

Interview Article with Shri. Rajesh Kumar Jha (ABB India)

On 25th November 2022, Shri Rajesh Kumar Jha Manager- Environment and Sustainability ABB India, delivered an address as a distinguished speaker on Economic Growth and Sustainable Development: Emerging Trends on the 7th International Economics Conference 2022-23 Pre-session, the Dimensions committee had the honor to interview him to capture insights from his experience.

The interaction is as follows:

Dimensions Team: “What are the plans of ABB concerning ESG?”.

Mr. Rajesh: “So we have strategies up until 2030 and we are very clear that down the line, for the next seven to eight years we have certain ESG parameters already jotted down. We have a clear understanding of what we need to do on climate change, which is a very important topic for all of us because we are being impacted every day and on-site, we also have certain activities or targets for circularity. Circularity means that it's not a linear approach any industry should have, but they should have a circular approach so that they can minimize waste, and increase resource efficiency that's the way we are going to go ahead, we have three major targets, RE hundred, EV hundred, EP hundred we call it and with these, we are going to achieve the carbon neutrality in our operation. Besides we'll be also working with our value chain, so this entire activity finally will be completed with certain goals as I told EP hundred RE hundred and EV hundred that's the first one the next one is diversity and inclusion, how to increase among the employees and all. So, diversity can be gender diversity, it can be regional, etc. For gender diversity, we have taken a target of 25% and by 2030 we'll be increasing that to a certain level. We also have a certain social aspect when it comes to the supply chain and overall value chain, we try to bring the kind of social impact on our logistics meaning our suppliers should have transparency as well as an integrity-based approach in their operation they should also follow the same sort of things that we do. So those are our targets for next coming years, and we are on track.”

Dimensions Team: “The next question is about the Indian Green Building Council, it has already recently recognized the company for its large-scale adoption of green factory buildings, what are the challenges that are faced while taking the stakeholders with the company”?

Mr. Rajesh: “IGBC is like we have a three-step approach when it comes to E (environment), we have a green factory, green building, green manufacturing, and green product, when it comes to the first pillar which talks about the green factory and buildings IGBC comes into the picture. They have certain standards based on more than 45 to 50 parameters including indoor air quality, indoor safe working environment for the people, and course water, emission, electricity, etc. When it comes to the green factory building, internally what happens:

our employees need to be aware. We all know certain terminologies but having a clear idea is very important, so awareness was the biggest challenge we faced. Now all the factories in India are green factory buildings certified. It's not just certification with what we looked at. That was a process. The culture change after being certified is one of the biggest. Externally, third parties' thought processes will not match that of the company because the goal might be different. Why ABB has won, is because we don't get certified to impress our stakeholders, to bring the mindset change of our external stakeholders who are involved in the process we communicate to them the purpose is not ABC, its XYZ, and because of that we took a long time, what we want is focusing on the process, not the result, that was another challenge we faced at stakeholder level, so bringing them in our thought process, aligning with our thought process was very important. If the top management is quite clear with the goals and targets, we'll slowly achieve them. Whatever challenges come, it'll be easy because somebody is there on top to support you, the challenges were there but they were tackled very well because of top management support."

Finance Team: "Most companies in terms of ESG discuss pollution control, gender equality, and the like. Are there any technological opportunities or risks that we should be focusing on, like green software, etc?"

Mr. Rajesh: "When we say ESG, the struggling point is at the data, some of the MNCs are ready with that for example ABB which has the European approach, as we all know the compliance is very strong outside, for Indian companies, our data, what we are going to report: the disclosure part where the technology is quite important in fact and lots of tools we have to use and I'm telling you all the big fours they're working for that aspect. The most important point is the disclosure and how to strengthen data for it because if you do everything and don't disclose anything it goes to waste coming to the technology part nowadays lots of tools are coming which are going to improve data monitoring as well as that management level person can easily see how we are performing in each and that's the way the tool is helping us a lot. The building management system is one of the tools even ABB has in its product portfolio in that. This technology is of course available, but the challenge is in the data monitoring as well as reporting aspects. You guys as managers should be contributing to that area and the job opportunity also is quite good because companies are struggling in providing data proof."

Dimensions Team: "What advice would you give to the budding managers who are going into the corporate world from your experience."

Mr. Rajesh: "Anywhere you work, you'll surely be contributing to some of the indicators, young managers like you all should be focusing on the integrity and the transparency part more, one thing you should never forget is integrity because it's one of the aspects where companies may fail if the managers are not doing the right thing. Integrity is the area that will make you different from others, you'll be generating lots of data during your entire career, but how reliable is that data, is it meeting the integrity policy of the company or not, that's one of the

small things among thousands of things I can share, but I'll tell only one thing is because that level integrity is very important. Process owners generate data for you but how you present the data is very important.

Don't stop your innovative thought process that's one suggestion because that will make you different from others. ESG field, sometimes we just follow the standards, what I have learned from Toyota is a word called kaizen which means continual improvement, what the company has there is kaizen and respect for people. Okay? We should also be having a clear idea that we should be bringing some value to the system with our innovative thought process. Don't be a follower.”