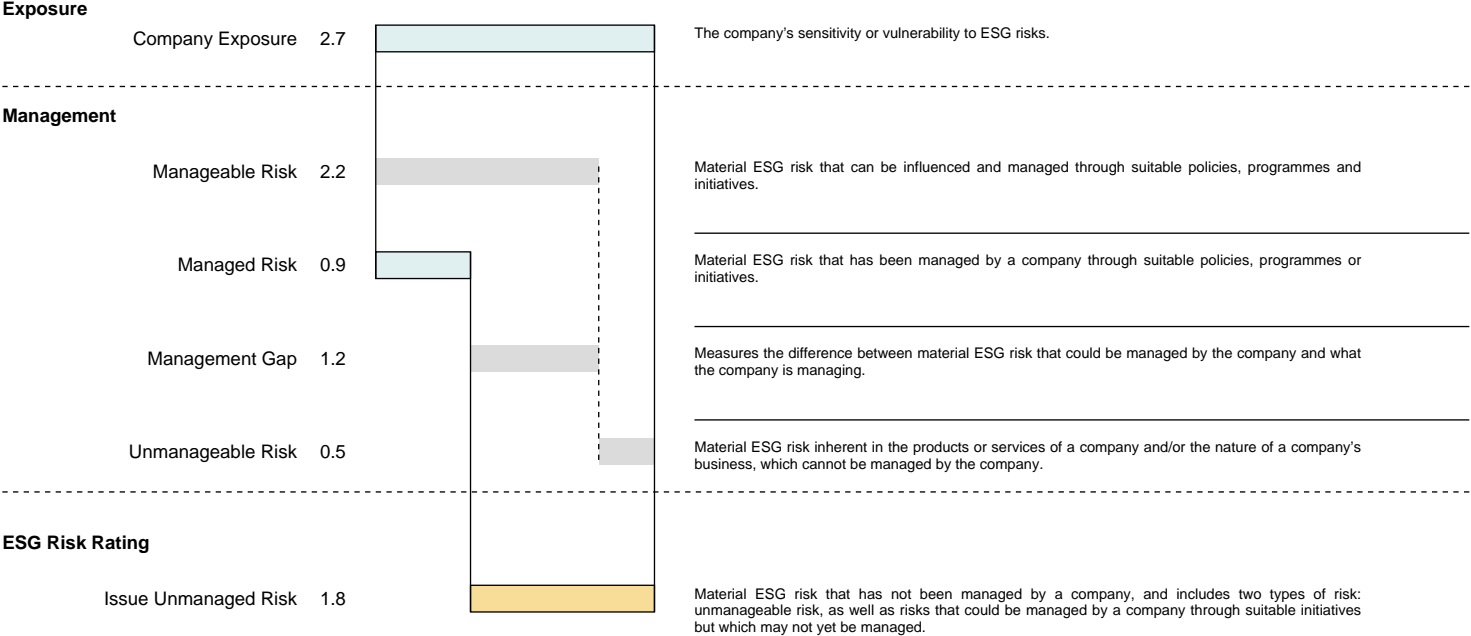
In our view, the company's management of the issue is average.

Management Indicators	Raw Score	Weight	Weighted Score
Sustainable Products & Services	100	25.0%	25.0
Eco-Design	50	25.0%	12.5
Recycled Material Use	20	25.0%	5.0
End-of-Life Product Stewardship	0	25.0%	0.0
Environmental Impact of Products	Category 0	0%	0.0
Social Impact of Products	Category 0	0%	0.0
Weighted Sum			42.5

Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Risk Decomposition



Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Issue

Contribution 6.1 %



Occupational Health and Safety

Occupational Health and Safety refers to a company's ability to ensure its workforce is safe and healthy and to mitigate the risk of occupational hazards such as employee injuries or fatalities.

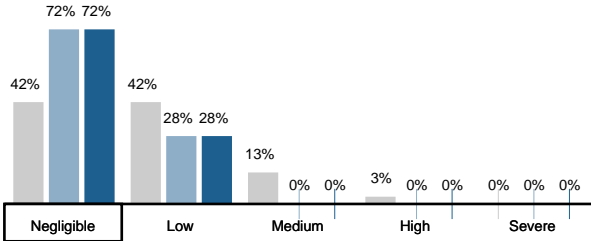
ESG Risk Rating

1.3

Negligible Risk



ESG Risk Rating Distribution



ESG Risk Rating Ranking

UNIVERSE	RANK	PERCENTILE
	(1 st = lowest risk)	(1 st = Top Score)
Global Universe	405/2067	20th
Electrical Equipment INDUSTRY	30/76	39th
Electrical Equipment SUBINDUSTRY	30/76	39th

Peers Table

Peers (Market cap \$8.4 - \$11.2bn)	Exposure	Management	ESG Risk Rating
1. Havells India Ltd.	2.9 Low	72.5 Strong	0.9 Negligible
2. Suzlon Energy Ltd.	3.0 Low	58.0 Strong	1.3 Negligible
3. nVent Electric Plc	2.9 Low	49.4 Average	1.5 Negligible
4. Fujikura Ltd.	3.0 Low	44.6 Average	1.7 Negligible
5. TBEA Co., Ltd.	3.2 Low	17.6 Weak	2.6 Low

Suzlon Energy Ltd.

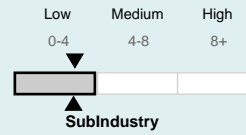
Electrical Equipment India BOM:532667

ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

ESG Risk Exposure

3.0
Low



The manufacturing process of subindustry companies requires various chemicals; some of these (such as lead, lithium and cadmium) are toxic and/or hazardous, and may harm workers through long-term exposure or through accidents, such as factory explosions. In addition, due to the nature of their products, Electrical Equipment companies require electrification throughout the whole work process, from production and installation to after-sales operation and maintenance, which raises the potential for electric shocks. Also, we observe growing concern regarding radioactive contamination from nuclear equipment, which put pressure on companies to adopt stronger health and safety management systems. For these reasons, companies are starting to invest in health and safety management teams to train dedicated people to enhance the company's overall safety culture, although we still observe gaps in implementing stringent safety programme, especially in developing countries. Safety lapses can lead to regulatory fines as well as operational disruptions, while investigators conduct safety audits. Best practice includes certifications such as OHSAS 18001, management and board committees overseeing safety risks, and regular safety training sessions for all employees, including top management, as well as safety training before performing hazardous work.

The company's exposure to Occupational Health and Safety issues is low and similar to the subindustry exposure.

Exposure Analysis

Subindustry Issue Exposure	3.0
Issue Beta	x 1.00
Company Issue Exposure	3.0

Beta Indicators

Beta Signal

Occupational Health and Safety	0.00
Operating Performance	-0.03
Solvency	0.02
Financial Flexibility	-0.03
Asset Performance	-0.03
Headquarters Location	0.02
Assets Location	0.05
Qualitative Overlay	0.00
Subindustry Correction Factor	0.00
Exceptional Event Adjustment	0.00
Total Beta Signal	0.00
Baseline	+1.00
Overall Beta	1.00

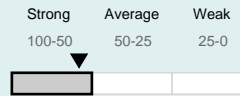
Suzlon Energy Ltd.

Electrical Equipment India BOM:532667


Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.

ESG Risk Management

58.0
Strong



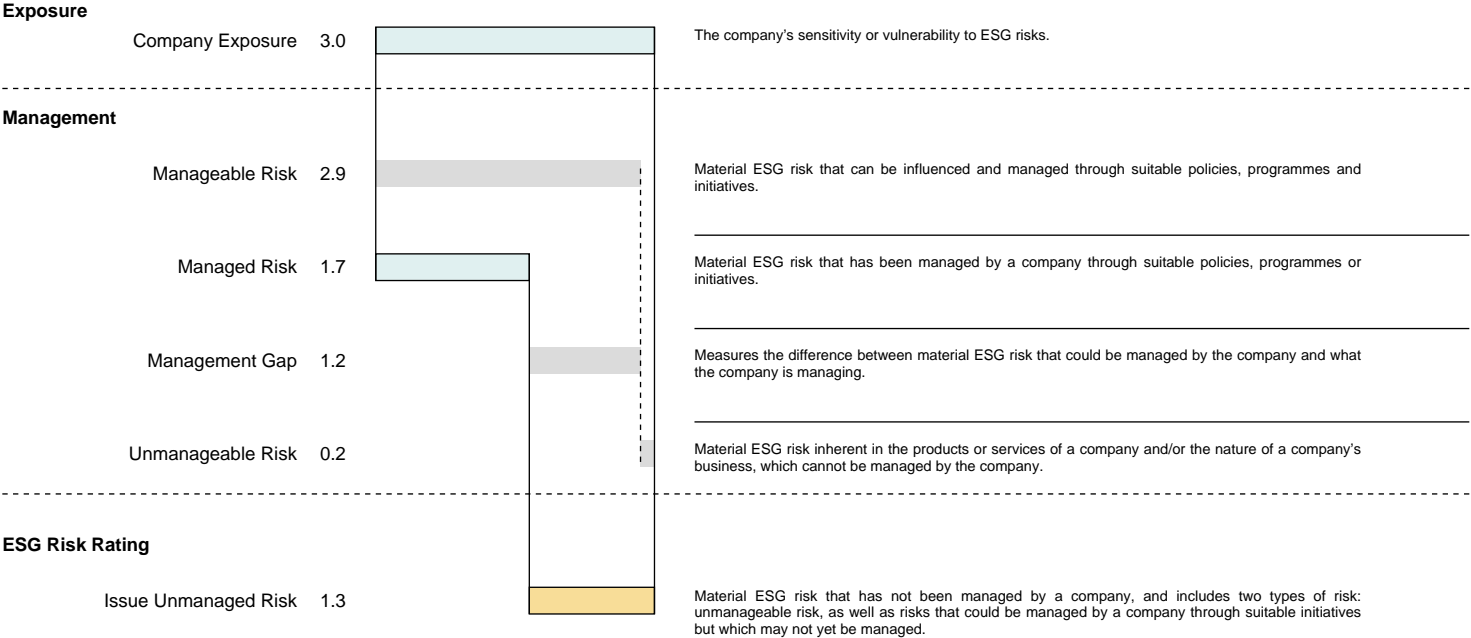
In our view, the company's management of the issue is above average.

Management Indicators	Raw Score	Weight	Weighted Score
Health and Safety Certifications	100	20.0%	20.0
Health and Safety Management	100	32.5%	32.5
Lost-Time Incident Rate Trend	20	27.5%	5.5
Employee Fatality Rate	0	20.0%	0.0
 Occupational Health and Safety	Category 0	0%	0.0
Weighted Sum			58.0

Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Risk Decomposition



Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Issue

Contribution 5.0 %



Carbon - Own Operations

Carbon - Own Operations encompasses the management of risks linked to a company's energy use and greenhouse gas emissions within its operational control, excluding emissions during the use phase and end-of-life cycle of its products.

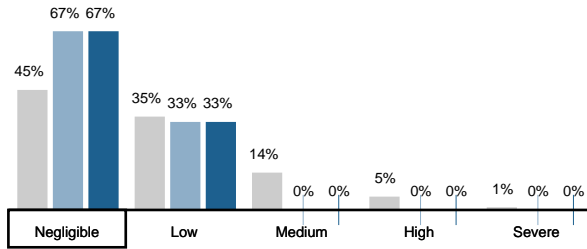
ESG Risk Rating

1.1

Negligible Risk



ESG Risk Rating Distribution



ESG Risk Rating Ranking

UNIVERSE	RANK	PERCENTILE
	(1 st = lowest risk)	(1 st = Top Score)
Global Universe	596/2967	21st
Electrical Equipment INDUSTRY	31/76	41st
Electrical Equipment SUBINDUSTRY	31/76	41st

Peers Table

Peers (Market cap \$8.4 - \$11.2bn)

Peers	Exposure	Management	ESG Risk Rating
1. nVent Electric Plc	2.9 Low	82.0 Strong	0.5 Negligible
2. Havells India Ltd.	3.2 Low	69.0 Strong	1.0 Negligible
3. Suzlon Energy Ltd.	3.2 Low	65.2 Strong	1.1 Negligible
4. Fujikura Ltd.	3.3 Low	32.0 Average	2.2 Low
5. TBEA Co., Ltd.	3.2 Low	17.7 Weak	2.6 Low

Suzlon Energy Ltd.

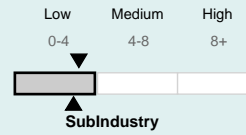
Electrical Equipment India BOM:532667

ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

ESG Risk Exposure

3.2
Low



Manufacturing of heavy electrical equipment for power generation and transmission requires large amounts of energy for assembly processes and moving materials along production lines that are increasingly complex. In addition, facilities have electricity requirements for lighting, heating and air conditioning. Strong energy management is an essential part of the transition towards the smart factory, which integrates equipment such as advanced robotics with intelligent devices to optimize and streamline manufacturing processes. Companies can optimize operations and realize cost savings through energy efficiency initiatives, as well as minimize risks related to energy price volatility and carbon regulations. As of 2017, over 40 countries have implemented carbon pricing programmes, such as cap-and-trade or carbon taxing, which can add tens of millions of dollars in annual energy costs, depending on where a company operates. Differences in exposure are determined mostly by the geographic location of plants, but company size, market segment and production volumes are also important differentiating factors. Larger companies tend to have higher energy bills and emission levels. Nonetheless, larger industrial companies may be better positioned to leverage opportunities to achieve economies of scale and reduce payback periods for energy efficiency investments. Best practice includes group-wide implementation of energy efficiency measures, such as retrofitting or upgrading equipment and streamlining processes, use of renewable power, environmental and energy management systems certified to ISO 14001 and ISO 50001, and public reporting of emission data. The industry is exhibiting progress on energy efficiency. However, the upfront costs to overhauling facilities and adopting new practices, as well as the changing regulatory landscape, have been barriers to improvement.

