

TECH MAHINDRA Integrated Report 2018-19

“Enabling Purpose – Sustainability and Digital Transformation”



Company Driven By Purpose

There is growing consensus that the pursuit of profit must be accompanied by the pursuit for purpose - that companies driven by purpose outperform their peers.

There is an increasing expectation from employees at all levels to have a purpose beyond the balance sheet: one that contributes to a positive impact on society. Companies, which are able to harness purpose, are the ones that are able to attract and retain talent. They are the ones that are able to connect with customers in a completely different ways and have greater resilience, which are so important in the age of choice. Customers view purpose-driven brands as being more caring and, as a result, are more loyal to them

The Company's purpose is governed by the expectations of the stakeholders. Being connected means taking into account the aspirations of the company's full range of stakeholders, beyond the providers of capital – the customers, employees, regulators, partners and collaborators, suppliers and society at large.

At Tech Mahindra, we challenge conventional thinking and innovatively use all our resources to drive positive change in the lives of our stakeholders and communities across the world, to enable them to Rise.

Our pursuit of purpose is enabled by Technology. As a provider of information technology solutions, we believe that the future is in using technology to provide solutions to the sustainability needs of the company, society and the planet. It requires us to adapt and align our business model and strategy to remain relevant in today's dynamic business environment. It requires us to remain committed to having a positive impact. For the Company, For the Planet, For Everyone.

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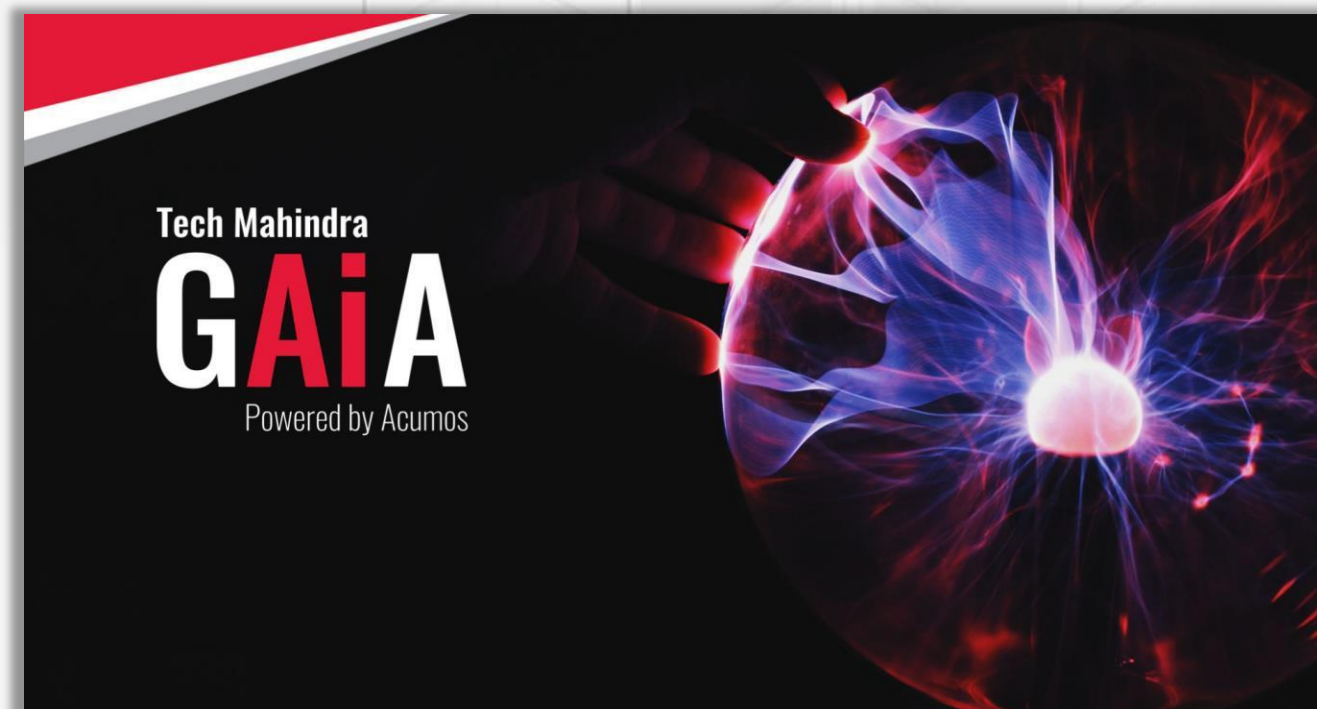


OUR VISION IS TO DEMOCRATIZE KNOWLEDGE IN ARTIFICIAL INTELLIGENCE AND MAKE IT ACCESSIBLE TO EVERYONE, ACCELERATE ADOPTION AND TRANSFORMATION. GAIa, POWERED BY ACUMOS IS OUR OPEN SOURCE AI PLATFORM RESHAPING WORK, LIFE COMMUNITIES AND THE PLANET.

We launched GAIa – an open source Artificial Intelligence (AI) platform Acumos, which will enable enterprises across industry verticals to build, share and rapidly deploy AI-driven services and applications to solve business critical problems. Open, collaborative and constantly evolving, GAIa is the spirit of the enterprise, unifying intelligence and action. Unearthing new intelligence and unlocking connected experiences across convergent worlds.

BUILT FOR REAL CHANGE

As part of the TechMNxt charter, Tech Mahindra is focused on leveraging next-gen technologies to solve real problems. The need of the hour is to democratize knowledge in AI and make it accessible to everyone, accelerating adoption and transformation. With GAIa, we are one-step closer.



FOR BUSINESS

From cognitive advertising and vulnerability detection to machine-enabled medical diagnosis and self-organizing networks, every industry and enterprise can leap ahead.

FOR PLANET

With #AI4Action, we're bringing together global communities for the world's first artificial intelligence challenge, to deliver solutions for climate change in partnership with Mission 2020

FOR EVERYONE

We are striving to make advances in artificial intelligence available to developers and data scientists everywhere. Putting the power of AI in the hands of people invested in an open future.

MESSAGE FROM THE MANAGING DIRECTOR AND CEO



The last five years have been about reimagining Tech Mahindra's business: our operating model and strategy. We started laying the foundation for a future-ready digital organization: a technology leader backed by innovation. On this journey, we transformed ourselves into a connected organization powered by connected experiences, driven by corporate sustainability and responsibility. We achieved this while keeping in accord, the dynamic external environment and changing expectations of the customers and the investors. As we come to the close of another financial year, I am happy to report the progress we have made with all our stakeholders. Before that, however, let us reflect on "Why We Do, What We Do?"

DRIVEN BY PURPOSE

World over, it is said, purpose-driven companies evolve faster than others do. Also, being truly connected to the purpose of an organization makes the associates stay longer. One of the tenets of the Mahindra Rise philosophy is to create greater value for our investors and customers by driving positive change.

ACHIEVING PURPOSE

We define purpose through three core elements: Individual Social Responsibility (ISR), Corporate Social Responsibility and Corporate Sustainability.

Individual Social Responsibility is about being socially responsible in a personal capacity and doing good. It is about being mindful, considerate, and humane. It is about making individual effort towards awareness and action on sustainability within and beyond Tech Mahindra, and adopting sustainability as a way of life. Corporate social responsibility, which has been an inseparable part of our business, is focused on taking impactful initiatives in education and skilling. Through Tech Mahindra Foundation, we have helped enable hundreds of thousands of children and young people to Rise, make informed choices for themselves and excel in the career they choose. Corporate Sustainability constitutes taking focused climate action and environmental stewardship. We achieve this by responsible governance, strategic focus and enabling associates to Rise. We drive it through our Innovation Charter, centered on co-innovation and co-creation to find solutions to global challenges facing society. It triggers action by enabling technology: AI4Action is our clarion call for making focused efforts on climate action, which will help us institutionalize our purpose.

CWCE: DRIVING POSITIVE CHANGE

We believe that this new era will be defined by the concept of 'Disruption by Design'. At the heart of this is the use of design to humanize technology, bringing together digital innovations and physical space in ways that unlock new experiences for consumers and re-imagine how we interact in commercial, social and business exchanges.

Our brand philosophy – Connected World, Connected Experiences – is aligned with the purpose of driving positive change. Last year, we unlocked experiences to deliver an enterprise of the Future. Along with establishing ourselves as a DT (digital transformation) provider, we took a step towards being a social enterprise. The mission of the Company is to attain growth while respecting and supporting the needs of the stakeholders. We aim to be an organization that will shoulder the responsibility of being a good citizen, inspire associates and be a role model for peers.

We are committed to futureproofing our associates and have embarked on a journey of FUTURise that ensures continuous learning, unlearning, re-learning, and contribution to innovation for our customers. Investor and customer needs are the drivers for our new age solutions in AI, machine learning, digitization, automation and smart mobility. We continue to build upon our Run-Change-Grow strategy, which allows us to FUTURise.

GAiA FOR CLIMATE ACTION

Companies are working up to the dangers posed by climate change. Technology can bring unprecedented business opportunities to transform different sectors for a more sustainable world. We can leverage artificial intelligence and digital technology to come up with solutions to combat climate change. In the reporting year, we created **GAiA**, an AI-based open source platform, designed to help reshape work, life, communities and the planet. With self-learning capabilities in a connected ecosystem, the platform can be used to bring synergistic systems, balance and harmony and shape a connected future for all. **Carbon Pricing** is another tool that we have used to transition towards climate responsibility. We introduced a Carbon Price of 10 USD per ton of GHG emissions last year. It is in the process of being internalized across all business verticals, which in turn will create incentives for energy efficiency and innovation.

Business turnaround requires management oversight and responsibility. In a bid to increase accountability, climate change considerations are incorporated in decision making at all levels across Tech Mahindra. Carbon management is expanded to include governance and responsibility at the level of the board and the senior management. Sustainability has been at the core of the business. We are keeping pace with the global trends in technology disruption, climate change, water scarcity amongst others. We have reviewed the operating strategy and business model and aligned them with sustainability and climate change.

GOVERNANCE

In 2018, we bid farewell to Vineet Nayyar, who served as the Executive Vice Chairman for over a decade. We welcomed Harshvendra Soin and Manoj Bhat as our new Chief People Officer and Chief Financial Officer respectively during the year. Our business outlook is and will continue to be an integration of business with purpose. Technology will act as an enabler, a driving force. We will achieve results through an ecosystem approach that leverages the synergies between the company and its stakeholders: the customers, collaborators & partners and the government. The solutions will be simple and elegant and embedded in enabling people to Rise, **Rise for Good**. This constitutes our vision for the future and we call it FUTURise.

I want to thank all the associates for their contribution and commitment in 2018 and for delivering the foundations needed to position us for a sustainable future.

CP Gurnani,
Managing Director and Chief Executive Officer

Message From The Chief Sustainability Officer



“Sustainability at Tech Mahindra is not just a target to be achieved but a lifestyle that is incorporated into our Business. Making the best use of technology to sustain the environment & society will go a long way to become a future-proof organization. Our commitment towards going carbon neutral and making optimum use of resources will help us accelerate our transition to a low carbon economy and create a sustainable value for our stakeholders.”

Climate change, resource constraints, water scarcity, environmental degradation, and societal trends have a major impact on our lives. Extreme events, global warming, and natural disaster are results of human actions on the environment and irresponsible use of resources will have an even greater impact on economies and enterprises going forward. They will translate into future challenges for the companies and their operations – directly or indirectly in the form of uncertainties affecting our stakeholders.

The Tech Mahindra Rise Philosophy of being a Company with a Purpose is the bedrock of all our sustainability actions. We understand that the ESG (Environmental, Social and Governance) aspects define Sustainability and are enablers for the profitability, growth, and existence of our company. We have embedded sustainability into the core of long-term decision-making processes, are driving action through our sustainability roadmap and making sustainability a way of life for the associates at the workplace & beyond.

Tech Mahindra is an Information Technology Company and our revenues depend largely on software services and client consultancy services. Through the integration of cross-functional capabilities, we are growing our climate action suite of services like smart energy platforms, smart cities and eco-efficient data center management.

Over the years, we have defined strategies and roadmaps to manage the environmental impact of the company's activities and have a positive impact on the stakeholders. This has enabled us to create value not just for the customers, investors and partners, but also emerge as an organization defined by purpose.

Climate Action

Tech Mahindra emission targets have been approved by Science-Based Targets, thus ensuring a focused approach to address the impacts of climate change. We are reducing our carbon footprint by installing solar modules, retrofitting LEDs, installing motion sensors, using star rated and efficient equipment and reducing, recycling and reusing waste. We have digitalized internal communications with virtual meetings through tele/audio-conferencing, which brings down meeting-related travel and other costs considerably. We are investing in Green Solutions like smart grid, smart cities, smart waste management systems and electric vehicle charging systems. We are also working with suppliers and vendors to cut down on logistics and transportation to reduce our emissions. Employee awareness programs on water, fuel and energy conservation help make optimum use of natural resources.

Circularity In Operations

Circular economy embodies the principle of resource conservation through approaches like Recover, Reduce usage, Sharing, Reuse, & Recycle (RRSRR). We are applying these principles in the management of water and waste at all of our facilities. The connected approach of collaboration between different stakeholders, combined with technology can guide the way for TechMNxT.

Roadmap And Targets

We are committed to managing a positive impact from our activities and are minimizing negative impacts by building awareness on sustainability megatrends, reviewing, strengthening systems and processes making progress through a sustainability roadmap with defined goals and targets; linking the performance of the relevant employees and management to the KRAs and the balanced scorecard.

In the reporting year, we were able to meet the key sustainability targets laid out in the Sustainability Roadmap.

Making Sustainability Personal

Integrating Sustainability with business means making sustainability a confirmed practice of all business activities across the organization – from engaging with our suppliers, approaching and engaging with our customers & partners to adopting sustainability in our lifestyle such that it becomes a second nature to us. “Making Sustainability Personal” is an organization-wide initiative aligned with the Mahindra Sustainability Framework. Our associate-led volunteering initiative Green Marshals spread awareness among all associates and advocate taking individual responsibility for the protection of environment and natural resources.

In the last decade, the relevance of sustainability to our business is acknowledged and embraced across the enterprise at all levels. It is also cascading to our supply chain. There have been successful adoption of initiatives and programs to promote sustainability thinking across different business.

The concept of Sustainability is slowly graduating from being a support function to becoming the nucleus of a profitable enterprise. I see this as an encouraging and positive sign for a carbon neutral world ahead. As we make progress in creating value for our customers, employees, and society, we acknowledge the support and guidance of all our stakeholders who are our partners in value creation.

Sandeep Chandna,
Chief Sustainability Officer

Our Approach To Reporting

Throughout this report, and the information on our website, we focus on the relationships between external and internal factors that enable Tech Mahindra to create value.

Integrated Report

“Enabling Purpose – Sustainability and Digital Transformation” is Tech Mahindra’s third Annual Integrated Report for the period of 1st April 2018 to 31st March 2019. It provides a holistic assessment of the company’s ability to create value. It includes non-financial aspects, which, if not managed, could have a material impact on our performance and our business. The report is developed to share with the stakeholders a broad based framework for our business and investment decisions that are long term, inclusive and with a purpose.

This integrated report is one of our primary communications with stakeholders. While it is prepared mainly for providers of capital and shareholders, financial information is balanced with commentary on our most material sustainability issues for a holistic view of the company with the intent of providing relevant information to our other stakeholders - employees, customers, collaborators, regulators and government, local communities and non-governmental organisations (NGOs).

Transparency and accountability in disclosure are the core values of governance and form the bedrock of the company’s values. They are material for Tech Mahindra’s brand and are aligned with the Mahindra Rise Philosophy. The management is committed to ensuring transparency in our actions and disclosures and moving towards creating a better ecosystem for the stakeholders. It is the service responsibility of the Company to keep constantly adapt, innovate and keep pace with the external environment and the customer needs.

Reporting Frameworks

- International <IR> Framework of the International Integrated Reporting Council
- GRI (Global Reporting Initiative) Standards, 2016
- Climate Change Reporting Framework issued by the Climate Disclosure Standards Board (CDSB).
- Recommendations of the Taskforce on Carbon Related Financial Disclosures (TCFD).
- Communication on Progress Report as per United Nations Global Compact (UNGC).

Reporting Principles And Approach

The framework of the International Integrated Reporting Council (IIRC), which was published in December 2013, guides our integrated report. Our disclosure considers the guiding principles of strategic focus and future orientation, consistency and comparability, reliability and completeness, connectivity of information, stakeholder relationships and materiality. The indicators measured against each capital are taken from the GRI Standards.



The report also embeds the principle of Accountability. Our leaders are accountable for the company's actions, and are the custodians of our governance framework. The Governance section details our governance structures, the key issues and how it enables us to be accountable and driven by purpose.

The process of identification of the relevant material matters is covered under the section of materiality. The success of the company is directly dependent on how it maintains relationships with its stakeholders. It has been duly considered in the process of identification of the reporting boundary as well as the identification of material matters for the business.

Determining The Report Boundary

In line with the IIRC framework, in determining the boundary, we considered two aspects, the financial reporting entities of Tech Mahindra; and risks, opportunities and outcomes associated with other entities/ that have a significant effect on our ability to create value.

The scope of the Report is Indian operations that fall under the direct control of the Company. It includes the entities and operations, which are covered in the Annual Report of Tech Mahindra. They include:

- ▲ Tech Mahindra Limited
- ▲ Tech Mahindra Business Services Limited
- ▲ Tech Mahindra Foundation (Section 8 Company)
- ▲ Tech Mahindra BPO Limited.

This includes our facilities and offices in the following cities:

Bangalore	Bhubaneswar	Chandigarh	Chennai
Delhi NCR	Gandhinagar	Hyderabad	Kolkata
Mumbai	Nagpur	Pune	Vizag (Visakhapatnam)

Wholly owned subsidiaries outside India and subsidiaries, which are not wholly owned by Tech Mahindra, are excluded from the scope of the report.

Restatements Of Information And Changes

In the reporting year, there were no restatements of information. There were no significant changes in the locations in terms of opening or closing or expansion of facilities or in the structure of the supply chain including selection and termination.

There were no significant changes in the share capital structure or any capital formation.

External Assurance

The report is externally assured by KPMG. The statement prepared by the assurance provider is included on page 12 of the report.

Questions regarding the Report

“Enabling Purpose – Sustainability and Digital Transformation” is our 3rd Integrated Report. We value your feedback, suggestions and views on the report. Email us at Corporatesustainability@techmahindra.com.

Location of the Organizations Headquarters

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Corporate Block, Rajiv Gandhi
InfoTech Park,
Phase III, Pune – 411 057, Maharashtra, India.

Kpmg Assurance Statement



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Independent Limited Assurance Statement to Tech Mahindra Limited on selected sustainability disclosures reported in its Integrated Report for Financial Year 2018-19

To the Management of Tech Mahindra Limited, Plot #1, Phase 3, Rajiv Gandhi Infotech Park, Hinjewadi Phase 3, Pune – 411057, Maharashtra, India.

Introduction

We ('KPMG in India', or 'KPMG') have been engaged for the purpose of providing assurance on the selected disclosures presented in the Integrated Report ('the Report') of Tech Mahindra Limited ('Tech Mahindra' or 'the Company') for FY 2018-19. Our responsibility was to provide limited assurance on the Report content as described in the scope, boundary and limitations.

Reporting Criteria

Tech Mahindra applies its own sustainability reporting criteria derived from Global Reporting Initiative (GRI) Standards 'in-accordance' comprehensive option and the principles of the International Integrated Reporting Framework (<IR>) published by the International Integrated Reporting Council (IIRC). Tech Mahindra has also mentioned that the reporting criteria aligns to recommendations of the Taskforce on Carbon Related Financial Disclosures (TCFD) and Climate Disclosure Standards Board for reporting environmental information, natural capital and associated business impacts.

Assurance Standard

We conducted our assurance in accordance with

- Limited Assurance requirements of International Federation of Accountants' (IFAC) International Standard on Assurance Engagement (ISAE) 3000 (revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information. Under this standard, we have reviewed the information presented in the report against the characteristics of relevance, completeness, reliability, neutrality and understandability.

Scope, Boundary and Limitations

- The scope of assurance covers the environmental and social disclosures of Tech Mahindra for the period 01 April 2018 to 31 March 2019.
- The boundary of the Report covers Tech Mahindra's operations in India including legal entities.

<p>Universal Standards</p> <ul style="list-style-type: none"> • General Disclosures <ul style="list-style-type: none"> ○ Stakeholder engagement (102-40, 102-42, 102-43, 102-44) ○ Reporting practice (102-46 to 102-52, 102-54 to 102-55)
<p>Topic Specific Standards</p> <ul style="list-style-type: none"> • Environment <ul style="list-style-type: none"> ○ Energy: 302-1, 302-2, 302-3, 302-4 ○ Water: 303-1, 303-3 ○ Emissions: 305-1, 305-2, 305-3, 305-4 ○ Waste: 306-1, 306-2 • Social <ul style="list-style-type: none"> ○ Employment: 401-1, 401-3 ○ Occupational Health & Safety: 403-1, 403-2 ○ Training and Education: 404-1, 404-2, 404-3



- Local Community: 413-1
- Public Policy: 415-1
- **Economic**
- Anti-Corruption: 205-2, 205-3

The assurance scope subjects to following limitations:

- Disclosures other than those mentioned above;
- Data and information outside the reporting period;
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim to future intention provided by the Company and assertions related to Intellectual Property Rights and other competitive issues.

Assurance Procedure

Our assurance processes involve performing procedures to obtain evidence about the reliability of specified disclosures. The procedures include the assessment of the risks of material misstatement of performance indicators and standard disclosures and underlying internal controls relevant to the preparation of the report in order to design assurance procedures that are appropriate in the circumstances. The procedures performed in a limited assurance engagement are less in extent than for a reasonable assurance engagement.

Our assurance procedure also included:

- Review of materiality and stakeholder engagement framework deployed at Tech Mahindra
- Assessment of the systems used for data collection and reporting of the Universal Standard Disclosures and Topic Specific Standard Disclosures of material topics as listed in the assurance scope above
- Testing on a sample basis, the evidence supporting the data and information
- Discussion on non-financial aspects with senior executive at different locations and at corporate offices to understand the risk and opportunities from sustainability context.
- Assessing that the report has been prepared in accordance with GRI Standards: Comprehensive option
- Understanding the appropriateness of various assumptions, estimations and materiality thresholds used by Tech Mahindra for data analysis.
- Review of the report to ensure that there is no misrepresentation of disclosures as per scope of assurance and our findings.

The data was reviewed at the corporate office, selected sites visits and virtual interactions at sample locations. The locations visited included:

- TMTC, Hyderabad
- TMIC-SEZ, Hyderabad
- TMVC, Vizag
- Bangalore
- Pune Hinjewadi
- Noida

Conclusions

We have reviewed the Report of Tech Mahindra. Based on our review and procedures performed as per the scope of work, nothing has come to our attention that causes us not to believe that the sustainability data and information presented in the Report is appropriately stated, in material topics, and in line with the reporting principles of GRI Standards.



We have provided our observation to the company in a separate management letter. These, do not, however, affect our conclusions regarding the Report.

Independence

The assurance was conducted by a multidisciplinary team including professionals with suitable skills and experience in auditing environmental, social and economic information in line with the requirements of ISAE 3000 standard. Our work was performed in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) be independent of the assurance client, in relation to the scope of this assurance engagement, including not being involved in writing the Report. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. KPMG has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence. The firm applies ISQC 1 and the practitioner complies with the applicable independence and other ethical requirements of the IESBA code.

Responsibilities

Tech Mahindra is responsible for developing the Report contents. Tech Mahindra is also responsible for identification of material sustainability topics, establishing and maintaining appropriate performance management and internal control systems and derivation of performance data reported. This statement is made solely to the Management of Tech Mahindra in accordance with the terms of our engagement and as per scope of assurance. Our work has been undertaken so that we might state to Tech Mahindra those matters for which we have been engaged to state in this statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Tech Mahindra for our work, for this report, or for the conclusions expressed in this independent assurance statement. The assurance engagement is based on the assumption that the data and information provided to us is complete and true. We expressly disclaim any liability or co-responsibility for any decision a person or entity would make based on this assurance statement.

A handwritten signature in blue ink, appearing to read 'Prathmesh Raichura', written over a horizontal line.

Prathmesh Raichura
Executive Director
KPMG



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Independent Limited Assurance Statement to Tech Mahindra Limited on the Greenhouse Gas (GHG) Inventory for Financial Year 2018-19

To the Management of Tech Mahindra Limited, Plot #1, Phase 3, Rajiv Gandhi Infotech Park, Hinjewadi Phase 3, Pune – 411057, Maharashtra, India.

Introduction

KPMG in India ('KPMG') has been engaged for the purpose of providing limited assurance on the GHG inventory of Tech Mahindra Limited ('Tech M' or 'the Company') for the Financial Year (FY) 2018-19. The GHG emissions have been quantified and reported by Tech M according to the World Resource Institute (WRI) / World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol (A Corporate Accounting and Reporting Standards). Our responsibility was to provide assurance on the reported GHG emissions by the Company.

Scope, Boundary and Limitations

The scope of assurance covers direct GHG emissions (Scope 1), indirect GHG emissions (Scope 2) and other indirect GHG emissions (Scope 3) of Tech Mahindra Limited, as defined for the Tech M's Integrated Report FY 2018-19, for the period 01 April 2018 to 31 March 2019. Tech M has limited the boundary of reporting based on availability of data across geographies as mentioned below:

- Scope 1 and Scope 2 emissions for India only.

Limitations:

- Scope 3 GHG emissions are limited to India operations and the following categories¹ and boundaries:
 - Purchase of goods and services².
 - Waste generated in operations.
 - Employee business travel.
 - Employee commuting.
 - Inbound and Outbound transportation.

Assurance Procedures

We have conducted our work in accordance with requirements of 'Limited Assurance' procedures as per International Federation of Accountants' (IFAC) International Standard for Assurance Engagements (ISAE 3410- Assurance Engagements) on Greenhouse Gas Statements.

A limited assurance engagement in accordance with ISAE 3410 involves performing procedures to obtain evidence about the quantification of emissions and related information in the GHG Statement. The nature, timing and extent of procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the GHG Statement whether due to fraud or error. The procedures performed in a limited assurance engagement are less in extent than for, a reasonable assurance engagement.

Our limited assurance procedures comprised of;

¹ The categories of scope – 3 emissions are as defined by the Corporate Value Chain (Scope 3) Accounting and Reporting Standard published by the World Resources Institute.

² The estimation of emissions from purchased goods and services, business travel and employee commute is made based on the 2018 guidelines to DEFRA.

KPMG, an Indian partnership firm and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity



- Assessing the Company's reporting procedures for GHG emissions with regard to their consistency with the WRI/WBCSD Greenhouse Gas Protocol (A Corporate Accounting and Reporting Standard)
- Verifying systems and procedures used for quantification, collation, and analysis of emissions
- Understanding the appropriateness of various assumptions, estimations, emission factors and materiality thresholds used by Tech M for data analysis
- Holding discussions with the individuals responsible for evaluation of the GHG emission
- Assessing data reliability and accuracy

The data was reviewed at the corporate office of Tech Mahindra Limited as well as through physical visits and virtual interaction at sample locations across India. The locations visited included:

- TMEC, Bangalore
- Noida, NSEZ
- Pune
- TMTC, Hyderabad
- TMIC-SEZ, Hyderabad
- TMVC, Vizag

Conclusions

Based on our assurance procedures and in line with the scope and limitations, nothing has come to our attention that causes us not to believe that:

- Evaluation of GHG inventory is in accordance with World Resource Institute (WRI) / World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol (A Corporate Accounting and Reporting Standard)
- The reported GHG emissions are equal to
 - Scope 1: 2561 MtCO₂
 - Scope 2: 108418 MtCO₂
 - Scope 3: 39188 MtCO₂

Independence

Assurance procedures were conducted with a multidisciplinary team including specialists in ISAE 3410 and GHG assurance engagements. Our work was performed in compliance with the requirements of IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) be independent of the assurance client, in relation to the scope of this engagement. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence and due care, confidentiality and professional behavior. KPMG has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence. The firm applies ISQC 1 and the practitioner complies with the applicable independence and other ethical requirements of the IESBA code.

Responsibilities

Tech M is responsible for evaluating the GHG inventory, establishing and maintaining appropriate internal control systems and derivation of performance data reported. This report is made solely to the Management of Tech M in accordance with the terms of our engagement and as per scope of assurance. Our work has been undertaken so that we might state to Tech M those matters for which we have been engaged to state in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Tech M for our work, for this report, or for the conclusions expressed in this independent assurance report.

We expressly disclaim any liability or co-responsibility for any decision a person or entity would make based on this assurance statement. By reading this assurance statement, stakeholders acknowledge and agree to the limitations and disclaimers mentioned above.

Prathmesh Raichura
Executive Director
KPMG India
July 5, 2019
Mumbai, India

Our Business Model

Our business model transforms inputs, through our business activities, into outputs and outcomes that aims to the strategic objectives and create value over the short, medium and long term. The key inputs are human and intellectual capital. They power financial capital to create value for providers of capital, customers and society. Natural capital creates value for society, helps customers manage their risks.

In the last 3 years, Tech Mahindra had increased focus on delivering solutions on digital technologies to customers. It is supported by an organizational transformation and re-skilling the employees and powering our intellectual capital.

