Hindalco Industries Limited is the Dow Jones Sustainability Indices (DJSI) Industry Leader*, based on its S&P Global ESG Score as of 13 Nov 2020. This report provides an overview of the performance of the Aluminum industry and the relative positioning of Hindalco Industries Limited at the dimension and criteria level.

Company Information

Country: India
Index market cap ($M): 4,003
Source: S&P Global BMI, 11 Nov 2020

2020 Assessment Results

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<th>Total Score</th>
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<th>Environmental</th>
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Industry Drivers

The aluminum industry has an important role to play in the circular economy of the future. It can contribute to lower waste and energy savings in the products it produces, but company operations still have significant environmental impacts. Aluminum products can contribute to energy savings in the production process and use phase, as aluminum is lightweight and its recycling consumes significantly less energy than most other materials. However, the primary production of aluminum continues to have a significant environmental impact due to the energy-intensive nature of processing, often relying on fossil-fuel sourced energy. Opportunities lie in improving energy efficiency and the significant energy costs involved in aluminum production, although there is the potential for climate regulation to reshape those costs in the future. The responsible management of air emissions, waste, and wastewater discharge are also important for maintaining a license to operate with both environmental regulators and local communities. Consequently, forward looking climate strategies are critical factors, as is the continued protection of employee health and safety.

Company Performance

S&P Global has selected the most relevant criteria in each sustainability dimension based on their weight in the assessment and their current or expected significance for the industry. The spider chart below visualizes the performance of the industry leader against the best score achieved in each criterion and the average industry score.
Corporate Sustainability Assessment

The Corporate Sustainability Assessment (CSA) is a comprehensive annual evaluation of companies' sustainability practices and performance, with a coverage of over 7,300 companies representing approximately 95% of global market capitalization. The CSA is one of the longest standing ESG rating methodologies worldwide, dating back to 1999. The CSA assesses companies on the basis of 80–120 industry-specific questions across 61 industries. S&P Global ESG Scores, calculated from the CSA, are from 1 to 100 (best).

In SustainAbility’s Rate the Raters 2019 report, companies rated the CSA as the most useful ESG assessment thanks to its high level of transparency, its sector-specific view of material ESG issues, and its forward-looking incorporation of emerging sustainability risks and opportunities. In the 2020 report, which looked at the investor perspective, the CSA came out top among the highest-quality ratings and was cited as a "strong signal of sustainability."

The CSA focuses on financially material economic, environmental, and social factors that are relevant to companies' success, but that are underresearched in conventional financial analysis. Every year, the CSA undergoes rigorous methodological review in order to ensure that the most current material sustainability topics, as well as emerging, long-term sustainability themes often of interest to investors are reflected, and companies are challenged on topics that lack disclosure today.

As of January 2020 the CSA is issued by S&P Global, where it forms the foundation of company ESG disclosure to S&P Global for financially material ESG factors and will underpin the ESG research across our different divisions (S&P Global Ratings, S&P Dow Jones Indices and S&P Global Market Intelligence).

For over 20 years the results of the CSA are used for the annual rebalancing of the iconic Dow Jones Sustainability Indices (DJSI). CSA scores are used in numerous other S&P Dow Jones indices including the S&P 500 ESG.

S&P Global ESG Scores are made available to the global Financial markets via S&P Global Market Intelligence platforms, robustly linked to financial and industry data, research and news, providing integral ESG intelligence to make business and financial decisions with conviction.

Companies' data and benchmarks from the CSA can now feed seamlessly into the analysis for S&P Global Ratings ESG Evaluation should companies want a forward-looking long-term opinion of their ability to handle future risk and opportunities.

Learn all about S&P Global’s ESG Solutions: www.spglobal.com/ESG