The company's exposure to Carbon -Own Operations issues is low and similar to the subindustry exposure.

Exposure Analysis

Subindustry Issue Exposure	3.0
Issue Beta	x 1.05
Company Issue Exposure	3.2

Beta Indicators

Beta Signal

Energy Use and GHG Emissions	0.00
Operating Performance	-0.03
Solvency	0.02
Financial Flexibility	-0.03
Asset Performance	-0.03
Carbon Emissions	0.10
Qualitative Overlay	0.00
Subindustry Correction Factor	0.00
Exceptional Event Adjustment	0.00
Total Beta Signal	0.05
Baseline	+1.00
Overall Beta	1.05

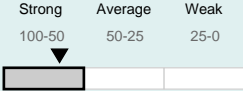
Suzlon Energy Ltd.

Electrical Equipment India BOM:532667


Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.

ESG Risk Management

65.2
Strong



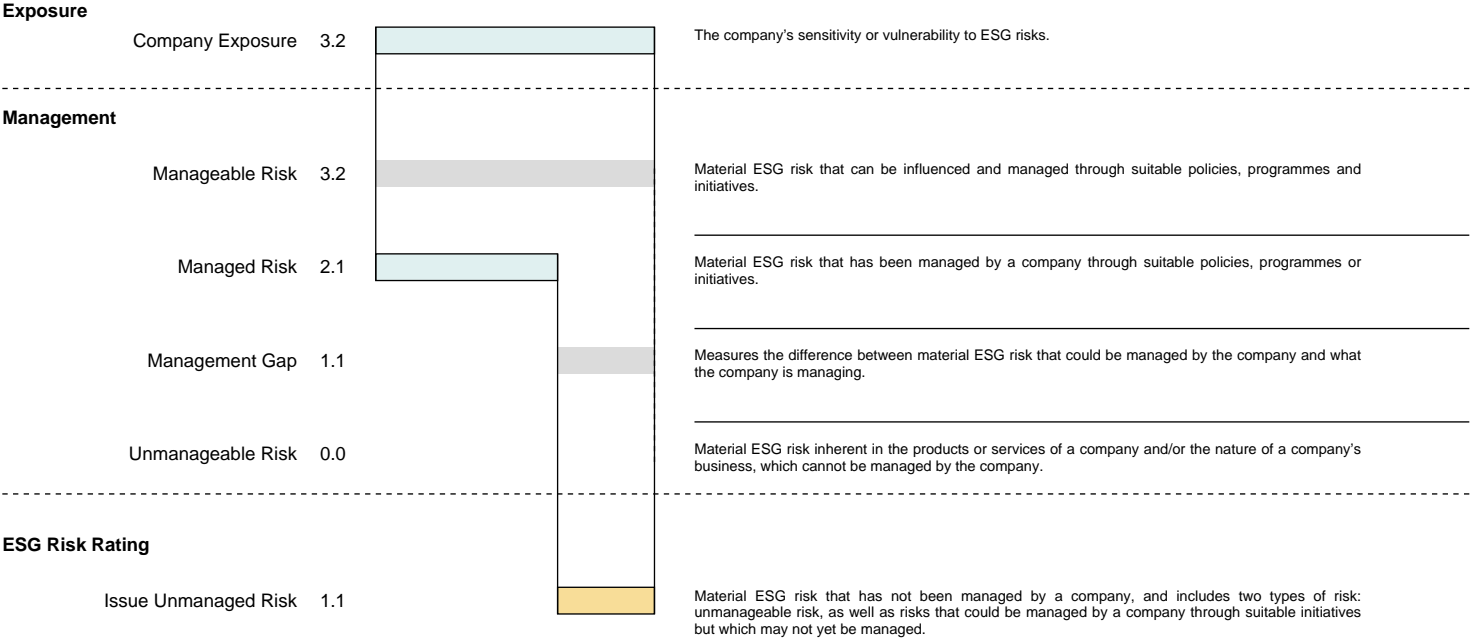
In our view, the company's management of the issue is above average.

Management Indicators	Raw Score	Weight	Weighted Score
Carbon Intensity Trend	100	20.0%	20.0
EMS Certification	100	5.0%	5.0
Environmental Management System	100	7.5%	7.5
Scope of GHG Reporting	100	7.5%	7.5
Environmental Policy	75	5.0%	3.8
GHG Reduction Programme	50	20.0%	10.0
Renewable Energy Programmes	50	5.0%	2.5
Renewable Energy Use	40	10.0%	4.0
Carbon Intensity	25	20.0%	5.0
 Energy Use and GHG Emissions	Category 0	0%	0.0
Weighted Sum			65.2

Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Risk Decomposition



Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Issue

Contribution 4.5 %



Emissions, Effluents and Waste

Emissions Effluents and Waste encompasses a company's practices to minimize non-greenhouse gas emissions, waste and wastewater discharges across its operations, as well as its preparedness and response measures for potential pollution emergencies.

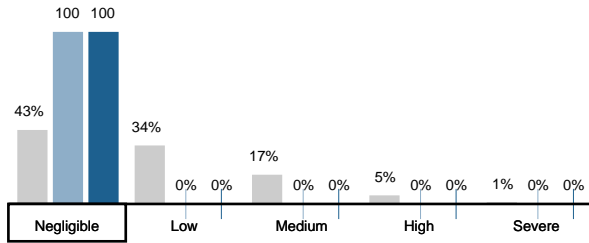
ESG Risk Rating

1.0

Negligible Risk



ESG Risk Rating Distribution



ESG Risk Rating Ranking

UNIVERSE	RANK (1 st = lowest risk)	PERCENTILE (1 st = Top Score)
Global Universe	195/1936	11th
Electrical Equipment INDUSTRY	17/76	22nd
Electrical Equipment SUBINDUSTRY	17/76	22nd

Peers Table

Peers (Market cap \$8.4 - \$11.2bn)

Peers (Market cap \$8.4 - \$11.2bn)	Exposure	Management	ESG Risk Rating
1. Havells India Ltd.	1.9 Low	56.8 Strong	0.9 Negligible
2. Suzlon Energy Ltd.	2.0 Low	56.1 Strong	1.0 Negligible
3. Fujikura Ltd.	2.0 Low	36.2 Average	1.3 Negligible
4. nVent Electric Plc	1.9 Low	28.1 Average	1.4 Negligible
5. TBEA Co., Ltd.	2.1 Low	18.1 Weak	1.8 Negligible

Suzlon Energy Ltd.

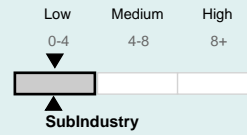
Electrical Equipment India BOM:532667

ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

ESG Risk Exposure

2.0
Low



Some Electrical Equipment companies have been involved in incidents regarding groundwater contamination and toxic air emissions, which are direct by-products of their manufacturing processes. Since these companies use various chemicals, such as lead and cadmium, to manufacture products, they need to maintain good filtration systems in their operations. Stringent regulations, such as effluent guidelines in the US and wastewater treatment regulation in the UK, have encouraged companies to improve their effluent and emission management systems. However, Electrical Equipment companies are still exposed to risks from their previous activities, such as clean-up and remediation of contaminated sites. Failure to comply with regulations on emissions, effluents and waste can result in fines, as well as clean-up and remediation costs. Best practice includes certification of environmental management systems to internationally recognized standards, such as ISO 14001, and implementing strong filtration systems for used water and air emissions. In addition, Electrical Equipment companies can reduce risks from hazardous substances by adopting hazardous waste management systems in line with directives such as the WEEE (Waste Electrical and Electronic Equipment Directive), REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) and RoHS (Restriction of Hazardous Substances Directive).

The company's exposure to Emissions, Effluents and Waste issues is low and similar to the subindustry exposure.

Exposure Analysis

Subindustry Issue Exposure	2.0
Issue Beta	x 1.00
Company Issue Exposure	2.0

Beta Indicators

Beta Signal

Emissions, Effluents and Waste	0.00
Operating Performance	-0.03
Solvency	0.02
Financial Flexibility	-0.03
Asset Performance	-0.03
Headquarters Location	0.02
Assets Location	0.05
Qualitative Overlay	0.00
Subindustry Correction Factor	0.00
Exceptional Event Adjustment	0.00
Total Beta Signal	0.00
Baseline	+1.00
Overall Beta	1.00

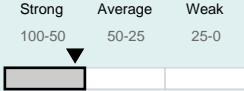
Suzlon Energy Ltd.

Electrical Equipment India BOM:532667


Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.

ESG Risk Management

56.1
Strong



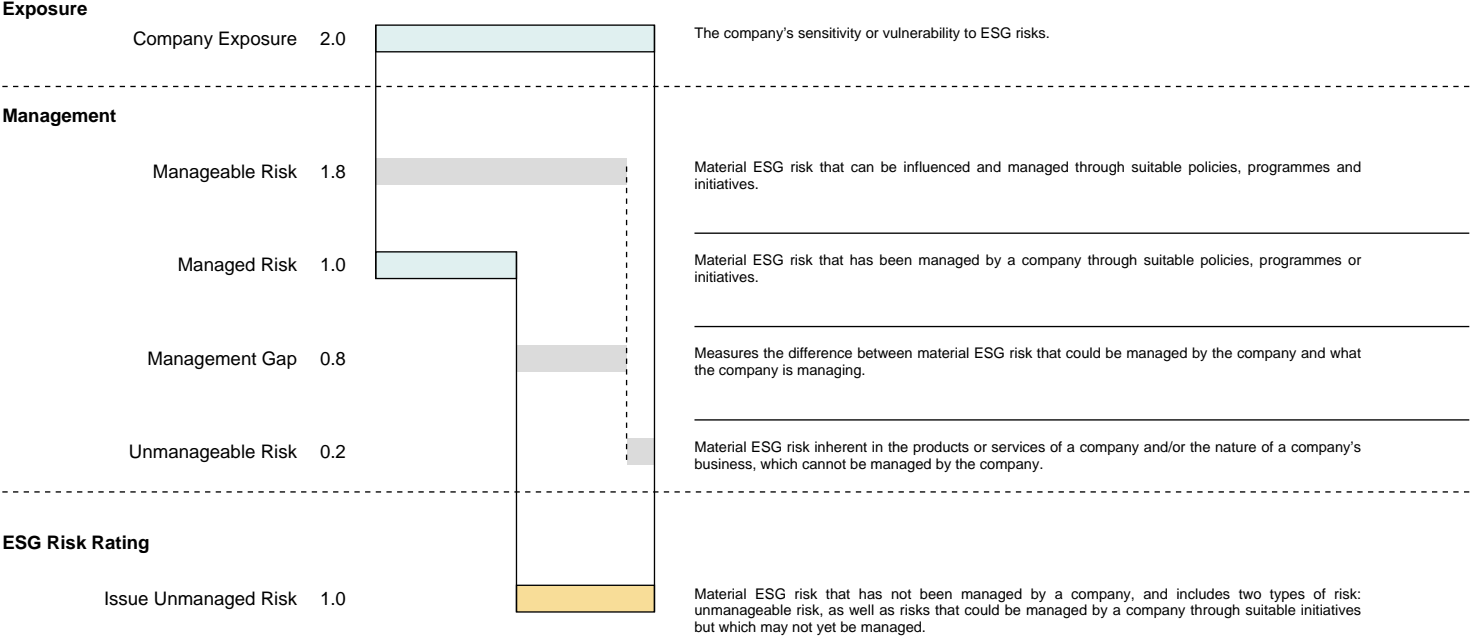
In our view, the company's management of the issue is above average.

Management Indicators	Raw Score	Weight	Weighted Score
EMS Certification	100	10.0%	10.0
Environmental Management System	100	12.5%	12.5
Environmental Policy	75	10.0%	7.5
Effluent Management	66	22.5%	14.9
Hazardous Waste Management	25	22.5%	5.6
Non-GHG Air Emissions Programmes	25	22.5%	5.6
 Emissions, Effluents and Waste	Category 0	0%	0.0
Weighted Sum			56.1

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Risk Decomposition



Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Issue

Contribution 4.4 %



Human Rights - Supply Chain

Human Rights - Supply Chain encompasses a company's management of fundamental human rights issues occurring within its supply chain and includes proactive measures to prevent, mitigate and remediate adverse human rights impacts.

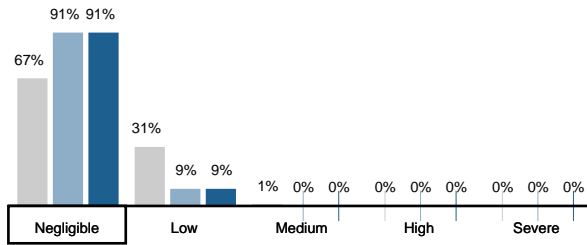
ESG Risk Rating

1.0

Negligible Risk



ESG Risk Rating Distribution



ESG Risk Rating Ranking

UNIVERSE	RANK (1 st = lowest risk)	PERCENTILE (1 st = Top Score)
Global Universe	120/1226	11th
Electrical Equipment INDUSTRY	14/76	18th
Electrical Equipment SUBINDUSTRY	14/76	18th

Peers Table

Peers (Market cap \$8.4 - \$11.2bn)

	Exposure	Management	ESG Risk Rating
1. Suzlon Energy Ltd.	1.9 Low	60.5 Strong	1.0 Negligible
2. nVent Electric Plc	2.0 Low	55.8 Strong	1.1 Negligible
3. Fujikura Ltd.	2.2 Low	40.8 Average	1.5 Negligible
4. Havells India Ltd.	1.8 Low	18.3 Weak	1.5 Negligible
5. TBEA Co., Ltd.	2.1 Low	0.0 Weak	2.1 Low

Suzlon Energy Ltd.