Inputs	Activities	Outputs	Outcomes
Intellectual Capital driving development of new products, platforms and solutions.	<ul style="list-style-type: none"> Setting up of Maker labs to drive new age solutions. R&D TechMNxT Charter and 3-4-3 Strategy. Collaboration, co-innovation and co-creation. 	<ul style="list-style-type: none"> 31% revenue from digital. INR 311 Million spent on R&D. 	<ul style="list-style-type: none"> Institutionalization of an Innovation Charter and Council Launch of AI for Action
Relationships with stakeholders - customers, collaborators and partners and academia.	<ul style="list-style-type: none"> Collaboration and Co-innovation Co-creation Engagement with customers through various channels. New Age Delivery Models 	<ul style="list-style-type: none"> Future ready solutions. Customer satisfaction and repeat customer. 	<ul style="list-style-type: none"> New Age Delivery Models - Dev Ops and agile based delivery models that helps in faster delivery cycles,
Human Capital - 103822 employees globally constitute the TechM family act as the key input for value creation.	<ul style="list-style-type: none"> Increase in the headcount. Employee re-skilling and right-skilling. Trainings on digital and new age technologies like AI, AR, Automation, etc. Employee Engagement and Retention 	<ul style="list-style-type: none"> 70% employees trained in digital. 44% employees rewarded during the year. Certified as a great place to work. 	<ul style="list-style-type: none"> Increase in IT Attrition from 18% to 20.8% 4.25% improvement in the TechM Cares Survey Score.
Financial Capital Increase in Revenue, EBITA and PAT to drive growth, strategic acquisitions, increase in head count.	<ul style="list-style-type: none"> Margin expansion. Operational efficiencies. 	<ul style="list-style-type: none"> Revenue increase of 12.9% to ₹347,419 Million. Consolidated Profit After Tax of ₹42,976 Millions. No of active clients increased to 983. 	<ul style="list-style-type: none"> 83% dividend payout compared to 43% last year. 26.4% return on capital invested. Buy back of equity shares
Natural Capital	<ul style="list-style-type: none"> Making Sustainability Personal. Integrating sustainability with strategy. Improving efficiency of data centres. 	<ul style="list-style-type: none"> Science Based Targets approved. Launched AI for Climate Action 	<ul style="list-style-type: none"> 11.63% reduction in Scope 2 and 8.3% reduction in Scope 1 emissions. Total Scope 1+2 reduction by 11.56%. 21.13% reduction in energy intensity. 15.2% Electricity from Renewable energy
Social and Relation Capital	<ul style="list-style-type: none"> CSR Initiatives to support education, employability and disability. 	<ul style="list-style-type: none"> 167 high-impact projects with 90+ partners, Reaching out to 150,000+ children, teachers and youth across locations. 100 smart Centres at 11 locations to enhance employability. 	<ul style="list-style-type: none"> Trained 17,595 young persons under SMART, of which 1,368 were persons with disabilities. More than 70% of the graduates are placed in jobs 200 young men and women trained in SMART Academy for Digital Media and Logistics.

Overview Of The Company



Tech Mahindra represents the connected world, offering innovative and customer-centric information technology experiences, enabling Enterprises, Associates and the Society to Rise™. It is a USD 4.9 billion company with 121,000+ professionals across 90 countries, helping over 935 global customers including Fortune 500 companies. The company's convergent, digital, design experiences, innovation platforms and reusable assets connect across a number of technologies to deliver tangible business value and experiences to its stakeholders. Tech Mahindra is the highest ranked non-US company in the Forbes Global Digital 100 list (2018), and featured in the Forbes Fab 50 companies in Asia (2018). Our convergent, digital, design experiences, innovation platforms and reusable assets connect across a number of technologies to deliver tangible business value and experiences to our stakeholders. We are part of the USD 21

billion Mahindra Group that employs more than 200,000 people in over 100 countries. The Group operates in the key industries that drive economic growth, enjoying a leadership position in tractors, utility vehicles, after-market, information technology and vacation ownership.

With global expertise and seamless cross-platform functionality, Tech Mahindra creates IT solutions that empower companies to focus on, and enhance their core businesses.

Tech Mahindra is a Public Listed Company, incorporated and domiciled in India and has its registered office in Mumbai, Maharashtra, India. It has a primary listing on the National Stock Exchange of India Limited (NSE) and The Bombay Stock Exchange Limited (BSE).

Our Vision

We will Rise to be among the top three leaders in each of the chosen market segment while fostering innovation and inclusion.

We will consistently achieve top quartile growth by contributing to our customers' success, by enabling our employees to realize their potential and by creating value for all our stakeholders.

What We Do

	Consulting services	Managed services	System integration Services	Solutions
Data Center	<ul style="list-style-type: none"> Data center Transformation Assessment Cloud Assessment 	<ul style="list-style-type: none"> Data centre facility Management DC Monitoring & production operations Server Management Storage Management Database Management Mainframe Management Backup & Recovery Management DC Network Management 	<ul style="list-style-type: none"> Data center consolidation services Platform migration services Data center & DR Build services Application infrastructure integration service Private cloud integration service 	<ul style="list-style-type: none"> Managed hosted business services Managed hosted private cloud MPAC- Mahindra platform for Adoptive computing

End user Computing	<ul style="list-style-type: none"> • Waas/VDI Assessment • BYOD Assessment 	<ul style="list-style-type: none"> • Service Desk • Desktop Management • Deskside/field service management • Managing services • Unified communication services • Citrix management • Active Directory 	<ul style="list-style-type: none"> • Windows migration • Application Packaging • Application Testing & Remediation • MS Office migration • Exchange migration • Lync migration • Office 365 migration 	<ul style="list-style-type: none"> • Workplace as a service • Mobile Device Management
Networking	<ul style="list-style-type: none"> • Network design & Deployment planning • Wireless Network Assessment • Network performance Assessment 	<ul style="list-style-type: none"> • Managed enterprise Network services • Managed office LAN services • Managed IP contact center • Managed IP/PBX Voice services 	<ul style="list-style-type: none"> • Wireless Network integration • WAN Network deployment & integration • Office LAN Network deployment & Integration 	<ul style="list-style-type: none"> • MEMS-Modular Enterprise Managed Services
Security	<ul style="list-style-type: none"> • Security, Audit & Risk Assessment • Security & BCP/OR Lifestyle programme development • Data Protection 	<ul style="list-style-type: none"> • Managed Enterprise Security • Managed Antivirus • Managed SHEM • Managed PM • Managed HDS/NDS • Security Device monitoring • Managed identity and access management 	<ul style="list-style-type: none"> • Identity & access management integration • Anti-virus Integration • SIEM integration • Privileged identity monitoring integration • HDS & NDS integration • Network 	<ul style="list-style-type: none"> • Vulnerability Assessment & Penetration Testing • Application & Mobile security testing • Enterprise, core network & systems Security Testing • Application Security Bureau
IT Infrastructure Operation Management	<ul style="list-style-type: none"> • Technology Roadmap Advisory • Process roadmap advisory • IT Staffing advisory • Budgeting & Finance advisory 	<ul style="list-style-type: none"> • Dedicated/shared services leveraging 	<ul style="list-style-type: none"> • Infrastructure cost take out • Infrastructure Automation • Infrastructure consolidation 	<ul style="list-style-type: none"> • Service Assurance

Business Process Services

Tech Mahindra's Business Process Services delivers innovative and cost-effective solutions that help transform our customer's business. We leverage our domain expertise and platform-driven process transformations to offer end-to-end solutions to our customers. Entering a new era of transformations, we refocus energies towards 'Creating memorable digital experiences everyday' for our customers.

Sectors We Serve

We power the connected world, offering innovative and customer-centric technology services and solutions that enable enterprises, associates and communities to Rise™. The key verticals serviced by us are:

Banking, Financial Services and Insurance	Communication	Media and Entertainment
Energy and Utilities	Health Care and Life Science	Hi-tech
Manufacturing	Retail and Consumer Goods	Travel, Transport and Logistics

We help our customers achieve business outcomes through technology, being an end-to-end partner across applications, network, security and technology innovation. Our services spans across IT Outsourcing, Consulting, Next Generation Solutions, Application Outsourcing, Network, Infrastructure Management, Integrated Engineering Solutions, BPO, Platform Solutions and Mobile Value Added Services. Our innovation platforms and reusable assets connect across a number of technologies to deliver tangible business value to our stakeholders.

We are well placed with our breadth of service offerings in emerging areas of Big Data, Mobility, Network, Cloud, Security, Platforms and Engineering Services. We constantly innovate, building intellectual property through various services and platforms to help our customer transform.

Markets We Serve

We have a global presence with offices in all major locations globally.

See hyperlink. <https://www.techmahindra.com/Contact%20Us/locations.aspx>

AWARDS AND RECOGNITION

Sustainability

- ✓ Emission targets approved by the Science Based Targets initiative (SBTi)
- ✓ Included in the RobecoSAM 2019 Sustainability Yearbook with a Silver Class distinction
- ✓ Ranked A and identified as a global leader for Supplier Engagement by CDP 2018
- ✓ One of only 5 companies from India to be in the Leadership ranking in the Carbon Disclosure Project(CDP) 2018
- ✓ Member of DJSI World Index for 2018- one amongst the only 4 Indian companies to be listed
- ✓ Constituent of DJSI Emerging Markets for 2018- amongst the 10 Indian companies to make this list
- ✓ Constituent company in the FTSE4Good Index Series 2018
- ✓ Awarded Prime status by ISS-OEKOM, our sustainability performance among the best 10% in the sector
- ✓ Recognized as World Leader for Supplier engagement on Climate Change 2018 by CDP- the only Indian Company on this Leader Board
- ✓ Included in the RobecoSAM 2018 Sustainability Yearbook and has received the Silver Class distinction for excellent sustainability performance



Strategy & Innovation

- ✓ Tech Mahindra wins 'Program of the Year Award' at [Skillsoft](#) India Innovation Awards #Perspectives18 for learning management system implementation.
- ✓ IT Europa awards 2018 for the fourth consecutive year
- ✓ Award for AI powered APM solution
- ✓ SAP Strategic Partner of the Year 2019 Award.
- ✓ Best Smart Solid Waste Management award at fourth Smart Cities India 2018 Expo.
- ✓ BW Business world Digital India Summit Awards 2018 in Cyber Security category for "Effective use of technology of Security and Safety (AP SOC) - "Andhra Pradesh Cyber Security Operation Centre".
- ✓ Tech Mahindra among 2018 Thomson Reuters Top 100 Global Tech Leaders.
- ✓ Tech Mahindra receives 2018 AT&T Supplier Award
- ✓ Tech Mahindra received "Excellence in Automation" at India STEM Awards 2018.
- ✓ Ranked 15th on the Forbes Digital 100 list, and the highest-ranked non-US company on the list.
- ✓ Received the AICRA STEM Awards 2018 in the 'Excellence in Automation' category, recognizing the best automation system integrators in the business.
- ✓ Selected as 'Brand of the Decade 2019' by BARC Asia, a media research and rating agency.
- ✓ Recognized as a gold winner for being the Most Innovative Cyber Security Company at the Cyber Security Excellence Awards 2019.
- ✓ Declared winner in the - Most innovative use of Blockchain for Social Good category of the India Blockchain Awards 2019
- ✓ Featured in the Forbes Asia's Fab 50 Companies List 2018.
- ✓ Included for the first time in the ET Brand Equity -Top 75 most valuable Brands 2018
- ✓ Tech Mahindra Business Process Services recognized as a Leader in Customer Experience Services by Global Analyst Firm Nelson Hall
- ✓ CP Gurnani recognized as 'The Corporate Leader of the Year' at the 14th Indo-American Corporate Excellence (I-ACE) Awards, and - Best CEO of the Year in IT & ITES category by Business Today
- ✓ Gold Winner at the CEO World Award in the 'CEO Achievement of the Year' category.
- ✓ Tech Mahindra recognized as a leader in-group PEAK Matrix™ Report for Automotive & Software Product Engineering Services for their ability to offer large-scale product engineering engagements leveraging their strong project management capabilities and widespread delivery footprint.
- ✓ Intel Network Builders Ecosystem at Hague Conference has recognised tech Mahindra as Leader Board member and an Industry Leader guiding Network Transformation.
- ✓ Tech Mahindra received IDC Insights Award 2018 for the Chabot UVO.
- ✓ Tech Mahindra wins the Best Business Transformation Solution in Energy from the GEC Media Group.

- ✓ Tech Mahindra's CEO recognized for his significant contribution to the company's strategy and philosophy, by the jury of the 14th Indo-American Corporate Excellence (I-ACE) Awards.
- ✓ Frost and Sullivan's 2018 Visionary Innovation Leadership Award for Global Smart & Connected Cities Ecosystem



Governance

- Awarded Golden Peacock Global Award for Excellence in Corporate Governance – 2018 by the Institute of Directors (IOD)
- Tech Mahindra has emerged as one of the Top 10 Best Companies for Women in India in the 2018 Working Mother & AVTAR 100 Best Companies List.

CSR

- ET 2 Good for All Round Excellence in CSR for year 2017-18
- FICCI CSR Award for its excellence in Education and Livelihood 2017-18.
- Top CSR Contributing to Skill Development in the ET Now World CSR Day 2019 (8th CSR Leadership Awards)
- 5iHW Awards 2018 for Health Skilling Brand
- Outstanding CSR Award 2018 by Government of Telangana (Information Technology Electronics & Communication, Department)
- India CSR Leadership Summit recognizing CSR Community Initiative Awards 2018 for SMART (Skills for Market training) Skill Development
- India International CSR Conclave 2018 for CSR Project of the year in Skill Development
- India International CSR Conclave 2018 for CSR Leader of the Year
- Silicon India 20 Most Promising Healthcare Training Institutes 2018
- Top CSR Contributing to Skill Development in the ET Now World CSR Day 2019

CORPORATE GOVERNANCE

GOOD GOVERNANCE IS A KEY FOUNDATION FOR SUSTAINABILITY. One of our key responsibilities as a board is to ensure that our corporate governance programs and practices are in line with best practices. We adhere to the highest standards of corporate governance, ethical business conduct, transparency and accountability.

Directors Of The Board 31st March, 2019

Name	Category
Mr. Anand G. Mahindra	Non-Executive Chairman
Mr. Anupam Puri	Independent Director
Mr. C. P. Gurnani	Managing Director & CEO
Mr. M. Damodaran	Independent Director
Mrs. M. Rajyalakshmi Rao	Independent Director
Mr. Ravindra Kulkarni	Independent Director
Mr. T. N. Manoharan	Independent Director
Mr. Ulhas N. Yargop	Non-Executive Director
Mr. V. S. Parthasarathy	Non-Executive Director

The governance of the company is through the Board Level Committees. Climate change and other material matters receive attention at the Board level through the Risk Management Committee, CSR Committee and the Stakeholder Relationship Committee. The average tenure of the Board is 10.5 Years. The Chair of the Highest Governance Body, Mr. Anand Mahindra is a non - executive chairman of the Board

BOARD LEVEL COMMITTEES

<p style="text-align: center;">CSR COMMITTEE</p> <ul style="list-style-type: none"> Recommend the amount of expenditure to be incurred for the chosen activities; Monitor the CSR Policy and activities from time to time; To carry on such task and activities as may be assigned by the board of directors from time to time; Review Sustainability initiatives of the company. 	<p style="text-align: center;">INVESTMENT COMMITTEE</p> <ul style="list-style-type: none"> Consideration and approval of investment proposals, approving loans and Corporate Guarantees within the limits delegated by the Board of Directors in compliance with the provisions of the Companies Act, 2013.
<p style="text-align: center;">RISK MANAGEMENT COMMITTEE</p> <ul style="list-style-type: none"> Review and oversight of sustainability and climate change risks. Review of the Capital structure and risks associated with capital. Review of the Risk Management framework, plans and operational controls. Review of risks with criticality and mitigation plan. 	<p style="text-align: center;">NOMINATION AND REMUNERATION COMMITTEE</p> <ul style="list-style-type: none"> Evaluation of the Board as a whole, evaluation of the Committees and peer evaluation. Presents a summary of evaluation reports to the respective Committees and the Board for consideration.
<p style="text-align: center;">AUDIT COMMITTEE</p> <ul style="list-style-type: none"> Oversight of the Company's financial reporting process and disclosures. Review and monitor of the auditor's independence and performance; and effectiveness of the audit process. Evaluation of internal financial controls and risk management systems. Review the functioning of the Whistle Blower mechanism 	<p style="text-align: center;">SECURITIES ALLOTMENT COMMITTEE</p> <ul style="list-style-type: none"> Enables allotment of shares upon exercise of options under ESOP. Allotment of securities as delegated by the Board of Directors from time to time for any specific issues of securities.
<p style="text-align: center;">STAKEHOLDER RELATIONSHIP COMMITTEE</p> <ul style="list-style-type: none"> Review Company's responsibilities towards meeting environment, health and safety obligations of all stakeholders. Review reports on employee, vendor and customer satisfaction surveys. Review complaints/queries received from stakeholders' - vendors, suppliers, service providers and customers. Redressing stakeholders' complaints and queries. Strengthening investor relations. Monitoring and reviewing the performance and service standards of the Registrar and Transfer Agents (RTA) and provides guidance to improve service levels for investors. Monitoring and reviewing investor complaints received and ensure timely and speedy resolution. Formulate policies and procedures in line with the statutory and regulatory requirements to ensure speedy disposal of various requests received from security holders/other stakeholders from time to time. Obtain professional advice and assistance from Company's external legal advisors and accountants and also internal resources. Oversee the Investor relations function in the Company and suggest appropriate means to strengthen Investor relations of the Company. 	

STAKEHOLDER RELATIONSHIP COMMITTEE

- Redressing stakeholders' complaints and queries.
- Strengthening investor relations.
- Monitoring and reviewing the performance and service standards of the Registrar and Transfer Agents (RTA) and provides guidance to improve service levels for investors.
- Monitoring and reviewing investor complaints received and ensure timely and speedy resolution.
- Formulate policies and procedures in line with the statutory and regulatory requirements to ensure speedy disposal of various requests received from security holders/other stakeholders from time to time.
- Review Company's responsibilities towards meeting environment, health and safety obligations of all stakeholders.
- Review reports on employee, vendor and customer satisfaction surveys.
- Review complaints/queries received from stakeholders' - vendors, suppliers, service providers and customers.
- Obtain professional advice and assistance from Company's external legal advisors and accountants and internal resources.
- Oversee the Investor relations function in the Company and suggest appropriate means to strengthen Investor relations of the Company.

Risk Management Committee - Management of Climate Change & Sustainability Risks

Climate Change Risks like business disruption, changing regulatory landscape and acute physical stress are identified and prioritized by the Enterprise Risk Management Council, reported each quarter to the Risk Management Committee and presented to the Board of Directors.

We have a Risk Management Committee (RMC); framework for Risk Management at Board Level. ERM comprises of Board of Directors; Heads of business units. Chief Risk Officer Mr. Sunil Sanger heads Enterprise Risk Management (ERM) function who reports on risks including climate change risks & Opportunities to board of Tech M. It incorporates inputs from all business functions via designated Risk officers who on monthly basis update Risk registers. Enterprise Risk team filters; prioritizes reported risks based on structured policies & Risk Management Framework. It is reported to RMC quarterly. Tools like SWOT Analysis; Event/Decision Tree Analysis; BCM, FMEA are used for risk analysis, TCFD are used for climate related risks & opportunities. E.g., Natural Disasters affecting our facilities located near coastal areas (e.g. Bhubaneswar). We have detailed RCA of risk, which affected our workforce; business continuity to deliver service, contingency plan and its criticality.

Cyber security risks are growing, in both prevalence and their disruptive potential. With the proliferation of technology in day-to-day life and business, data security and data privacy become paramount. Tech Mahindra has collaborated with the state government of Andhra Pradesh to establish country's first Cyber Security Operations Centre (APCSOC) in the city of Vijayawada. The establishment of APCSOC is a manifestation of Tech Mahindra's strategy to deliver excellence and value in the cybersecurity space, as part of the TechMNxt charter.

CSR Committee - Governance of Sustainability & Climate Change

The Corporate Social Responsibility Committee (CSR) of the Board of Directors meets the criteria laid down under Section 135 of the Companies Act, 2013 and Rules made therein. Mr. C. P. Gurnani, Managing Director & CEO is the Chairman of the Committee. Mrs. M. Rajyalakshmi Rao and Mr. Ulhas N. Yargop are the other members of the Committee. Mr. Vineet Nayyar ceases to be member of the CSR Committee post his retirement w.e.f. July 31, 2018. There were two meetings held on May 24, 2018 and October 29, 2018.

Name	Category	Number of Corporate Social Responsibility Committee meetings attended
Mr. Vineet Nayyar ¹	Non – Executive Vice Chairman	1
Mr. C.P. Gurnani ²	Managing Director & CEO	1
Mrs. M. Rajyalakshmi Rao	Independent Director	2
Mr. Ulhas N. Yargop	Non-Executive Director	2

¹ Retired as Director w.e.f. July 31, 2018.

² Appointed as Chairman of Corporate Social Responsibility Committee w.e.f. August 01, 2018.

The Company Secretary acts as the Secretary to the Committee. Chief Financial Officer of the Company and the Chief Executive Officer of Tech Mahindra Foundation are the permanent invitees to the Committee meeting.

To ensure creation of defined and measurable results from our green initiatives, we have charted a sustainability roadmap. The defined goals and targets are distributed across the management, function & department heads and the employees. The performance of relevant personnel is linked to the Balance Score Cards and KRA's. Climate Change is aligned to the balanced score card of the 'CEO & MD' and senior leaders of Tech Mahindra.

Tech Mahindra Sustainability Council

The Tech Mahindra Sustainability Council has a direct reporting to the Corporate Social Responsibility (CSR) Committee. The Council is responsible for approving, overseeing, monitoring the formulation, implementation and reviewing of Sustainability and Climate Change Strategy, Roadmap and Initiatives. It covers the material topics listed in the Materiality Matrix. It also reviews key risks, overall performance and provides vital insights on integrating risks with strategy.

The Sustainability Council comprises of the key department heads like Finance, Human Resources, Corporate Services, Corporate Sustainability and Customer Centricity who review progress every quarter. Mr. Sandeep Chandna, the Chief Sustainability Officer, is responsible for driving sustainability across the organization and align sustainability with Business. Tech Mahindra Sustainability Council also consult with the Mahindra Group Sustainability Council, which comprise of TechM Board member Ulhas Yargop and Mahindra Group Sustainability Head.

Composition Of The Tech Mahindra Sustainability Council

Department And Designation	Name
Chief Financial Officer (CFO)	Mr. Manoj Bhat
Chief People Officer (CPO)	Mr. Harshvendra Soin
Chief Sustainability Officer (CSO)	Mr. Sandeep Chandna
Head of Corporate Services	Mr. Shivanand Raja
General Counsel	Mr. Vineet Vij

Sustainability is driven across the Organization through the Sustainability Policy. This policy defines the framework for Sustainability at Tech Mahindra and provides a governing platform for Sustainability work streams to create long lasting value for business, environment and society.

The Tech Mahindra Sustainability Council

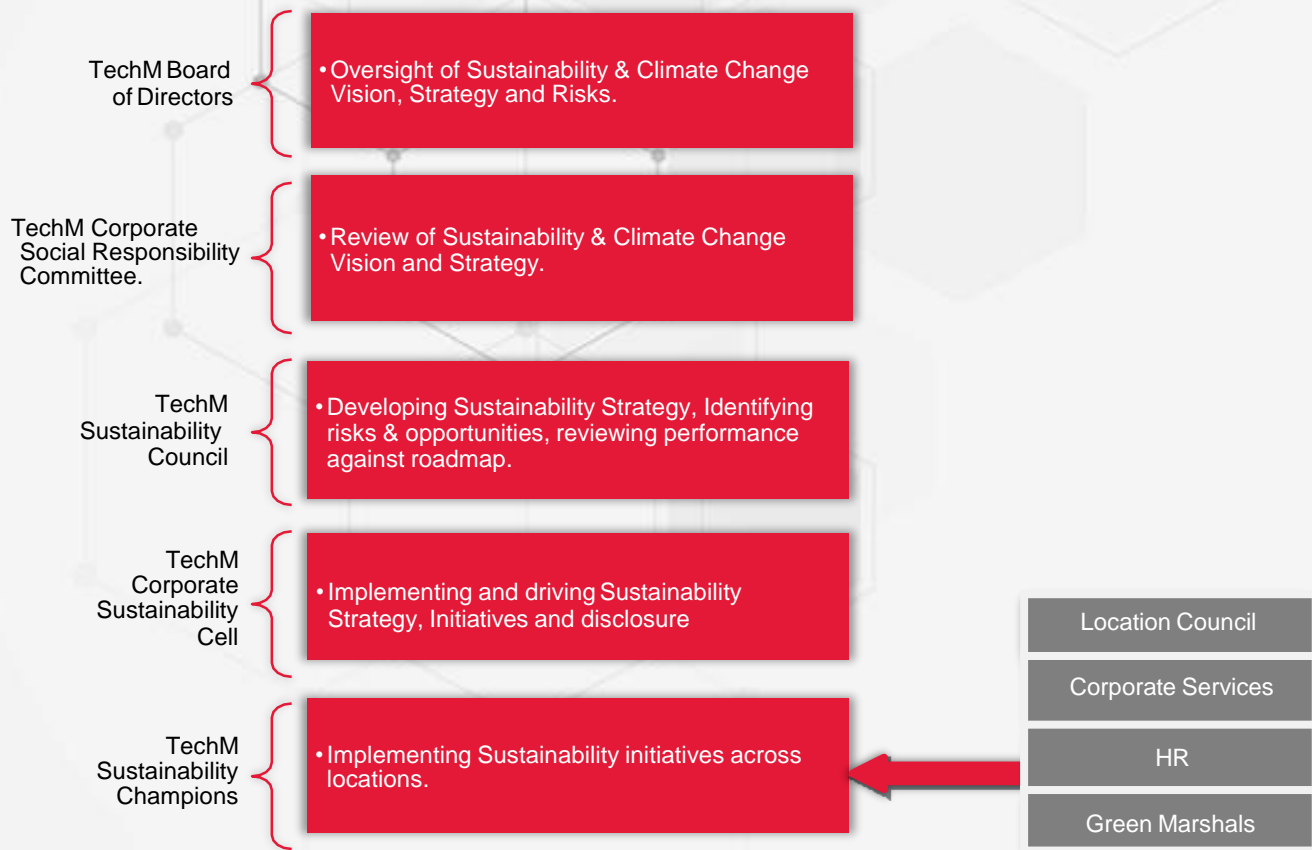
The Tech Mahindra Corporate Sustainability Cell carries out the day-to-day responsibilities of the Sustainability council. The Cell works in collaboration with the Location Councils.

Sustainability Champions

Each location council has a Sustainability Champion who implements sustainability initiatives across the locations. In addition, they ensure environmental compliance and management of sustainability related risks. The Corporate Services and Human Resources functions work in coordination with the Sustainability Council in integrating sustainability with business. The departments collaborate and support the TechM Sustainability Cell in driving sustainability, and managing non-financial disclosures. The environmental reporting data is monitored by the Sustainability Champions every month and reviewed by the corporate Sustainability Cell every quarter. The Sustainability Council reviews the data for environmental reporting every 6 months.

Sustainability Governance Structure

At Tech Mahindra, we have a proper framework for Sustainability Governance Structure. It consists of Tech Mahindra board of directors who are responsible for oversight of sustainability and climate change vision, strategy and risks. The Tech Mahindra corporate social responsibility council is responsible in reviewing of sustainability and climate change vision and strategy. Tech Mahindra sustainability council helps in developing sustainability strategy and in identifying risks and opportunities, and reviews performance against targets. The corporate sustainability council is the one, which is responsible in implementing and driving sustainability strategy, initiatives and disclosure. The Corporate Services and Human Resources functions work in coordination with the Sustainability Council in integrating sustainability with business. The departments collaborate and support the TechM Sustainability Cell in driving sustainability, and managing non-financial disclosures. The environmental reporting data is monitored by the Sustainability Champions every month and reviewed by the corporate Sustainability Cell every quarter. The Sustainability Council reviews the data for environmental reporting every 6 months.



Code Of Ethical Business Conduct

All the Directors and Senior Managerial Personnel have affirmed compliance with the Code of Ethical Business Conduct (CEBC); which has been approved and adopted by the Board of Directors and the Managing Director. The CEBC training programs & certifications are mandatory for all associates, and aims to appraise employees on various

fundamental risks related to corruption, bribery, conduct, mechanisms, and to report any such cases to the corporate ombudsman.

Ethics And Integrity

➤ GRI 102 – 16: Values, principles, standards, and norms of behavior

➤ GRI 102 – 17: Mechanisms for advice and concerns about ethics

Tech Mahindra's value on ethics and integrity are regularized through the [Tech Mahindra Code of Ethical Business Conduct](#). The Board of Directors, Senior Management, associates (permanent and on contract) and all external stakeholders are required to strictly adhere to the Code of Ethical Business Conduct (CEBC).

CEBC Training is mandatory for all Associates. It covers fundamental aspects of ethical business and the mechanism to report any cases of non-compliance to the Corporate Ombudsman. 100% of the associates completed this training in the training cycle. External stakeholders are encouraged to take the [CEBC Training](#), which is available on the website.

Our [Whistleblower Policy](#) provides associates (whether permanent or on contract), Investors, customers, vendors and other stakeholders; an platform to raise concerns, in line with our commitment to the standards of ethical, moral and legal business conduct. The policy provides necessary safeguards for protection of employees from reprisals or victimization, to whistle blow in good faith. An ombudsman along with a dedicated telephone line enables employees to raise their concern and report cases. The policy is communicated to all associates and other stakeholders through our various engagement platforms.

