

WIDE CIRCULATION DRAFT

BUREAU OF INDIAN STANDARDS
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**Sustainability Reporting and Disclosure Requirements —
Part 12 - Consumers and/or end-users**

ICS 03.100.02

Social Responsibility Committee, MSD 10	Sectional	Last Date for receipt of Comments is December 2024
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Foreword

This Indian Standard was adopted by the Bureau of Indian Standards, after the draft finalized by the Social Responsibility Sectional Committee had been approved by the Management and Systems Division Council. This standard specifies the requirements for Sustainability Reporting and Disclosures.

This standard provides requirements on various aspects of Sustainability Reporting, especially covering topics concerned with the title of the standard. This is the first time such standards have been attempted by any organization in the country.

This standard (Part 12) is a part of IS _____ under the general title ‘Sustainability Reporting and Disclosure Requirement’. Other parts in this series are:

Part 1	Glossary and acronyms
Part 2	General requirements
Part 3	General disclosures
Part 4	Climate change and pollution
Part 5	Water and marine resources
Part 6	Biodiversity and ecosystems
Part 7	Resource use and circular economy
Part 8	Own workforce
Part 9	Stakeholders engagements
Part 10	Worker in the value chain
Part 11	Affected communities
Part 13	Business conduct
Part 14	Governance and internal controls
Part 15	Performance indicators and impact assessment for SDGs

The Bureau of Indian Standards (BIS) with the sole directive to formulate National Standards to assess and certify products, systems and services in the country, undertook the responsibility to devise Indian Standard on ‘Sustainability Reporting and Disclosures’. BIS further realized the need to make criteria based standards for Sustainability Reporting and Disclosures, which will act as strengthened framework for organizations to report their disclosures on ESG across environment, social and governance issues.

The composition of the Committee responsible for the formulation of this standard is given in Annex

Introduction

Introduction given in Part 1 of this standard shall apply (IS _____ (Part 1) : XXXX – Sustainability Reporting and Disclosure Requirement - Glossary and acronyms).

Draft Indian Standard
**Sustainability Reporting and Disclosure Requirements —
Part 12 - Consumers and/or end-users**

1 Scope

This document specifies requirements for the organization reporting how it affects the health and safety of consumers and/or end-users - in both positive and negative ways - of its products and/or services with a detailed set of Key Performance Indicators (KPIs) for continual improvement. This document also specifies disclosure requirements for organizations for their consumers and/or end-users.

All the requirements of this Indian Standard are generic and are intended to be applicable to any organization, regardless of its type or size, or the products and services it provides.

NOTES:

- 1) Regardless of requirements given in this standard, the organizations shall also comply the disclosures requirements given by the regulator.
- 2) For any dispute arising out of the declarations made by an organization, the provisions of the regulations and the decision of the regulator shall be final.
- 3) This document is complementary and interoperable with existing voluntary and regulatory frameworks.

2 Normative References

There are no normative references in this document.

3 Terms & Definitions

The terms and definitions given in Part 1 of this standard (IS XXXX (Part 1):2024 – Sustainability reporting and disclosure requirements – Glossary and acronyms) shall apply.

4 Leadership

The organization shall establish, implement, maintain and review policies and processes to enable users of the sustainability statements to understand material impacts on consumers and/or end-users. This shall also include material impacts caused by or directly linked to the organization's own operations, products or services. The documented information shall be maintained.

The top management of the organization shall, through its business relationships:

- a) disclose organization's effect of its products and services on the consumers and/or end-users
- b) indicate any action taken, along with result of such actions, to prevent, mitigate or remediate actual or potential negative impacts
- c) specify organization's material risks and opportunities related to impacts on consumers and/or end-users and how organization manages them
- d) specify financial effects, if any
- e) establish channels/ platforms for information on its products and/or services

- f) take steps to inform and educate consumers and/or end-users about safe and responsible users of its products and/or services
- g) put mechanism in place to inform consumers and/or end-users of any risk of disruption/ discontinuation of essential services, and
- h) display essential product information as required by laws

Top management shall ensure that the responsibilities and authorities for relevant roles to implement the policies and processes are assigned and communicated at all levels within the organization and maintained as documented information.