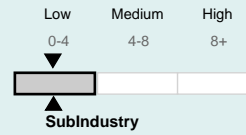
Electrical Equipment India BOM:532667

ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

ESG Risk Exposure

1.9
Low



Companies in this subindustry engage in the production of small-scale electrical equipment, such as motors, storage batteries, cables transistors and electron tubes or larger scale electrical equipment, including elevators, gas and wind turbines, large generators and power grid equipment. Irrespective of their difference in product lines, all companies rely on complex global supply chains for the delivery of components that feed into their production lines. Due to the globalization of the subindustry, understanding and managing potential supply chain risks has become a strategic priority. Specifically, suppliers' human rights issues in emerging countries have increasingly become critical. As electric parts become largely commoditized, suppliers compete on price, putting intense pressure throughout the supply chain to reduce costs. The dilemma between quality and price may lead to a failure to ensure suppliers are complying with human rights. In addition to reputational risks that may arise from abuses in companies' supply chain, labour unrest at suppliers can result in problems with product delivery, negatively affecting companies' operations. Strikes lasting only a few days can lead to production slowdowns or even temporary shutdowns, resulting in millions of dollars in lost production value. Regulatory agencies also carry out inspections and impose fines. In 2012, the U.S. Securities and Exchange Commission began requiring companies to publicly disclose their use of conflict minerals that originated in the Democratic Republic of the Congo or an adjoining country. The California Transparency in Supply Chains Act and the UK government's Modern Slavery Act both require certain companies to make annual statements on actions taken to eradicate slavery and human trafficking from their businesses and suppliers. Best practice includes setting strong standards for suppliers beyond legal compliance and leveraging buying power to encourage adoption of these standards.

The company's exposure to Human Rights -Supply Chain issues is low and similar to the subindustry exposure.

Exposure Analysis

Subindustry Issue Exposure	2.0
Issue Beta	x 0.95
Company Issue Exposure	1.9

Beta Indicators

Beta Signal

Labour Relations - SC	0.00
Occupational Health and Safety -	0.00
Employees - Human Rights - SC	0.00
Society - Human Rights - SC	0.00
Operating Performance	-0.03
Solvency	0.02
Financial Flexibility	-0.03
Asset Performance	-0.03
Qualitative Overlay	0.00
Subindustry Correction Factor	0.00
Exceptional Event Adjustment	0.00
Total Beta Signal	-0.05
Baseline	+1.00
Overall Beta	0.95

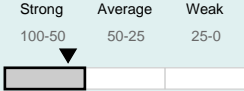
Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.

ESG Risk Management

60.5
Strong



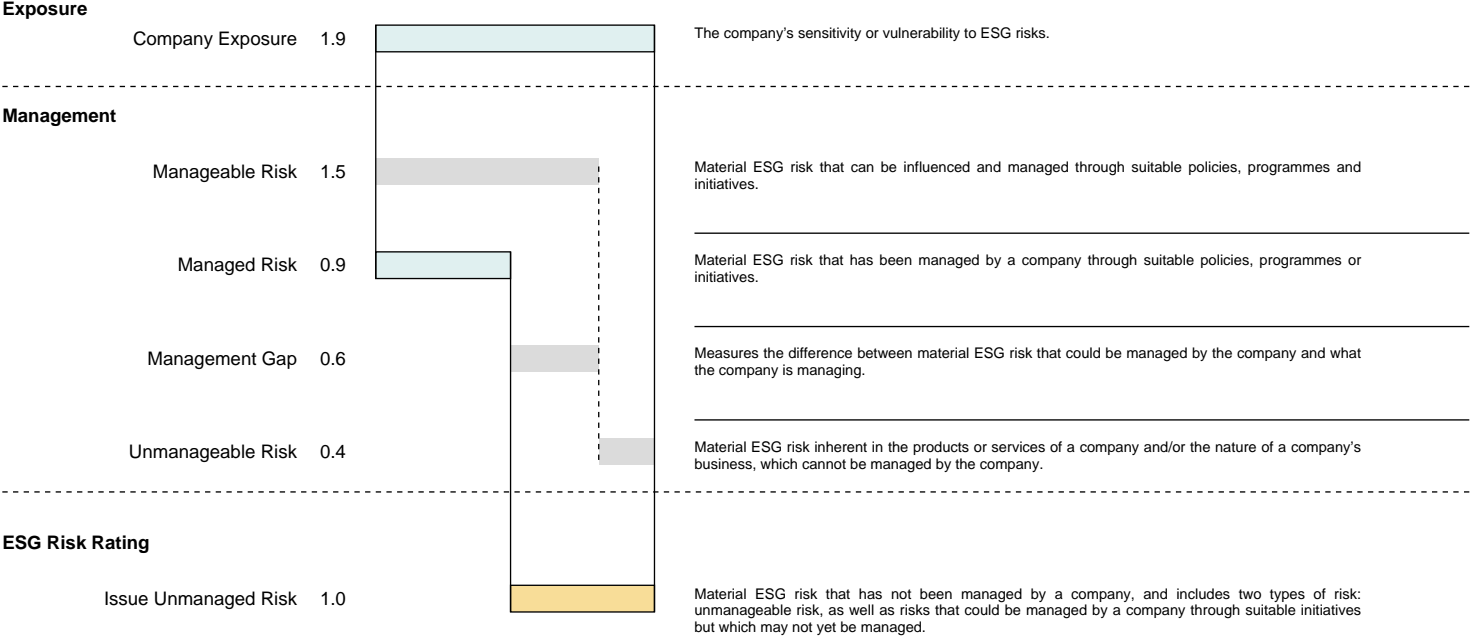
In our view, the company's management of the issue is above average.

Management Indicators	Raw Score	Weight	Weighted Score
Scope of Social Supplier Standards	75	27.3%	20.5
Human Rights Policy	70	18.2%	12.7
Supply Chain Management	50	54.5%	27.3
Employees - Human Rights - SC	Category 0	0%	0.0
Labour Relations - SC	Category 0	0%	0.0
Occupational Health and Safety -	Category 0	0%	0.0
Society - Human Rights - SC	Category 0	0%	0.0
Weighted Sum			60.5

Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Risk Decomposition



Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Issue

Contribution 3.6 %



Stakeholder Governance

Stakeholder Governance encompasses the mechanisms, processes and policies used by a company to manage its extra-financial risks and broader stakeholder relationships beyond focusing solely on shareholders.

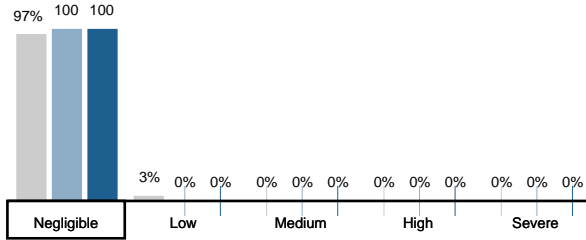
ESG Risk Rating

0.8

Negligible Risk



ESG Risk Rating Distribution



ESG Risk Rating Ranking

UNIVERSE	RANK	PERCENTILE
	(1 st = lowest risk)	(1 st = Top Score)
Global Universe	1847/4618	41 st
Electrical Equipment INDUSTRY	30/76	39 th
Electrical Equipment SUBINDUSTRY	30/76	39 th

Peers Table

Peers (Market cap \$8.4 - \$11.2bn)

	Exposure	Management	ESG Risk Rating
1. nVent Electric Plc	2.0 Low	68.8 Strong	0.6 Negligible
2. Havells India Ltd.	2.0 Low	62.5 Strong	0.8 Negligible
3. Suzlon Energy Ltd.	2.0 Low	60.7 Strong	0.8 Negligible
4. Fujikura Ltd.	2.0 Low	47.4 Average	1.1 Negligible
5. TBEA Co., Ltd.	2.0 Low	21.7 Weak	1.6 Negligible

Suzlon Energy Ltd.

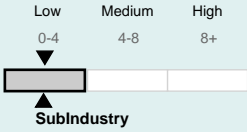
Electrical Equipment India BOM:532667

ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

ESG Risk Exposure

2.0
Low



Public and private companies across all industries are increasingly expected to demonstrate how they have considered their business' impact on a broad range of stakeholders, beyond focusing solely on the needs of shareholders. A core element of this includes establishing safeguards and controls to manage the environmental, social and governance risks arising from a company's operations. At the same time, due to increasing regulatory requirements, firms are being required to enhance disclosures and adopt more robust processes and policies to monitor and manage ESG risks. Companies that fail to adopt the necessary structures to address stakeholders' expectations are subject to increased scrutiny and pressure from a range of interested parties demanding transparency and action. This can leave firms exposed to operational, reputational and financial risks. Companies in which the board and senior management have oversight of and assume responsibility for ensuring that there are appropriate mechanisms in place to mitigate the firm's environmental and social impacts and ensure ethical business conduct are considered to have a competitive advantage.

The company's exposure to Stakeholder Governance issues is low and similar to the subindustry exposure.

Exposure Analysis

Subindustry Issue Exposure	2.0
Issue Beta	x 1.00
Company Issue Exposure	2.0

Beta Indicators

Beta Signal

Qualitative Overlay	0.00
Exceptional Event Adjustment	0.00
Ownership	0.00
Total Beta Signal	0.00
Baseline	+1.00
Overall Beta	1.00

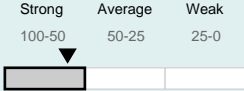
Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.

ESG Risk Management

60.7
Strong



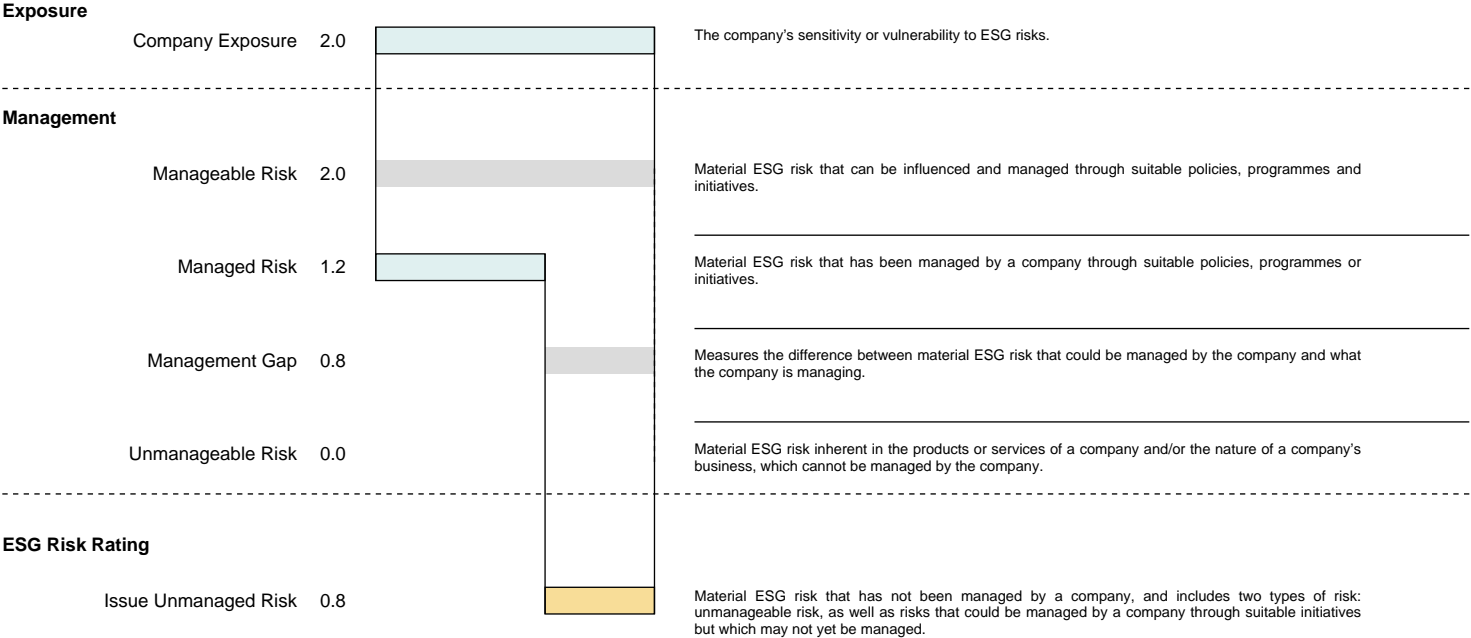
In our view, the company's management of the issue is above average.

Management Indicators	Raw Score	Weight	Weighted Score
Discrimination Policy	100	9.5%	9.5
ESG Governance	100	10.5%	10.5
Supplier Environmental Policy	100	3.5%	3.5
Bribery & Corruption Policy	75	10.5%	7.9
ESG Reporting Standards	75	6.0%	4.5
Environmental Policy	75	8.5%	6.4
Scope of Social Supplier Standards	75	4.5%	3.4
Whistleblower Programmes	75	10.5%	7.9
GHG Reduction Programme	50	9.5%	4.8
Verification of ESG Reporting	50	5.0%	2.5
Global Compact Signatory	0	6.5%	0.0
Political Involvement Policy	0	3.5%	0.0
Tax Disclosure	0	8.5%	0.0
Transparency on Lobbying and	0	3.5%	0.0
Weighted Sum			60.7

Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

Risk Decomposition



Appendix



Exposure Details



Corporate Governance

EA.CG.1 - Largest Shareholder Voting Power

- 0.07

Beta Signal

No single shareholder or shareholder grouping controls more than 15% of voting power.