Tech Mahindra has zero tolerance towards sexual harassment at workplace. There is a [Prevention of Sexual Harassment \(POSH\) Policy](#) in place that is routinely communicated through mailers and town hall meetings. The policy is strictly enforced and associates are encouraged to report all such issues, which are investigated thoroughly and confidentially.

Our CEBC and POSH Policies, aim to reinforce our commitment to the embodiment of ethics, good governance, values and acceptable standards of corporate behaviors within our Organization and all our stakeholders.

To ensure a 100% completion of this organization level mandate, we are also enhancing the module by automating a few features, making it more stringent. The employees who have not completed the mandates are notified and strict actions are taken.

Appointment, Remuneration & Evaluation of the Highest Governance Body

Governed by the Nomination and Remuneration Committee at the Board Level, the company has a Policy for Appointment, Remuneration and Evaluation of the Board of Directors, Key Management Personnel and Senior Management.

<https://www.techmahindra.com/sites/ResourceCenter/brochures/investors/corporategovernance/Governance-Policies-including-remuneration-to-Directors-KMPS.pdf>

STAKEHOLDER RELATIONSHIPS

Engaging With Stakeholders - For Sustainable Value Creation



At Tech Mahindra, we truly believe in maintaining engagement with all our stakeholder groups. We adopt various methods and engagement frequency to ensure that we understand stakeholder's needs and concerns. We also effectively contribute towards addressing these needs across company operations and proactively collaborating with stakeholders for finding solutions for any concerns. We participate with our stakeholders using various engagement mechanisms like workshops, conferences, operational reporting, strategic plans and routine feedbacks etc.

The methods for some of the critical stakeholders are enumerated in detail while table also provides methods for stakeholder engagement.

Employee

At Tech Mahindra, we recognize associates as critical stakeholders. The Company understands that the associates should be encouraged, recognized and rewarded to create, grow and sustain a world-class organization. We promote an open feedback culture and empower associates to act as agents of change in their business domains. Some of the avenues like Freevoice (a portal where associates can air their issues), IRIS (our Idea bank), All Hands Meets and Redressal committee offer an opportunity for associates to interact with the management, raise concerns and resolve issues/ conflicts in a fair and transparent manner. We also encourage them to give back to society by contributing in the areas they are passionate about through employee volunteering. Employee engagement and other aspects of human capital development are discussed in the Chapter on Human Capital.

Customer

We maintain a close relationship with our customers by constant dialogue through various channels. It helps us to understand their needs better and helps the customers understand the products and service offerings better. It also enables us to capture the pulse of the industry and understand the future landscape; at the same time help the company adapt to these changes.

We conduct an annual survey to evaluate the needs and feedback of the customers. The Customer as Promoter (CaP) Score is computed from the response to one focused question - **"How likely is it that you would recommend this organization to a friend or colleague?"** This survey provides us an excellent opportunity to understand our customers

including their concerns. In addition, the business functions at various touch points reach out to customers to understand their needs and deliver services. The methods of engagement with customers are covered in detail in the Section on **“Creating value for our customers”**.

Collaborations & Partners

At Tech Mahindra, we have strong relationships with more than 250+ leading technology firms and disruptive startups. This rich alliance ecosystem allows us to co-create and collaborate for creating innovative and niche solutions and expand our products and offerings. With technology markets evolving at fast pace, alliances and collaborations allow us to remain ahead of markets and swiftly adopt technology advancements.

There is dedicated partner management focus in Tech Mahindra, as well as we also invest with interesting disruptive start-ups. Partner management teams collaborate with solution groups to create customer solutions. The alliance ecosystem is covered in detail in the section on Intellectual Capital.

Shareholders & Investors

Investors make growth, expansion, acquisition and enhancement feasible of the human and intellectual capital. As a responsible company towards our shareholders, employees and society, we give all the declarations under the guidance of companies Act, 2013 and regulation of Securities Exchange Board of India.

We do ensure to monitor risks, external environment, and their impacts across various capitals for company operations – natural, human, intellectual, social and relationship and also declare the same and undertake required mitigation steps.

Academic Institutions

We collaborate with various universities and leading technical institutes globally through co-creation, hackathons, exchange programs and talent development programs. We also leverage external learning platforms provided by universities and technical institutes. We signed a memorandum of understanding (MoU) with the University of Sydney to create a technology research platform, to provide experiential learning and collaborative research programs for the young talent pool. We have collaborated with the University of Berkeley, under the banner of TechMNxt, for working in digital disruption. Tokyo International University has set up a Maker's Lab for the Post Graduate students.

Current University Connects



Local Communities

As a responsible company, we are committed to working towards improving the lives of the people and society in the areas of operation. Tech Mahindra Foundation (TMF) actively reaches out to the local communities and engages with them through structured and informal need identification and impact assessment to understand their needs and

expectations. Inputs are received from the beneficiaries of the CSR projects, the NGO partners as well as the local bodies. The impact created by Tech Mahindra is covered in the Section on [Social & relationship Capital](#).

Suppliers And Vendors

As an Information Technology Services Company, the scope of our supply chain primarily extends to the suppliers of Goods and Services to support our operations. We engage with them on sustainability, quality and delivery through the Supplier Code of Conduct. Some of the key aspects of the SSCM are ethical business practices; management practices that respect the rights of all employees and the local community; minimising the impact on the environment; and providing a safe and healthy work place. We evaluate the impact of our activities in the supply chain at all stages on a periodic basis and carry out comprehensive risk analysis of our supply chain in terms of ability to deliver on time because of market and climate related risks. TechM's Business Continuity Management system allows us to have an integrated view of the requirement and accordingly plan, coordinate and execute strategies to mitigate supply chain risk. The engagement methods, topics and frequency are detailed on the section on [Supply Chain Management](#).

Stakeholder Groups	Matters Deemed Material	Engagement Mechanism	Feedback Mechanism	Frequency of Engagement
Customers	Customer satisfaction, Cyber Security, Data Privacy and Security	Meetings, interviews, personnel visits, interaction with top management, publications, media & communications, feedback camps, customer visits and Support programs, conferences and seminars, public events and forums.	<ul style="list-style-type: none"> • Ongoing client visits and meetings • Social media • Mailers, brochures and news letters • Annual Customer Satisfaction Survey • Bi Annual Satisfaction Survey • Collaborations for co-creation 	Monthly, Quarterly, Bi-annually, As and when required
Associates	Employee satisfaction, Re-skilling to stay relevant, Feeling purposeful	Conferences & workshops, publications, newsletters & reports, online portals, performance reviews, team meetings, town hall meetings, Senior Management interactions, CSR and volunteering events, recreational activities, feedback surveys, one-to-one interactions.	<ul style="list-style-type: none"> • UVO – The HR Chatbot • HR Flipbooks • Simulation Games for learning • Online portals • Feedback Surveys • One-to-one interaction. 	Daily, Weekly, Monthly, Annually, As and when Required.
Shareholders & Investors	Revenue Growth and profitability, Transparent Disclosure.	Annual report, sustainability report, press releases, investor presentations, corporate website, quarterly and annual results, quarterly earnings calls, investor day.	<ul style="list-style-type: none"> • Annual meetings, • Submission of online queries, • One-to-one interactions • Online portals • Feedback Surveys 	Monthly, Quarterly, Bi-annually, Annually.
Academic Institutions	Industry interaction	Strategic tie-ups on innovations and capacity building of associates, to identify young talent pool	<ul style="list-style-type: none"> • Online surveys and meetings 	Bi-annual, Annually, As and When Required

Partners & Collaborators	Maintaining the quality of products	Partner meets, workshops & training, Strategic Ongoing for development of platforms and solutions	<ul style="list-style-type: none"> Partner Conferences, surveys 	Bi-annual, Annually, As and When Required.
Regulatory Bodies	Public advocacy	Conferences and seminars, Working Committee Meetings, Meetings, Disclosures at sustainability platforms, Conferences & Summits	<ul style="list-style-type: none"> Online surveys 	Bi-annually, Annually, As and when required
Government & Local Bodies	Responsible corporate Governance, developmental activities	CSR programs in aspects of education & employability, Annual report, sustainability report, press releases, investor presentations, corporate website, quarterly and annual results	<ul style="list-style-type: none"> Meetings and interactions, Personal interviews, Surveys 	Quarterly, Bi-annually, Annually, As and when required
NGOs	Public advocacy	Conferences and seminars, Working Committee Meetings, Meetings, Disclosures at sustainability platforms, Conferences & Summits	<ul style="list-style-type: none"> Online surveys 	Bi-annually, Annually, As and when required
Internal – External (Systems & Processes)	Sustainable systems & processes	All the internal and external supporting processes & systems, Change request & upgradation, policy changes, risks related changes	<ul style="list-style-type: none"> Process executions, changes and upgrades 	Continuous, multiple times a day, change in policy, external environment, as and when required
Suppliers & Vendors	Capacity building, Ethical business practices	Supplier & vendor meets, workshops & training, policies, Strategic Ongoing for development of platforms and solutions	<ul style="list-style-type: none"> Vendor engagement meet 	Annually
Organization Facility / Location	Safe, Secure & healthy workplace	Emission Controls, Emission Reduction initiatives & plans, New infra development plans, Upgradation plans.	<ul style="list-style-type: none"> Employee feedbacks 	Annually
Society at Large	Economic Development with environment sustenance	CSR programs in aspects of education & employability, Annual report, sustainability report, press releases, investor presentations, corporate website, quarterly and annual results.	<ul style="list-style-type: none"> Meetings and interactions, Personal interviews, Surveys 	Quarterly, Bi-annually, Annually, As and when required

Incorporating Feedback Received From Stakeholders

Continued engagement with stakeholders helps gain inputs on their perception of value creation and their expectations from Tech Mahindra. It helps us in identifying risks and opportunities to the business, and opportunities for collaboration, co-innovation and co-creation. It also helps us to identify and develop solutions that can address these risks.

Associates

HR engagement tools at Tech Mahindra have been developed based on feedback from the associates through formal surveys. They help gauge associate needs and engagement levels and help the management learn about workplace strengths and weaknesses. Our online survey **TechM CARES** measures associate experience across key dimensions like Career Alignment, Recognition, Empowerment and Strive. The Action Planning feature after the survey enables collaborative decision-making. It influences aspects such as jobs, work environment, and the direction of the company as a whole.

Customers

The inputs, feedbacks and suggestions received from customers are incorporated in decision-making, strategy development, and development of new solutions and applications. We do have Customer Forums for the review of new solutions and offerings and provide inputs in terms of future direction that we should undertake. We also have frequent (weekly, bi-weekly) customer connects and customer talks where customers highlight – industry direction, their expectations, process and cultural in-gradients that we need to adopt.

Collaborations and partnerships

TechM is collaborating with a variety of partners, including Affirmed Networks, Altiostar, and Cloudify that are driving innovation in areas such as virtual RAN, virtual probes, and cloud orchestration. This has helped us tap into innovation globally be it 15+ startups in the Silicon Valley or disruptive entrepreneurs in Tel Aviv, Israel, in the areas of Artificial Intelligence, Cloud, Blockchain, Analytics and SD Networks.

Our **Collaboration with REDSHIFT** is one such example. Global carriers urgently need Real-time Security and Analytics solutions that can detect Anomalous network traffic as these carriers migrate their edge and core voice networks to SIP / IMS / VoLTE. With RedShift Networks, we are making cloud-based real-time Unified Communications & Collaboration (VoIP and Video) more secure and reliable.

Tech Mahindra has collaborated with H2O.ai, the open source leader in Artificial Intelligence for establishing Center of Excellence to focus on critical industries such as Communications, Media & Entertainment, Healthcare & Life Sciences, and Banking, Financial Services & Insurance.



Local Communities

The feedback received has been used in designing relevant projects, initiatives and activities. The inputs are considered while deciding the focus of the future CSR projects and areas for action. It has been TMF's endeavor to promote quality education and employability for vulnerable sections of society through novel and collaborative partnerships with

Government, NGOs and other organizations across India. Engagements at the grass-root level have enabled us to forge long-lasting relationship with society.

Tech Mahindra also supports Local Industry Associations:

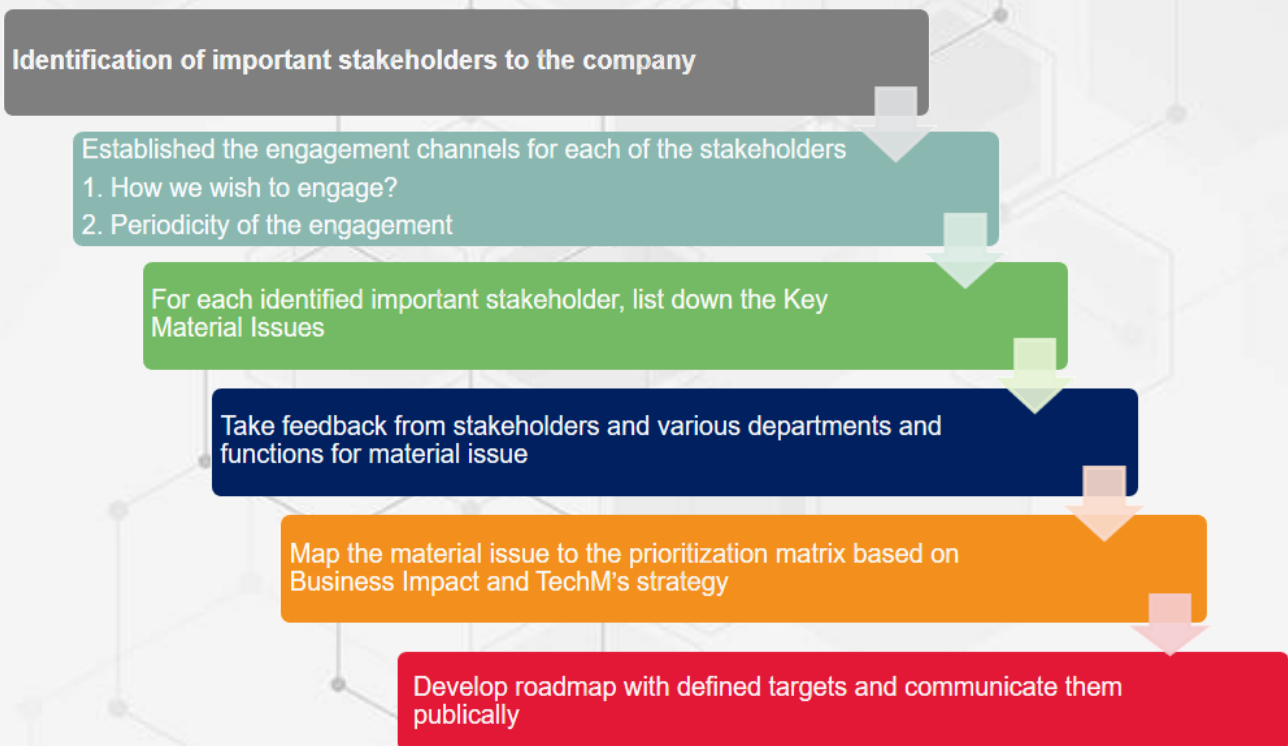
- ✓ Hinjewadi Industries Association (HIA) who engage with all the stakeholders from the State Government, local bodies & authorities to make improvements in the Infrastructure, Safety & Security, Transport & Traffic modes & IT & ITES Policy and its implementation.
- ✓ The Hyderabad Software Enterprises Association (HYSEA) to create an enabling eco-system for the Industry where we give inputs/discuss with the Government to formulate appropriate policies, extend help in the creation of simpler & more effective procedures needed for the growth of the industry, improving the Security in the Technology District, etc.
- ✓ TechM being an active member of Society for Cyberabad Security Council [SCSC], where we discuss policies & frameworks to enhance safety & security aspects in the IT corridor (which consist of IT infrastructure safety, Traffic safety, Cyber safety & Information security) so that the business continuity takes place in healthy living.

MATERIALITY MATTERS

At Tech Mahindra, we undertake materiality as one of the critical processes in identifying and prioritising the most pertinent issues. We review the progress of our material matters annually after discussions with our stakeholders and also update some of the aspects of materiality matrix if needed.

The Integrated Report discloses information about matters that substantively affect the organisation's ability to create value over the short, medium and long term. Our established materiality process is based on GRI(Global reporting Initiative) Standards and aims to ensure that societal, environmental and economic issues that present risks and opportunities to Tech Mahindra are identified keeping in mind the expectations of our relevant stakeholders. Material issues as well as the materiality assessment process are reviewed annually.

Materiality Assessment Process



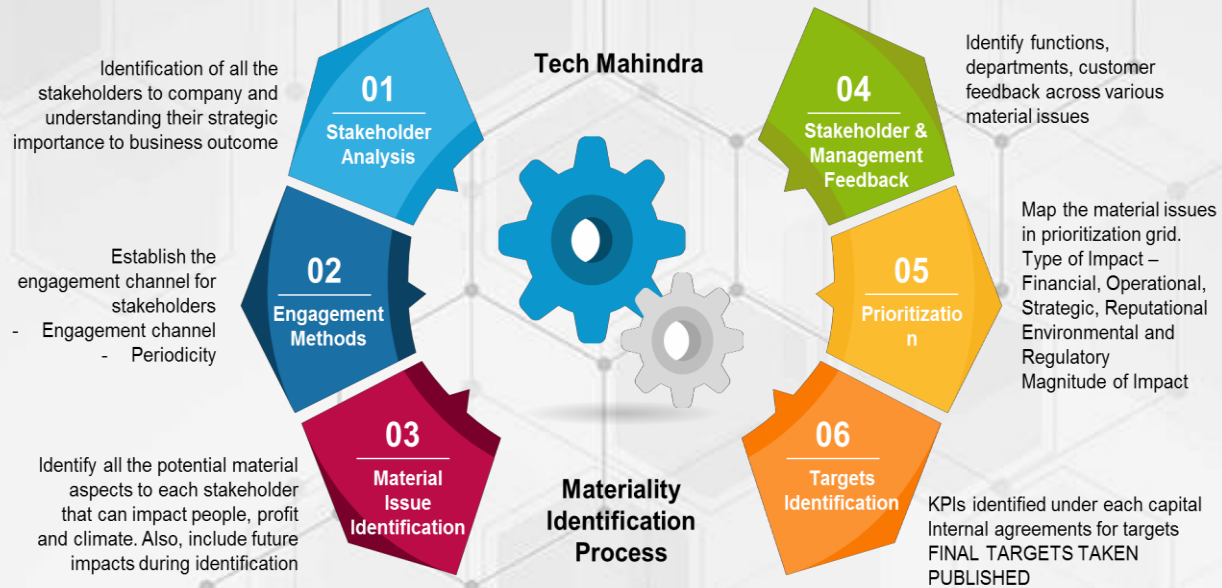
In determining the material matters, we considered the views of both the internal and external stakeholders. Formal and informal interactions with key stakeholders - customers, partners & collaborators, academic institutions and investors provided in-depth feedback on issues perceived as critical to our business.

Internal stakeholders included representatives from key departments – investor relations, strategy, innovation, corporate services, customer services, human resources and governance. All issues that were deemed to be material were considered in the assessment process.

In reviewing our material issues, we have considered:

- Stakeholder groups, their requirements and future expectations; Impact of these expectations on our strategy, performance and governance.
- Significant risks that could impact our operations, outcomes and customer relationships
- Matters related to value creation for our products and service offerings, customer solutions and operations.
- Relevant legislation and regulation, and our commitments, values, policies, goals and targets.
- Previous year's performances, online and media reviews, industry benchmarks and competitors assessment.

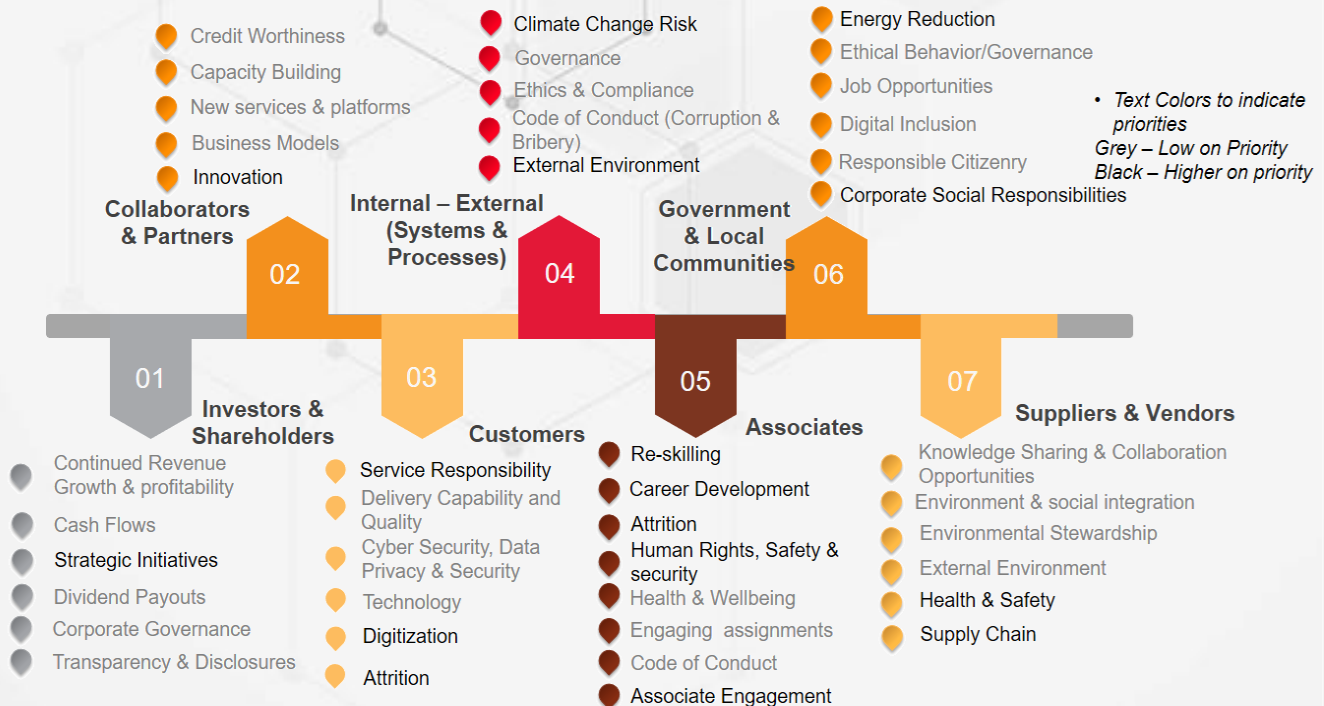
Materiality Assessment Approach



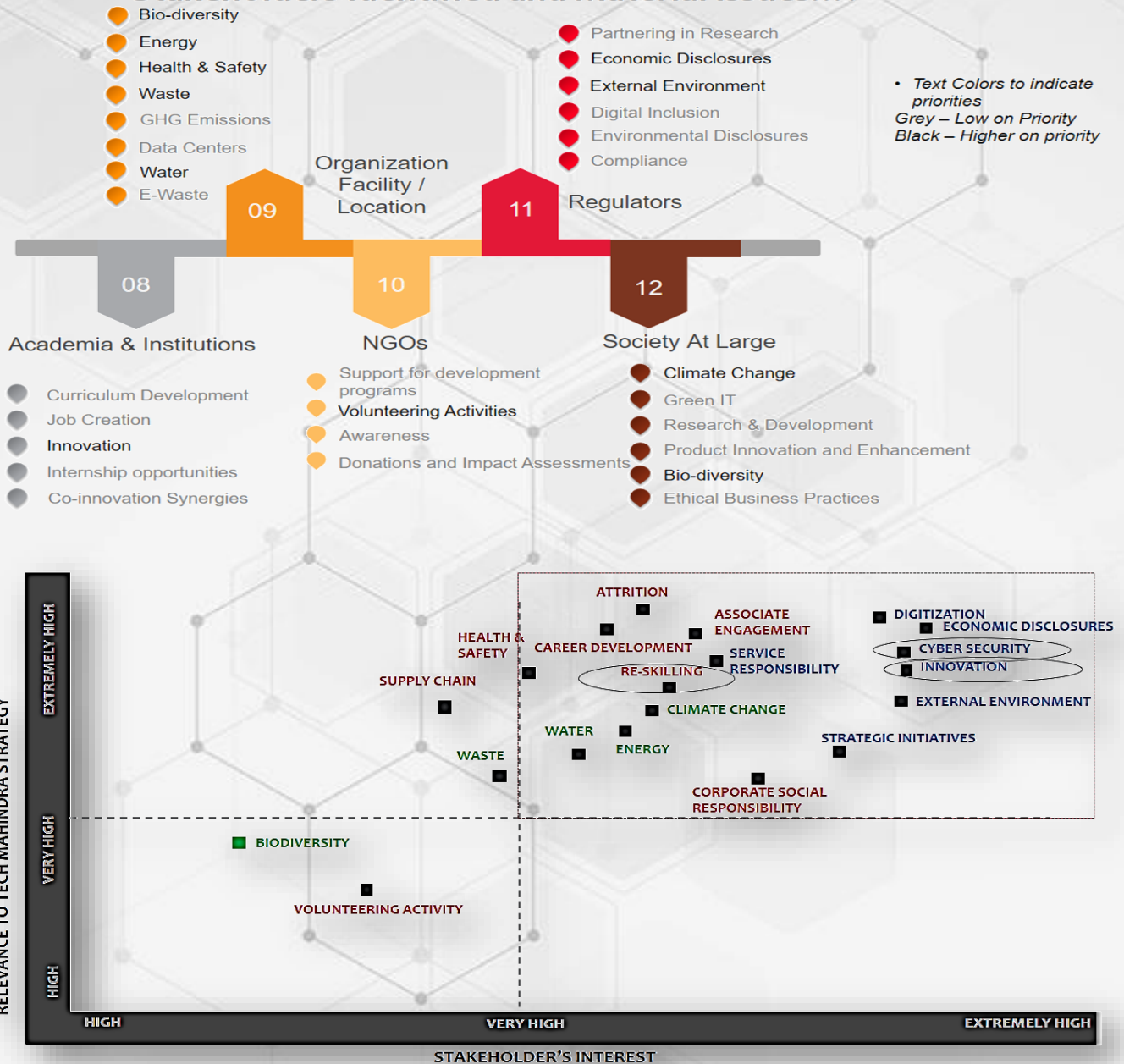
Stakeholder engagement is an important component of the process. Throughout the year, input from stakeholders on critical issues are filtered up to the board through the Board level committees for consideration. This year, we have revised our materiality matrix to include cyber security and re-skilling as 2 matters that has gained significant importance in last year for technology industry. Stakeholders like customers, partners & collaborations, regulatory bodies have brought these 2 aspects in the fore-front due to technology changes and market development.

Tech Mahindra Materiality Matrix 2018-2019

Stakeholders Identified and Material Issues....



Stakeholders Identified and Material Issues....



Approach To Managing Material Matters

The material matters represented in the materiality matrix have been clustered broadly into areas of social, economic and environmental under the heads of Human Capital, Innovation and Environment Management.

Human Capital

The Employees are our most important assets for Tech Mahindra. We emphasize and prioritize re-skilling, career development, associate engagement & satisfaction, along with wellness, health and safety to ensure talent retention & attrition reduction.

High attrition can have a huge impact on the Company's bottom line. Talent leaving the company has a direct and indirect impact on client retention and service delivery. It is therefore viewed as important. We have a robust strategy for long-term employee retention. Some of the ongoing initiatives are mentorship, introductions to senior management, diversity initiatives, 360° performance reviews, real time feedback and the support in career advancement. This enables a smooth integration of the associate within the company's culture.

Digitization, Artificial Intelligence, Augmented Reality/ Virtual Reality, Machine Learning, Analytics, Cloud, Internet of Things and other technologies are becoming commonplace at a rapid pace. The demands of Customers and Customer's customer are changing. In a changing global environment, organizations are looking for end-to-end ownership of business processes to improve business agility and enhance customer experience. Re-skilling of the associates is of utmost importance to keep pace with new technologies and demand trends.

As a technology firm, we rely on the right talent for business sustainability and growth by servicing customer needs. Professional and attitudinal development of the associates is a business imperative. There is a need to develop well rounded professionals who believe in the company's core values and the Mahindra brand philosophy and have the right technical skills and an entrepreneurial, solution oriented mindset. Associate engagement is essential for retaining such employees. The management is committed to focused career development and associate health and safety to help them achieve their potential. This also helps reduce attrition. Career development is essential for ensuring that the associates are up to speed in servicing the needs of the customers. In keeping with the Mahindra Rise philosophy, the company encourages employee volunteering. They form the key components of the Human Capital.

Innovation

Innovation, Digitization, Cyber Security and Strategic Initiatives are an integral part of our business model and strategy.

Innovation is the cornerstone of sustained growth and profitability for any organization. It enables a culture of continuous improvement and development of new ideas that lead to the making of new services and platforms. It enables us to service the changing customer needs – technology enablement and end-to-end service. Digitization and other new age technologies are globally being used as enablers of value - bringing efficiency in manufacturing, helping stay focused on customer centricity, managing big data, and enhancing the customer experience. They are a need of future enterprises as well as governments and economy. They also help Tech Mahindra respond to the evolving expectations of the next-gen customers.

The Innovation Charter drives innovation. In the reporting year, we formalized an organization wide 360 degree Innovation Approach. With Maker Labs at the core, it combines collaborations and partnerships with the development of the organizational culture amongst the associates.