5 Impact, risk and opportunity management

5.1 The organization shall describe its policies and manage material impacts of its products and/or services on consumers and/or end-users, including associated material risks and opportunities.

Along with description of above, the organization shall identify, assess, manage, remediate and/or disclose material impact on consumers and/or end-users.

5.2 The organization shall disclose its commitments to human rights policies that are relevant to consumers and/or end-users and shall focus on those matters that are material. The organization shall:

- a) respects the human rights of consumers and/or end-users
- b) engage with consumers and/or end-users and their representatives, and
- c) provide remedy for human rights impacts

5.3 The organization shall describe those processes which allows remediation of negative impacts on consumers and/or end-users, as well as channel available to consumers and/or end-users to raise concerns and have them addressed.

5.4 The organization shall disclose its approach for taking actions on material impacts for consumers and/or end-users and to mitigate material risks and pursuing material opportunities and effectiveness of the action taken.

5.5 The organization shall disclose time bound and outcome oriented targets related to above.

6 Key Performance Indicators (KPIs)

The organization shall report annually on the Key Performance Indicators (KPI). Report shall include both absolute figures and intensity metrics (e.g., per unit cost of production/ services) (see Annex-A).

Notes:

1. Annexes A and B give the detailed formulae for calculation of KPIs as per SEBI's BRSR Core and its format respectively, which may be followed in case of declaration as per requirements of format of BRSR Core.
2. Disclosure as per Annex II – Section C (Principle 9) of BRSR Core is applicable to this part and hence is addressed in Annex B.

7 Disclosure Requirements

7.1 Impacts related to information for consumers and end-users

7.1.1 Data Privacy – The organizations shall disclose how they protect consumer data and respect privacy rights as per national/international laws.

7.1.2 Freedom of expression – The organization shall facilitate impact on consumers' ability to express themselves without undue restriction.

7.1.3 Access to Information – The organization shall ensure that consumers have access to clear, accurate information about products and services. The organization shall declare the Channels / platforms where information on goods and services of the business can be accessed. Also, the link of the document containing such information, if available in the public domain, shall be provided.

7.2 Personal safety of consumers and end- users

7.2.1 Health & Safety – The organization shall report on measures taken to ensure the physical well-being of consumers and/or end-users.

7.2.2 Security of a Person – The organization shall report the steps it takes to ensure the personal security of its consumers and/or end-users.

7.2.3 Children/Special Needs Protection – The organization shall report the special attention it gives to safeguarding the safety and rights of child/special needs consumers and end-users.

7.3 Social inclusion of consumers and end- users

7.3.1 Non-discrimination – The organization shall report how it ensures equitable treatment and inclusivity of all consumers and end-users.

7.3.2 Access to Products & Services – The organization shall report how it ensures fair access to products and services for all consumer and end-user groups.

7.3.3 Responsible Market Practices – The organization shall report how it supports & upholds ethical marketing that respects consumer rights and societal value.

7.4 Strategy & business model, governance & organization, impacts, risks & opportunities

7.4.1 Impacts emanating from Business model & Strategy – The organization shall disclose whether it assesses the extent to which material impacts on consumers and end-users originate from the organization's business model and strategy, and how the highest governance bodies are informed about any such impacts.

7.5 Policies, targets, action plans & resources

7.5.1 Policies related to consumers and/or end-users – The organization shall state its policies that address the management of its material impacts or dependencies of its products and/or services on consumers and/or end-users, and any associated risks and opportunities, and provide a summary of their contents and how they are communicated.

7.5.2 Fair Advertisements about products & services - “misleading advertisement” in relation to any product or service, meaning an advertisement, which:

- a) falsely describes such product or service; or
- b) gives a false guarantee to, or is likely to mislead the consumers as to the nature, substance, quantity or quality of such product or service; or
- c) conveys an express or implied representation which, if made by the manufacturer or seller or service provider thereof, would constitute an unfair trade practice; or
- d) deliberately conceals important information should not be allowed.

7.5.3 Green Washing – Falsely misleading the public to believe that companies products and services are environmental friendly.

7.6 Fair contract – Avoiding unfair contracts where "unfair contract" means a contract between a manufacturer or trader or service provider on one hand, and a consumer and end-user on the other, having such terms which cause significant impact in the rights of such consumer and/or end-user.