EA.E.13 - Corporate Governance

0.00

Beta Signal

No evidence of relevant controversies

EA.S.1 - Qualitative Overlay

0.00

Beta Signal

Answer category for neutral beta signal adjustment

EA.S.3 - Exceptional Event Adjustment

0.00

Beta Signal

Appendix



Management Details

G.2.3.2 - Executive Compensation Clawback

0	3.00%	0.0
Raw Score	Weight	Weighted Score

Based on available evidence, the company does not have a programme

Criteria

- The clawback provisions do not require malfeasance or misconduct on the part of the executive in order for the recoupment of incentive payouts
- The company has clawback provisions in place, providing for recoupment of executive incentive payouts

G.2.3.3 - CEO Pay Magnitude (Industry)

60	2.00%	1.2
Raw Score	Weight	Weighted Score

The company's CEO remuneration is below its industry benchmark

Further Quantitative Criteria Details

FY: 2024 Source: Reported

Metric	Metric Value
CEO Three-Year Average Pay	570269.0 USD

G.2.3.4 - CEO Pay Magnitude (Region)

60	2.00%	1.2
Raw Score	Weight	Weighted Score

The company's CEO remuneration is below its regional benchmark

Further Quantitative Criteria Details

FY: 2024 Source: Reported

Metric	Metric Value
CEO Three-Year Average Pay	570269.0 USD

G.2.3.5 - Say on Pay

25	4.00%	1.0
Raw Score	Weight	Weighted Score

The company has a weak programme

Criteria

- Shareholders have a binding vote on prospective pay decisions, i.e. the remuneration policy
- Shareholders have a binding vote on retrospective pay decisions, i.e. the remuneration report
- Shareholders have an advisory vote on prospective pay decisions, i.e. the remuneration policy
- Shareholders have an advisory vote on retrospective pay decisions, i.e. the remuneration report
- Shareholders must approve equity executive remuneration plans

G.2.6.2 - Long-Term Incentive Programme

25	6.00%	1.5
Raw Score	Weight	Weighted Score

The company has a weak programme

Criteria

- Actual LTI payouts are disclosed
- Half or more of the target LTI award is based on performance metrics measured over a period of five years or more
- Half or more of the target LTI award is based on performance metrics measured over a period of three years or more
- Half or more of the target LTI award is linked to performance metrics with disclosed targets
- Half or more of the target LTI award is paid out as performance-based equity awards
- The company discloses an LTI programme
- The target LTI award is linked to sustainability-related performance metrics with disclosed targets

Citations

Suzlon Energy Ltd. Annual Report 2024 (FY2024)

G.2.6.3 - Short-Term Incentive Programme

50	5.00%	2.5
Raw Score	Weight	Weighted Score

The company has an adequate programme

Criteria

- Actual STI payouts are disclosed
- Half or more of the target STI award is linked to performance metrics
- Half or more of the target STI award is linked to performance metrics with disclosed targets
- The company discloses an STI programme
- The target STI award is linked to sustainability-related performance metrics with disclosed targets

Citations

Suzlon Energy Ltd. Annual Report 2024 (FY2024)

Appendix



Management Details

G.2.7.2 - Board Gender Representation Target

75	2.00%	1.5
Raw Score	Weight	Weighted Score

The company has a strong target

Criteria

- The company has a quantitative target for board gender representation
- The company's board gender representation quantitative targets are aligned with international standards
- The company's board gender representation quantitative targets are tied to specific timelines
- The company states it aims to ensure gender representation or considers gender during the recruitment of directors

Citations

Suzlon Energy Ltd. Diversity Policy, released April 2024

G.2.7.3 - Board Gender Diversity

33	3.00%	1.0
Raw Score	Weight	Weighted Score

The company's board has a weak gender balance

Further Quantitative Criteria Details

FY: 2024 Source: Reported

Metric	Metric Value
Majority Gender on Board - Percentage	85.7 %

G.2.8.2 - Risk Oversight

50	5.00%	2.5
Raw Score	Weight	Weighted Score

The company has an adequate management system

Criteria

- The company discloses risk mitigation measures for industry-specific risk
- The company has a risk management framework in place
- The company identifies and assesses the main risks faced by the business
- There is a separate board committee in charge of oversight of industry-specific risks
- There is board-level oversight of industry-specific risks

Citations

Suzlon Energy Ltd. Annual Report 2024 (FY2024)

G.2.8.3 - Board Executive Experience

50	5.00%	2.5
Raw Score	Weight	Weighted Score

The company's board has weak executive expertise

Further Quantitative Criteria Details

FY: 2024 Source: Reported

Metric	Metric Value
Board Experience (from Executive Positions)	1.0

G.2.8.4 - Board Non-Executive Experience

50	5.00%	2.5
Raw Score	Weight	Weighted Score

The company's board has weak non-executive expertise

Further Quantitative Criteria Details

FY: 2024 Source: Reported

Metric	Metric Value
Board Experience (from Non-Executive Positions)	1.0

G.2.8.5 - Board Effectiveness

25	6.00%	1.5
Raw Score	Weight	Weighted Score

The company has a weak level of board effectiveness

Criteria

- A senior or lead independent director or an independent vice-chair has been appointed in conjunction with the non-independent chair
- No more than one non-executive director serves on an excessive number of outside boards
- None of the non-executive directors serves on an excessive number of outside boards
- The chair and CEO roles are separate
- The chair does not concurrently hold any executive role
- The chair has relevant financial and/or industry experience and is independent

Appendix



Management Details

- The chair is independent
- The company has appointed a chairperson of the board

Citations

Suzlon Energy Ltd. Annual Report 2024 (FY2024)

G.2.9.2 - Board Independence

25	7.00%	1.8
Raw Score	Weight	Weighted Score

The company has a weak level of board independence

Further Quantitative Criteria Details

FY: 2024 Source: Reported

Metric	Metric Value
Independent Board Members - Percentage	42.9 %

G.2.10.2 - Audit Committee Experience

25	7.00%	1.8
Raw Score	Weight	Weighted Score

There is a weak industry and/or financial expertise among the independent audit committee members

Criteria

- The audit committee includes at least one independent member with financial expertise
- The audit committee includes at least one independent member with industry expertise
- The audit committee includes at least two independent members with financial expertise
- The audit committee includes at least two independent members with industry expertise

Citations

Suzlon Energy Ltd. Annual Report 2024 (FY2024)

G.2.10.3 - Audit Committee Independence

25	7.00%	1.8
Raw Score	Weight	Weighted Score

The company has a weak audit committee independence

Further Quantitative Criteria Details

FY: 2024 Source: Reported

Metric	Metric Value
Independent Audit Committee Members - Percentage	50.0 %

G.2.12.2 - Remuneration Committee Independence

75	6.00%	4.5
Raw Score	Weight	Weighted Score

The remuneration committee's independence is adequate

Further Quantitative Criteria Details

FY: 2024 Source: Reported

Metric	Metric Value
Independent Remuneration Committee Members - Percentage	66.7 %

Appendix



Management Details

G.2.14 - Voting Proportionality

100	10.00%	10.0
Raw Score	Weight	Weighted Score

The company has a strong programme

Criteria

- The largest shareholder does not secure control through control-enhancing mechanisms
- There are no caps on voting rights.
- There are no cross-shareholdings with other entities
- There are no golden shares
- There are no other violations of the "one share, one vote" principle
- There are no supervoting shares
- Voting rights are not differentiated by duration of ownership

Citations

Suzlon Energy Ltd. Annual Report 2024 (FY2024)
 Suzlon Energy Ltd. Articles of Association, accessed 01 October 2024

G.2.15 - Nominating Committee Independence

50	6.00%	3.0
Raw Score	Weight	Weighted Score

The company has an adequate level of nominating committee independence

Further Quantitative Criteria Details

FY: 2024 Source: Reported

Metric	Metric Value
Independent Nominating Committee Members - Percentage	66.7 %

G.2.16 - Board Committee Structure

100	6.00%	6.0
Raw Score	Weight	Weighted Score

The company has a strong committee structure

Criteria

- The company has established an Audit Committee
- The company has established a Nominating Committee
- The company has established a Remuneration Committee
- There are no representatives of the controlling shareholder on the Audit Committee
- There are no representatives of the controlling shareholder on the Nominating Committee
- There are no representatives of the controlling shareholder on the Remuneration Committee

Citations

Suzlon Energy Ltd. Annual Report 2024 (FY2024)

G.2.17 - Shareholder Dissent

100	3.00%	3.0
Raw Score	Weight	Weighted Score

The company did not register instances of elevated shareholder dissent

Further Quantitative Criteria Details

FY: 2024 Source: Reported

Metric	Metric Value
Shareholder Dissent - Percentage	15.7 %

Appendix

Exposure Details



Raw Material Use

EA.E.53 - Scarce Resource Use

0.00
Beta Signal

No evidence of relevant controversies

EA.F.1 - Operating Performance

- 0.03
Beta Signal

The company has a very strong net income margin.

Average Net Income Margin (Trailing 3 Years): 18.34
Subindustry Median (Trailing 3 Years): 5.87
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.2 - Solvency

0.02
Beta Signal

The company has a weak debt-equity ratio.

Average Debt to Equity Ratio (Trailing 3 Years): 0.61
Subindustry Median (Trailing 3 Years): 0.34
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.3 - Financial Flexibility

- 0.03
Beta Signal

The company has a very strong cash flow ratio.

Average Free Cash Flow Ratio (Trailing 3 Years): 12.26
Subindustry Median (Trailing 3 Years): 6.67
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.4 - Asset Performance

- 0.03
Beta Signal

The company has a very strong return on assets.

Average Return on Assets (Trailing 3 Years): 28.94
Subindustry Median (Trailing 3 Years): 4.91
Source: Morningstar, August 2024. All Rights Reserved.

EA.S.1 - Qualitative Overlay

0.00
Beta Signal

Answer category for neutral beta signal adjustment

Appendix



Exposure Details

EA.S.2 - Subindustry Correction Factor

0.00
Beta Signal

EA.S.3 - Exceptional Event Adjustment

0.00
Beta Signal

Appendix



Management Details

E.1.1 - Environmental Policy

75	2.50%	1.9
Raw Score	Weight	Weighted Score

The company has a strong policy

Criteria

- Approved by senior management or the board of directors
- Commitment to consult with stakeholders on environmental issues
- Commitment to create environmental awareness
- Commitment to environmental protection
- Commitment to implement an environmental management system
- Commitment to monitor the company's environmental performance
- Commitment to reduce emissions, releases and waste
- Commitment to report regularly on environmental issues
- Commitment to use natural resources or energy more efficiently

Citations

Suzlon Energy Ltd. HSE Policy, released December 2023
 Suzlon Energy Ltd. Sustainability Policy, released July 2024

E.1.2 - Environmental Management System

100	5.00%	5.0
Raw Score	Weight	Weighted Score

The company has a very strong EMS

Criteria

- Assigned roles and responsibilities
- Compliance with environmental regulation
- Corrective actions to stimulate continual improvement
- Environmental performance records
- Environmental programmes
- External environmental audits
- Identification of products, activities and services that have significant impacts on the environment
- Internal and external communications on environmental management issues
- Internal environmental audits
- Managerial or board level responsibility for environmental issues
- Monitoring and measurement
- Objectives, targets and deadlines
- Training and awareness programmes for employees

Citations

ISO 14001:2015 Certification, valid until 20 February 2027
 Suzlon Energy Ltd. Annual Report 2023-24 (FY2024)

E.1.3 - EMS Certification

100	2.50%	2.5
Raw Score	Weight	Weighted Score

90% or more of the company's activities have received external certification

Citations

ISO 14001:2015 Certification, valid until 20 February 2027
 Suzlon Energy Ltd. Annual Report 2023-24 (FY2024)

E.1.17 - Recycled Material Use Commitment

0	10.00%	0.0
Raw Score	Weight	Weighted Score

Based on available evidence, the company does not have a commitment

Criteria

- Responsibility of senior management or the board of directors towards the objective of recycled materials in production
- The company has an investment plan related to using recycled material in production
- The company has been involved in relevant R&D work supporting the use of recycled materials in production
- The company has established (a) quantitative target(s) to manufacture products using at least 25% recycled materials
- The company has established (a) quantitative target(s) to manufacture products using at least 50% recycled materials
- The company has established partnerships (including joint ventures) with peers, independent research institutions, NGOs or industry initiatives to achieve the usage of recycled materials in the production process
- The company has initiatives related to using recycled material in production
- The company has set specific timeframes for its stated target(s)
- The company reports on progress towards its recycled materials use target

Appendix



Management Details

E.1.17.1 - Recycled Material Programmes

0	15.00%	0.0
Raw Score	Weight	Weighted Score

Based on available evidence, the company does not have a programme

Criteria

- The company has a general statement addressing the increased use of recycled and/or reused material inputs
- The company has a programme that is limited in scope or whose scope cannot be assessed
- The company has initiatives to increase or maintain the use of recycled and/or reused byproducts
- The company has initiatives to increase or maintain the use of recycled direct input materials
- The company has initiatives to increase or maintain the use of reused direct input materials

E.1.18 - Raw Material Innovation Programmes

25	17.50%	4.4
Raw Score	Weight	Weighted Score

The company has a weak programme

Criteria

- The company discloses targets and deadlines for innovation initiatives and/ or R&D programmes related to critical raw material inputs
- The company has a general statement addressing critical resource substitution or efficiency
- The company has innovation initiatives and/ or R&D programmes to address risks related to critical raw material inputs through resource efficiency
- The company has innovation initiatives and/ or R&D programmes to address risks related to critical raw material inputs through resource substitution
- The company monitors progress and reports on its innovation initiatives and/ or R&D programmes related to critical raw material inputs
- The company participates in relevant strategic partnerships and/ or joint ventures

Citations

Suzlon Energy Ltd. Sustainability Report 2023-24 (FY2024)

E.2.1.7 - Recycled Material Use

20	10.00%	2.0
Raw Score	Weight	Weighted Score

Disclosure is insufficient to determine the percentage of recycled/reused materials in the company's products OR the company does not disclose data about recycled/reused material use in its products

Further Quantitative Criteria Details

FY: 2023 Source: -

Metric	Metric Value
Share of Recycled Input Material - Percentage of Total Input Material	- %