Environment Management

The environmental topics of Climate change, energy, water, waste and biodiversity are all material topics under the overarching umbrella of environmental management for the company. The direct and indirect impact of human activity on the natural environment is experienced by and affects all. Climate change is a direct and indirect risk, which requires focused action and shifting towards carbon resilience. Conservation of energy therefore has a strong business case. Water scarcity is a growing problem, which requires global attention and action. There is a heightened need to conserve the biodiversity, the species, flora and fauna. Effective management of waste and moving towards zero waste to landfill is becoming a business imperative with the increasing pressure on availability of land and natural recourses. There is a need to reduce and recycle.

The boundary for all material topics listed in the materiality matrix is limited to India, as it constitutes the majority of the company's activities and impacts. However, the management approach is applicable to the Global Boundaries.

Driving Action Through The Sustainability Framework

Tech Mahindra nurtures a business philosophy of alternative thinking, strategically leveraging sustainability to our competitive advantage. This ideology of Sustainability is reflected in our rigor and strategic thinking across the organization. Connectedness with each of our stakeholders is crucial and paramount to us. The material topics are aligned with business strategy. Post identification of prioritized material topics, we reached out to different functions and departments and discussed material aspects and KPI's (Key performance indicators). The Materiality Matrix is aligned with the Mahindra Sustainability Framework.

Rise
for Good

Mahindra Sustainability Framework

Building enduring businesses by rejuvenating the environment and enabling stakeholders to Rise



Mahindra Sustainability Framework

Material Matters		
Enabling Stakeholders to Rise	<ul style="list-style-type: none"> Build a Great Place to Work Foster Inclusive Development Make Sustainability Personal 	<ul style="list-style-type: none"> Re-skilling Attrition Associate Engagement Career Development Safe work environment Health and Safety Corporate Social Responsibility Volunteering
Rejuvenating the Environment	<ul style="list-style-type: none"> Achieve Carbon Neutrality Become Water Positive Ensure no waste to Landfill Promote Biodiversity 	<ul style="list-style-type: none"> Climate Change Energy Water Waste Biodiversity
Building Enduring Business	<ul style="list-style-type: none"> Grow Green Revenue Mitigate Risks including Climate Risk Make Supply Chain Sustainable Embrace Technology and Innovation Enhance Brand Equity 	<ul style="list-style-type: none"> Cyber Security Innovation Digitization External Environment Economic Disclosures Strategic Initiatives Service Responsibility Supply Chain



Tech Mahindra Sustainability Roadmap

Aspect	Mahindra Sustainability Framework	Target	Baseline 2015-16	Progress 2016-17	Progress 2017-18	Progress 2018-19	Target 2020-2021
Rejuvenating The Environment							
GHG Emissions	Achieve Carbon Neutrality	Reduction in Scope 1 - 2 GHG emissions in MTCO2	114309	122697	125486.63	110979.28	97162.65
PUE (Power Usage Efficiency)	Achieve Carbon Neutrality	Reduction in Power Usage Effectiveness of Data Centers (%)	1.76	1.78	1.79	1.91	2%
Renewable energy	Achieve Carbon Neutrality	Renewable energy as percentage of total electricity used	1.77%	2.1%	2.87%	15.2%	10 %*
Water	Becoming water positive	Reduction in per capita fresh water consumption (kl/employee)	13.73	18.28	13.16	13.11	13.04
	Becoming water positive	Number of rain water harvesting units	2	4	4	6	6
Waste Management	Ensure no Waste to landfill	Reduction in Paper	93.37 ton	86.17 ton	70.15 ton	73.54 ton	79.36*
	Ensure no Waste to landfill	Composting food waste at owned locations	2 Locations	3 Locations	4 Locations	5 Locations	9 Locations
BUILDING ENDURING BUSINESS							
Promote Innovation	Embrace technology and Innovation	Number of Innovation contests and events per year	18	48	68	75	24*

	Embrace technology and Innovation	Number of ideas incubated in Labs per year	2	4	6	9	8*
Realization of Innovation opportunities	Embrace technology and Innovation	Revenues from Innovative Solutions (USD in Million)	40	42	110	200	100*
Connecting with Customers	Enhance Brand equity	Customers connected (Customers)	8	46	80	150	30% (150 customers)**
Supply Chain	Make supply chain sustainable	Number of top Suppliers to be audited yearly on Sustainability parameters	2	4	6	12	10*
Reducing Carbon Footprint in Supply Chain	Make supply chain sustainable	Engaging with IT suppliers to estimate GHG emission from products manufactured for TechM	-	1	2	2	5

ENABLING STAKEHOLDERS TO RISE

Employee Engagement and Retention	Build a great place to work	Employee Engagement Score	3.7	3.78	3.76	3.92	3.9
Gender Diversity	Foster inclusive development	Women in Senior Management	8%	8.4%	7.32%	8.68%	12%
Integrating Sustainability into Business	Make Sustainability Personal	Sustainability training of total associates	25%	27%	27%	100%	100%
Talent Retention	Build a great place to work	IT Attrition rate	20%	17%	18%	21%	17%
Learning and Development	Build a great place to work	Continuous Learning for all Associates (Hours Per Person Per Year)	40	40	39.11	47.44	40

Health & Safety	Build a great place to work	Health, Safety and Ergonomics Trainings at locations	83% (10 locations)	11 locations	100%(12 locations)	100%(12 locations)	100%(12 location s)
	Build a great place to work	Telephonic and Face to face Counselling facility	58% 7 locations	8	100%(12 locations)	100%(12 locations)	100% (12 location s)
CSR	Foster inclusive development	Direct & indirect beneficiaries of Tech Mahindra Foundation (Figures in Lakh)	3.85	2.50	4.90	6.73	5.39*
	Foster inclusive development	TechM Foundation SMART Vocational Training centers across all locations of operations with 80% placement	75	80	100	100	130

*We have surpassed the targets, will review in next year

** [Average base of 600 customers]

Evaluation Of The Management Approach

The relevant departments through the Tech Mahindra Sustainability Council evaluate the Material matters. Critical matters are reported to the Board of directors in the quarterly board meeting. Those matters where progress is not satisfactory are reported to the Sustainability Council, those matters where we have surpassed our targets are also reviewed, and revised targets are made. In the reporting year, the following targets deserve review.

Renewable Energy

We surpassed our renewable energy target. 15.2% of the energy mix in the reporting year was from renewable energy sources. We will revise to upgrade our renewable energy target.

Employee Engagement and Retention

We measure employee satisfaction through the TechM Cares score. We are pleased to announce that we surpassed our target for reporting year. 49% of our employees took part in the employee survey and scored 3.92 (on a 5 point rating scale), surpassing our target of 3.78. This also shows an improvement and increase of 4.25% from last year's scores (3.76 in 2017-18).

IT Attrition

In the same period that we surpassed our target in employee engagement and retention survey, we saw an IT attrition rate of 20.8% higher than our target of 17%.

In order to bring focus on Attrition, a cross functional team analysed the attrition and came out with specific plans for each target segment based on the insights drawn. Our critical talent (Rated Excellent) attrition continues to be much lower than the average as we have ring-fenced these resources with long and short term incentives, coupled with Talex, our AI based career development plans and training on new age skills. We have various initiatives, listed below, to address the talent segment at risk:

- Introduction of many career transformation programs, which will help associates meet their career aspirations.
- Ring fencing all our critical talent with long and short-term incentives.
- Creation of a 'super-coder' category for Niche skills where salaries would be 50-60% higher.

RISKS AND OPPORTUNITIES

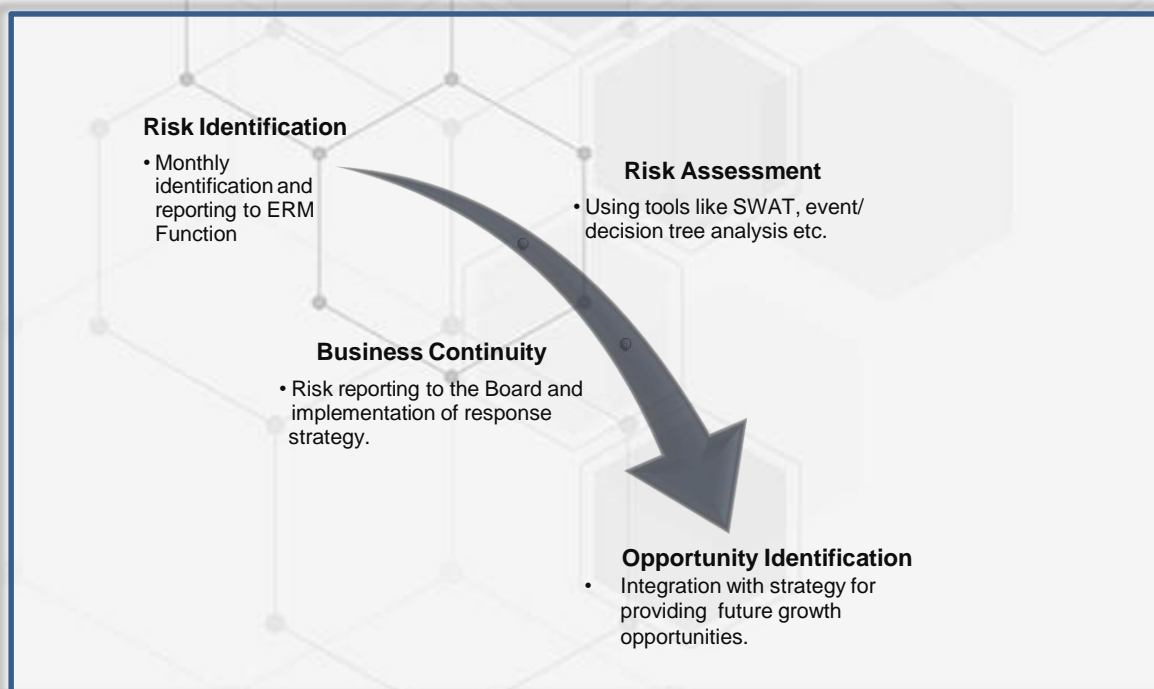
Tech Mahindra has a robust mechanism for identification, classification and management of financial & non-financial risks and analyzing thoroughly each & every risks possibilities in short, medium & long-term. The risks identified are reported to the Board Members, the Leadership Team and all other relevant stakeholders periodically along with management plans and implementation. Reporting risk helps us to integrate them into management decision making and ensure business continuity. It also provides opportunities for improvement; internal innovation; and development of new solutions that can give us a competitive advantage.

Risk Management Approach

Risk assessment is entrusted with ERM (Enterprise Risk Management) Team in conjunction with various business functions. Chief Risk Officer heads ERM function & all business functions have a designated Risk officer. ERM Council report to the Risk Management Committee at the Board Level enabling Board to be conversant to all risks that directly or indirectly have the potential to affect Tech Mahindra's Business, operations, Brand and Reputation.

The approach to risk management is early stage identification, communication and management. Risk management includes focused actions like strengthening operational controls; deploying business continuity and disaster recovery; building business resilience; conducting associate awareness on risks and identifying business opportunities. All Risks, impacts and strategies are reported to the Board each quarter and are set out in the Management Discussion and Analysis Section of the Annual Report.

Risk Management Process



Risk Identification

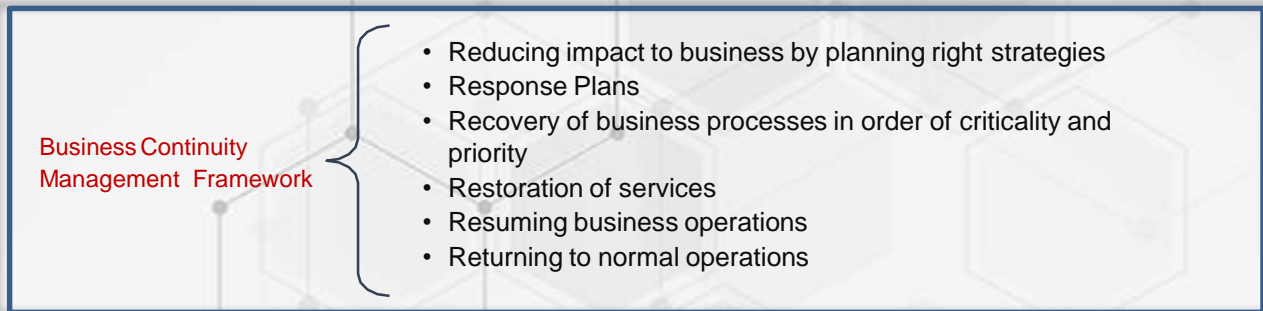
All business functions have designated Risk Officers who collect inputs on a monthly basis for updating the risk register. The primary objective of risk identification is to identify continuous and early events that will have an impact on the outcomes. Risks are well documented in a risk register, which includes a list of mitigation strategies, probability of risk, contingency plan and others. Risks are identified via bottom-up approach where each business function directly contributes risk in his area and updates onto risk register & analyze.

Risk Assessment

The identified risks are prioritized and assessed on the basis of outcomes, probability and magnitude of impacts using tools like SWOT (Strength, Weakness, Opportunities, and Threat) Analysis; Event/decision Tree Analysis; Scenario Analysis, Delphi Technique, Cause and Effect Diagram and Failure Mode Effect Analysis (FMEA) and detailed assessment using TCFD framework. This allows early stage prediction of different scenarios and its likely impact on Tech Mahindra's Business Continuity and Growth. We prioritize risks that are material to our company & its business & has major impacts, based on scenario analysis.

Business Continuity

The underlying philosophy of the Business Continuity Plan is SECURITY FIRST. The four pillars of continuity and resilience include People safety, Asset protection, Environment Safety – IT and Non-IT as well as Continuity of business – services, internal and external customers.



People Safety, Asset Protection, Environment Safety and Continuity of Business and critical services to maintain minimum operating levels. Reducing impact to business by planning right cost effective strategies, Response Plans, Recovery of business processes in order of criticality and priority, Restoration of services, Resuming business operations and Returning to normal operations are the six stages Tech Mahindra Business Continuity Management Framework aligns. Tech Mahindra is certified for ISO 22301:2012 and integrates best practices for Business Continuity and Disaster recovery practices.

Tech Mahindra has an established business continuity Policy at the Apex, a Business Continuity Framework to define the program elements, a structured response plan at a Premise level, Non-IT events, BIO-Attacks, IT events and continuity plans covering 25 scenarios of disruption across People, Assets, Environment and Service continuity including Cyber events. Risk management procedures, guidelines and a home toolkit captures risks, risk treatment plans and a Global risk radar for the organization. Business Impact analysis (BIA) is analyzed at an organizational global level, business units either adopt or change BIA values from the global value or override the same with customer specifications as per contracts and engagement. Dependencies are documented in respective plans. We have an Employee emergency help desk 24/7 with toll free numbers for associate safety, accident trauma and security incidents. Our GSOC (Global Security Operations Centre) monitors threats and any potential malicious activity in cyber space influences critical technical infrastructure. We as an organization subscribe to International SOS (ISOS) for travel security and alerts causing disruption. Our Global Business Continuity Team is associated with Industry, Technology Park and associations for localized security and disruptions to business.

Tech Mahindra Global Continuity Management team integrates with the Incident Response team called Tech Mahindra CIRT for all cyber and security incidents. An organized incident management structure including Command and Control is included in the Business Continuity Framework. Response plans include IT, Non-IT, Cyber and People related events. All plans have clear ownership including actions in respective plans. All response plans are control documents and reviewed annually as per the process. Related linkages and connections is established across the incident response and continuity management plans. All testing, exercising is integrated across three levels – Business unit test their respective plans, automated tests are conducted at a global level such as Anti-Phishing and Simulation as well as Outage exercises and Infrastructure is tested for fail over and worst-case scenarios as an integrated process. After test results are documented as learning, actions from events are taken as risk treatment, and security improvement plans to maintain resilience across the organization.

CYBER SECURITY – WHY IT IS MATERIAL FOR TECH MAHINDRA

As businesses digitize, security and privacy issues are taking center stage, cyber security attacks can severely impact businesses and revenues. Without being assured of a comprehensive security posture, our customers would not be keen to outsource large projects or sensitive areas of their business to us. Customer's contractual agreements are becoming more stringent and are audited with their outcomes being closely tied to supplier decisions on business growth. Further compliance laws and regulations such as Data Protection Acts will become more critical.

Some of the cyber threats are loss of intellectual property due to nation state actors, loss of services due to denial of service attacks by hackers, extortion due to ransomware, theft of customer data, fines and penalties due to noncompliance to regulations and increasing sensitivity of customers to security and privacy issues.

How We Manage Information Security

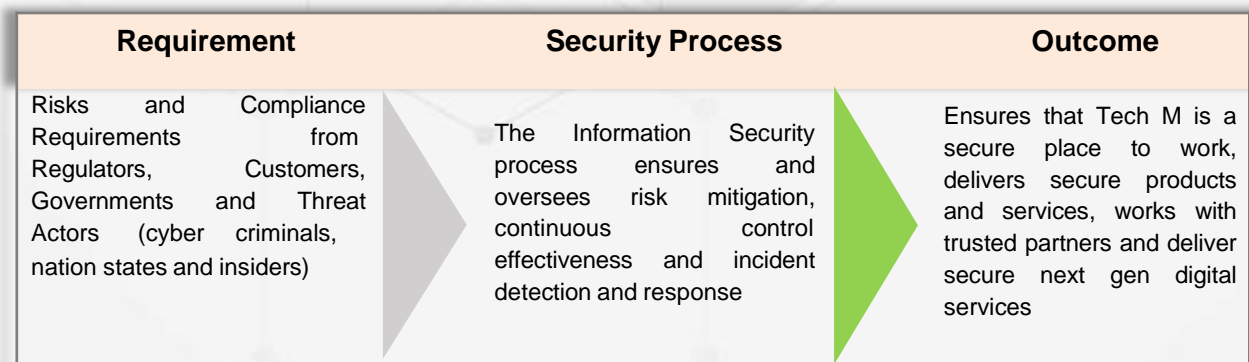
Data Privacy and Information Security is a priority at the Board Level and is an integral part of the business today. Sunil Sanger is the Data Protection Officer who is formally responsible for Data Privacy and Cyber Security. He reports to the Managing Director and CEO of the Company who is on the Board of Directors. Information Security has oversight at the Board Meeting each quarter. Tech Mahindra has a Chief Information Security Officer who is also accountable for information security /cybersecurity strategies at Tech Mahindra and updates the Board on all aspects of data privacy and cybersecurity.

Data Protection Officer is accountable and responsible to:

- ✓ Inform and advise the controller or the processor and the employees about data protection provisions
- ✓ Monitor compliance with the EU General Data Protection Regulation, including the assignment of responsibilities, awareness raising and training of staff involved in processing operations, and the related audits
- ✓ Provide advice where requested on data protection impact assessments
- ✓ Cooperate with the regulatory supervisory authorities
- ✓ Act as the first contact point for the supervisory authority and individuals whose data has been processed

The scope of Information Security Management at Tech Mahindra includes all business processes, delivery management functions, support services, Infrastructure services, and IT domains – Hardware, Software, Applications and Services. It covers all our corporate functions, and Strategic business units delivering to over 900 accounts. The Information Security process is certified to the ISO 27001:2012 security management standard and the Business Continuity Management System ISO22301:2012. The company has suitable cyber-security insurance policies for which covers, amongst other things, costs to restore or replace data, Security breach, Privacy Breach & Data Extortion.

Requirements-to-Outcome Model





“While technology heralds great opportunities for the future, robust management of cyber risk is critical to the business. Tech Mahindra is well defended against cyber threats with advanced industry best anti-malware and anti-apt solution for network protection; industry-leading security solution that secure our email, detect and block any cyber threat; anti phishing awareness trainings for the associates; and round the clock monitoring of the infrastructure/toll gates against new threats and variants. Our requirements to outcome model helps us secure data in a holistic manner.”

Sunil Sanger,
Chief Risk Officer, Chief Internal Auditor & Corporate Ombudsman, Data Protection Officer

Risks Financial

Tech Mahindra's key risks and corresponding mitigation strategies are enlisted below:

➤ High concentration in communication Vertical

In the Financial year 2018-19 (FY19), Communication Vertical had a revenue share of ~41.2% of the total business. This is one of the highest compared to Indian and global IT peers.

Mitigation/strategy

The Communication industry is one of the largest spenders on the IT and Network Services and the nature of these spend keeps evolving and changing as new technologies are introduced. Tech Mahindra has made significant investments and entered into partnerships to disrupt technologies to not just remain relevant, but also benefit from new age technologies. The concentration has slowly come down to 41.2% in FY19 from 52% in FY16. While Communication industry clients still account for the largest share of TechM's business, we have successfully diversified. Communication now represents less than half of the total revenue. On a combined basis, Manufacturing and Banking/Financial Services/Insurance now comprise approximately one-third of TechM's business, with single digit shares in Retail/Transport/Logistics and Technology/Media/Entertainment.

Cyclicality of the Communication Vertical

Historically, IT services spend in Communications industry has been cyclical, resulting in periods of prolonged and tepid spends.

Mitigation/strategy

While IT services spends growth have been tepid in the Global Communications space, Tech Mahindra has been able to grow in line with its peers in the Communication vertical space over longer periods, which captures both the up and down cycles. We are one of the few Global IT Companies that have complete end-to-end span of services in the Industry. We have been able to leverage the expertise and unique positioning in the vertical to help us grow faster. The Company today provides its services to almost all the key Global Communications Companies. A couple of years ago, we made a foray into the USD ~40 billion Network Services market, which has helped open up a completely new and untapped market with huge growth opportunities, with 5G investments being one of the upcoming waves. Further, the Communication Service Providers are consolidating and getting in to areas like Media & Entertainment, Cable and Content. These would provide significant opportunities to Tech Mahindra in the future.

➤ **Global economy risk**

Tech Mahindra's export revenues are over 94% and it derives 47.3% revenue from Americas, 29.3% from Europe and 23.5% from the Rest of the World. One of the growth strategy of the company is to continue to expand in key markets around the world. The Economic growth activity in these markets could directly or indirectly affect the IT spends of Tech Mahindra customers. A slowdown in these economies would pose lower growth or deferred IT spends, thus affecting growth for Tech Mahindra.

Mitigation/strategy

Tech Mahindra has been operating in volatile business environment for over three decades and its business model has evolved to deal with these changes in the business environment and IT spend outlook of its clients. Global clients prefer off shoring and India as a preferred destination for off shoring because of its compelling value proposition across people and technology. However, severe adverse Global Economic activities risks and any recessionary trends can impact any Company including Tech Mahindra and remains a business risk, akin to any other IT services business.

Regulatory changes risk/ Visa Risk

The Company has operations in over 90 countries and its employees work onsite at client facilities and locations on visas granted for extended or short-term work. Protectionism is rising in few economies like USA, UK, Australia, Singapore, etc. Any changes in immigration laws or any local regulations can affect the profitability and growth.

Mitigation/strategy

Tech Mahindra has been in the software services business for over three decades and has been familiar and complying with the local regulations across its working locations. We have adequate and well-defined internal processes, including contingency plans to deal with the changing regulatory environment. We have delivery centres in overseas geographies including USA and have been hiring local employees from time to time. We have also been engaging with our clients on a regular basis to discuss and deal with any critical regulatory issues, which might have an impact on our business.

➤ **M&A and Integration risk**

We have a focused M&A strategy. We have acquired multiple companies in the past several years. M&A and its integrations by nature involve risks relating to failure to achieve strategic objectives, financial loss, cultural and financial integration etc.

Mitigation/strategy

Acquisitions and M&A's have not been new to us. We have well laid out and defined plans and acquisition policy. We use M&A to fill gaps in the portfolio of competency / services, verticals and client / geography access. We have a dedicated and professional M&A team led by the executive Leadership. We exercise extensive due diligence. The Board evaluates the deals. We also engage with Investment bankers, subject matter experts and advisors in the required areas. The Management's experience with most of the acquisitions done until now has been quite satisfactory and in-line with its expectations.

➤ **Competition risk**

The global IT services industry is highly competitive having sizable presence in low economy geographies, deep pockets, strong client relationships, in-house and captive services companies etc. This stiff competition can lead to pressure on pricing, vendor consolidation and hence can impact the Company's growth and profitability.

Mitigation/strategy

IT services companies including Tech Mahindra have been operating under competitive environment for several years. We have not only been able to become competitive from a multi-pillar services and competency perspective, but also been able to move up in the IT services value chain. We have deep domain knowledge, skilled workforce, delivery capabilities, efficient sales force, and relationship managers to help retain its competitive positioning amongst peers. Understanding customer requirements, provide them better services and quick fix the operational challenges adds competitive advantage.

➤ **Currency risks**

The exchange rate of Tech Mahindra's major billing currencies like GBP, USD, Euro and AUD has fluctuated widely in the recent past and may continue to fluctuate significantly in the future thus resulting in wide fluctuation in not only revenues but also Foreign Exchange losses and gains. Adverse currency movements could also lead to impact on Company's profitability.

Mitigation/strategy

We have a well-established hedging policy, which is followed over the past years. Hedging is undertaken to protect the Company from unfavourable currency movements. However, we do not undertake any speculative hedging. Contribution of more than half of the revenue is by its onsite activities and a substantial portion of overall cost incurred is onsite, which provides a natural hedge. We have a dedicated Treasury Department, which seeks advice from expert professionals and banks for hedging decisions.

➤ **Data Privacy Risk**

Many countries have stringent Data Protection and Privacy Laws. There is cyber security risk related to company's corporate and client data, which may hamper company's relationship with customers and company's brand value.

Mitigation/strategy

Our Information Security (IS) Policy is 'to ensure confidentiality, integrity and availability of required information that is acquired, developed and provided to all relevant stakeholders'. Our Information and Data Security initiatives are in line with ISO/IEC 27001:2005 standard and code of practice ISO 27002. Tech Mahindra is one among the five companies in India to be certified and the requirements of the specification are implemented through the Information Security Management System (ISMS). We have our own security risk assessment and management methodology, designed based on the generally accepted methods within the industry.

➤ **Litigation Risk**

Company has been working with over 935 customers across 90 countries and is prone to risk of litigation arising out of contract execution, Intellectual Property related, regulatory compliances, employment related, adverse rulings, mergers etc.

Mitigation/strategy

Businesses carry an inherent risk of litigations. We have an in-house Legal Team, spread across regions and catering to all kinds of risks relevant to the IT business. We also seek expertise from external Global Law firms, Taxation and Compliance experts in the relevant areas wherever required. Further, we have a robust process and framework for dealing appropriately and in a timely manner with all litigation related risks - either external or internal.

Emerging Risk

➤ **Cyber attack risk**

Reputation loss and penalties due to data theft of customer data or TM personal data by external hackers

Mitigation/strategy

The company invests in best practice cyber security tools to defend its environment from cyber security threats such as advanced persistence threats, phishing attacks and other forms of malicious attacks. We also use best of the breed controls such as encryption, 2FA, mobile device management, data leakage protection to keep Intellectual property and customer data safe.

Our employees and stakeholders has a key role for journey towards a secure organization. We invest in comprehensive training with assessment for the entire workforce. This covers security, data protection and secure delivery. Employees of TM sign appropriate agreement to protect the confidentiality and integrity of data and are employment screened and checked.



➤ **Technology risk**

The industry is seeing a shift to new age technologies, which are continually evolving. This shift, coupled with changes in delivery models and consumer-spending patterns could be a threat to the growth in traditional IT spends and technology obsolescence.

Mitigation/strategy

TechMahindra has been a specialist provider of connected solutions and has been investing in competencies required for a digital enterprise. We have made significant investments in service areas like IoT, Cloud, Micro services, Artificial Intelligence, Automation, Block-chain, and Cyber Security Services etc. We invest in Centres of Excellence (CoE's) and provide many opportunities to its employees through internal and external training on technology and domain skill upgrades and focuses on re-skilling and up-skilling employees. One of the key focus areas for this year was nurturing talent. We tied up with excellent content partners such as edX & Plural sight, and with AI based personalized learning aggregators like Edcast, among others, to ensure that our human capital/intellectual machinery gets re-skilled and honed to become the workforce of the future!

➤ **Employee related / Supply Side risks**

With the evolving IT industry, right skill-set and talent is required to respond quickly to the ongoing changes. Cost effective hiring and retaining increased number of professionals with the required skill-set is a challenge.

Mitigation/strategy

We have been diversifying fresher talent pools by recruiting science graduates, diploma holders and certified skilled undergrads, while increasing hiring of local people in onsite locations.

We have a comparable remuneration structure, matured HR process and various employee friendly incentives. We focus on reskilling and redeploying employees runs various programs for employee enhancement and growth like the Global Leadership Cadre (GLC), Young CEO Program, Shadow board, 1000 Leaders program etc. The Company has also invested in various learning platforms to provide training to the employees on the new digital technologies and communication skills.

Environmental Risks In The Risk Spectrums

The non-financial and environmental risks including climate change and water risks as classified under the broad spectrum of Upstream and Downstream risks, Transitional risks, Acute and Chronic Physical Risks, Legal and regulatory compliance risk, Market and Reputation Risk.

Climate Change Risks are identified as a part of the ERM process. The criteria used to prioritize risks associated with climate change are:

- Quantum of impact on operations, changes in regulations, locations of our operations
- Scope of impact - regulatory impact, cost impact and stakeholder concern.
- Time and resources required for implementing changes.
- Potential return on sustainable investments.

