

Audit Challenge Conference Series 2023

- Internal Audit in a new Risk World of BANI

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<https://Audit-Championship.com/en/NewYear2023>



2023 New Year Special



5 Audit Learning Paths, incl. Audit Ethics
33 Gamified Trainings, up to 100+



Artificial
Intelligence



Cloud



Cyber
Security



Dronen



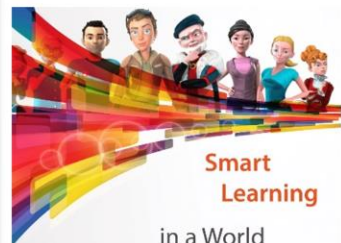
Internet
der Dinge



Virtual
Reality



5G



Smart
Learning

in a World
of Digital
Transformation
Processes

Topics for the Session

1

Essar – A Snapshot

2

Contemporary Risks

3

Resurgent Essar – Transforming for Tomorrow

4

Changing Operating Model

5

Changing Role of Internal Auditor

Essar – A Snapshot

Essar invests in building, nurturing and creating value in the Core Sectors assets of Energy, Infrastructure & Logistics, Metals & Mining, Technology & Retail

15

KEY
COMPANIES

7000+

PROFESSIONALS

8

COUNTRIES

\$13 bn+

ANNUAL REVENUES

10_{MTPA}

Integrated steel
making capacity

20_{MTPA}

Pellet making
capacity

32_{MTPA}

Refining
capacity

168_{MTPA}

Ports
capacity

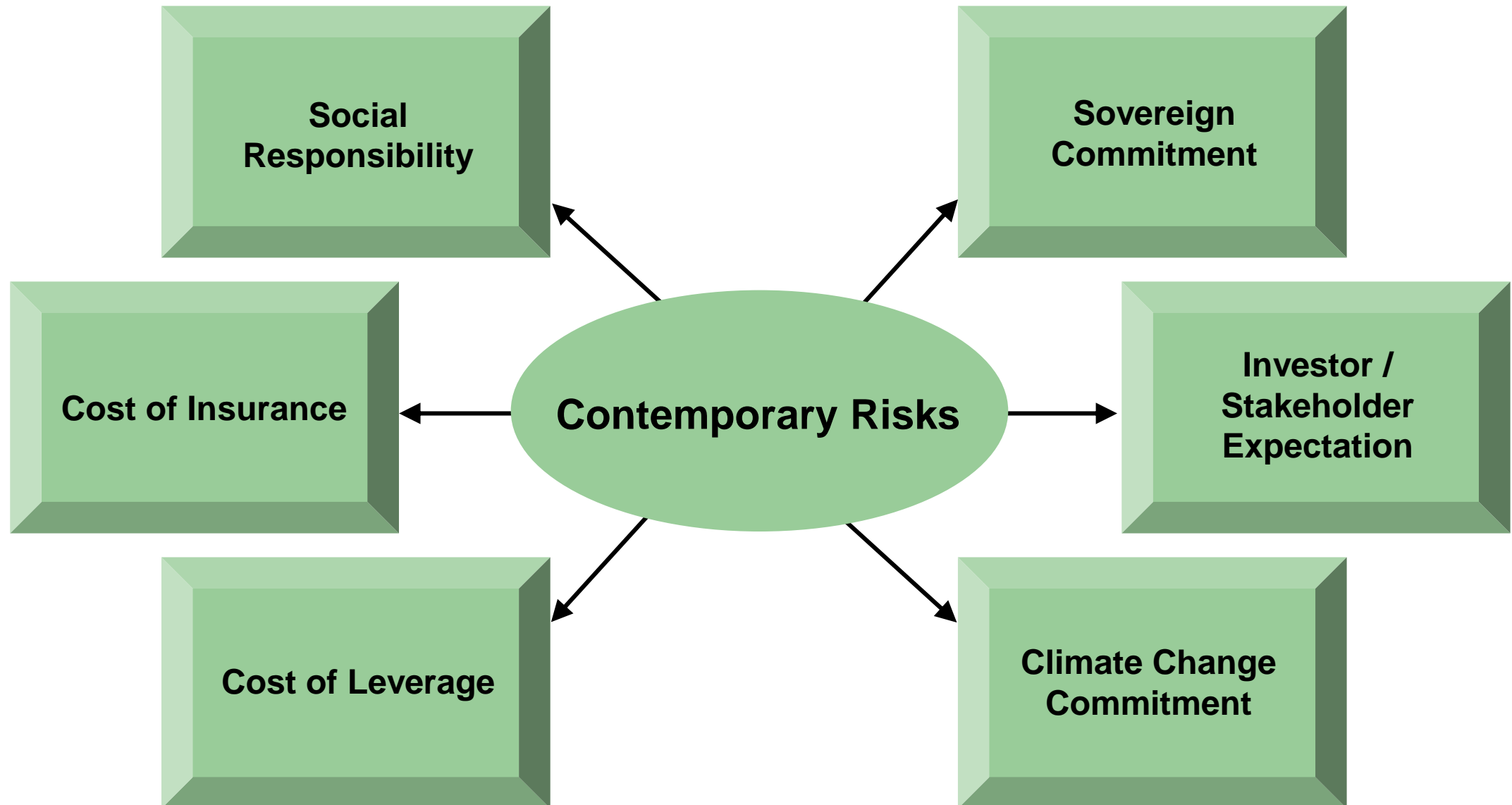
5K_{MW}

Generation
Capacity

464_{KM}

Transmission
Network

Contemporary Risks



Resurgent Essar

Three themes to address future sustainable growth

01 Decarbonization

By investing in Energy Transition, Climate Smart and Sustainable Mining.

02 Decentralization

By investing in Infrastructure & Logistics for the shared economy.

03 Digitization

By investing in Technology & Retail to leverage AI for creating distribution networks and platforms.

Transforming for Tomorrow

- **Blue Hydrogen**
- **Green Hydrogen**
- **Green Ammonia**
- **LNG Value chain including**
 - **LNG truck manufacturing**
 - **LNG Fuel stations**
- **Green Steel Plant**
- **Green and Clean Cargo at Ports**
- **Cyber Security and Cloud Business**