E.3.1.6 - Eco-Design

50	17.50%	8.8
Raw Score	Weight	Weighted Score

The company has an adequate programme

Criteria

- The company has a general statement addressing the issue
- The company has a programme in place, but it is limited in scope, or its scope cannot be assessed
- The company has product design initiatives that minimize the environmental impact of products during their use and/or at end of life
- The company has product design initiatives to minimize the environmental impact of input materials
- The company has product design initiatives to minimize the environmental impact of products during the manufacturing process
- The company has set guidelines and procedures for assessing, during the design phase, the environmental impact of the product across its life cycle
- The company has set targets and deadlines related to designing and manufacturing products with a limited environmental impact
- The company monitors and reports on eco-design initiatives
- The company participates in relevant multi-stakeholder or industry initiatives

Citations

Suzlon Energy Ltd. Annual Report 2023-24 (FY2024)
Suzlon Energy Ltd. Sustainability Report 2023-24 (FY2024)

Appendix



Management Details

E.3.1.7 - End-of-Life Product Stewardship Programmes

0	20.00%	0.0
Raw Score	Weight	Weighted Score

Based on available evidence, the company does not have a programme

Criteria

- The company has a general statement addressing the issue
- The company has a programme that is limited in scope, or where the scope cannot be assessed
- The company has initiatives for end-of-life product stewardship such as product take-back/buy-back programmes, refurbishing or remanufacturing
- The company has targets and deadlines related to end-of-life product stewardship
- The company is pioneering Waste-to-X technologies
- The company monitors and reports on end-of-life product stewardship activities
- The company participates in multi-stakeholder or industry initiatives pertaining to product stewardship

Appendix

Exposure Details



Business Ethics

EA.E.2 - Accounting and Taxation

0.00
Beta Signal

No evidence of relevant controversies

EA.E.4 - Anti-Competitive Practices

0.00
Beta Signal

No evidence of relevant controversies

EA.E.6 - Bribery and Corruption

0.00
Beta Signal

No evidence of relevant controversies

EA.E.7 - Business Ethics

0.00
Beta Signal

No evidence of relevant controversies

EA.E.21 - Intellectual Property

0.00
Beta Signal

No evidence of relevant controversies

EA.E.23 - Lobbying and Public Policy

0.00
Beta Signal

No evidence of relevant controversies

EA.E.30 - Sanctions

0.00
Beta Signal

No evidence of relevant controversies

EA.F.1 - Operating Performance

- 0.03
Beta Signal

The company has a very strong net income margin.

Average Net Income Margin (Trailing 3 Years): 18.34
Subindustry Median (Trailing 3 Years): 5.87
Source: Morningstar, August 2024. All Rights Reserved.

Appendix

 **Exposure Details**

EA.F.2 - Solvency

0.02
Beta Signal

The company has a weak debt-equity ratio.

Average Debt to Equity Ratio (Trailing 3 Years): 0.61
Subindustry Median (Trailing 3 Years): 0.34
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.3 - Financial Flexibility

- 0.03
Beta Signal

The company has a very strong cash flow ratio.

Average Free Cash Flow Ratio (Trailing 3 Years): 12.26
Subindustry Median (Trailing 3 Years): 6.67
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.4 - Asset Performance

- 0.03
Beta Signal

The company has a very strong return on assets.

Average Return on Assets (Trailing 3 Years): 28.94
Subindustry Median (Trailing 3 Years): 4.91
Source: Morningstar, August 2024. All Rights Reserved.

EA.S.1 - Qualitative Overlay

0.00
Beta Signal

Answer category for neutral beta signal adjustment

EA.S.2 - Subindustry Correction Factor

0.00
Beta Signal

EA.S.3 - Exceptional Event Adjustment

0.00
Beta Signal

Appendix



Management Details

G.1.1 - Bribery & Corruption Policy

75	7.50%	5.6
Raw Score	Weight	Weighted Score

The company has a strong policy

Criteria

- Definition and prohibition of facilitation payments
- Definition of bribery or corruption
- Definition of conflicts of interest and commitment to minimize these
- Guidelines of what is considered acceptable behaviour
- Prohibition of bribery
- There is no evidence of a formal policy but the company has a general statement addressing the issue

Citations

Suzlon Energy Ltd. Corporate Governance Policy, released July 2024
 The company provided feedback on 16 December 2024

G.1.1.1 - Bribery & Corruption Programmes

75	25.00%	18.8
Raw Score	Weight	Weighted Score

The company has a strong programme

Criteria

- Annual signoff of the policy on bribery and corruption by employees
- Internal monitoring system to detect corruption
- Managerial responsibility for bribery and corruption
- Mechanisms for employees to consult on ethical issues
- Operating guidelines addressing record keeping, approval procedures and appropriate behaviour
- Regular bribery and corruption risk assessments
- Regular training on bribery and corruption

Citations

Suzlon Energy Ltd. Sustainability Report 2023-24 (FY2024)
 Suzlon Energy Ltd. Whistleblower Policy, released April 2024

G.1.2 - Whistleblower Programmes

75	25.00%	18.8
Raw Score	Weight	Weighted Score

The company has a strong programme

Criteria

- An independent, reporting hotline available 24/7
- Available in local languages
- Available to suppliers, customers and other third parties
- Disclosure on the number of reports received, the types of misconduct and measures taken
- Non-retaliation policy
- Possibility for anonymous reporting and reports are treated confidentially
- Proactively communicated to employees
- Structures in place to process whistleblower reports

Citations

KPMG operated Suzlon Energy Ltd. Whistleblower Reporting Mechanism; accessed 30 January 2025
 Suzlon Energy Ltd. Sustainability Report 2023-24 (FY2024)
 Suzlon Energy Ltd. Whistleblower Policy, released April 2024

G.1.2.1 - Business Ethics Programme

50	25.00%	12.5
Raw Score	Weight	Weighted Score

The company has an adequate programme

Criteria

- Annual training of employees on the Code of Conduct
- Board responsibility for business ethics issues
- Commitment to address major business ethics risks
- Ethical risk assessments
- Incident investigation and corrective actions
- Managerial responsibility for business ethics
- Measures to deter non-compliance and reduce exposure to unethical opportunities
- Operating guidelines

Citations

Suzlon Energy Ltd. Corporate Governance Policy, released July 2024
 Suzlon Energy Ltd. Sustainability Report 2023-24 (FY2024)
 Suzlon Energy Ltd. Whistleblower Policy, released April 2024

Appendix



Management Details

G.3.1 - Political Involvement Policy

0	7.50%	0.0
Raw Score	Weight	Weighted Score

Based on available evidence, the company does not have a policy

Criteria

- Approved by senior management
- Commits the company to disclose political donations and/or lobbying expenditures
- Partially prohibits political involvement
- Prohibits political involvement of any kind on the company's behalf

G.3.2.1 - Transparency on Lobbying and Political Expenses

0	10.00%	0.0
Raw Score	Weight	Weighted Score

Based on available evidence, the company does not disclose its lobbying and political expenses

Criteria

- The company discloses a detailed breakdown of lobbying and political expenses per recipients/ beneficiaries and per country
- The company discloses expenditures and/or beneficiaries supported via its lobbying or political finance activities, but with only limited scope
- The company discloses that it does not engage in any lobbying and political finance activities
- The company discloses the causes or themes that it supports through lobbying and political finance activities
- The company discloses the overall monetary value of lobbying and political expenses
- The company partially discloses expenditures and/or beneficiaries supported via its lobbying or political finance activities

Appendix

Exposure Details

Product Governance

EA.E.24 - Marketing Practices

0.00
Beta Signal

No evidence of relevant controversies

EA.E.28 - Quality and Safety

0.01
Beta Signal

Category 1

EA.F.1 - Operating Performance

- 0.03
Beta Signal

The company has a very strong net income margin.

Average Net Income Margin (Trailing 3 Years): 18.34
Subindustry Median (Trailing 3 Years): 5.87
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.2 - Solvency

0.02
Beta Signal

The company has a weak debt-equity ratio.

Average Debt to Equity Ratio (Trailing 3 Years): 0.61
Subindustry Median (Trailing 3 Years): 0.34
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.3 - Financial Flexibility

- 0.03
Beta Signal

The company has a very strong cash flow ratio.

Average Free Cash Flow Ratio (Trailing 3 Years): 12.26
Subindustry Median (Trailing 3 Years): 6.67
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.4 - Asset Performance

- 0.03
Beta Signal

The company has a very strong return on assets.

Average Return on Assets (Trailing 3 Years): 28.94
Subindustry Median (Trailing 3 Years): 4.91
Source: Morningstar, August 2024. All Rights Reserved.

EA.G.1 - Headquarters Location

0.02
Beta Signal

The location of the company's headquarters indicates slightly higher exposure to this issue.

India: Slightly higher exposure
Source: Sustainalytics Country Risk Rating, November 2023.

EA.G.3 - Sales Location

- 0.05
Beta Signal

The location of the company's sales indicates slightly lower exposure to this issue.

India 92% (Average exposure)
Other: 7%
Source: Sustainalytics Country Risk Rating, November 2023.
Morningstar, November 2023. All Rights Reserved.

Appendix



Exposure Details

EA.S.1 - Qualitative Overlay

0.00
Beta Signal

Answer category for neutral beta signal adjustment

EA.S.2 - Subindustry Correction Factor

0.00
Beta Signal

EA.S.3 - Exceptional Event Adjustment

0.00
Beta Signal

Appendix



Management Details

S.3.1.9.1 - Product and Service Safety Programme

25	47.50%	11.9
Raw Score	Weight	Weighted Score

The company has a weak programme

Criteria

- Incident investigation and corrective action
- Managerial responsibility for product/service safety
- Monitoring of product/service safety performance
- Policy commitment to ensure product/service safety
- Product/service objectives or targets
- Product/service safety risk assessment
- Public reporting on product/service safety issues
- Regular employee training on product/service safety
- Regular external product/service safety audits
- Regularly tested emergency response procedures to ensure product/service safety

Citations

- Suzlon Energy Ltd. Quality Policy, released December 2023
- Suzlon Energy Ltd. Responsible Business Conduct Policy, released July 2024

S.3.2.1 - QMS Certifications

100	47.50%	47.5
Raw Score	Weight	Weighted Score

90% or more of the company's sites has received external certification

Citations

- ISO 9001:2015 Certification, valid until 20 February 2027
- Suzlon Energy Ltd. Annual Report 2023-24 (FY2024)

Appendix



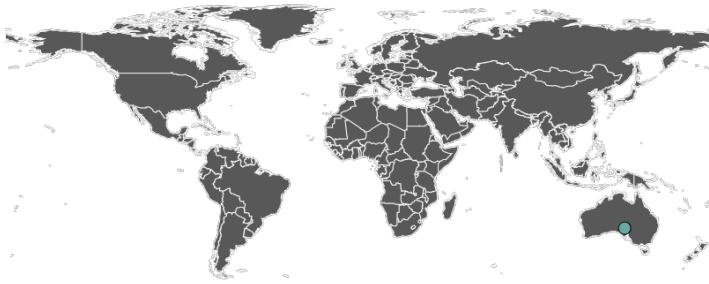
Management Details

Quality and Safety Events



Category 1 Event - Low

Incident History



Wind turbine burns out at South Australian wind farm
Renew Economy - 06 February 2024

Locations: South Australia, Australia

Tags: Product Quality and Safety

Appendix

Exposure Details



Carbon - Products and Services

EA.E.46 - Carbon Impact of Products

0.00
Beta Signal

No evidence of relevant controversies

EA.F.1 - Operating Performance

- 0.03
Beta Signal

The company has a very strong net income margin.

Average Net Income Margin (Trailing 3 Years): 18.34
Subindustry Median (Trailing 3 Years): 5.87
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.2 - Solvency

0.02
Beta Signal

The company has a weak debt-equity ratio.

Average Debt to Equity Ratio (Trailing 3 Years): 0.61
Subindustry Median (Trailing 3 Years): 0.34
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.3 - Financial Flexibility

- 0.03
Beta Signal

The company has a very strong cash flow ratio.

Average Free Cash Flow Ratio (Trailing 3 Years): 12.26
Subindustry Median (Trailing 3 Years): 6.67
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.4 - Asset Performance

- 0.03
Beta Signal

The company has a very strong return on assets.

Average Return on Assets (Trailing 3 Years): 28.94
Subindustry Median (Trailing 3 Years): 4.91
Source: Morningstar, August 2024. All Rights Reserved.

EA.P.9 - Carbon Solutions Offering

0.00
Beta Signal

Information is insufficient to determine whether the company offers any carbon solutions.

Appendix



Exposure Details

EA.S.1 - Qualitative Overlay

0.00
Beta Signal

Answer category for neutral beta signal adjustment

EA.S.2 - Subindustry Correction Factor

0.00
Beta Signal

EA.S.3 - Exceptional Event Adjustment

0.00
Beta Signal

Appendix



Management Details

E.3.1.1 - Sustainable Products & Services

100	14.29%	14.3
Raw Score	Weight	Weighted Score

More than 50% of the company's annual revenue is derived from sustainability-related products or services

Citations

Suzlon Energy Ltd. Annual Report 2023-24 (FY2024)

E.3.1.6 - Eco-Design

50	35.71%	17.9
Raw Score	Weight	Weighted Score

The company has an adequate programme

Criteria

- The company has a general statement addressing the issue
- The company has a programme in place, but it is limited in scope, or its scope cannot be assessed
- The company has product design initiatives that minimize the environmental impact of products during their use and/or at end of life
- The company has product design initiatives to minimize the environmental impact of input materials
- The company has product design initiatives to minimize the environmental impact of products during the manufacturing process
- The company has set guidelines and procedures for assessing, during the design phase, the environmental impact of the product across its life cycle
- The company has set targets and deadlines related to designing and manufacturing products with a limited environmental impact
- The company monitors and reports on eco-design initiatives
- The company participates in relevant multi-stakeholder or industry initiatives

Citations

Suzlon Energy Ltd. Annual Report 2023-24 (FY2024)
 Suzlon Energy Ltd. Sustainability Report 2023-24 (FY2024)

E.3.1.7 - End-of-Life Product Stewardship Programmes

0	50.00%	0.0
Raw Score	Weight	Weighted Score

Based on available evidence, the company does not have a programme

Criteria

- The company has a general statement addressing the issue
- The company has a programme that is limited in scope, or where the scope cannot be assessed
- The company has initiatives for end-of-life product stewardship such as product take-back/buy-back programmes, refurbishing or remanufacturing
- The company has targets and deadlines related to end-of-life product stewardship
- The company is pioneering Waste-to-X technologies
- The company monitors and reports on end-of-life product stewardship activities
- The company participates in multi-stakeholder or industry initiatives pertaining to product stewardship

Appendix

Exposure Details

Human Capital

EA.E.22 - Labour Relations

0.00
Beta Signal

No evidence of relevant controversies

EA.F.1 - Operating Performance

- 0.03
Beta Signal

The company has a very strong net income margin.