The 2°C Scenario (2DS) describes an energy system consistent with an emissions trajectory that recent climate science research indicates would give 50% chance of limiting average global temperature increase to 2°C. Moreover, Beyond 2°C Scenario (B2DS) explores how far deployment of technologies that are already available or in the innovation pipeline could take us beyond the 2DS

We used 2°C Scenario 2DS to create sustainability strategies, assess risks for our business and utilize opportunities arising from climate change. We use macro-economic variables, price of key assets and our green investments as other variables for scenario analysis of the entire value chain (inputs, operations and markets) and supporting multiple client operations globally. Since technology services markets are evolutionary, we considered it as long term (2050). We also considered TCFD recommendations by taking into account, past and future estimated analysis while considering the potential financial impacts of climate change.

➤ **Acute Physical Risk**

Increased severity of extreme weather events such as cyclones and floods can hamper our operations by flooding our campuses, damaging our assets like data centers, affecting network & electricity cables and disrupting regular work. This will negatively impact our business continuity thereby reducing our capacity to



deliver our services. The safety of the employees will also be threatened and compromised. This has cost implications because of loss of assets, work continuity and timely service delivery reducing revenues. Recovery would require additional investments.

Response Strategy

The Business Continuity Planning (BCP) exercise is an ongoing process of risk assessment (including environmental risks) and mitigation measures. In order to ensure a level of readiness to maintain the continuity of its critical business and services to customers, Tech Mahindra has put together a business continuity management framework, which encompasses its key functions, projects and systems.

Tech Mahindra has made sustained investments in developing and implementing an effective business contingency plan, along with mitigation measures for recovery of IT infrastructure and operations, in the event of a disaster. Example: Along with the preparation of BCP and DR plans, regular disaster recovery trials and mock drills are carried out across all customer projects. Backup copies of essential business data and software are taken regularly and stored offsite. We have an environment policy in place, which extends to all our offices and reiterates the strategy for environmental protection. Our employees are allowed to work from home and the company provides cab/shuttle services for their commutation to get rid of transport difficulties. Company also provides free Doctor, Dieticians, and counselors on campus. Better workforce management and planning helps us to prevent negative impacts of workforce like health, safety, absenteeism and thus help in reducing our operation/Business losses. We have insurance for assets/locations. We have an Employee emergency help desk 24/7 with toll free numbers for associate safety, accident trauma and security incidents.

➤ Chronic Physical

Precipitation Patterns : Precipitation patterns are changing within the Indian Sub-continent. Due to dynamic change in weather conditions, areas where heavy rainfall was observed traditionally, is seeing reduced precipitation while some of the drought prone areas have delayed monsoon. Heavy industrialization, forest destruction, green cover destruction is also leading to less rainfall and reduced water retention ability of soil. Decreased rainfall and drying up of rivers and other water bodies will result in water scarcity, directly affecting operations. Projected water stress and seasonal supply variability will lead to higher purchase prices of commercial water leading to higher operating costs. Our facilities, which are located in coastal areas, can be affected by sea level rise. It can threaten the safety of the associates, our assets and operations.

Response Strategy

We recycle wastewater to reduce dependence on fresh water, install rainwater-harvesting plants to recharge ground water level and install water sensors and restrictors to reduce water consumption. We carry out greater due diligence, water quality checks and water audits for inlet water. For Sea Level rise, the change may not happen in the short term, it may take long-term cumulative changes to sea level. We review our risks in every 3 months and take appropriate decisions to reduce the impact like relocating operations to suitable areas and cities. Better workforce management and planning helps us to prevent negative impacts of workforce like health, safety, absenteeism and thus help in reducing our operation/Business losses. We conduct pre-checks on water safety and hygiene for betterment of our employees.

➤ Upstream

Dynamic weather changes: Due to dynamic changes in weather conditions, areas with heavy rainfall traditionally, is seeing reduced rainfall; while some of the drought-prone areas have delayed monsoon. Precipitation often occurs in extremes, and may cause floods and outbreak of diseases. This affects the day-to-day life of our associates who find it difficult to commute and could be prone to new and modified diseases, which are difficult to combat with the current inadequate immunity profiles. All this can affect our employees' health and in turn impact our business

Response Strategy:

In order to ensure a level of readiness to maintain the continuity of its critical business and services to customers, Tech Mahindra has made multiple programs for employee's health and safety. Right from our buildings, which are OHSAS 18001:2007 compliant or have health management systems in place, we also have additional health amenities provided in our campuses. There is a doctor that remains in our premises, with basic medical and rest facilities available for employees within campus.



In case travel and commute is not possible due to some disruption, there is a provision for stay in some of our campuses. To avoid any harmful impacts of pollution on health and other disease there are Yoga camps, vaccination camps, pollution check camps for vehicles are arranged within offices.

➤ **Downstream**

Sea Level Rise: As impact of 2-degree rise in temperature, sea levels will rise or due to some catastrophic event at sea or climate can impair our service delivery and operations. We have inter-continental networks spread through sea cables. Some of the premises globally have dedicated peer-to-peer network cables. Any physical damage of cables can result in connectivity being lost across locations, customers, Tech Mahindra facilitates and employees. This can hamper our service delivery, operations, and impact customer's operations continuity.

Response Strategy:

In order to ensure a level of readiness to maintain the continuity of its critical business and services to customers, Tech Mahindra has made sustained investments in developing and implementing an effective business contingency plan, along with mitigation measures for recovery of IT infrastructure and operations, in the event of a disaster. Example: Along with the preparation of BCP and DR plans, regular disaster recovery trials and mock drills are carried out across all customer projects. In addition, cloud services and virtual infrastructure will reduce risk of location specific disaster and energy consumption to reduce global warming

Current and Emerging Regulation

➤ **Increased pricing of GHG emissions**

Increased pricing of GHG emissions" due to current regulatory policies is a potential risk. GHG emissions are costing Indian economy up to USD 210 billion every year. Thus, the country is likely to suffer highest economic damage due to climate change and temperature rise. So, even though India does not have clean energy tax due to GST, in coming years it will be levied on coal fuels. India may cut subsidies and increase taxes on fossil fuels (petrol and diesel) turning a carbon subsidy regime into one of carbon taxation, by putting an effective price on emissions. This will significantly increase petrol and diesel price while serving as price signal to reduce fuel burnt and hence CO2 emissions.

Response Strategy:

We have already considered this risk and have started investing in low carbon technology to reduce our carbon footprint. We are investing in renewable energy sourcing, energy efficient equipment like LED, motion sensors, HVAC, efficient VRV and efficient building controls. We are also cutting down travel and logistics to reduce fossil fuel consumption. We are investing in virtual infrastructure to cut down emissions on business travel.

➤ **Policy Mandate on Renewable Energy**

Due to the drastic weather/climate change. India has submitted its Nationally Determined Contributions (NDC) under the Paris Agreement, to increase the share of non-fossil fuels to 40% of the total electricity generation capacity, to reduce the emission intensity of the economy by 33 to 35% by 2030 from 2005 level, and to create additional carbon sink of 2.5 -3 billion tons of CO2 equivalent through additional forest and tree cover. Going further, there might be a mandate (risk) for the business to opt for renewable energy sources to align with the Paris agreement of 1.5 degree Celsius. This technology transition will lead to extra capital & operational expenditure. Considering this risk, we have already started investment in sourcing renewable energy.

Response Strategy:

We have been taking steps to move towards energy from renewal sources by installing solar panels across 10 facilities and usage of windmills. We are further investing in solar energy for more locations and thereby reducing the higher cost impact from clean energy tax. We have taken short-term targets in our roadmap and medium and long-term targets, which is approved by Science Based Target for reducing our Scope 1 and 2 emissions and increase renewable source of energy. We are using energy efficient systems like Motion Sensors, LED's, HVAC equipment and Natural Cooling Systems for Data centers to reduce electricity usage and GHG emissions. We are also committed to increase our energy consumption from solar installations and PPA's. We are also constantly working on reducing employee travels, sharing cars and ride options, optimizing transportation and logistics, reduce business travel for reducing our energy consumption. We are also planting trees across our locations to prevent global warming.

Technology Risk

➤ **Cost to transition to lower emissions:**

We are using technology to support our facilities operations, ACs, data centers, laptops & computers used as mode of work and for operations management. Technology is ever evolving and there are always new R&D, evolution to new age devices with improved energy intake and utilization. As organization adopt to new technology which can have severe cost impacts and lead to Transition risk of "Costs to transition to lower emissions technology" risk that leads to phasing-out and replacement of existing assets used across the organization. This type of risk applies to our data centers, desktops, laptops and AC's usage etc.

Response Strategy

We are replacing our existing data centers with more efficient HVAC containment; airflow reduction systems, utilizing natural and adiabatic cooling techniques wherever possible, retrofit LED lighting and invest in Renewable Energy in phased manner at ten of our facilities. This reduces the risk of higher cost implication in one go. Tech Mahindra has considered this risk and has started green investments by replacing CFL lamps with LEDs, High Definition parking lamps with Solar lights, more energy efficient equipment, installation of solar plants and enable PPA's. In addition, cloud services and virtual infrastructure will reduce risk of location specific disaster and energy consumption to reduce global warming. Artificial Intelligence will help to reducing labor-intensive work, repetitive events & human error through self-processing, machine learning & freeing existing resources from repetitive tasks to value-added activities thus lowering energy consumptions of laptops and desktops. Consolidation of AC chiller plants, sensors scheduling and chiller descaling will reduce energy consumption. Therefore, even though initial cost of capital for technology transition will be more but in long run, it will reduce cost of operations

Legal Risk

➤ **Measuring Air quality:**

Litigation risk of maintaining air quality for environmental protection has become one of the major legal risks. Air Act in coordination with the EPA provides the prevention, control and regulation of air quality in India and requires consent to establish for organizations across all its facilities. Legal cases filed due to failure of organizations to mitigate impacts of climate change, failure to adapt to climate change, and the insufficiency of disclosure around material financial risks are also a possibility that we focus on.

Response Strategy:

Tech Mahindra has already taken this risk in consideration and measures air quality through performing multiple checks at stack (DG sets) and ambient and which is kept under control through various sustainability initiatives and within limits of our Consent to operate by Pollution Control Board. We also ensure compliance through regular monitoring and reporting according to GRI standard guidelines. We are also fully aware of climate change issues and ensure that we mitigate them on priority basis through various initiatives and green technologies while disclosing our financial risks on relevant forums.

Market Risk

➤ **Changing customer preferences:**

Consumers are increasingly choosing to work with suppliers of products & services from environmentally sustainable company. Many companies now prefer to do business with only those companies, which are environment conscious and are taking adequate steps to reduce their environmental impacts. As the impacts of climate change are being experienced by businesses and society, our customers are requesting additional information on carbon management, water management, sustainable supply chain, and climate change related disclosures, climate change risk and environmental responsibility, energy, water and waste management.

Response Strategy

Our Sustainability Council ensures that we have a focused approach towards sustainability and ensure that our sustainability measures reflect in our actions. We publish our CSR & Sustainability initiatives in our Annual reports, Sustainability reports & on our website. We are compliant with the law of the land & make sustained efforts towards green business. We conduct Customer Satisfaction surveys; Employee Engagement surveys interactive supplier workshops to have a two-way engagement focused on sustainability.

Reputation Risk➤ **Increased stakeholder concern:**

Given the impact of climate change on various aspects of life, businesses are increasingly adopting policies and actions towards reducing their environmental impacts and imbuing sustainability within the operations. Companies across industries have included climate change in the overall business strategies. We see this trend becoming stronger in the coming years. Companies who are already taking initiatives to reduce the environmental impacts are having a positive edge as compared to competitors who are not. Tech Mahindra has been taking various steps in this regard. However, the company still considers a risk to reputation in case it is not able to comply with any regulation.

Response Strategy:

Our Sustainability Council ensures that we have a focused approach towards sustainability and plugin any potential loss due to customer churn rate. We also ensure that our sustainability measures reflect in our actions. We publish our CSR and Sustainability initiatives in our Annual reports, Integrated reports; on our website. We are compliant with the law of land and make sustained efforts into green business. For instance, we conduct Customer Satisfaction surveys; Employee Engagement surveys interactive supplier workshops to have a two-way engagement focused on sustainability.

Building Carbon Resilience➤ **Increased revenue through diversification:**

De-carbonizing our business makes financial sense. Carbon reduction pathways are no different from our business pathways. In the emerging climate risk scenarios, Tech Mahindra is striving to move towards a Low Carbon future. Our performance is demonstrated by the external recognition we have received in the form of awards. We made it on various forums and indices like CDP Climate Change, CDP Supply Chain, DJSI, Eco Vadis, OEKOM, FTSE etc. There is a lot of potential to diversify our portfolio and provide consulting with a nominal price charged for our Suppliers. While working to steadily reduce the carbon footprint from our own activities and operations, we hope to play an enabling role in assisting our value chain partners – our customers, suppliers and vendors – in transitioning towards low carbon development and growth and report them through various forums.

Response Strategy:

Tech Mahindra has played a significant role in area of sustainability and established itself as a leader in this space. Tech Mahindra is already into forming integrated report with CDSB framework, conducting assessments and audits for suppliers, taking capacity-building workshop to improve on this space. We have also implemented Carbon Pricing to abate GHG emissions and invest in various Sustainability projects like increasing Renewable Energy source, energy efficiency, LEED certifications, environmental management systems, Green building certifications and creating awareness amongst our employees, customers and suppliers through program called as Making Sustainability Personal and enable taking various events, seminars, activities towards protecting environment. Tech Mahindra's strategy FutuRise has a strategic focus on increasing climate change and sustainability linked solutions.

Physical Water Risk

➤ Pollution:

According to World Health Organization 75% of water resources available in the country do not meet the water quality standards. Tech Mahindra is service industry and people are the most important assets for our Business continuity. Pollution of the Ganges, the largest river in India, poses significant threats to human health and the environment. Severely polluted with human waste and industrial contaminants, this water pollution can seriously affect the health of our employees.

Response Strategy:

Tech Mahindra is conducting pollution checks for incoming water supply to avoid disruption in operations due to employee sickness. Regular water tests are conducted and sensitivity analysis are done considering various parameters by the corporate service teams. Our corporate service teams on a regular basis do detailed analysis on the chemical and microbiological parameters in R.O drinking water. The teams take into account various parameters like Color, odour, Ph level among others and ensure that they are maintained in prescribed limits

➤ Increased Water Stress:

90% wastewater is in rivers back and do not meet environment norms. Industrial demand of water increases water stress leading to scarcity issues. Erratic rains and drought conditions are also increasing the water stress. Water stress is a growing problem, which requires global attention and action. World Bank estimates that the current industrial water use in India is about 13 per cent of the total freshwater withdrawal in the country and the water demand for industrial uses and energy production will grow at a rate of 4.2 per cent annually.

We foresee increased costs in purchasing fresh water with the growth of our business operations, risk of loss in potential Brand value of the organization and loss in revenue if we do not establish a robust Water Management Plan.

Response Strategy:

Tech Mahindra is reducing this water stress by recycling wastewater through STP and reusing it, preventing withdrawal of fresh water. We have also installed Rain Water Harvesting plants to recharge ground water level. We see an opportunity to reduce costs incurred in purchasing water, dependency on fresh water sources that is threatened by over utilization and water stress through recycling and reusing of water. We recognize the need to report quantifiable water metrics and targets as they relate to our environmental impact.

We are focused on increasing our understanding of water-related risks and impacts to our business and to communities we serve, setting meaningful goals, improving our water efficiency, and advancing innovative solutions to water challenges. We make our efforts transparent by disclosing our annual water use, our water-related risks and governance of water through our reports. Tech Mahindra addresses water sustainability issues by implementing Water Policy with Water Management strategies, systems, processes and practices.

Regulatory Water Risk

➤ Regulation on River Basin Management:

Due to Limited or no river basin/catchment management, the region will have stringent water policies in place. Non-compliance of water policies will lead to legal charges and put the reputation of companies at risk. We foresee a scenario in the medium to long term in which key industries near river basins may be expected to take on initiatives for river basin management. This may put TechM at a risk on terms of reputation and liability.

Response Strategy:

Alignment of public policies with internal water stewardship goals will help in management of our operations from that location efficiently "Tech M has robust Water Management System to optimize specific water consumption at Tech M premises. The Water management system shall ensure:

- right quality of water at every point of use, with zero deviation.
- effective operation of all the equipment used for treating water.
- break down water consumption for all processes individually and benchmark the same internally with other plants and outside
- regular review of quality and availability of water

Tech Mahindra commits to proactively address water sustainability issues by implementing the Water Policy, which will serve as a directive for establishing Water Management strategies, systems, processes, practices and research initiatives keeping in view sustainability aspect, to:

- Comply with legal requirements,
- Minimize its water footprint
- Maintain desired water quality during processes and discharges, if any.

Opportunities

Opportunity Identification

The identification of opportunities provides impetus to overall sustainable business growth. Identification of opportunities is embedded within business verticals and solutions groups, which have a direct interaction with the customers. The opportunities identified are benchmarked with industry during regular meetings with Chief Technology Officer, Chief Operating Officer and Head of Innovation Management Cell. Opportunities identified are prioritized based on the following parameters.

- R&D Initiatives applicability to business verticals.
- Market Relevance and competition of the project.
- Applicability to overall business strategy.
- Feasibility of a business case for solutions related to climate change
- Size of opportunity.
- Budgeting aspects of R&D projects.
- Milestones achieved on R&D Projects.
- Customer demand for IT-based Solutions for energy management and climate change.

Resource Efficiency

➤ Reduced operating cost

There is a possibility of delay in monsoons in the coming years. With this, there is a possibility of increasing water scarcity. We completely recycle our water within our major campus and have water-harvesting plants. In case of change in precipitation patterns, we are resilient to any adverse effect due to our water recycling policies and systems. Since we have already implemented water-conserving measures, we see an opportunity to reduce our operational costs as well as too much dependency on the fresh water.

Response Strategy:

Water scarcity is a growing problem, which requires global attention and action. We foresee increased costs in purchasing fresh water with the growth of our business operations, risk of loss in potential Brand value of the organization and loss in revenue if we do not establish a robust Water Management Strategy and Plan. At Tech Mahindra, we believe in the sustainable management of the water resources we use across our operations. To support this, we are focused on increasing our understanding of water-related risks and impacts to our business and to the communities we serve, setting meaningful goals, improving our water efficiency, and advancing innovative solutions to water challenges. We make our efforts transparent by disclosing our annual water use, our water-related risks and governance of water through our annual integrated reports. Tech Mahindra addresses water sustainability issues by implementing Water Policy with Water Management strategies, systems, processes & practice.

Product and Services

➤ Shift in Consumer preference.

There is a global effort to reduce dependency on fossil fuels and move towards a sustainable production and consumption patterns. Consumers are becoming increasingly aware of climate change and other socio-environmental challenges that the world is facing. This increased awareness is influencing their buying decisions as well. In our aspiration to create value for all the stakeholders, we are developing platforms and solutions that help address global challenges.

Response Strategy:

Tech Mahindra has put together a strategy that enables our customers to achieve their sustainability goals and objectives. Whether it is green IT or technology based solutions that enable sustainable business practices or green engineering solutions, we are strategically positioned to enable our customers to reach and exceed their sustainability goals.

Please refer for various solutions and case studies:

https://www.techmahindra.com/services/NextGenSolutions/green_and_sustainability_solutions/default.aspx

Our overall business strategy growth is largely due to solutions such as SMART Grid, Micro Grid as a Service, Intelligent Electrical Vehicle Charging System (IEVCS), Community Action Platform for Energy (CAPE), Energy Management, Green Data Centers and Cloud based services, which help reduce carbon footprints and achieve Sustainability goals for our customers. Some of the other solutions include Smart Energy Management, Smart Street Lighting, Smart Automated Meter Reading, Smart Bins, Integrated Command and Control Centre etc.

External Environment

WE ANTICIPATE THAT IN THE YEARS TO COME TECHNOLOGY WILL TOUCH EVERY ASPECT OF LIFE. TECHNOLOGY WILL BE AT THE CORE OF WHATEVER WE DO.

We believe that Technology can be an equalizer. It can provide solutions to many global challenges facing society today like climate change, resource scarcity and income disparity. Tech Mahindra is committed to utilize enabling technology to drive purpose and have a positive impact for all stakeholders.

Information technology market has been in a state of flux. World over, the marketplace is exploding with myriad disruptions, changing demands, changing buyer behavior and diminishing returns. IT service providers - whatever shape and size - can no longer rely on traditional IT services to guarantee their future. The digital storm is rewriting the rules of business. There is little doubt that the connected future is taking shape faster than most businesses anticipated.

More than five decades ago, the world witnessed its first chat-bot ELIZA, which was created by Joseph Weizenbaum. The chat-bot supposedly managed to dupe some users into thinking it was a human, thereby setting the foundation for chat-bot structures such as keywords, specific phrases and pre-programmed responses. Today, the chat-bot market has skyrocketed and is projected to cross \$5bn by 2023, supporting sectors such as Banking Financial Services and Insurance (BSFI), Healthcare, Telecom, Retail, Utilities and Governments. This is one of the examples of the unmatched pace of technology.

Outlook

Technology will be at core of whatever we do. Autonomous cars, computers working as helpers will become a norm in every process, in every sector. The world shall move towards one, which is connected and embedded in intelligence. This overhaul will raise a storm filled with uncertainties.

IT services providers will need to reinvent themselves to stay relevant. The new imperatives of success are:

- Business outcome enablement
- New business models and new engagement models to support client expectations
- New operating models that increase speed and agility
- Building and creating smarter solutions that are programmable

This overhaul across areas shall also present opportunities unknown to today's world. The only answer to this new paradigm is to adapt, evolve and be prepared and well equipped to face the new future and leverage the opportunities presented.

The TechMNxt Charter and 3-4-3 Strategy are future ready to respond to the uncertainty and leverage the opportunities presented. We anticipate a change in the customer needs in line with technology disruption. We have developed New Age Delivery Models that fulfill the need of agility in customer service delivery. In response to the evolving technology landscape, we are re-skilling and right-skilling the employees."

Leveraging Opportunities

We have aligned our strategy to respond to these opportunities and taken various initiatives, some of which are enlisted below:

Blockchain Initiatives:

We designed and implemented a comprehensive strategy to position as one of the world's leading Blockchain companies. We are working on a holistic framework called 'Block Ecosystem', which consists of various levers, which create industry-leading applications that are architected on innovation and human excellence to unlock significant value for all stakeholders. We have been able to promote Blockchain adoption by clients and successfully deploy several cutting-edge solutions across our client's businesses.

Block Studio	Block Talk	Block Engage
Has the potential to evolve into the world's first Blockchain Decentralized Apps (dApps) marketplace.	Blockchain Thought Leadership forum that aims to evangelize Blockchain technology to internal employees and to clients.	Envisions engaging with the Government and Analyst firms to develop the Blockchain ecosystem. In the course of last one year, we have been recognized by the leading analyst firms as one of the leading Blockchain Service Providers in the industry.

Block Geeks	Block Accelerate	Block Access
Reiterates Tech Mahindra's commitment to provide best-in-class training to its employee base and nurture a significant talent pool.	To build the Blockchain ecosystem by encouraging the growth of start-up companies and incubators through strategic investments, thereby triggering accelerated revenues and valuation.	This strategy lever focuses on tapping into 3rd party innovation through collaboration with Start-ups, Blockchain Protocol Developers & Industry Associations. Last year, we collaborated with 13+ startup partners, 6 protocol developers and 4 consortium members
<p>Block Value</p> <p>The focus is on generating revenues and profitability across our clients' businesses.</p>		

AUGMENTED REALITY (AR)/ VIRTUAL REALITY (VR)

The world is rapidly shifting to embrace the paradigm of extended reality. We have nurtured requisite skills in Unity and Unreal Engine, where we engage with the AR /VR world. Our capabilities range from creating Enterprise Gamification, right up to helping our associates understand Standard Operating Procedures and creating augmented insights of data and services for customers.

MACHINE LEARNING (ML) & ARTIFICIAL INTELLIGENCE (AI)

Tech Mahindra's research in ML and AI extends to the realm of focusing on algorithms, even as we draw inspiration from the world of neurosciences. We conduct research in the area of ML/ AI to solve practical customer challenges using various AI algorithms. Whether it is applying conversational AI via Chatbots as a facet or predicting fallouts, to understanding sentiments of users, we have delivered against practical usages of the use-cases and applications thereof.

QUANTUM COMPUTING

There is a lot more happening in the Quantum world with respect to the realm of AI and Distributed Ledgers, to enable companies to solve complex classical optimization problems. Quantum Computing has been a recent foray by Tech Mahindra, particularly under the aegis of its research arm, Makers Lab. We delivered a first use case of Quantum-Enabled Application in the area of E-security.

STRATEGY

OUR 3-4-3 STRATEGY IS FOCUSED ON DISRUPTIVE TRENDS AND TRANSFORMATIVE TECHNOLOGIES IN ORDER TO HELP CUSTOMERS IN VARIOUS INDUSTRIES WITH FOCUSED APPROACHES, SOLUTIONS AND CLEAR OUTCOMES.

-It will help position Tech Mahindra as a next generation solutions company and deliver TechMNxT.

On April 11 and 12, 2018, we had our flagship event, **TechMNxT 2018** at Hyderabad. We highlighted our capabilities on technologies such as Internet of Things, Cloud and Analytics built through collaboration to provide customers with the best of breed solutions. TechMNxT is the strategy to re-position the company as a Next Gen Services company that executes with Next Gen technologies, Next Gen business model and most importantly Next Gen associates.

TechMNxT is the intersection of both technology and the culture of our core strategy 3-4-3. It is our initiative to demonstrate Tech Mahindra's readiness to deliver future solutions that can help the clients to be ready for the future challenges and opportunities. It is built by strategically engaging with startups, alliance partners for next-gen technologies and accelerators and businesses by pre-empting and anticipating customers evolving dynamic needs.

TechMNxT is leveraging industry leaders, startups, academia and partners to effectively deliver solutions to the clients in areas of AI, ML, Cyber Security, next-gen networks, Big Data, IoT, CX and new delivery models leveraging micro services and crowd sourcing and more. Concisely, TechMNxT powers the vision of a Future Tech Mahindra, which will be fueled by collaborative disruption, delivering on the 3-4-3 promise, delivered by the TechMighty fired by the flame of Purpose.



Jagdish Mitra
Chief Strategy Officer and Head of Growth

"Technology disruption is rewriting the rules of business..."

The connected future is taking shape faster than anticipated. It presents immense possibilities for Tech Mahindra.

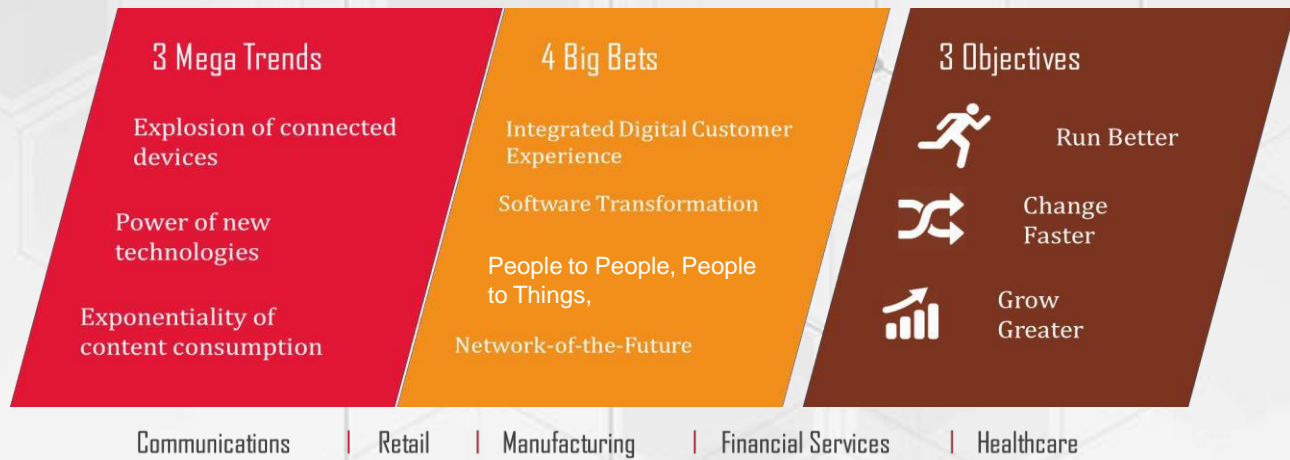
Successful digital transformation lies in 'disrupting one's own business before others do'. We are bridging the gap between today's capabilities and tomorrow's endless possibilities. In alignment with TechMNxT, we are engaging with new age startups, alliance partners, and re-skilling employees in Nextgen technologies to service future customer needs. We are developing New Age Delivery Models powered by the speed and agility to help customers run better, change faster and grow greater.

Our 3-4-3 strategy has yielded encouraging results with digital business enabling 31% of Tech Mahindra's revenue in the reporting year. TechMNxT will propel us to growth in Next Gen Services."

3-4-3 STRATEGY

TechM has implemented a 3:4:3 strategies that focus on disruptive trends and transformative technologies in order to help customers in various industries with focused approach solutions and clear outcomes. We have customized this 3- 4-3 strategy to cater to specific market needs in each of the verticals it targeted. Aforesaid, success is enabled by a strong ecosystem of new-age partners (alliances, start-ups and niche partners).