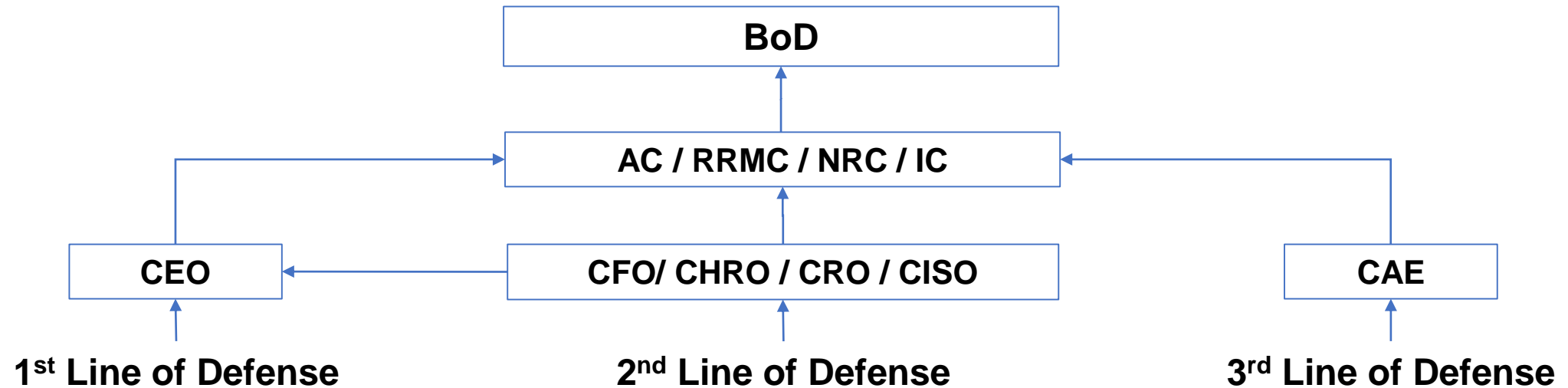
Capital Intensive

Technology Disruptions

Mindset Change

Skill and Competency

Three Lines of Defense



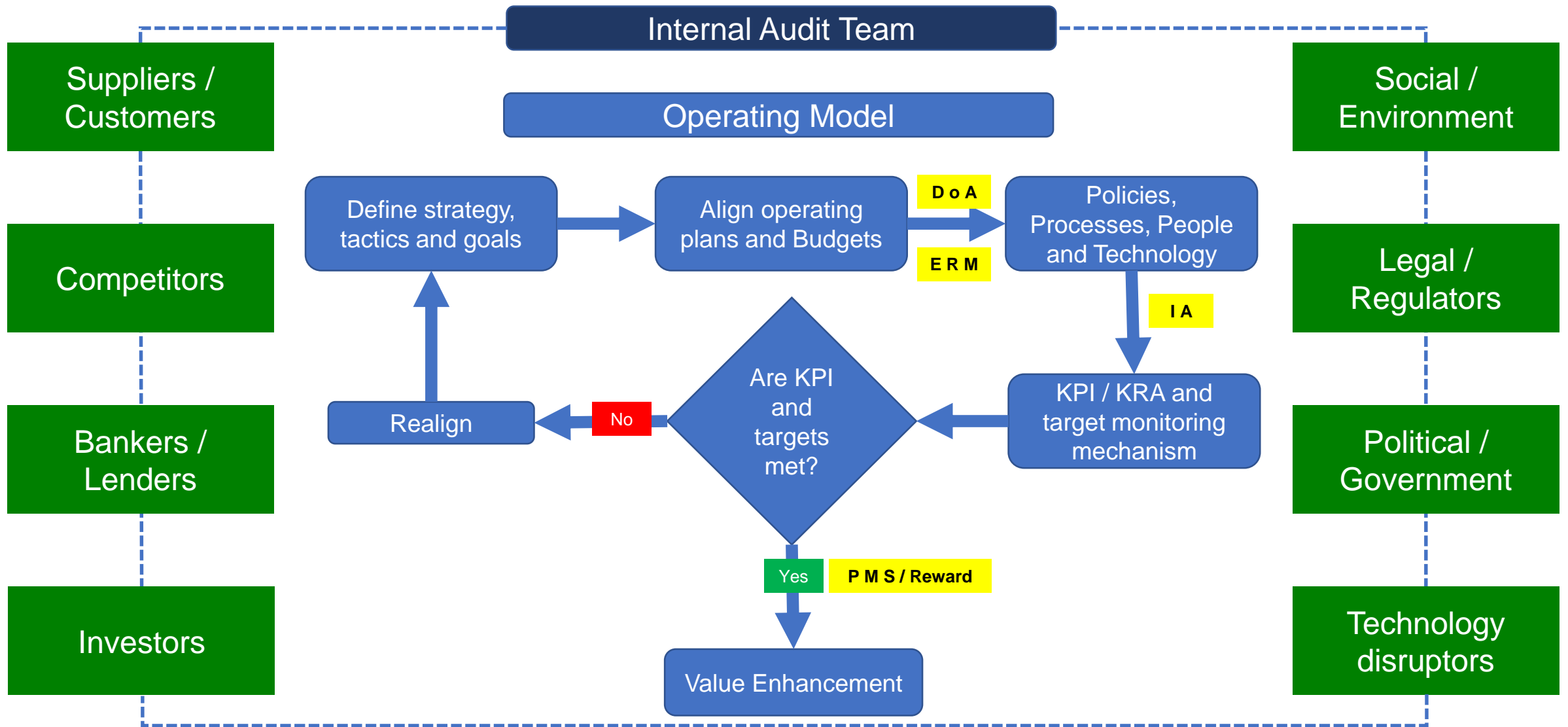
- Internal Financial Controls
- Management Controls
- Environment Health and Safety

- Financial Control
- Security – Physical / Logical
- Risk Management
- Inspection / Quality
- Compliance
- Vigil – Ethics Helpline

- Internal Audit
- Third Party Audits

4th Line of Defense – Statutory Auditors

Operating Model



ESG Framework

Environment	Social	Governance
Energy Usage	Employee Welfare	Transparent accounting
Carbon Foot print	Vendor Relationship	Investor relationship
Water Footprint	Local Social Welfare	Conflict of Interest
Climate Change	Healthcare initiatives	Code of Conduct
Waste Management	Gender equality	Business Ethics
Pollution Management	Race equality	Related party transactions
Natural Resources Conservation	Religion equality	Fair hearing opportunity
Contaminated Property	Education initiative	Political relationship
Hazardous Waste	Clean environment	Legal practices
Toxic Emissions	Human Rights monitoring	Whistleblower policy
Compliance with Laws and Regulations		

Changing Role of the Internal Auditor

- Conducting awareness and training sessions around ESG
- Assessment of progress of decarbonisation initiatives and doing root cause analysis for any deviations
- Assessment of the process of data collation for Business Responsibility and Sustainability Reporting (BRSR)
- Validation of BRSR data collated for accuracy with help of external agencies
- Social audits around equality, welfare and conduct through mystery shopping
- Review of performance assessment communication process
- Expansion of governance audits from framework assessment to implementation in spirit (not in form) specially around areas like board / audit committee meetings, conflict of interest, code of conduct and other practices

Thank You!