Average Net Income Margin (Trailing 3 Years): 18.34
Subindustry Median (Trailing 3 Years): 5.87
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.2 - Solvency

0.02
Beta Signal

The company has a weak debt-equity ratio.

Average Debt to Equity Ratio (Trailing 3 Years): 0.61
Subindustry Median (Trailing 3 Years): 0.34
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.3 - Financial Flexibility

- 0.03
Beta Signal

The company has a very strong cash flow ratio.

Average Free Cash Flow Ratio (Trailing 3 Years): 12.26
Subindustry Median (Trailing 3 Years): 6.67
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.4 - Asset Performance

- 0.03
Beta Signal

The company has a very strong return on assets.

Average Return on Assets (Trailing 3 Years): 28.94
Subindustry Median (Trailing 3 Years): 4.91
Source: Morningstar, August 2024. All Rights Reserved.

EA.S.1 - Qualitative Overlay

0.00
Beta Signal

Answer category for neutral beta signal adjustment

Appendix



Exposure Details

EA.S.2 - Subindustry Correction Factor

0.00
Beta Signal

EA.S.3 - Exceptional Event Adjustment

0.00
Beta Signal

Appendix



Management Details

S.1.1 - Freedom of Association Policy

100	7.50%	7.5
Raw Score	Weight	Weighted Score

The company has a strong policy on freedom of association

Citations

Suzlon Energy Ltd. Human Rights Policy, released July 2024

S.1.1.1 - Working Hours Policy

0	7.50%	0.0
Raw Score	Weight	Weighted Score

Based on available evidence, the company does not have a policy

Criteria

- The company has a general statement on working hours
- The policy includes a commitment on the maximum length of the normal workday
- The policy includes a commitment on the maximum length of the normal work week
- The policy is aligned with relevant international standards on maximum normal working hours

S.1.2 - Discrimination Policy

100	5.00%	5.0
Raw Score	Weight	Weighted Score

The company has a strong policy

Criteria

- Commitment to ensure equal opportunity
- List of the types of discrimination the company is committed to eliminate
- Reference to the ILO conventions

Citations

Suzlon Energy Ltd. Diversity, Equity, Inclusion and Belonging (DEIB) Policy, released July 2024
 Suzlon Energy Ltd. Human Rights Policy, released July 2024

S.1.3 - Diversity Programmes

75	12.50%	9.4
Raw Score	Weight	Weighted Score

The company has a strong programme

Criteria

- Diversity monitoring or audits
- Employee affinity groups, diversity councils, or networking groups
- Initiatives supporting a diverse workforce
- Initiatives to recruit from diverse talent
- Managerial or board level responsibility for diversity initiatives
- Mentorship programmes
- The company has a programme that applies to less than 50% of operations
- Training and guidance regarding diversity

Citations

Suzlon Energy Ltd. Annual Report 2023-24 (FY2024)
 Suzlon Energy Ltd. Diversity, Equity, Inclusion and Belonging (DEIB) Policy, released July 2024
 Suzlon Energy Ltd. Sustainability Report 2023-24 (FY2024)

S.1.4 - Collective Bargaining Agreements

25	15.00%	3.8
Raw Score	Weight	Weighted Score

0-24% of the company's employees are covered by collective bargaining agreements

Citations

Suzlon Energy Ltd. Sustainability Report 2023-24 (FY2024)

S.1.5 - Employee Turnover Rate

0	15.00%	0.0
Raw Score	Weight	Weighted Score

The company's employee turnover rate is high

Further Quantitative Criteria Details

FY: 2024 Source: Reported

Metric	Metric Value
Employee Turnover Rate	25.6 %

Appendix



Management Details

S.1.5.2 - Human Capital Development

75	30.00%	22.5
Raw Score	Weight	Weighted Score

The company has a strong programme

Criteria

- Formal mechanisms to promote an open feedback culture
- Initiatives for talent development
- Initiatives for talent recruitment
- Initiatives for talent retention
- Quantitative targets related to human capital development
- Regular formal performance reviews for all permanent employees aligned with career development
- Reporting on human capital development metrics
- Reporting on human capital risk assessment

Citations

- Suzlon Energy Ltd. Annual Report 2023-24 (FY2024)
- Suzlon Energy Ltd. Sustainability Report 2023-24 (FY2024)

S.1.6.1 - Employee Training

50	7.50%	3.8
Raw Score	Weight	Weighted Score

The company's average annual number of training days per employee is moderate

Further Quantitative Criteria Details

FY: 2024 Source: Reported

Metric	Metric Value
Employee Training Number of Days per Year	5.3 Days

Appendix

Exposure Details



E&S Impact of Products and Services

EA.E.17 - Environmental Impact of Products

0.00
Beta Signal

No evidence of relevant controversies

EA.E.32 - Social Impact of Products

0.00
Beta Signal

No evidence of relevant controversies

EA.F.1 - Operating Performance

- 0.03
Beta Signal

The company has a very strong net income margin.

Average Net Income Margin (Trailing 3 Years): 18.34
Subindustry Median (Trailing 3 Years): 5.87
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.2 - Solvency

0.02
Beta Signal

The company has a weak debt-equity ratio.

Average Debt to Equity Ratio (Trailing 3 Years): 0.61
Subindustry Median (Trailing 3 Years): 0.34
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.3 - Financial Flexibility

- 0.03
Beta Signal

The company has a very strong cash flow ratio.

Average Free Cash Flow Ratio (Trailing 3 Years): 12.26
Subindustry Median (Trailing 3 Years): 6.67
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.4 - Asset Performance

- 0.03
Beta Signal

The company has a very strong return on assets.

Average Return on Assets (Trailing 3 Years): 28.94
Subindustry Median (Trailing 3 Years): 4.91
Source: Morningstar, August 2024. All Rights Reserved.

EA.G.1 - Headquarters Location

0.02
Beta Signal

The location of the company's headquarters indicates slightly higher exposure to this issue.

India: Slightly higher exposure
Source: Sustainalytics Country Risk Rating, November 2023.

EA.G.3 - Sales Location

- 0.05
Beta Signal

The location of the company's sales indicates slightly lower exposure to this issue.

India 92% (Average exposure)
Other: 7%
Source: Sustainalytics Country Risk Rating, November 2023.
Morningstar, November 2023. All Rights Reserved.

Appendix



Exposure Details

EA.S.1 - Qualitative Overlay

0.00
Beta Signal

Answer category for neutral beta signal adjustment

EA.S.2 - Subindustry Correction Factor

0.00
Beta Signal

EA.S.3 - Exceptional Event Adjustment

0.00
Beta Signal

Appendix



Management Details

E.2.1.7 - Recycled Material Use

20	25.00%	5.0
Raw Score	Weight	Weighted Score

Disclosure is insufficient to determine the percentage of recycled/reused materials in the company's products OR the company does not disclose data about recycled/reused material use in its products

Further Quantitative Criteria Details

FY: 2023 Source: -

Metric	Metric Value
Share of Recycled Input Material - Percentage of Total Input Material	- %

E.3.1.6 - Eco-Design

50	25.00%	12.5
Raw Score	Weight	Weighted Score

The company has an adequate programme

Criteria

- The company has a general statement addressing the issue
- The company has a programme in place, but it is limited in scope, or its scope cannot be assessed
- The company has product design initiatives that minimize the environmental impact of products during their use and/or at end of life
- The company has product design initiatives to minimize the environmental impact of input materials
- The company has product design initiatives to minimize the environmental impact of products during the manufacturing process
- The company has set guidelines and procedures for assessing, during the design phase, the environmental impact of the product across its life cycle
- The company has set targets and deadlines related to designing and manufacturing products with a limited environmental impact
- The company monitors and reports on eco-design initiatives
- The company participates in relevant multi-stakeholder or industry initiatives

Citations

Suzlon Energy Ltd. Annual Report 2023-24 (FY2024)
 Suzlon Energy Ltd. Sustainability Report 2023-24 (FY2024)

E.3.1.1 - Sustainable Products & Services

100	25.00%	25.0
Raw Score	Weight	Weighted Score

More than 50% of the company's annual revenue is derived from sustainability-related products or services

Citations

Suzlon Energy Ltd. Annual Report 2023-24 (FY2024)

E.3.1.7 - End-of-Life Product Stewardship Programmes

0	25.00%	0.0
Raw Score	Weight	Weighted Score

Based on available evidence, the company does not have a programme

Criteria

- The company has a general statement addressing the issue
- The company has a programme that is limited in scope, or where the scope cannot be assessed
- The company has initiatives for end-of-life product stewardship such as product take-back/buy-back programmes, refurbishing or remanufacturing
- The company has targets and deadlines related to end-of-life product stewardship
- The company is pioneering Waste-to-X technologies
- The company monitors and reports on end-of-life product stewardship activities
- The company participates in multi-stakeholder or industry initiatives pertaining to product stewardship

Appendix

Exposure Details



Occupational Health and Safety

EA.E.20 - Occupational Health and Safety

0.00
Beta Signal

No evidence of relevant controversies

EA.F.1 - Operating Performance

- 0.03
Beta Signal

The company has a very strong net income margin.

Average Net Income Margin (Trailing 3 Years): 18.34
Subindustry Median (Trailing 3 Years): 5.87
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.2 - Solvency

0.02
Beta Signal

The company has a weak debt-equity ratio.

Average Debt to Equity Ratio (Trailing 3 Years): 0.61
Subindustry Median (Trailing 3 Years): 0.34
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.3 - Financial Flexibility

- 0.03
Beta Signal

The company has a very strong cash flow ratio.

Average Free Cash Flow Ratio (Trailing 3 Years): 12.26
Subindustry Median (Trailing 3 Years): 6.67
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.4 - Asset Performance

- 0.03
Beta Signal

The company has a very strong return on assets.

Average Return on Assets (Trailing 3 Years): 28.94
Subindustry Median (Trailing 3 Years): 4.91
Source: Morningstar, August 2024. All Rights Reserved.

EA.G.1 - Headquarters Location

0.02
Beta Signal

The location of the company's headquarters indicates slightly higher exposure to this issue.

India: Slightly higher exposure
Source: Sustainalytics Country Risk Rating, November 2023.

Appendix

Exposure Details

EA.G.2 - Assets Location

0.05
Beta Signal

The location of the company's assets indicates slightly higher exposure to this issue.

India 98% (Slightly higher exposure)
Other: 1%
Source: Sustainalytics Country Risk Rating, November 2023.
Morningstar, November 2023. All Rights Reserved.

EA.S.1 - Qualitative Overlay

0.00
Beta Signal

Answer category for neutral beta signal adjustment

EA.S.2 - Subindustry Correction Factor

0.00
Beta Signal

EA.S.3 - Exceptional Event Adjustment

0.00
Beta Signal

Appendix



Management Details

S.1.6.2.1 - Health and Safety Management System

100	32.50%	32.5
Raw Score	Weight	Weighted Score

The company has a very strong management system

Criteria

- Emergency preparedness procedures
- Formal health and safety policy commitment
- Internal or external health and safety audits conducted at least every three years
- Managerial responsibility for health and safety issues
- Operating guidelines or procedures that are relevant for the industry
- Performance monitoring and measurement
- Procedures for hazard identification and risk assessment
- Regular health and safety training programmes for employees
- Reporting on health and safety programmes and performance
- Targets to reduce health and safety incidents

Citations

ISO 45001:2018 Certification, valid until 20 February 2027
 Suzlon Energy Ltd. Sustainability Report 2023-24 (FY2024)

S.1.6.4 - Health and Safety Certifications

100	20.00%	20.0
Raw Score	Weight	Weighted Score

The company's percentage of operational locations that have received health and safety certifications is very high

Further Quantitative Criteria Details

FY: 2024 Source: Reported

Metric	Metric Value
Health and Safety Certifications	100.0 %

S.1.6.5 - Lost-Time Incident Rate Trend

20	27.50%	5.5
Raw Score	Weight	Weighted Score

Disclosure on the company's lost-time incident rate is insufficient to determine its performance

Further Quantitative Criteria Details

FY: 2024 Source: -

Metric	Metric Value
Lost-Time Incident Rate – Three-Year Trend	- %

S.1.6.6 - Employee Fatality Rate

0	20.00%	0.0
Raw Score	Weight	Weighted Score

The company's employee fatality rate is very high

Further Quantitative Criteria Details

FY: 2023 Source: Reported

Metric	Metric Value
Employee Fatality Rate – Three-Year Average	112.4 Rate of fatalities per 100,000 workers

Appendix

Exposure Details



Carbon - Own Operations

EA.E.15 - Energy Use and GHG Emissions

0.00

Beta Signal

No evidence of relevant controversies

EA.F.1 - Operating Performance

- 0.03

Beta Signal

The company has a very strong net income margin.

Average Net Income Margin (Trailing 3 Years): 18.34
 Subindustry Median (Trailing 3 Years): 5.87
 Source: Morningstar, August 2024. All Rights Reserved.

EA.F.2 - Solvency

0.02

Beta Signal

The company has a weak debt-equity ratio.