The “3-4-3 Strategy” is depicted in below:



➤ 3 Mega Trends

The 3 Mega Trends which the Company believes will provide immense opportunities are:

- Explosion of connected devices: ~20 billion connected IoT devices by 2023
- Data Explosion: ~75% of data would be consumed by Video
- The power of new network Technologies like 5G, which will enable always connected experience

Since these are largely customer centric, 343 is customized specific to each industry and identified key bets formulated with the 4 tech bets listed below.

➤ 4 Tech Bets

These transformations will be enabled by 4 key business and technology related areas that are changing the way we work and live. We call them the 4 Tech bets.

- ❖ **Customer Experience Management** - Customer Experience today is not just CRM, website or call center but an integrated journey that will be redefined for a digital future. With the acquisition of BIO Agency and Pininfarina, Tech Mahindra is well placed to integrate physical, digital designs and user experiences to create connected experiences, which are world class, seamless and phenomenal.
- ❖ **Software Transformation** - Leverage Agile, DevOps, open source and automation to build higher velocity-stability to change faster while running better Business velocity enabled by software will be the differentiator for the future enterprises. Proven capabilities in helping customers transform at a faster pace has been Tech Mahindra's historical strength.
- ❖ **Network of Future** - Creating the Foundation for the connected world by creating intuitive networks where physical and digital come together. Our ability to create very software intense, intelligent network architecture, coupled with its proven DNA across Networks and Communication industry will be the differentiator where Tech Mahindra can go the extra mile to help the customers.
- ❖ **Internet of Things** - To drive connected everything by being the largest systems orchestrator in the world. Tech Mahindra have developed 50+ use cases and has partners across the entire IoT ecosystems, enabling to deliver niche and new use cases across the connected world. Our Factory of future offerings and Smart City offerings have enabled various industries and cities to be connected. Tech Mahindra have also enabled Telco(s) to become connected consumer service provider.

➤ 3 Objectives for the Customers

The above 3 mega technology trends and 4 key Tech bets will help address CXO's IT priority of running better, changing faster and growing greater for his company.

RUN BETTER



By using Artificial Intelligence, machine Learning, Bots, Self-healing and other new age technologies to effectively reduce operational cost and enhance process times. Predictive intelligence enabled by data also have led productivity and quality enhancement across the business processes.

CHANGEFASTER



DevOps, Micro services, Analytics, Data Intelligence, Machine Learning are propelling enterprises to evolve towards new stacks enabled by digital technologies. TechM is enabling customers to transform faster.

GROW GREATER



Digital have opened unprecedented options, posed dynamic challenges towards global businesses. We have enabled our customers to constantly evolve and cater to new age consumer demands. We will continue to enable our customers grow through risk sharing, technology as a service and various business models.

The success of the TechM Strategy is enabled by a strong ecosystem of new-age partners (alliances, start-ups & niche partners).

Delivering to the 3 4 3 promise

- By leveraging the Tech Bets
- By collaborating with New Age Partners
- Driving NON LINEAR growth - Platforms
- Business led approach to selling Digital

Delivered by a TechMighty

- Driven by purpose

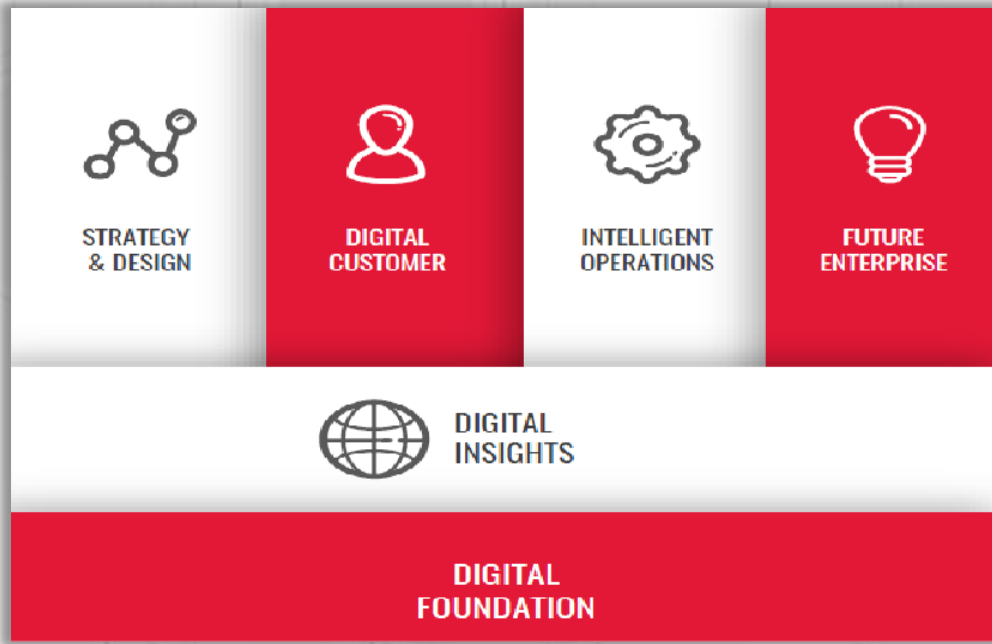
Platforms

Our business is focused around key platforms with an approach of Platform as a Service (PAAS) rather than products: many of which the company developed internally. We have more than 20 Platforms (all of which have more than 5 deployments) and most of them have usability across all the business verticals. We augment our service delivery through these platforms, which also have additional third party solutions integrated to offer a complete service.



Refreshed Approach To Digital

In line with the movement of the expectations of our customers, moving from IT-outcome focused approach to a business outcome based approach, here are the 6 themes across which TechM has bucketed Digital opportunities:



New Age Delivery Models

Software services exporters are experiencing a visible change in demand. Clients in the US and Europe are looking for greater services with lower IT budgets. Further, IT budgets of the companies are/will be on next gen digital technologies. In response, we are up-skilling and creating New Age Delivery Models (NDMAs).

The NADMs are in alignment with the customer's need for speed and agility in solutions. For evolving and dynamic customer needs, we have adopted DevOps and agile based delivery model. We have also built an internal repository to collect reusable codes and artifacts; so that best practices are referred for every customer delivery. This ensures faster delivery cycles for our customers. We also conduct innovation contest and recognitions for any innovation done across any customer, which are informed and reused internally across the business verticals of Tech Mahindra.

In the reporting year, we announced a New Age Delivery Partnership with KMD to expand global delivery set up to address customer need via new age delivery model and co-innovation.

https://www.techmahindra.com/media/press_releases/TechMahindra-and-KMD-Announce-New-Age-Delivery-Partnership.aspx

INTELLECTUAL CAPITAL

Propelling Innovation

INFORMATION TECHNOLOGY TRANSFORMATION IS VIEWED BY MANY AS THE FOURTH INDUSTRIAL REVOLUTION. COMPANIES THAT INNOVATE WILL THRIVE.

-Innovation is never just a word it is a state of mind. At Tech Mahindra, we innovate for the future. We have been part of the business impact stories and now increasingly contribute to transformational strategies.

As a valued partner of our customers, we endeavour to create a business situation of optimization merged with efficiency. Our Innovation aims to be inclusive of all our stakeholders and represent the common good of all sections. Our mission is to empower lives, embrace livelihoods and enhance technologies. Since inclusivity is a part of our overall agenda and inclusion through product, platform and processes is a constant.

OUR VISION



Our mission is to build Smart machines of the future. These smart machines include solving intelligence at its primal level and then applying that intelligence to products and IPs. Our mission includes solving AI and its approach to a practical commercial model to be used for the company and industry at large.

A Business Case For Innovation

Technology Industry is facing a tectonic shift in business due to disruptions led by growth of digital technologies. Digital innovations are changing the way people work, play and live. In this new paradigm, Innovation and Change are the two constant things.

Innovation is the central pillar for Tech Mahindra. It encompasses all material matters necessary for business survival and growth. It enables the efficiency and effectiveness of our processes and operations; propels us to develop new platforms, products and solutions that are in harmony with new technologies and cater to the needs of a diverse customer base. It helps us find innovative ways to enhance the efficiency and utilization of our associates, ensure retention by opportunities to engage in innovative projects. It can help us in developing and offering green solutions that can help society and the planet. It makes us a company with a purpose creating value for internal and external stakeholders.

Strategy

We have a structured process to drive Innovation with defined objectives and outcomes. While enhancing our internal competencies, we are taking an ecosystem approach of collaboration, co innovation and co creation. The key pillars of our 360 degree Innovation approach are Training; Partnering with new age companies; Developing co-innovation and co-creation centers; Crowd-sourcing startups; Internal competency connect; Internal communication; University connect; and IRIS (Ideate, Refine, Implement and Shine). IRIS is an internal Portal designed to fosters a culture of innovation and generate new revenue streams).

Through a powerful alliance ecosystem of leading technology firms and disruptive startups, we develop our business capabilities to deliver complete and customized solutions to our customers. Our dedicated alliance teams and partner management help customers in their journey of digital transformation. We are collaborating with Global Universities,

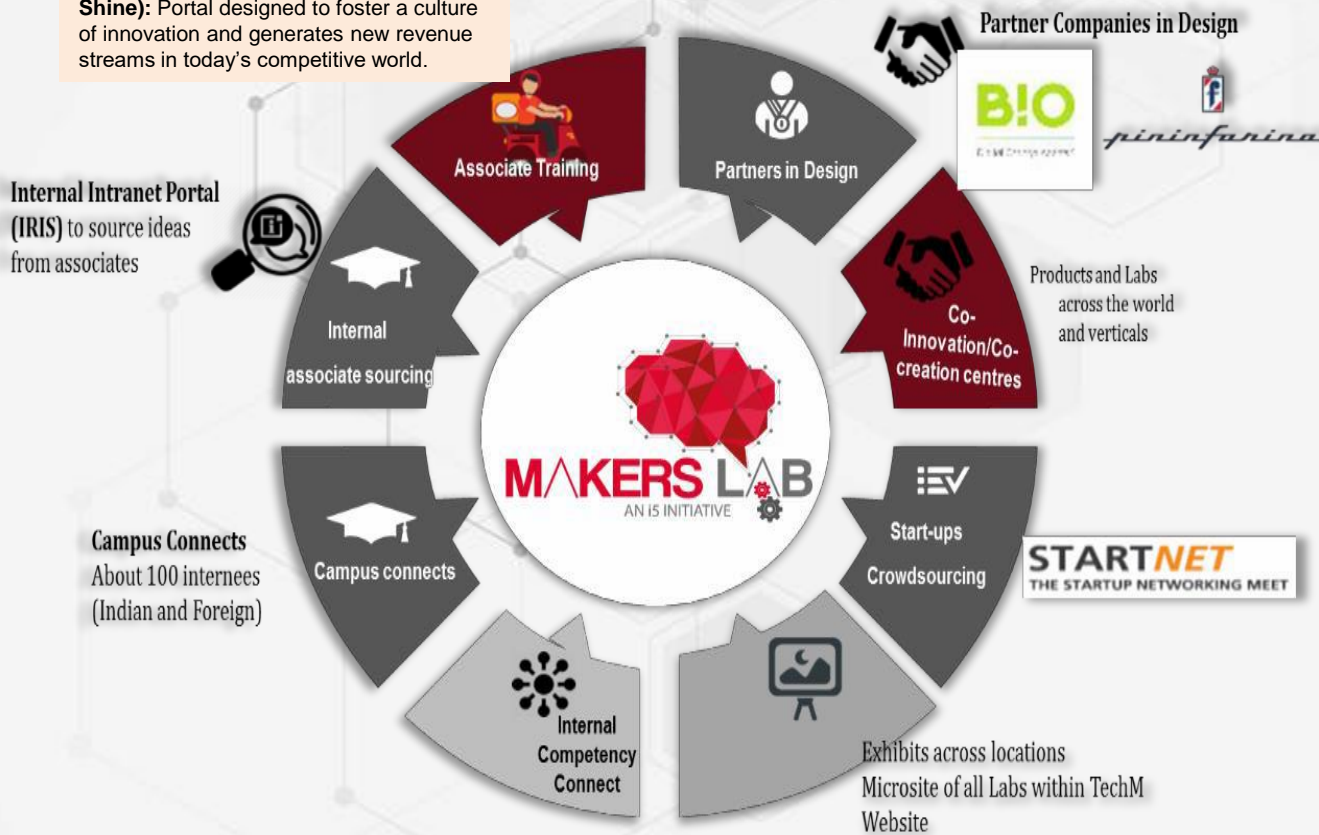
innovators and Partners like IBM, Google, and Microsoft in co-innovation and co-creation. Makers Labs develops NextGen Tech Solutions for customers/ Industry Verticals using technologies like Big-data and Hadoop architecture; Bio-sensors and wearable devices; Cognitive computing; Real-time analytics; Augmented reality/Virtual reality and visualization; Bitcoin and distributed computing for IoT networks; and Natural Language Processing techniques.

We are hosting conclaves like Mission Innovation and TechMNxT for gaining the views of the associates about big Tech bets and world trends; connecting with internal and external stakeholders; co-creating new ventures; and celebrating the realization of ideation.

In order to leap frog towards TechMNxT, we have adopted a 360-degree approach to Innovation. Maker Labs has been made central to driving innovation across the company.

360 DEGREE APPROACH TO DRIVING INNOVATION

The IRIS (Ideate, Refine, Implement and Shine): Portal designed to foster a culture of innovation and generates new revenue streams in today's competitive world.



Partnership Ecosystem



MAKER'S LAB, the Thin-q-bator is the R&D Center of TechM. We now have seven R&D centers globally. It acts as a conduit between academia, research and businesses to provide solutions to customers and a space for these partners to tinker with disruptive technology that will make the enterprise of the future.

The R&D development work is focused on technologies such as Artificial Intelligence (AI), Machine Learning, Robotics, Internet of Things (IoT), Augmented Reality / Virtual Reality, 5G – Network of the future, Software-defined Networks (SDN) and Quantum Computing.

Through a powerful alliance ecosystem of leading technology firms and disruptive startups, we develop our business capabilities to deliver complete and customized solutions to our customers. Our dedicated alliance teams and partner management help customers in their journey of digital transformation.

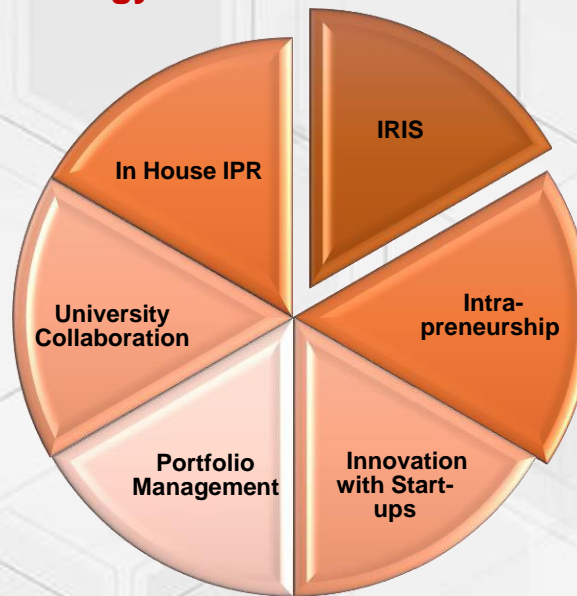
Tech Mahindra Innovation Council

We constituted an Innovation Council in March 2019. It comprises members from the Maker Labs, Tech Mahindra's Business Units, The Regional CTO's and Advisors and Analysts. The council will meet every quarter, IDENTIFY the areas for innovation and review progress.

Maker Labs	Business Units	Regional CTOs	Advisors and Analysts
<ul style="list-style-type: none"> Connect the key stakeholders. Provide direction. 	<ul style="list-style-type: none"> Provide Revenue Focus Future View Market View 	<ul style="list-style-type: none"> Strategy Focus <ul style="list-style-type: none"> Tech Bets Digital Landscape View 	<ul style="list-style-type: none"> Far reaching Industry View

The Internal Delivery Units of Tech Mahindra will carry TechMNxT forward by skilling the associates, making them future ready, deploying them on new age projects, and supported by **Academia and Startups** through collaborations and joint research and training.

6 Pillar Innovation Strategy



- **IRIS**
The **IRIS (Ideate, Refine, Implement, Shine)** program was launched at Tech Mahindra in May 2012 with the aim to facilitate a culture of Innovation and generate new revenue streams in today's competitive world. The portal allows all the Associates to share their innovative ideas 24*7 and barring any hierarchy dependencies.
- **Intrapreneurship Program**
Intrapreneurship Program is an Internal Venture Capital program to fund and assist Tech Mahindra Associates, who have an Idea and the leadership to convert it into a business reality.
- **Innovation with Start-ups**
Startup ecosystem program focuses on drawing and comprehending innovative ideas at work in startups – the niche products they make the new markets they create and their potential for disruptive innovation and jointly unveil the future opportunities to serve best to the customers.
- **Portfolio Management**
The aim of the program is to identify Innovative solutions happening within verticals and encourage cross pollination of solutions across verticals so that duplicate efforts can be avoided.
- **University Collaborating**
engage with educational institutes to develop new service offerings and create innovation culture, incubation frameworks in colleges. Tech Mahindra is engaged with various Management colleges like IISc, IITD, and UBC to conduct various market research works.
- **In house IPR**
Patents, Copyright, Trademark related services for the entire organization where the services include Evaluation, Documentation, Filing, Prosecution, Maintenance and Monetization.

TechMNXT – our charter to serve the customers better

TechMNxt powers the vision of a Future Tech Mahindra, which will be fueled by collaborative disruption, delivering to the 3-4-3 promise, delivered by the TechMighty and fired with Purpose. It is an initiative to demonstrate our readiness to deliver future solutions that enable our clients to be ready for the future challenges and opportunities. TechMNxt is leveraging industry leaders & start-ups, academia and partners to effectively deliver new age solutions to clients in the areas of AI, ML, Cyber Security, next-gen networks, Big Data, IoT, CX and new delivery models leveraging micro services and crowd sourcing.

3- 4-3 STRATEGY

Our 3:4:3 strategy represents the 3 mega trends (disruptive trends), 4 tech bets (transformative technologies) and 3 objectives for the customers (focused approach solutions and clear outcomes). We have customized this 3-4-3 strategy to cater to specific market needs in each of the verticals we serve.



L. Ravi
Chief Operating Officer

“Our organization wide innovation strategy is propelling us to TechMNxT. We have a structured process to drive innovation towards a positive future for all, with defined objectives and outcomes. While enhancing our own internal competencies, we are taking an ecosystem approach of collaboration, co innovation and co creation. In the reporting year, to give greater impetus to innovation, an innovation council was created.

We are making steady progress in the execution of our strategy with encouraging increase in revenues from digital. AI4Action, our open source platform is designed to enable the use of technology to address global environmental problems. We are using Technology to develop green and smart solutions and platforms. We are re-skilling our associates, up-skilling our business competencies to create New Age Delivery Models that are aligned with the customer’s need for speed and agility along with focus on next gen technologies.”

KEY METRICS

Revenue From Digital As A Percentage Of Total Revenue

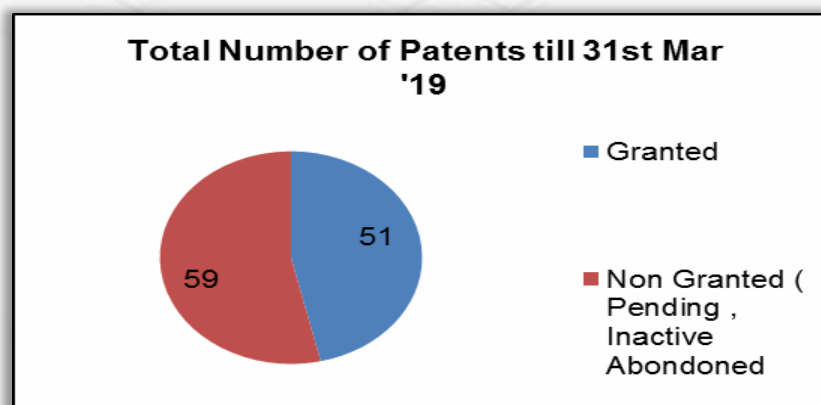
Revenue from Digital	FY 18	FY 19
	23%	31%

Total R&D expenditure

R&D EXPENDITURE (INR Million)	FY 17	FY 18	FY 19
	78.43	440	311

IPR

In 2018-19, there was an in-organic growth in the number of patents held by the company owing to the increase of the stake in Comviva to 90%.



GREEN SOLUTIONS

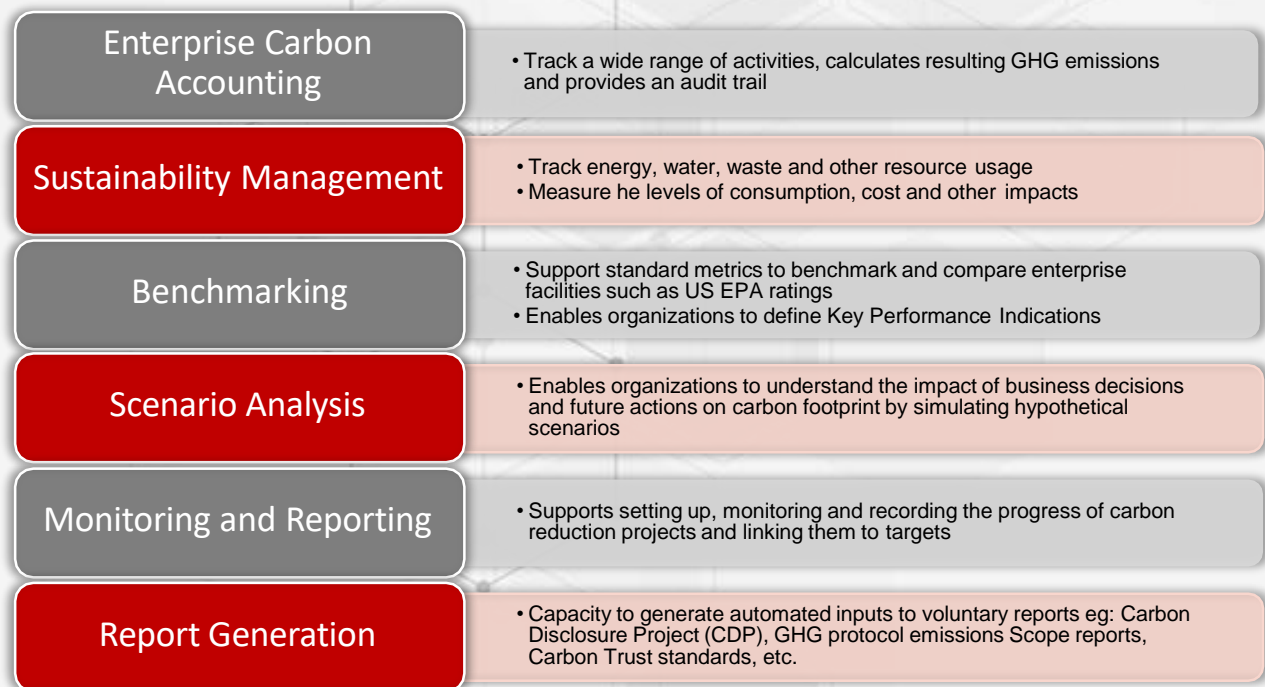
Tech Mahindra has put together a strategy that enables our customers to achieve their sustainability goals and objectives. Whether it's green IT or technology based solutions that enable sustainable business practices or green engineering solutions, we are strategically positioned to enable our customers to reach and exceed their sustainability goals.

Enterprise Energy And Carbon Management

As organizations look to consolidate and bring sustainability related data under one roof, they are increasingly being flooded with enormous amount of data.

To cater to these needs, Tech Mahindra over the last 3 years has actively worked in Enterprise Carbon and Energy Management (ECEM) space and developed both industry specific bespoke carbon management solutions and also leveraged vendor partnerships to customize and deploy enterprise carbon management tools. These solutions help customers with robust data management, automate energy data recording, monitor key sustainability metrics, and establish energy consumption baselines.

Enterprise Carbon And Energy Management



Renewable Energy Solutions

California Public Utilities Commission set a precedent by passing a 'Renewable Portfolio Standard' that requires utilities to increase procurement from renewable energy resources to 33 percent by the year 2020. The Government of India launched 'Jawaharlal Nehru National Solar Mission' aiming to bring on line 20,000 megawatt of solar power by the year 2022.

To address these opportunity areas, we provide numerous solutions in the solar and wind energy areas. We have proven capabilities in solar panel design, manufacturing and engineering. In the Wind Energy space, we provide assembly, geometric analysis and Finite Element Analysis (FEA) of wind turbines. By leveraging our Mahindra group synergies, we have developed a **Solar-Wind Hybrid Solution** that addresses and solves the issue of lack of reliable energy for telecom towers.

Tech M is working on promoting Solar and Wind energy. We have built a platform that helps to manage wind and solar farm remotely. This improves the up time and efficiency and reduces the cost enabling the operators to have better margins. Tech M technology algorithms in remote diagnostics, video base



processing & engineering /IOT expertise enable platform to do predictive Maintenance. Based on the data we are also able to predict the work force and scheduling required for the Maintenance. The **platform** is called **Renewable Insights**.

Electric Vehicles

EV – Tech M has developed an IEVCS – Intelligent EV charging system that enables on customers to connect to the find charging infrastructure, make the payments, integrate with the consumer bill & many use cases making the experience better. Also it integrated the demand prediction with the algorithms to predict the requirement of power to source at a better price. Also this also helps the community to integrate the Renewables efficiently so that the same can power can be used for charging using a software based Tech M Intelli grid.

CAPE - Community Action Platform for Energy is an advanced analytics platform combining energy, satellite, aerial, social and economic data into targeted insights. Solution target to provide free of charge service to community groups and city councils to jump-start and scale energy projects. CAPE includes a free-to-use online platform to help citizens organize and manage their own community energy schemes, such as neighborhood insulation and roof mounted solar panels. Crucially, because communities will be group buying the energy products and services, prices will be kept low and quality high. CAPE supplements satellite imagery with energy and building data to find the best neighborhoods in city for an energy makeover.

Block Chain Based Trading

With help of partners we are using the block chain base Power trading platform to exchange the surplus power generated by rooftop solar within the community. This enables small community, villages to be self- sustainable

Smart Metering

Tech M, in collaboration with its partners is enabling Smart metering in Smart City for a better customer experience and also enable Energy efficiency. By help of smart meters, we can understand and analyse the consumption pattern and suggest the energy efficiency measure to conserve power.

Smart Grid Solutions

Smart Grid is a process of upgrading the generation, transmission, distribution and retail of grids. The electrical grid is an overlap of utility infrastructure with communication and IT infrastructure. Tech Mahindra has been at the forefront in using innovative technologies while working with customers across the electric and gas utilities and suppliers space. We have strong capabilities in the field of advisory consulting, product engineering, designing, evaluating and delivering multiple technologies within the Smart Grid. The Smart Grid Customer Demonstration Centre incorporates advanced metering infrastructure, demand response, renewable energy integration, micro grid and Electric Vehicle (EV) charging stations.

Smart Mobility Solutions

Combining the strengths of Tech Mahindra's mobility solutions and Mahindra Comviva, a subsidiary of Tech Mahindra, provide end-to-end Mobility solutions and services to telecom operators, device manufacturers, media houses and enterprises around the world. Our expertise in Device Testing, D2C (Direct to Consumer) and Platform Services, and Enterprise Solutions help our clients leverage the crucial advantage of a cutting edge Mobility ecosystem. We have 7 state-of-the-art device testing labs in 3 continents. Our award-winning Mobility offerings bring together content, technology and device expertise to ensure an enhanced digital experience to the end-users. Further, an app store with 30,000+ apps, 15+ providers and 30+ ready Enterprise solutions lets you connect to the world anywhere, anytime.



Farm Guru

Tech Mahindra has embarked on a program for design and development of end-to-end Smart Agri-Framework called 'Farm Guru'. The intent is to minimize the human intervention and provide specialized assistance for producing a quality yield using precision agriculture. The solution with multi-parameter farm health monitoring and predictive analytics keeps a strict vigil on the soil, ambient atmosphere and other key characteristics and supports data management with recommendations based on the measured data. It also keeps the repository of the soil parameters. The scientific approach in measurement and analysis of the soil samples leads to a better agriculture growth and prosperity for farmers.

Remote Monitoring & Diagnostics (Solar Plants) Solution

The solution can do Real-time monitoring and control of remotely located assets and can

- Leverages IoT, OT and IT to remotely monitor and manage critical assets like Solar PV Plants.
- Integrates IoT enabled mechanism to improve power generation by automatically positioning panels based on real-time environmental conditions.
- Lowers operations and maintenance costs for the plant by predicting potential failures.
- Delivers tangible operational improvements in terms of efficiency, productivity and availability.
- Easily extended to other plants and industries with minimal customization for delivering significant operational improvements.



Smart City Solutions With IoT

The IoT enables cities and administrators to transform resource management, governance, citizen services and security. IoT combines the ability to acquire, ingest and derive insights from streaming data, and is already delivering enhanced experiences for citizens, improving the quality of life and making economic growth sustainable. Our portfolio of IoT powered smart city solutions equips citizens, economic zones and urban planners to weave the benefits of connectivity, data and analytics into their very fabric of life. Some of the solutions include Smart Energy Management, Smart Street Lighting, Smart Automated Meter Reading, Smart Bins and Integrated Command and Control Center.



Smart Grid

Smart grid will play a crucial role as we move towards a sustainable tomorrow. We have established ourselves as leaders by working with clients to perform a variety of services from planning to build individual components to wholesale deployments in the emerging area of Smart Grid.