7.7 Channels for consumers and/or end users to raise issues

The organization shall describe the channels it has in place for consumers and/or end-users to raise their concerns/complaints/feedback or needs directly with the organization, and/or through which the organization supports the availability of mechanisms by its business relationships and monitors issues raised and addressed.

The organization shall provide information relating to return, refund, exchange, warranty and guarantee, delivery and shipment, modes of payment, and grievance redressal mechanism, and any other similar information which may be required by consumers to make informed decisions;

7.8 Targets related to managing material impacts on consumers and/or end-users

The organization shall describe any outcome-oriented targets related to reducing negative impacts on consumers and/or end-users and/or advancing positive impacts, and/or managing material risks and opportunities.

7.8.1 Product liability or business liability – Declaration shall be made with respect to the responsibility of a product manufacturer or product seller, of any product or service, to compensate for any harm/damage caused to a consumer and/or end-user by such product or by deficiency in services.

7.9 Taking action on material impacts on consumers and/or end-users & effectiveness of those actions

The organization shall describe its approaches to taking action on its material impacts of its products and/or services on consumers and end-users and how it assesses the effectiveness of the actions.

The organization shall take all reasonable steps to redress the complaints raised by consumers and/or end-users.

Documents related to number of complaints filed during the year (current financial year and previous financial year) and number of complaints pending resolution at close of the year (current financial year and previous financial year) shall be maintained.

7.10 Initiatives aimed at positive outcomes for consumers and/or end-users

The organization shall describe if it has programmes and processes in place whose purpose is to positively contribute to improved social outcomes for consumers and/or end-users and if these also play a role in mitigating material negative impacts.

7.11 Approaches to mitigating material risks & pursuing material opportunities related to consumers and/or end-users

The organization shall describe its approaches to mitigating material risks and pursuing material opportunities arising from impacts on consumers and/or end-users.

The organization shall disclose material issue identified and financial implications of the risk or opportunity (Indicate positive or negative implications).

7.12 Organizations should engage with and provide value to their consumers and/or end-users in a responsible manner

The organization shall disclose its general processes to engage with consumers and/or end-users and their representatives and potential material impact on them.

The organization shall disclose if the perspective of consumers and/or end-users is taken into account in its decisions or activities for managing actual and potential material impact on consumer and/or end-users. Such disclosures shall include details of whether such engagement has been done with consumer and/or end-users or their representatives, the stage at which engagement occurs, the type of engagement and the frequency of the engagement. Further, the organization shall disclose effectiveness this engagement with consumers and/or end-users.

7.13 Details of instances of product recalls on account of safety issues

A product recall is the process of retrieving defective and/or potentially unsafe goods from consumers and/or end-users. In this regard, the organization shall declare the number of instances and reasons for voluntary or forced recall of products of the entity.

Product label should have necessary details regarding ingredients, usage instructions, safety warnings and customer care numbers and addresses for quick redressal of consumer's and end-user's complaints.

The organization shall disclose details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

ANNEX A
(Clause 6)

Key Performance Indicators (KPIs)

The KPIs under customers and/or end-users ESG attributes as per BRSR core (Annex I) for reporting and disclosure by organizations are as follows:

Sl. No.	Attribute	Parameter	Measurement	Data & Assurance Approach
1	Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events	In % terms	
		Number of days of accounts payable	(Accounts payable *365) /Cost of goods/services procured	To check from financial statements

ANNEX B
(Clause 6)

Format for new KPIs as per BRSR core as per Principle 9 of NGRBC are as follows:

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators							
1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.							
2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:							
					As a percentage to total turnover		
Environmental and social parameters relevant to the product							
Safe and responsible usage							
Recycling and/or safe disposal							
3. Number of consumer complaints in respect of the following:							
		FY ____ (Current Financial Year)		Remarks	FY ____ (Previous Financial Year)		Remarks
		Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
	Data privacy						
	Advertising						
	Cyber-security						
	Delivery of essential services						
	Restrictive Trade Practices						
	Unfair Trade Practices						
	Other						

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls		
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

7. Provide the following information relating to data breaches:

- Number of instances of data breaches
- Percentage of data breaches involving personally identifiable information of customers
- Impact, if any, of the data breaches

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)