Average Debt to Equity Ratio (Trailing 3 Years): 0.61
 Subindustry Median (Trailing 3 Years): 0.34
 Source: Morningstar, August 2024. All Rights Reserved.

EA.F.3 - Financial Flexibility

- 0.03

Beta Signal

The company has a very strong cash flow ratio.

Average Free Cash Flow Ratio (Trailing 3 Years): 12.26
 Subindustry Median (Trailing 3 Years): 6.67
 Source: Morningstar, August 2024. All Rights Reserved.

EA.F.4 - Asset Performance

- 0.03

Beta Signal

The company has a very strong return on assets.

Average Return on Assets (Trailing 3 Years): 28.94
 Subindustry Median (Trailing 3 Years): 4.91
 Source: Morningstar, August 2024. All Rights Reserved.

EA.P.1 - Carbon Emissions

0.10

Beta Signal

The company's carbon emissions intensity is above its subindustry or industry benchmark

Appendix



Exposure Details

EA.S.1 - Qualitative Overlay

0.00
Beta Signal

Answer category for neutral beta signal adjustment

EA.S.2 - Subindustry Correction Factor

0.00
Beta Signal

EA.S.3 - Exceptional Event Adjustment

0.00
Beta Signal

Appendix



Management Details

E.1.1 - Environmental Policy

75	5.00%	3.8
Raw Score	Weight	Weighted Score

The company has a strong policy

Criteria

- Approved by senior management or the board of directors
- Commitment to consult with stakeholders on environmental issues
- Commitment to create environmental awareness
- Commitment to environmental protection
- Commitment to implement an environmental management system
- Commitment to monitor the company's environmental performance
- Commitment to reduce emissions, releases and waste
- Commitment to report regularly on environmental issues
- Commitment to use natural resources or energy more efficiently

Citations

Suzlon Energy Ltd. HSE Policy, released December 2023
 Suzlon Energy Ltd. Sustainability Policy, released July 2024

E.1.2 - Environmental Management System

100	7.50%	7.5
Raw Score	Weight	Weighted Score

The company has a very strong EMS

Criteria

- Assigned roles and responsibilities
- Compliance with environmental regulation
- Corrective actions to stimulate continual improvement
- Environmental performance records
- Environmental programmes
- External environmental audits
- Identification of products, activities and services that have significant impacts on the environment
- Internal and external communications on environmental management issues
- Internal environmental audits
- Managerial or board level responsibility for environmental issues
- Monitoring and measurement
- Objectives, targets and deadlines
- Training and awareness programmes for employees

Citations

ISO 14001:2015 Certification, valid until 20 February 2027
 Suzlon Energy Ltd. Annual Report 2023-24 (FY2024)

E.1.3 - EMS Certification

100	5.00%	5.0
Raw Score	Weight	Weighted Score

90% or more of the company's activities have received external certification

Citations

ISO 14001:2015 Certification, valid until 20 February 2027
 Suzlon Energy Ltd. Annual Report 2023-24 (FY2024)

E.1.6 - Scope of GHG Reporting

100	7.50%	7.5
Raw Score	Weight	Weighted Score

The company discloses emissions data in full

NA

Criteria

- Based on available evidence, the company does not disclose any GHG emissions
- The company discloses scope 1 emissions
- The company discloses scope 2 emissions
- The company discloses scope 3 emissions as a total
- The company discloses scope 3 emissions with category split
- The company only discloses total emissions, without disclosing by emission scope

Citations

Suzlon Energy Ltd. Sustainability Report 2023-24 (FY2024)

Appendix



Management Details

E.1.7.0 - GHG Reduction Programme

50	20.00%	10.0
Raw Score	Weight	Weighted Score

The company has an adequate programme

Criteria

- Adoption of key mitigation technologies
- Demonstration of how initiatives put in place close the emissions gap between current performance and the targeted emissions reduction
- Emissions reduction coverage
- GHG emissions monitoring and measurement
- GHG reduction target
- Initiatives are linked to wider TCFD reporting
- Initiatives in place to reduce emissions
- Interim targets
- Net Zero and Science Alignment
- Regular GHG audits or verification

Citations

Suzlon Energy Ltd. Annual Report 2023-24 (FY2024)
 Suzlon Energy Ltd. Sustainability Report 2023-24 (FY2024)
 The company provided feedback on 16 December 2024

E.1.8 - Renewable Energy Programmes

50	5.00%	2.5
Raw Score	Weight	Weighted Score

The company has an adequate programme but utilises renewable energy

Criteria

- The company has a formal programme which covers less than 50% of operations
- The company has a formal programme which covers more than 50% of operations
- The company has a target with a deadline to increase renewable energy use
- There are a clear set of initiatives in place to aid in the use of renewable energy
- The use of renewable energy is solely via the use of corporate or other direct wire PPAs, green tariff energy, and renewable integrated grid
- The use of renewable energy is solely via the use of decentralized or embedded site renewables, or offsite company-funded renewable energy projects
- The use of renewable energy is solely via the use of Virtual Power Purchase Agreements (VPPAs) and other market instruments of this type (for example RECs/ROCs), or other mechanisms which facilitate wider use of renewable energy, but are not direct wire nor offsetting mechanisms
- The use of renewable energy is via a combination of the above

Citations

Suzlon Energy Ltd. Sustainability Report 2023-24 (FY2024)

E.1.9 - Carbon Intensity

25	20.00%	5.0
Raw Score	Weight	Weighted Score

The company's carbon emissions intensity is above its subindustry or industry benchmark

Further Quantitative Criteria Details

FY: 2023 Source: Reported

Metric	Metric Value
GHG Emissions_Scope 1 & 2 - Intensity	47.3 tCO2e/US\$m

E.1.10 - Carbon Intensity Trend

100	20.00%	20.0
Raw Score	Weight	Weighted Score

The company's carbon emissions intensity trend is well below its subindustry or industry benchmark

Further Quantitative Criteria Details

FY: 2023 Source: -

Metric	Metric Value
%Trend * Trend Average	-45.7 %

Appendix



Management Details

E.1.11 - Renewable Energy Use

40	10.00%	4.0
Raw Score	Weight	Weighted Score

Between 5% and 9.9% of the company's primary energy use comes from renewable energy sources

Citations

Suzlon Energy Ltd. Sustainability Report 2023-24 (FY2024)

Appendix

Exposure Details



Emissions, Effluents and Waste

EA.E.14 - Emissions, Effluents and Waste

0.00
Beta Signal

No evidence of relevant controversies

EA.F.1 - Operating Performance

- 0.03
Beta Signal

The company has a very strong net income margin.

Average Net Income Margin (Trailing 3 Years): 18.34
Subindustry Median (Trailing 3 Years): 5.87
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.2 - Solvency

0.02
Beta Signal

The company has a weak debt-equity ratio.

Average Debt to Equity Ratio (Trailing 3 Years): 0.61
Subindustry Median (Trailing 3 Years): 0.34
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.3 - Financial Flexibility

- 0.03
Beta Signal

The company has a very strong cash flow ratio.

Average Free Cash Flow Ratio (Trailing 3 Years): 12.26
Subindustry Median (Trailing 3 Years): 6.67
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.4 - Asset Performance

- 0.03
Beta Signal

The company has a very strong return on assets.

Average Return on Assets (Trailing 3 Years): 28.94
Subindustry Median (Trailing 3 Years): 4.91
Source: Morningstar, August 2024. All Rights Reserved.

EA.G.1 - Headquarters Location

0.02
Beta Signal

The location of the company's headquarters indicates slightly higher exposure to this issue.

India: Slightly higher exposure
Source: Sustainalytics Country Risk Rating, November 2023.

Appendix

Exposure Details

EA.G.2 - Assets Location

0.05
Beta Signal

The location of the company's assets indicates slightly higher exposure to this issue.

India 98% (Slightly higher exposure)
Other: 1%
Source: Sustainalytics Country Risk Rating, November 2023.
Morningstar, November 2023. All Rights Reserved.

EA.S.1 - Qualitative Overlay

0.00
Beta Signal

Answer category for neutral beta signal adjustment

EA.S.2 - Subindustry Correction Factor

0.00
Beta Signal

EA.S.3 - Exceptional Event Adjustment

0.00
Beta Signal

Appendix



Management Details

E.1.1 - Environmental Policy

75	10.00%	7.5
Raw Score	Weight	Weighted Score

The company has a strong policy

Criteria

- Approved by senior management or the board of directors
- Commitment to consult with stakeholders on environmental issues
- Commitment to create environmental awareness
- Commitment to environmental protection
- Commitment to implement an environmental management system
- Commitment to monitor the company's environmental performance
- Commitment to reduce emissions, releases and waste
- Commitment to report regularly on environmental issues
- Commitment to use natural resources or energy more efficiently

Citations

Suzlon Energy Ltd. HSE Policy, released December 2023
 Suzlon Energy Ltd. Sustainability Policy, released July 2024

E.1.2 - Environmental Management System

100	12.50%	12.5
Raw Score	Weight	Weighted Score

The company has a very strong EMS

Criteria

- Assigned roles and responsibilities
- Compliance with environmental regulation
- Corrective actions to stimulate continual improvement
- Environmental performance records
- Environmental programmes
- External environmental audits
- Identification of products, activities and services that have significant impacts on the environment
- Internal and external communications on environmental management issues
- Internal environmental audits
- Managerial or board level responsibility for environmental issues
- Monitoring and measurement
- Objectives, targets and deadlines
- Training and awareness programmes for employees

Citations

ISO 14001:2015 Certification, valid until 20 February 2027
 Suzlon Energy Ltd. Annual Report 2023-24 (FY2024)

E.1.2.6.3 - Effluent Management

66	22.50%	14.9
Raw Score	Weight	Weighted Score

The company has an adequate programme

Criteria

- Incident investigation and corrective action
- Initiatives to reduce, reuse or recycle effluents
- Monitoring and measurement of effluent and effluent management
- Objectives or targets related to effluent management
- Policy commitment to manage or reduce effluents
- Reporting on effluent issues

Citations

Suzlon Energy Ltd. Annual Report 2023-24 (FY2024)
 The company provided feedback on 16 December 2024

E.1.3 - EMS Certification

100	10.00%	10.0
Raw Score	Weight	Weighted Score

90% or more of the company's activities have received external certification

Citations

ISO 14001:2015 Certification, valid until 20 February 2027
 Suzlon Energy Ltd. Annual Report 2023-24 (FY2024)

Appendix



Management Details

E.1.3.2 - Hazardous Waste Management

25	22.50%	5.6
Raw Score	Weight	Weighted Score

The company has a weak programme

Criteria

- Commitment to reduce hazardous waste
- Initiatives to reduce hazardous waste
- Monitoring and measurement
- Targets and deadlines

Citations

Suzlon Energy Ltd. Annual Report 2023-24 (FY2024)

E.1.3.3 - Non-GHG Air Emissions Programmes

25	22.50%	5.6
Raw Score	Weight	Weighted Score

The company has a weak programme

Criteria

- Commitment to reduce non-GHG air emissions
- Deadlines to reduce non-GHG air emissions
- Identification of relevant non-GHG air emissions
- Initiatives to reduce non-GHG air emissions
- Non-GHG air emission monitoring
- Targets to reduce non-GHG air emissions

Citations

Suzlon Energy Ltd. Annual Report 2023-24 (FY2024)

Appendix

 **Exposure Details**



Human Rights - Supply Chain

EA.E.42 - Labour Relations - SC

0.00
Beta Signal

No evidence of relevant controversies

EA.E.44 - Occupational Health and Safety - SC

0.00
Beta Signal

No evidence of relevant controversies

EA.E.49 - Employees - Human Rights - SC

0.00
Beta Signal

No evidence of relevant controversies

EA.E.50 - Society - Human Rights - SC

0.00
Beta Signal

No evidence of relevant controversies

EA.F.1 - Operating Performance

- 0.03
Beta Signal

The company has a very strong net income margin.

Average Net Income Margin (Trailing 3 Years): 18.34
Subindustry Median (Trailing 3 Years): 5.87
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.2 - Solvency

0.02
Beta Signal

The company has a weak debt-equity ratio.

Average Debt to Equity Ratio (Trailing 3 Years): 0.61
Subindustry Median (Trailing 3 Years): 0.34
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.3 - Financial Flexibility

- 0.03
Beta Signal

The company has a very strong cash flow ratio.

Average Free Cash Flow Ratio (Trailing 3 Years): 12.26
Subindustry Median (Trailing 3 Years): 6.67
Source: Morningstar, August 2024. All Rights Reserved.

EA.F.4 - Asset Performance

- 0.03
Beta Signal

The company has a very strong return on assets.

Average Return on Assets (Trailing 3 Years): 28.94
Subindustry Median (Trailing 3 Years): 4.91
Source: Morningstar, August 2024. All Rights Reserved.