Our Competency in Smart Grid Solutions includes Home Area Networks (HAN), Advanced Metering Infrastructure (AIM), Energy Management Solutions, GIS solutions and Sensor Design Services. We have set up a Smart Grid Service Demonstration Center at our campus in Hyderabad.

Smart Parking – Camera And Sensor Based Solutions

Camera based counting and Sensor based solutions for smart parking that are technically robust and provide a real business value for customers. Both the solutions can accurately predict the available parking spots in real time. It enables intelligent decisions using real-time status as well as historical analytics reports. The solution has ability to deliver content over web portal and mobile devices.

Smart Lighting – Web And Mobile Bases User Interface

We have a range of smart lighting solution with control features such as monitoring real time energy consumption, daylight harvesting and demand-based lighting optimization for multiple zones. The solution is meant to optimize energy usage, predictive maintenance, fault detection and trend analysis. This can help in reducing carbon footprint at the city and municipality level.



Waste Management Solution – Radio Frequency Identification Based Technology

This is an end-to-end smart waste management solution with door-to-door collection tracking and monitoring. It includes installation and monitoring of Bin-level sensors at semi underground bin locations, setting up of command centres, providing GIS view of the bins and municipal dumpsters and integrating the waste management application with Waste-to-energy plant application and VTMS.

This solution enables the city authorities to track the end-to-end life cycle of city waste from collection to disposal remotely from the command center, and provides a view of energy generated from the waste collected.

Smart Pole – Integrates Multiple Services On A Single Platform

This solution integrates multiple services like streetlight, CCTV camera, digital signage and public Wi-Fi and enables integrated view of these services on a single platform. The solution enables the city councils and authorities in saving additional investments required on infrastructure layouts.

Intelligent Risk Management Solution (Irms)

It monitors temperature, pressure and water leakage conditions of pipes and boilers at various properties remotely and provide real time alerts and notifications in case these parameters are not within the configured threshold limits. The solution can reduce leakage or bursting of pipes and minimize associated insurance claims.

Green Data Centers

Data Centers today are responsible for approximately 2% of global Green House Gas (GHG) emissions. The evolution of cloud-based solutions and the ever-increasing density of computing equipment is making it necessary for CIOs and IT managers to closely monitor and control their data center energy usage. For addressing this market, we have been offering Data Center Management Services for nearly two decades.

Energy Audit

With the dramatic spike in energy costs over the last decade and the intense focus on reducing GHG emissions, Energy Efficiency has become the hot topic of boardroom discussions the world over. Global and region specific mandates such as the Carbon Reduction Commitment (CRC) Energy Efficiency Scheme are also playing a vital role in driving the need to improve energy efficiency of organizations.

In light of this focus, a high quality Energy Audit is the first, critical step in curbing energy use and improving the energy efficiency of any facility. Energy Audit helps to establish the current status of energy efficiency of a System/Facility/Commercial Building. It involves the verification, monitoring and analysis of use of energy and submission of technical report containing recommendations for improving energy efficiency with cost benefit analysis and an action plan to reduce energy consumption.

Next Gen Emergency Management System

Next Gen EMS brings a holistic and comprehensive platform that connects various next generation technologies to provide end-to-end flow of information and enable emergency response team to provide high quality care without compromising on the speed of care delivery.

Next gen EMS solution disrupts current native emergency response system transforming it into an end-to-end platform, which enables emergency response organizations to deploy scalable and next gen technologies like mobile apps, unmanned aerial vehicles for improving the emergency responses. This innovative platform contributes to improve utilization of key resources like ambulances (ALS, BLS), reduced response time through nullification of the impact of external environment variables on transit time and also reduced risk through instant establishment of communication medium for real time and seamless flow of information among various stakeholders (like ambulatory team, hospitals, specialists) of emergency response team.

Monitoring Indoor Air Quality

Organizations recognize that Human Capital is the critical differentiator for business continuity, growth and innovation. The employees are the greatest assets for any company. In order to help enterprises ensure the health of their employees we have developed an **Indoor Environment Monitoring Solution**. It is a cloud-based platform which monitors indoor environment conditions for varied industry requirements. This solution is flexible and has derivative use-cases in Logistics, Healthcare, Pharma and Data Centre Monitoring.

Connectsense Health – Digital Platform To Bring Wellness From Hospitals Into People’s Homes

The platform enables us to extend wellness, diagnostics, prognostics and recovery from hospitals into people’s homes and lives. It promotes Hospital-Doctor-Patient engagement using Digital Convergence technologies. It transforms the entire healthcare ecosystem in the following manner:

- Payers: Pay for value over volume of care.
- Hospitals: Better care for more patients.
- Doctors: Technology for remote, constant monitoring of patients.
- Patients: Anytime, anywhere monitoring.

Healthcare Gamification - An Artificial Intelligence Based Healthcare Game Motivates The Patient

The healthcare game functions through multiple sensors and captures all data about the patient’s physical performance and stores it in the cloud. Later it analyses the cloud data and provides accurate report about the patient and his physiotherapy. It encourages the patient to take physical exercise.

Our Smart Solution driven by technology and green solutions for a better society, have helped us clock in close to 28M+ USD revenue

Environmental Compliance Solutions

ENVIRONMENTAL HEALTH & SAFETY

SAP Environment, Health, and Safety Management solution supports compliance in product safety, dangerous goods management, hazardous substance management, industrial hygiene and safety, occupational health and waste management. The solution also seamlessly integrates with other business processes of materials management, plant maintenance, quality management; sales and distribution. Also, the solution supports compliance to all international regulations in safety, dangerous and hazardous goods management, health and waste management.

REACH COMPLIANCE MANAGEMENT

The REACH (Registration, Evaluation and Authorization of Chemicals) regulation enacted by European Union (EU) came into effect from June 2007. REACH specifically applies to all chemical substances that are manufactured in, or imported into, the EU for ownership or further conversion into finished products. To cater to this mandate, Tech Mahindra has SPACE framework for REACH compliance that addresses the issues and challenges in implementing the REACH Business process for Chemical, Oil and Gas and Process Industries. The solution caters to REACH regulatory requirements of SDS (Safety Data Sheet), CSR (Chemical Safety Report), and SVT (Substance Volume Tracking) and Supply Chain Collaboration.

ENVIRONMENTAL COMPLIANCE

Regulations such as Kyoto Protocol and Clean Air Act mandate companies to monitor and submit Green House Gas (GHG) emissions. Companies may need to do extensive modifications to production facilities and set up monitoring processes, maintain emission data and submit compliance reports to regulatory bodies. Cost of non-compliance results in heavy penalties, legal sanctions or interruption of business.

SAP Environmental Compliance (EC) helps run operations in an environmentally responsible manner, comply with regulations affecting air, water and land, monitor facility emissions, maintain emissions accounting and fulfill regulatory obligations.

CREATING VALUE FOR THE CUSTOMER

Customer Centricity is the way of doing business for Tech Mahindra, Customers are key axis across all our products, services and processes. With the advent of digital Era

– Evolve or perish has become big question for all the organization globally; our focus area is to lead the change across customer focused industries. We are working for futuristic solutions in collaboration with our customers and creating proof-of-concepts and solutions as the 'digital solution and innovation partner' to our customers.

DIGITAL: Evolving customer dynamics

Future business and lives will be defined by new technologies like Analytics, RPA & AI, Block chain, Artificial Intelligence, machine learning. We collaborate closely with our customers co-creating new solutions, defining new world paradigms along with our customers.

We adopt a consulting approach and create point of view (POVs) for futuristic industry evolutions; these POVs also capture changes, operational improvements due to the advent of digital technologies. They are used as charters to brainstorm with our customers and create a futuristic solution roadmap. Thereby, we help our customers innovate on business models, products and services using these new technologies. We also conduct multiple proof-of-concepts and collaborate with our customers to create new solutions; thereby becoming Nex Gen Service Partner for our customers.

These niche technologies have niche demands cycles, we undertake re-skilling and up-skilling for our employees and provide them with rotation policies to get exposure across new technologies. Thereby, we are evolving across our capabilities, to support all the niche technology needs of our customers.

We also have verticalized solutions and offerings that enables TechM to meet these unique needs and challenges for our customer focused industries. We also have Maker's Lab and customer experience centers that provides customers a view of capability of these new technologies to change human lives and businesses. We also co-innovate with customers using these centers.



Collaboration On Blockchain Platform

TechM Collaborated with Samsung SDS to offer Samsung SDS's blockchain platform, Nexledger, in the Indian and global market. Nexledger, a blockchain platform developed by Samsung SDS, the software arm of Samsung, is flexible and scalable with the ability to deliver a wide spectrum of customizable use case application services based on enterprise-specific requirements. Tech Mahindra would be contributing to improve Nexledger capabilities by participating in the development process of Nexledger platform.

New Age Delivery Models

Software service exporters are experiencing a visible change in demand from clients in the US and Europe, the largest export markets are looking for more services at lower IT budgets. Going forward the industry is expected to perform well with next gen digital technologies. Customers are demanding speed and agility in delivering services as well; to support the same we have adopted the new age delivery model as the strategy.

We have adopted DevOps and agile based delivery models that helps in faster delivery cycles, managing ever-changing requirements etc. We have also built an internal repository to collect reusable codes and artifacts; so that best practices are referred for every customer delivery ensuing faster delivery cycles for our customers. We also conduct many innovation contests & recognize and reuse innovations across the company. New age delivery also provides re-skilling & up-skilling roadmap for the employees across the evolving technology landscape.

SERVICE QUALITY will keep us relevant in the future. We enable this through the continued value creation for our customers, service quality and engaging with the customers at all stages of the project. It goes beyond customer satisfaction. We ensure quality service delivery, ensuring the security of data and information; and developing operating models that are agile, efficient and cost-effective and staying connected with the customers at all times.

MANAGEMENT APPROACH – Service Quality

In order to achieve efficiency and to be effective, we follow industry standard processes, which are supported by best-in-class technology, and innovative engagement models to accomplish the objectives of the customers. We have various initiatives in place in order to deliver services as per the Quality Policy.

We are continuously strengthening the process for transforming Quality Assurance processes to New Age Delivery processes with a focus to achieve better customer experience and faster quality delivery. We have strengthened Process/Practice and Tools; Industrialized Engineering activities for Development, Testing, and Managed service portfolio to achieve standardization, efficiency and best practices implementation across businesses.

Service Quality Certifications

Certifications are a testimony of the robustness of business processes and the quality culture imbibed at Tech Mahindra. We are certified under various standards to meet client demands and enhance value delivery. We are successfully assessed for CMMI Dev v1.3, Level 5, ISO 9001:2015, ISO 20000-1:2011, ISO 27001: 2013, TL9000 R 6.1/R5.5, ISO 13485:2016, AS9100 Rev D (Standard for Aerospace domain – scope of certification limited to the aerospace business within Tech Mahindra).

We are also certified on ISO 22301:2012 (Societal Security) and have a comprehensive Business Continuity and Disaster Recovery framework, to prevent potential business disruptions in the event of any disaster. We have processes that will help resume services to customers' acceptable service levels. Automated Service Desk with SLAs for enabling business and Vulnerability Assessment and Penetration Testing Lab for secured corporate network operations are highlights showcasing information security posture of the Organization.

Tech Mahindra (IT Division) has been assessed for implementation of high maturity business excellence practices' at Mahindra Group (Services Sector). It has been assessed at TMW Maturity Stage 6 (on scale of 1-10 stages) of Mahindra Business Excellence Framework – The Mahindra Way.

CUSTOMER CENTRICITY OFFICE

To instill the value of Customer First, we have a dedicated Customer Centricity Office (CCO) head by the Chief Customer Officer, Mr. Sandeep Chandna. The Customer Centricity Office works as an engine to bring together the entire organizational processes, sales, pre-sales and delivery functions in alignment with Customer First.



"In the age of customer empowerment, Customer experience has become the new competitive battlefield. Operational brilliance is just not enough! Twirling customer satisfaction into customer delight is what the hour demands. We are completely focused on Delivery Excellence and Better customer Experience at every touchpoint.

Sandeep Chandna,
Chief Customer Officer

Influencing Persistency & Retention

In the technology industry, longer customer connects and relationships are during on-going service delivery projects. Therefore, we have strong focus on ensuring our seamless delivery and making sure that customers do not experience any challenges.

Proactive Customer Challenge Detection And Resolution

Our approach is to resolve customer issue even before it reaches the customer, and create a seamless experience for them. We have built detailed nodes across different functions & departments to identify customer challenges. Every week monitoring happens through various channels where such customer challenges are highlighted and discussed, then CCO team works with the sales & delivery functions on creating a resolution plan and ensuring actions are undertaken towards resolution of that challenge. A customer complaint is also resolved in a similar manner.

PRO-ALERT

This year we started another initiative towards effective customer complaints resolution. We conducted detailed analytics across the previous year's proactive and reactive customer challenges; to identify areas that can be termed as early sparks. If unattended then these areas can lead to 'fire situation' or customer challenges. We have setup mechanism to early warning and creating focus on these 'sparks'. A policy and an application has also been created to notify of such sparks across the organization and then additional management support is provided to resolve these sparks in time.

ACCOUNT ESCALATION DASHBOARD

Account Escalation Dashboard - a predictive tool that allows us to know in advance the bottlenecks likely to be faced by customers. The tool is integrated across the organization, to raise early alerts for proactive and reactive customer challenges. The resolution plan is created and followed up for successful closure.

ACCOUNT STATUS INDICATOR

Account Status Indicator is another tool that is used to measure the health of every customer account. This global dashboard is used for every account across all business units and customers. If any customer account is having any challenges, then the issue is indicted through color codes (Red, Amber) in the ASI tool, which brings CCO office and senior management focus on the issue. A detailed resolution plan is created and followed to successful closure for all Red, Amber account statuses.

Engaging With The Customer

Our customer-centric initiatives include meeting customers pro-actively to understand the pulse on the ground, monitoring customer sentiments and measuring customer satisfaction through customer survey known as NPS (Net Promoter Score) or CaPS (Customer as Promoter score).

➤ PSAT – Project Satisfaction Survey

Project Satisfaction Survey is carried out every 6 months to track the performance of the project, identify problem areas and ensure that proactive problem resolution plan is created and followed through.

After every project completion, teams initiate PSAT (Project Satisfaction Survey) to customers for whom services have been delivered. A proactive action plan is created for every customer that provides a low score to understand his challenges and proactively resolve any problems faced by that customer.

H1 FY1819 Customer Satisfaction score PSAT avg. of IT & BPS was 4.5 and the coverage was 51.5%.

➤ **CaPS – Customer as Promoter Score Survey**

We use an NPS based metric called CAPS- Customer as Promoter Score Survey, to measure customer relationships and experience. The Net Promoter Score (NPS) is a customer loyalty metric.

The CaPS score for Tech Mahindra is calculated based on responses to a single question: **How likely is it that you would recommend our company/product/service to other business referrals.** The scoring for this answer is on a 0 to 10 scale. The CaPS survey is carried out via a third party to ensure neutrality. This survey is conducted yearly. Our Customer as Promoter Score has been improving constantly and has been one of the highest across the IT services industry.

We have various other methods for engaging with our customers on an ongoing basis. We also have social media strategy, social media communication and marketing. Some of the engagement methods are provided below:

<p>Connected Voice of Customer</p> <ul style="list-style-type: none"> • A 'Connected voice of the customer' tool where customers stay connected at all times, can simply message for any requirement. • A chat-Bot where customers can ask their queries. 	<p>Proactive customer discussion/ workshop</p> <ul style="list-style-type: none"> • The Customer Centricity Office and other functions have regular customer meetings, discussions and workshops with our customers wherein the customer can reach out to us, discuss about any future needs, their company focuses and direction; industry trends and ways forward. 	<p>Online Strategy and Analysis</p> <ul style="list-style-type: none"> • Online analysis and tools for customer experience. • Web crawling tool to understand the usage pattern of our website. • These tools help us in identifying crawl errors and sitemap submissions, thus allowing us to improve our websites and other online tools and help us generate smooth online experience for online users and customers
<p>Social Marketing tool</p> <ul style="list-style-type: none"> • Social marketing is an internal TechM tool to perform online analysis of our brand. • We also use this tool to respond to our customers, users online and engage with them in online space. 	<p>Digital Marketing</p> <ul style="list-style-type: none"> • We use digital marketing to promote brand, innovation and business campaigns. This includes email marketing, social media marketing on LinkedIn, Twitter, YouTube, Facebook and Instagram. We follow the best practices of Search Engine Optimization. We promote blogs, case studies, infographics, case studies and whitepapers via digital marketing and run both paid and organic campaigns. 	<p>Social Engagement</p> <ul style="list-style-type: none"> • We use social media analytics tool to maintain our social engagements.

Plagiarism Checker

We use cloud-based plagiarism checker tool that lets you track, monitor, and detect online content throughout the internet, to check for the plagiarism of our content. After plagiarism check, Intellectual Property Rights cell scans the documents for content exposure.

Business Continuity And Disaster Recovery Framework

We are guided by our Business Continuity and Disaster Recovery (BCDR) Framework and are ISO 22301:2012 (Societal Security) Certified. It enables us to focus on driving operational excellence and manage business and workplace adversity. It also prevents potential business disruptions in the event of any disaster. We have processes in place that help us resume services to customers' acceptable service levels. We have an Automated Service Desk with SLAs for enabling business and Vulnerability Assessment and Penetration Testing Lab for secured corporate network operations.

We have introduced practices for transforming quality assurance processes to delivery assurance processes with a focus on product assurance and architecture assurance. We measure and monitor this through "Execution Excellence Index". It focuses on achieving high project maturity, improved tools usage and standardization, knowledge management and performance on key business metrics, in order to strengthen further the Business Excellence in what we deliver to the customers.

- **GRI 418 – 1: Customer Privacy - Substantiated complaints regarding breaches of customer privacy and loss in customer data**
We have a structured Information Management System in place to track all type of incidents. There were no incidents of complaints concerning a breach of customer privacy, information security, or cybersecurity in the past three years. There have also been no incidents to our IT infrastructure and we did not pay any penalties or suffer any revenue losses.
- **GRI 206-1: Legal actions for anti-competitive behavior, anti-trust, and monopoly practices**
There has been no case filed by any stakeholder against Tech Mahindra regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years.
- **GRI 419-1: Non-compliance with laws and regulations in the social and economic area**
In the reporting year, there were no non-compliances with laws and regulations in the social and economic area.

As part of customer connect campaign on innovations; we bring new and innovative solution ideas and propose these new solutions to our customers. We also create proof-of-concept for the customers, design, and develop new solutions on most current technology roadmap. This year we have also focused on platform strategy they are internally developed solutions and platforms that can be scale various customers across industry.

DRIVING PURPOSE THROUGH THE FINANCIAL CAPITAL

THE BUSINESS GROWTH TRAJECTORY HAS BEEN ON TRACK. THE RUN CHANGE GROW STRATEGY WITH STRONG FOCUS ON DIGITAL TRANSFORMATION HAS KEPT THE BUSINESS BOUYANT.

-The changing demand landscape is going to fuel the need for new age technologies further.

The Company have been developing a strong ecosystem of new-age partners through TechMNxt. They key focus has been to leverage industry leaders & start-ups, academia and partners to effectively deliver solutions to the clients in areas of AI, ML, Cyber Security, Next-Gen Networks, Big Data, IoT, CX and new age delivery models leveraging crowd sourcing, micro services and more.

The company has progressed well in building proprietary solutions through 20+Platforms cutting across three segments - utility, technology and vertical. The company has also calibrated the approach to digital considering the expectations of the customer.



Manoj Bhat
Chief Financial Officer

“We had a satisfactory financial year with revenue growth and significant margin expansion. We embarked on journey of transformation in FY19 in line with our 3-4-3 strategy, while focusing on operational improvement. Our key priorities were to enable value creation through re-skilling the associates; enhancing capability on new age technologies and building collaborations with new age startups & partners through TechMNxt. We focused on developing smaller verticals and Manufacturing has now crossed a billion dollars in revenue. In many ways, it was a year of transformation driven towards long-term growth and value creation. There was a focus on margin improvement. We took a multipronged approach to enhancing operational efficiencies, embracing new-age delivery automation, re-skilling and business mix. Our EBITDA margin improved by 290 bps, while we generated the highest free cash flow for the company until date. We look to continue on this growth momentum and operational improvement as we step into FY19-20.”

Financial Overview

Our goal is to enable connected experience in the connected world, by offering innovative and customer-centric information technology experiences, enabling Enterprises, Associates and the Society to Rise. Our convergent, digital, design experiences, innovation platforms and reusable assets connect across a number of technologies to deliver tangible business value and experiences the stakeholders.

During the Financial Year 2018-19, the Company's consolidated revenues increased to ₹ 347,421 Million from ₹ 307,729 Million in the previous year, a growth of 12.9%. The geographic split of revenue is well balanced across regions, with 47.2% share from the Americas, 29.3% share from Europe and 23.5% from the Rest of the World. The consolidated profit before other income, interest, D&A, Tax and Exceptional Items was at ₹ 63,369 Million, against ₹ 47,096 Million in the previous year. The consolidated Profit After Tax amounted to ₹ 42,976 Million as against ₹ 37,998 Million in the previous year.

In the demanding, new digitally connected world, the company is helping clients navigate their transformational journey with the wide range of offerings in Block chain, Machine Learning, Artificial Intelligence, Cloud, Cyber Security, Quantum computing and IoT. There are no material changes or commitments affecting the financial position of the Company between the end of the financial year and the date of the report.

Strategic Acquisitions

In alignment with the company's charter – TechMNxT and the 3-4-3 strategy, we had the following acquisitions in the reporting year.

➤ Inter Informatics

On August 22, 2018, Tech Mahindra Limited, through its subsidiary Mahindra Engineering Services (Europe) Limited, acquired all the outstanding share capital of Inter-Informatics spol. s.r.o (IIS), a Czech entity providing design and engineering services to clients in the Aerospace, Rail, and Machinery industries. IIS has offices in the Czech Republic and Romania, and is expected to bolster Tech Mahindra's capabilities and presence in Europe. IIS earned revenues of USD 10.7 million for year ended December 31, 2017.

➤ Dynacommerce

On February 01, 2019, Tech Mahindra Limited, entered into an agreement to acquire 100% of the diluted share capital of Dynacommerce Holding B.V, a Dutch entity engaged in providing platforms and services to telecom end clients. The turnover of the target company for its fiscal years ending December 31, 2018 was ~EUR 9.148 million, respectively. The target has offices in The Netherlands, and India (Bengaluru).

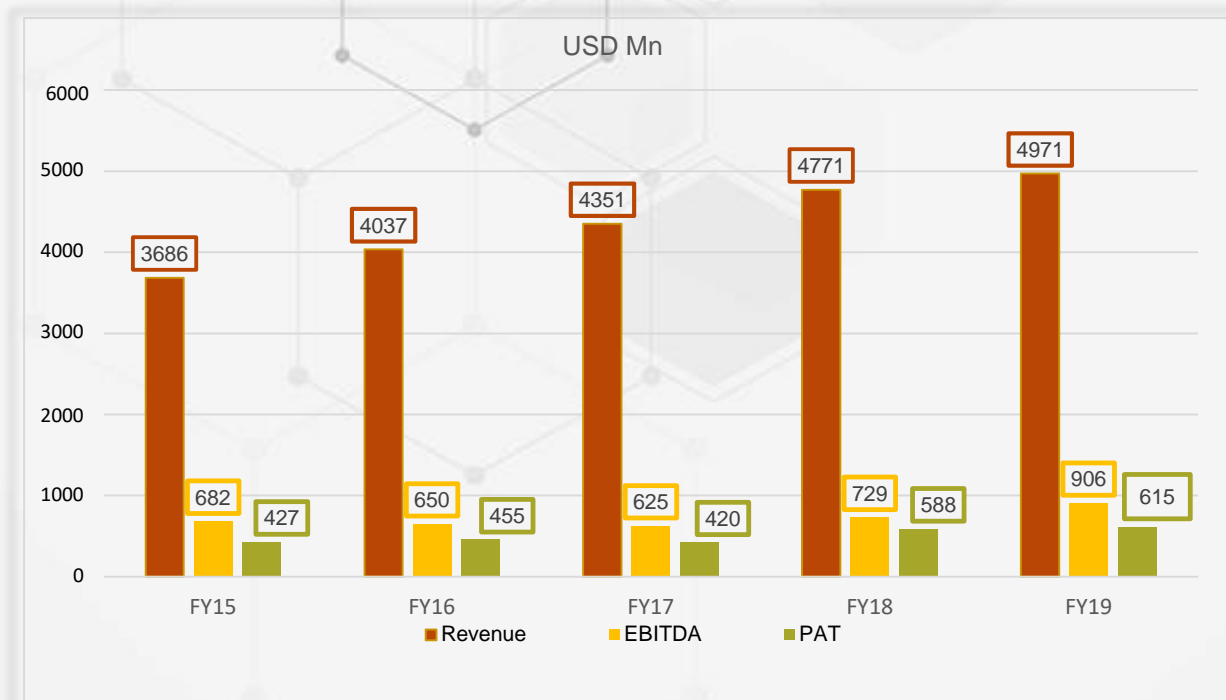
➤ K- Vision

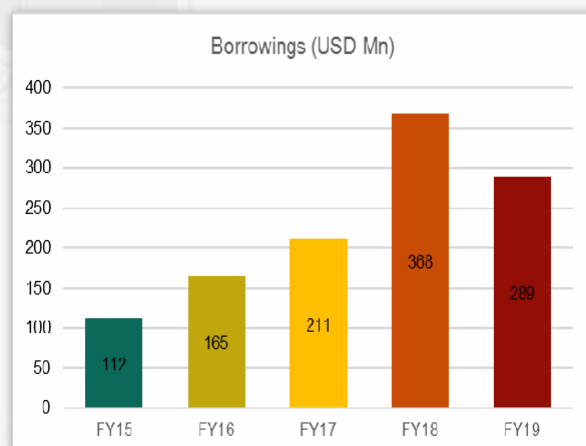
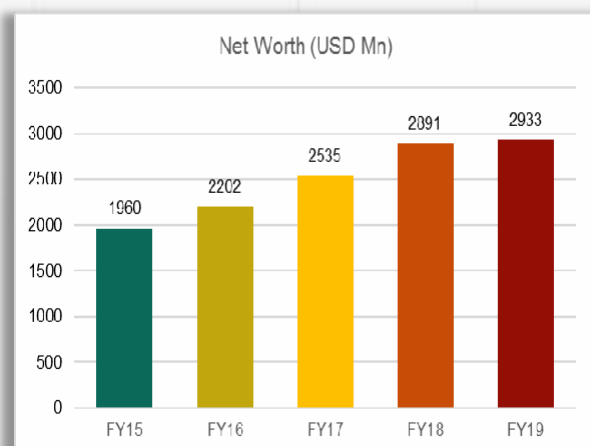
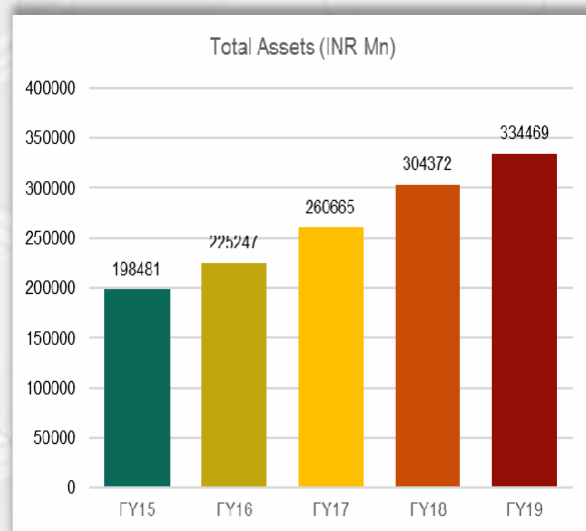
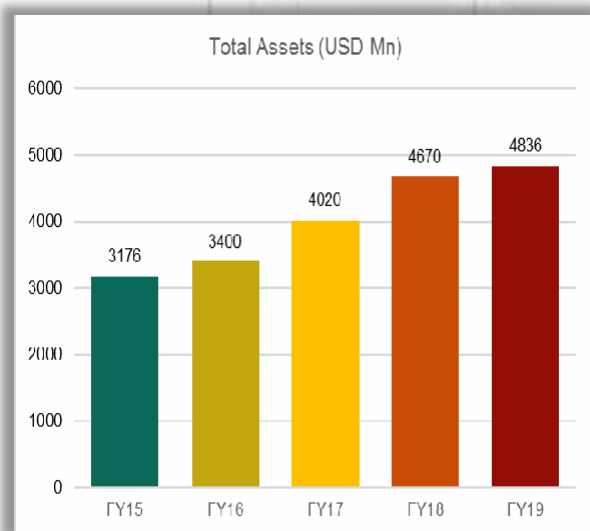
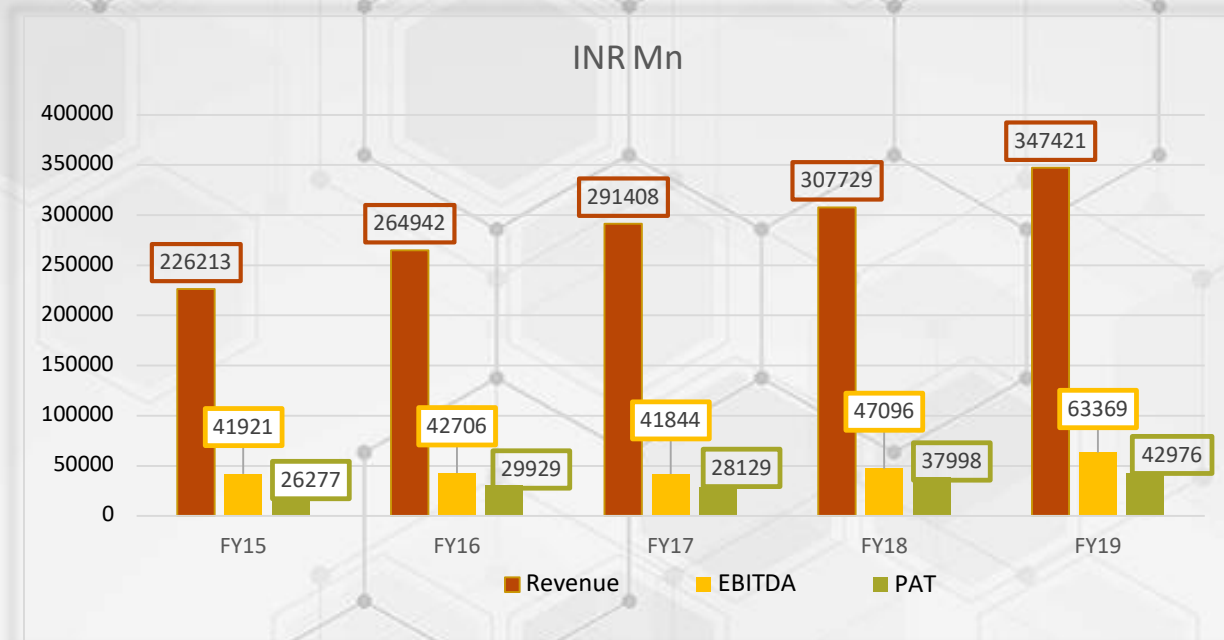
On March 14, 2019, Tech Mahindra Limited, through its subsidiary Mahindra Engineering Services (Europe) Limited entered into an agreement to acquire 100% of the diluted share capital of K-Vision Co., Ltd, a Japanese corporation engaged in providing network services to telecom clients in Japan. For the financial year ended March 31, 2018, K- Vision earned revenue of USD 3.3 million, while for the 12-month period ending January 31, 2019, K- Vision earned revenue of USD 4.8 million. Tech Mahindra expects to leverage the local presence and expertise of K-Vision to build its network services business in Japan. In the near term, Tech Mahindra anticipates supporting the 4G and 5G network build and rollout in Japan for large telecom players.