Appendix



Exposure Details

EA.S.1 - Qualitative Overlay

0.00
Beta Signal

Answer category for neutral beta signal adjustment

EA.S.2 - Subindustry Correction Factor

0.00
Beta Signal

EA.S.3 - Exceptional Event Adjustment

0.00
Beta Signal

Appendix



Management Details

S.2.1 - Scope of Social Supplier Standards

75	27.27%	20.5
Raw Score	Weight	Weighted Score

The company has strong social supply chain standards

Criteria

- Addresses acceptable living conditions
- Addresses child labour
- Addresses corporal punishment/disciplinary practices
- Addresses forced labour
- Addresses freedom of association and the right to collective bargaining
- Addresses health and safety
- Addresses maximum working hours
- Addresses minimum living wages
- Addresses non-discrimination

Citations

Suzlon Energy Ltd. Supplier Code of Conduct, released July 2024

S.2.2.2.1 - Supply Chain Management

50	54.55%	27.3
Raw Score	Weight	Weighted Score

The company has an adequate management system

Criteria

- Board-level responsibility for supply chain management
- Compliance with social standards included in legally binding agreements with suppliers
- Engagement with NGOs, labour groups or industry peers on social supply chain issues
- Engagement with non-compliant suppliers to reach compliance
- Formal channels for supply chain workers to raise concerns
- Is applicable to second-tier suppliers
- Managerial responsibility for supply chain management
- Monitoring of supply chain non-compliance incidents or practices
- Regular external supplier audits
- Regular internal supplier audits
- Regular training programmes for suppliers on labour rights issues
- Reporting on audit results
- Systematic consideration of suppliers' social performance during procurement
- Targets and deadlines related to supply chain management

Citations

Suzlon Energy Ltd. Annual Report 2023-24 (FY2024)
 Suzlon Energy Ltd. Sustainability Report 2023-24 (FY2024)
 The company provided feedback on 16 December 2024

S.4.2.1 - Human Rights Policy

70	18.18%	12.7
Raw Score	Weight	Weighted Score

The company has an adequate policy

Criteria

- Approved at the most senior level of the business enterprise
- Commitment to adopt grievance mechanisms
- Commitment to adopt programmes to address industry-specific human rights exposure
- Commitment to apply human rights due diligence or conduct risk assessments
- Commitment to communicate the policy to personnel and external stakeholders
- Commitment to monitor and report on human rights impacts
- Commitment to provide remedy to correct negative impacts
- Commitment to respect human rights following international standards
- Stipulation of the company's human rights expectations of personnel
- Stipulation of the company's human rights expectations of third parties

Citations

Suzlon Energy Ltd. Human Rights Policy, released July 2024
 Suzlon Energy Ltd. Supplier Code of Conduct, released July 2024

Appendix

Exposure Details

Stakeholder Governance

EA.S.1 - Qualitative Overlay

0.00
Beta Signal

Answer category for neutral beta signal adjustment

EA.S.3 - Exceptional Event Adjustment

0.00
Beta Signal

EA.S.4 - Ownership

0.00
Beta Signal

The company is publicly traded.

Appendix



Management Details

E.1.1 - Environmental Policy

75	8.50%	6.4
Raw Score	Weight	Weighted Score

The company has a strong policy

Criteria

- Approved by senior management or the board of directors
- Commitment to consult with stakeholders on environmental issues
- Commitment to create environmental awareness
- Commitment to environmental protection
- Commitment to implement an environmental management system
- Commitment to monitor the company's environmental performance
- Commitment to reduce emissions, releases and waste
- Commitment to report regularly on environmental issues
- Commitment to use natural resources or energy more efficiently

Citations

Suzlon Energy Ltd. HSE Policy, released December 2023
 Suzlon Energy Ltd. Sustainability Policy, released July 2024

E.1.7.0 - GHG Reduction Programme

50	9.50%	4.8
Raw Score	Weight	Weighted Score

The company has an adequate programme

Criteria

- Adoption of key mitigation technologies
- Demonstration of how initiatives put in place close the emissions gap between current performance and the targeted emissions reduction
- Emissions reduction coverage
- GHG emissions monitoring and measurement
- GHG reduction target
- Initiatives are linked to wider TCFD reporting
- Initiatives in place to reduce emissions
- Interim targets
- Net Zero and Science Alignment
- Regular GHG audits or verification

Citations

Suzlon Energy Ltd. Annual Report 2023-24 (FY2024)
 Suzlon Energy Ltd. Sustainability Report 2023-24 (FY2024)
 The company provided feedback on 16 December 2024

E.2.1 - Supplier Environmental Policy

100	3.50%	3.5
Raw Score	Weight	Weighted Score

The company has a strong policy

Criteria

- The company has a general statement on green procurement
- The company's policy includes a commitment to consider suppliers' environmental performance in its procurement decision-making process
- The company's policy includes a commitment to engage with suppliers to improve their environmental performance
- The company's policy includes a commitment to monitor suppliers' environmental performance

Citations

Suzlon Energy Ltd. Supplier Code of Conduct, released July 2024
 Suzlon Energy Ltd. Sustainable Sourcing Policy, released July 2024

S.1.2 - Discrimination Policy

100	9.50%	9.5
Raw Score	Weight	Weighted Score

The company has a strong policy

Criteria

- Commitment to ensure equal opportunity
- List of the types of discrimination the company is committed to eliminate
- Reference to the ILO conventions

Citations

Suzlon Energy Ltd. Diversity, Equity, Inclusion and Belonging (DEIB) Policy, released July 2024
 Suzlon Energy Ltd. Human Rights Policy, released July 2024

Appendix



Management Details

S.2.1 - Scope of Social Supplier Standards

75	4.50%	3.4
Raw Score	Weight	Weighted Score

The company has strong social supply chain standards

Criteria

- Addresses acceptable living conditions
- Addresses child labour
- Addresses corporal punishment/disciplinary practices
- Addresses forced labour
- Addresses freedom of association and the right to collective bargaining
- Addresses health and safety
- Addresses maximum working hours
- Addresses minimum living wages
- Addresses non-discrimination

Citations

Suzlon Energy Ltd. Supplier Code of Conduct, released July 2024

G.1.1 - Bribery & Corruption Policy

75	10.50%	7.9
Raw Score	Weight	Weighted Score

The company has a strong policy

Criteria

- Definition and prohibition of facilitation payments
- Definition of bribery or corruption
- Definition of conflicts of interest and commitment to minimize these
- Guidelines of what is considered acceptable behaviour
- Prohibition of bribery
- There is no evidence of a formal policy but the company has a general statement addressing the issue

Citations

Suzlon Energy Ltd. Corporate Governance Policy, released July 2024

The company provided feedback on 16 December 2024

G.1.2 - Whistleblower Programmes

75	10.50%	7.9
Raw Score	Weight	Weighted Score

The company has a strong programme

Criteria

- An independent, reporting hotline available 24/7
- Available in local languages
- Available to suppliers, customers and other third parties
- Disclosure on the number of reports received, the types of misconduct and measures taken
- Non-retaliation policy
- Possibility for anonymous reporting and reports are treated confidentially
- Proactively communicated to employees
- Structures in place to process whistleblower reports

Citations

KPMG operated Suzlon Energy Ltd. Whistleblower Reporting Mechanism; accessed 30 January 2025

Suzlon Energy Ltd. Sustainability Report 2023-24 (FY2024)

Suzlon Energy Ltd. Whistleblower Policy, released April 2024

G.1.3 - Global Compact Signatory

0	6.50%	0.0
Raw Score	Weight	Weighted Score

The company is not a signatory to the UN Global Compact

Citations

United Nations Global Compact, www.unglobalcompact.org; accessed 14 January 2025

Appendix



Management Details

G.1.4 - Tax Disclosure

0	8.50%	0.0
Raw Score	Weight	Weighted Score

Based on available evidence, the company does not disclose on taxes

Criteria

- The company reports on taxes paid by region, continent or using a mixed approach
- The company reports on taxes paid on a country-by-country basis for all of the countries in which it operates

Citations

Suzlon Energy Ltd. Annual Report 2023-24 (FY2024)

G.2.1 - ESG Reporting Standards

75	6.00%	4.5
Raw Score	Weight	Weighted Score

The company's ESG reporting is strong

Criteria

- The company discloses ESG information on its website or in other publicly available materials, but not as an integrated or standalone report
- The company reports on ESG information, as part of an integrated or standalone report on an annual basis
- The company reports on ESG information as part of an integrated report or a standalone ESG or sustainability report
- The company's ESG reporting follows standards other than best practice standards
- The company's ESG reporting is fully aligned with best practice standards
- The company's ESG reporting is limited in scope or its scope cannot be determined
- The company's ESG reporting is partially aligned with best practice standards

Citations

Suzlon Energy Ltd. Sustainability Report 2023-24 (FY2024)

G.2.2 - Verification of ESG Reporting

50	5.00%	2.5
Raw Score	Weight	Weighted Score

The company's verification of its ESG reporting is adequate

Criteria

- At least some parts of the company's ESG report have been externally verified
- Data on one ESG topic reported by the company has been externally verified
- The company has received limited assurance for its ESG reporting
- The company has received reasonable assurance for its ESG reporting
- The company's entire ESG report has been externally verified

Citations

Suzlon Energy Ltd. Sustainability Report 2023-24 (FY2024)

G.2.5 - ESG Governance

100	10.50%	10.5
Raw Score	Weight	Weighted Score

A board member or a board committee is responsible for overseeing ESG issues

Citations

Suzlon Energy Ltd. Sustainability Report 2023-24 (FY2024)

G.3.1 - Political Involvement Policy

0	3.50%	0.0
Raw Score	Weight	Weighted Score

Based on available evidence, the company does not have a policy

Criteria

- Approved by senior management
- Commits the company to disclose political donations and/or lobbying expenditures
- Partially prohibits political involvement
- Prohibits political involvement of any kind on the company's behalf

G.3.2.1 - Transparency on Lobbying and Political Expenses

0	3.50%	0.0
Raw Score	Weight	Weighted Score

Based on available evidence, the company does not disclose its lobbying and political expenses

Criteria

- The company discloses a detailed breakdown of lobbying and political expenses per recipients/ beneficiaries and per country
- The company discloses expenditures and/or beneficiaries supported via its lobbying or political finance activities, but with only limited scope

Appendix



Management Details

- The company discloses that it does not engage in any lobbying and political finance activities
 - The company discloses the causes or themes that it supports through lobbying and political finance activities
 - The company discloses the overall monetary value of lobbying and political expenses
 - The company partially discloses expenditures and/or beneficiaries supported via its lobbying or political finance activities
-

Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

GLOSSARY OF TERMS

Attribute Date

Publication Date when there is any change to the ESG Risk Score, ESG Risk Category, Sub-Industry or Framework.

Beta (Beta, β)

A factor that assesses the degree to which a company's exposure deviates from its **subindustry's** exposure on a **material ESG issue**. It is used to derive a company-specific issue exposure score for a material ESG issue. It ranges from 0 to 10, with 0 indicating no exposure, 1 indicating the subindustry average, and 10 indicating exposure that is ten times the subindustry average.

Change in Value






Delta between current and previous ESG Risk Scores.

Change Trigger

Explains what triggered a company's score to change (e.g., methodology, event, annual update, partial update).

ESG Risk Category

Companies' **ESG Risk Rating scores** are assigned to five ESG risk categories in the **ESG Risk Rating**:

	Negligible risk: enterprise value is considered to have a negligible risk of material financial impacts driven by ESG factors
	Low risk: enterprise value is considered to have a low risk of material financial impacts driven by ESG factors
	Medium risk: enterprise value is considered to have a medium risk of material financial impacts driven by ESG factors
	High risk: enterprise value is considered to have a high risk of material financial impacts driven by ESG factors
	Severe risk: enterprise value is considered to have a severe risk of material financial impacts driven by ESG factors

Note that because ESG risks materialize at an unknown time in the future and depend on a variety of unpredictable conditions, no predictions on financial or share price impacts, or on the time horizon of such impacts, are intended or implied by these risk categories.

ESG Risk Rating Score (Unmanaged Risk Score)

The company's final score in the **ESG Risk Rating**; it applies the concept of **risk decomposition** to derive the level of **unmanaged risk** for a company.

Event Category

Sustainalytics categorizes events that have resulted in negative ESG impacts into five event categories: Category 1 (low impact); Category 2 (moderate impact); Category 3 (significant impact); Category 4 (high impact); and Category 5 (severe impact).

Event Indicator

An indicator that provides a signal about a potential failure of management through involvement in controversies.

Event Update

An internal process where an update of an event assessment for a company is performed; the event update is typically done when news about the involvement of a company in a controversy is reaching a certain threshold that requires either an initial event assessment or an update of an existing event assessment.

Excess Exposure

The difference between the company's **exposure** and its **subindustry** exposure.

Exposure

A company or **subindustry's** sensitivity or vulnerability to ESG risks.

Full Update

An internal process where a full assessment of a company is performed; the full update is typically done on an annual basis for ESG Risk Ratings.

Idiosyncratic Issue

An issue that was not deemed material at the **subindustry** level during the **consultation process** but becomes a **material ESG issue** for a company based on the occurrence of a Category 4 or 5 event.

Manageable Risk

Material ESG risk that can be influenced and managed through suitable policies, programmes and initiatives.

Managed Risk

Material ESG Risk that has been managed by a company through suitable policies, programmes and initiatives.

Management

A company's handling of ESG risks.

Management Gap

Refers to the difference between what a company has managed and what a company could possibly manage. It indicates how far the company's performance is from best practice.

Management Indicator

An indicator that provides a signal about a company's management of an ESG issue through policies, programmes or quantitative performance.

Material ESG Issue

A core building block of the **ESG Risk Rating**. An ESG issue is considered to be material within the rating if it is likely to have a significant effect on the enterprise value of a typical company within a given **subindustry**.

Methodology Update

An internal process where the methodological architecture of a product is changed leading to changes in the rating/assessment of a company; methodological updates typically occur once within 3-5 years and are rolled out for all companies at once.

Partial Update

An internal process where data points that feed a rating/assessment of a company are updated outside of the full update process and limited in scope; the partial update is typically restricted to a limited number of data points and occurring periodically.

Suzlon Energy Ltd.

Electrical Equipment India BOM:532667

GLOSSARY OF TERMS

Subindustry

Subindustries are defined as part of Sustainalytics' own classification system.

Unmanageable Risk

Material ESG Risk inherent from the intrinsic nature of the products or services of a company and/or the nature of a company's business, which cannot be managed by the company if the company continues to offer the same type of products or services and remains in the same line of business.

Unmanaged Risk

Material ESG risk that has not been managed by a company, and includes two types of risk: **unmanageable risk**, as well as risks that could be managed by a company through suitable initiatives, but which may not yet be managed (**management gap**).

Value after Change

Current ESG Risk Score, ESG Risk Category, Sub-Industry or Framework.

Value before Change

Previous ESG Risk Score, ESG Risk Category, Sub-Industry or Framework.

Suzlon Energy Ltd.

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