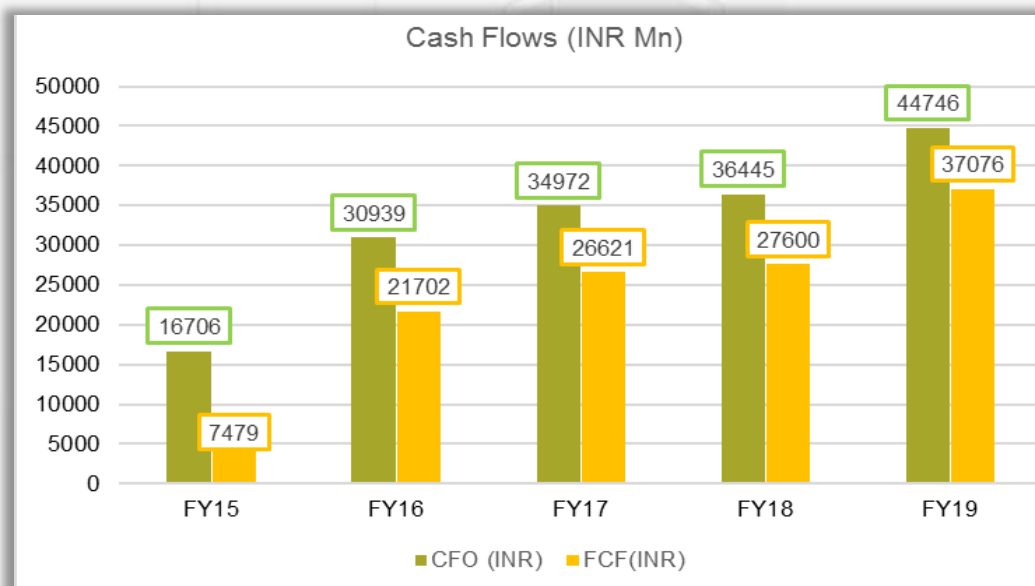
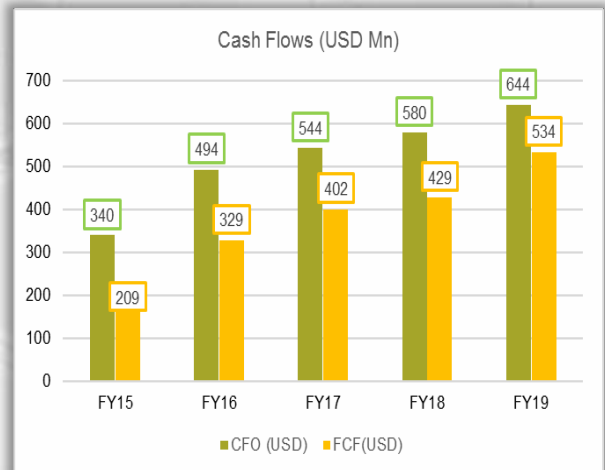
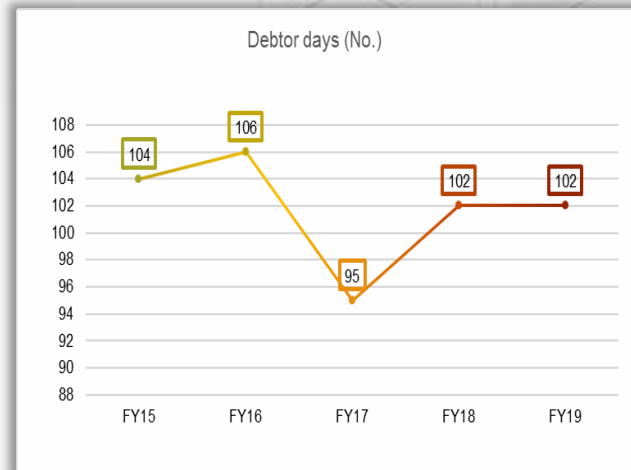
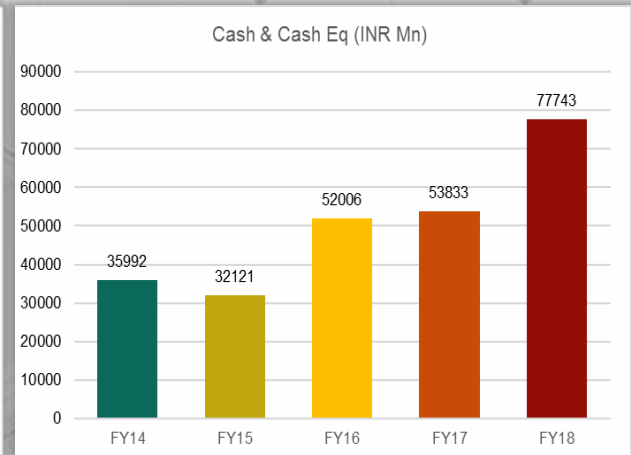
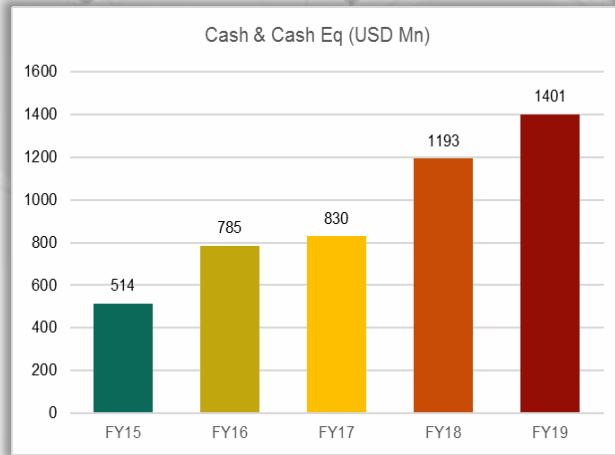
Balance Sheet Metrics

Key Balance Sheet metrics like Total Assets, Net worth, Cash balance, ROCE etc. have seen a gradual improvement in line with the growth in the revenue, EBITDA Margins and PAT.

Consolidated Revenue, EBITDA (Earnings before Interest, Depreciation & Tax) and PAT (Profit after Tax)



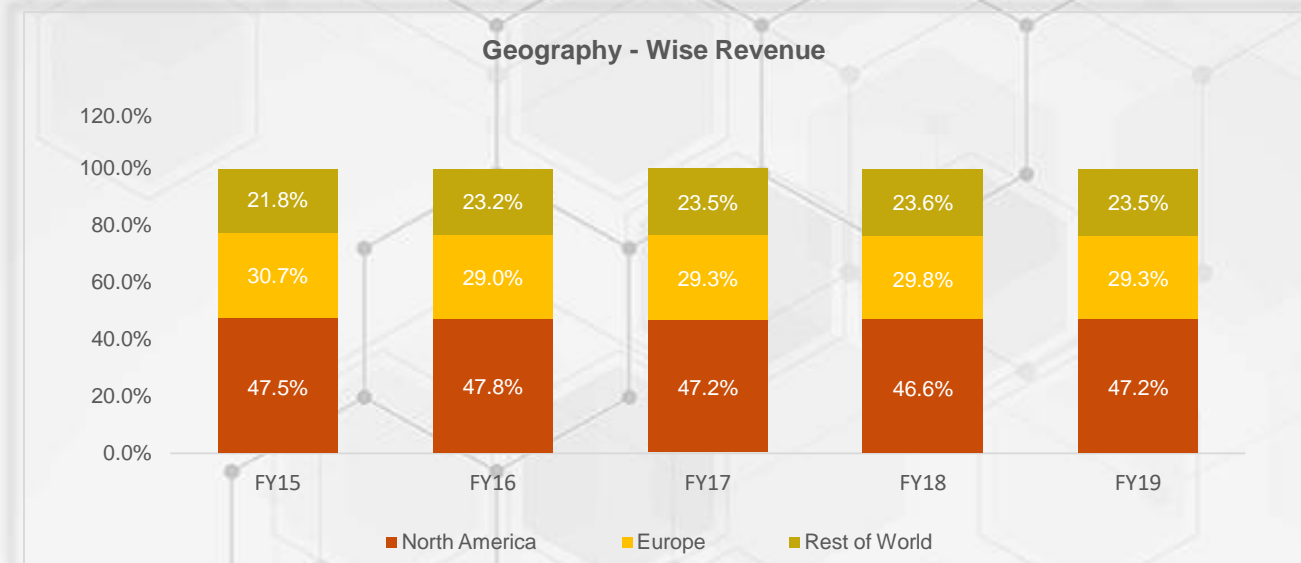




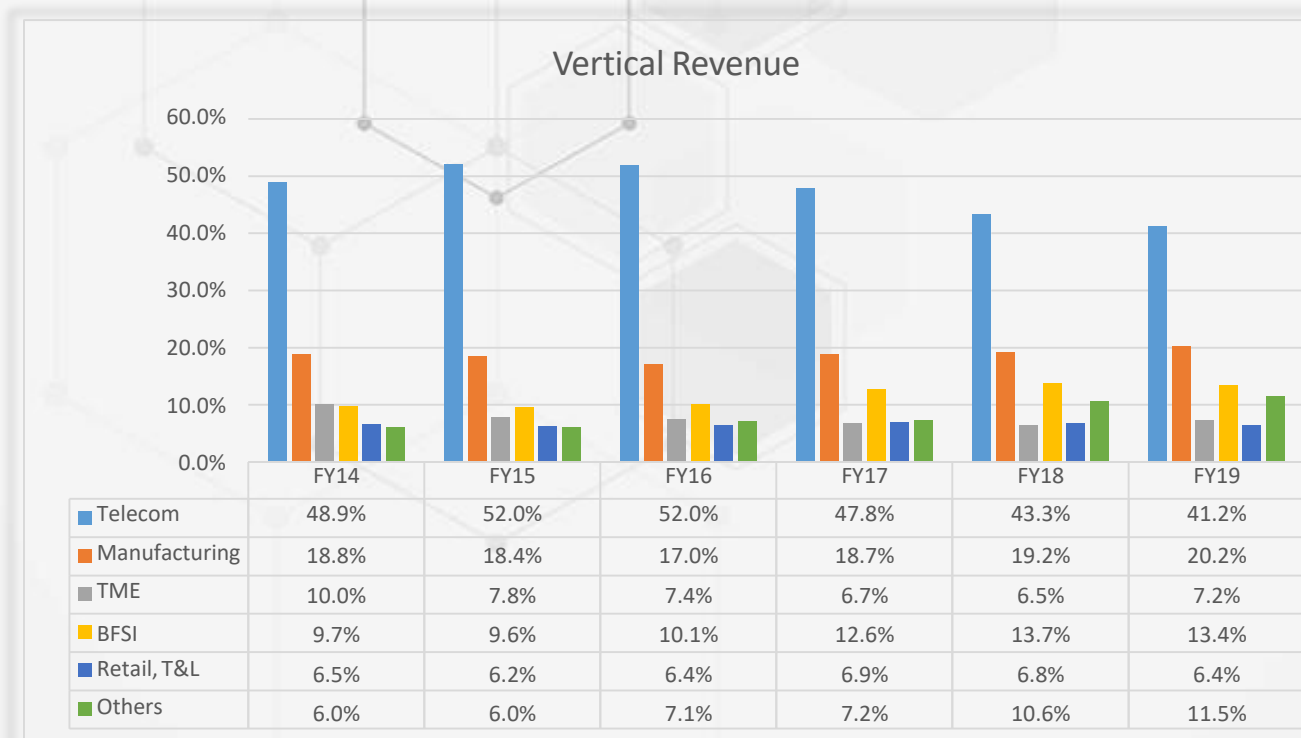
RISKS MANAGEMENT METRICS

➤ Revenue breakup by Geography

We derive revenue across the key regions of the globe - Americas, Europe and Rest of the World (ROW). A balanced mix across these key regions with business in 90+ countries helps Tech Mahindra manage the Global Economy Risk and Geography Concentration risk.

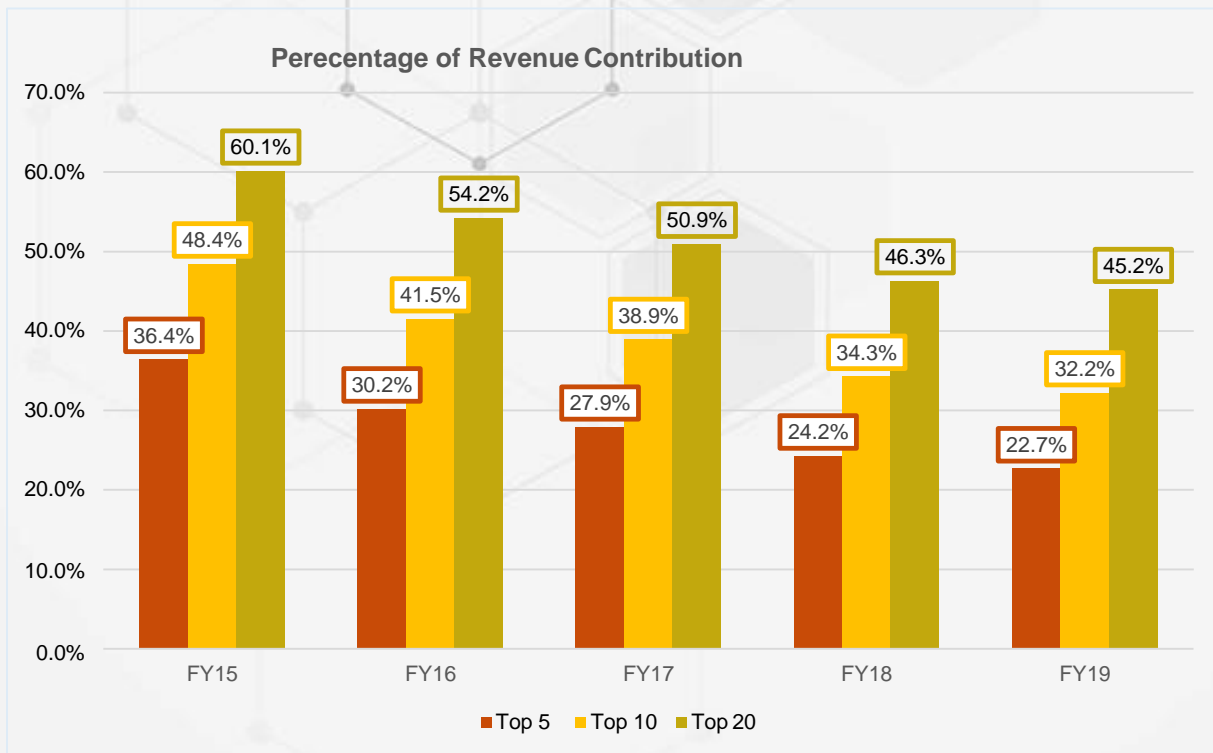
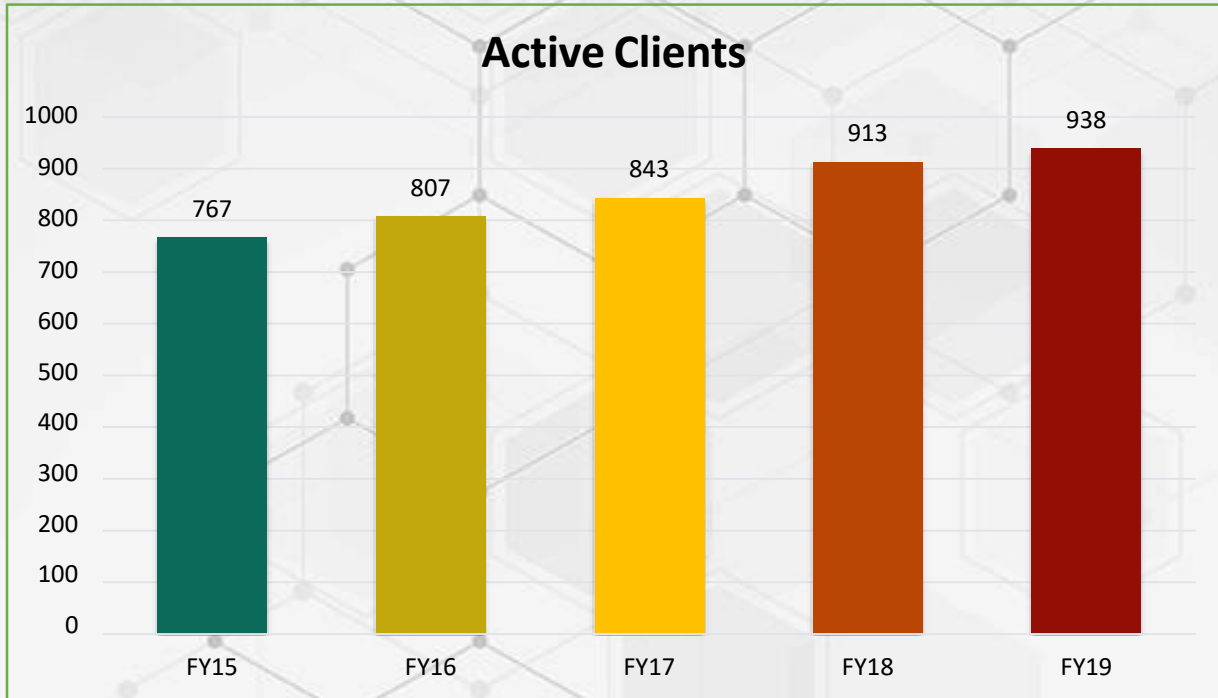


➤ Revenue Breakup By Vertical

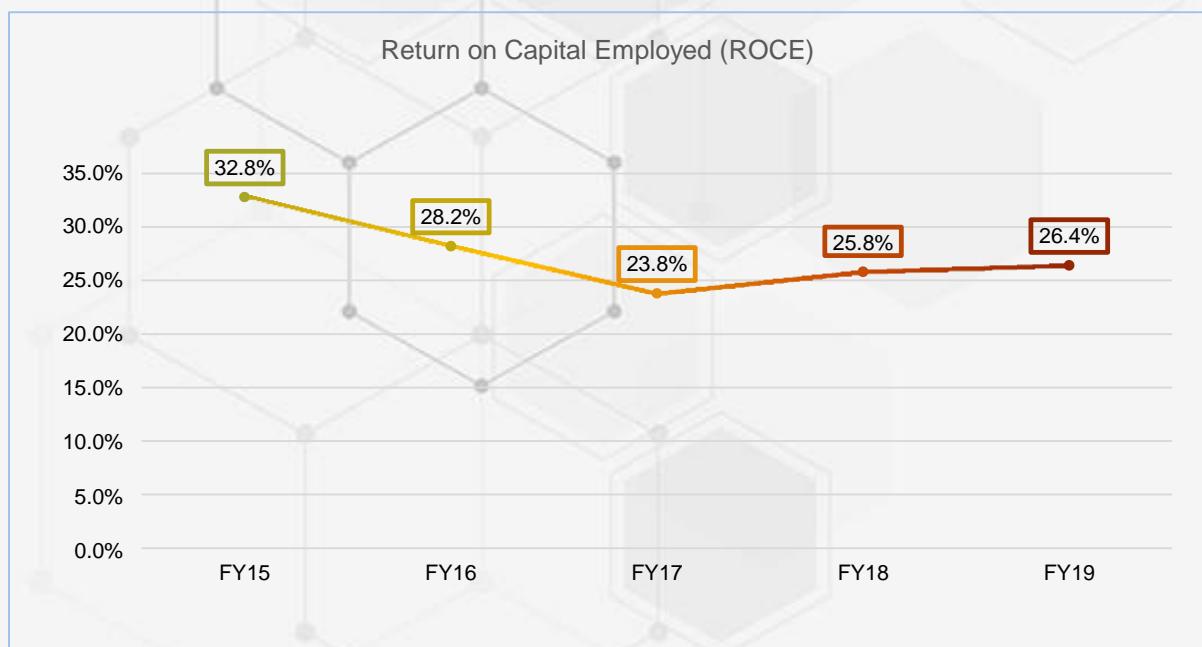
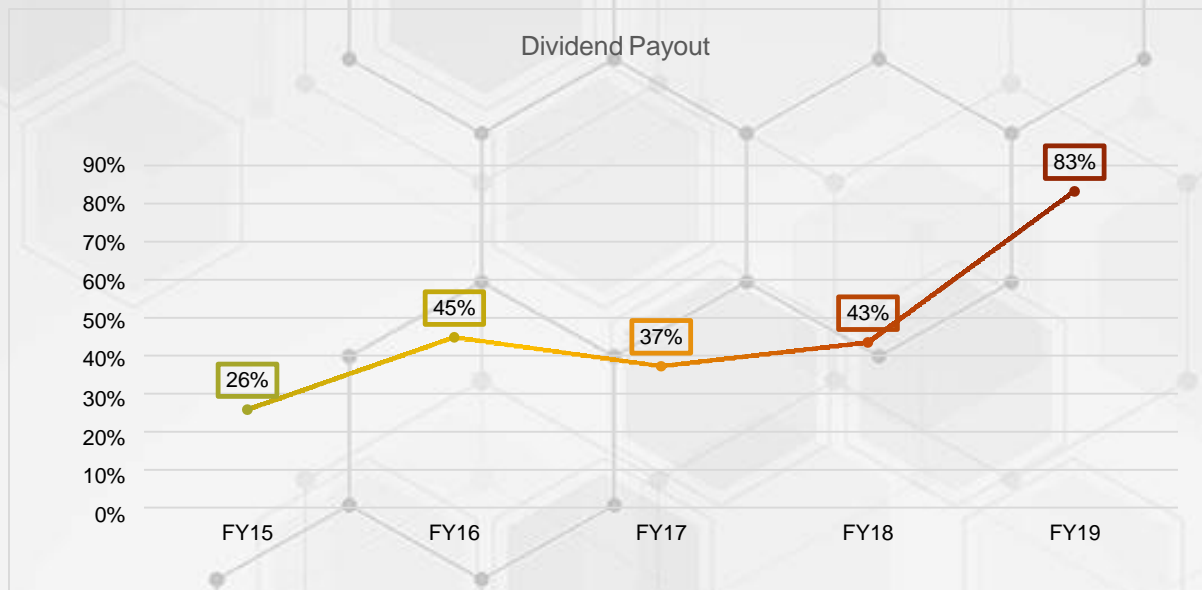


➤ **Revenue Break Up –Client Contribution And Client Count**

We have successfully been able to bring down our client concentration over the past 5 years. At the same time the count of active customers i.e. customers with a revenue threshold of US\$ 0.125 mn + on a LTM basis, has increased from 767 to 938 in last 5 years, thus broadening the client base across various verticals.



➤ Return On Investment Metrics



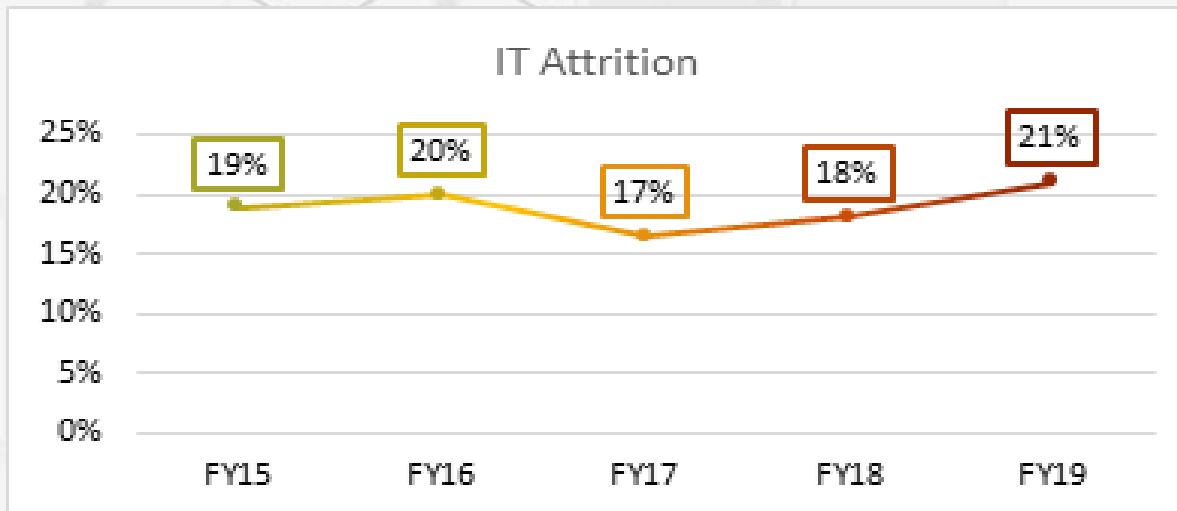
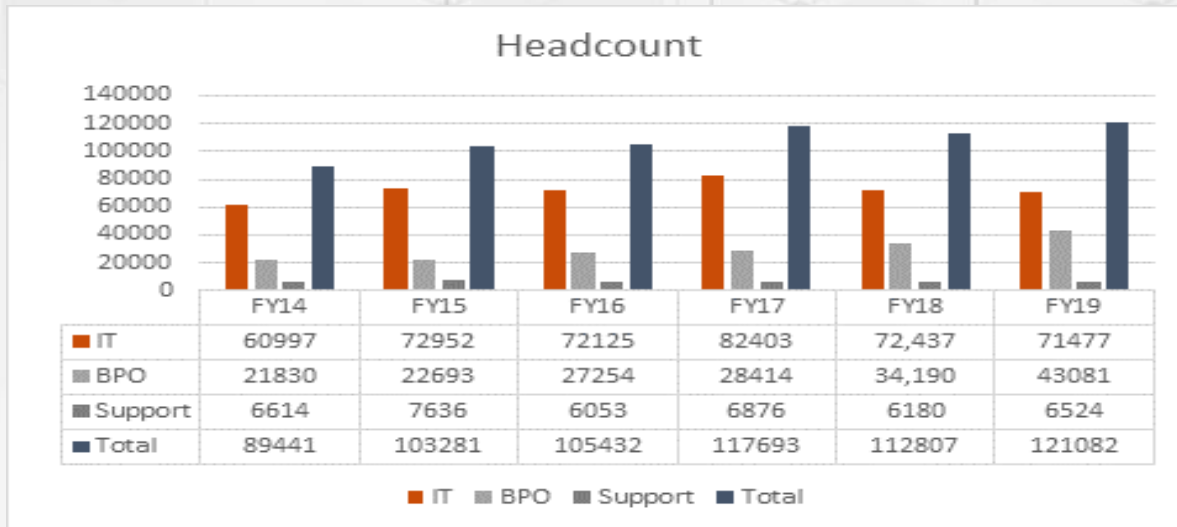
Buy Back Of Equity Shares

Pursuant to the approval of the Board on February 21, 2019, your company announced the maiden share buyback of 2,05,85,000 equity shares of the Company representing approximately 2.09% of the total number of equity shares in the paid up capital of the Company, for an aggregate amount of INR 19,55,57,50,000/-, being 9.551% of the total paid up equity share capital and free reserves of the company, at a price of INR 950 per equity shares from the existing shareholders of the Company on a proportionate basis under the Tender Offer method in accordance with the provisions of Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998, the Companies Act, 2013 and rules made thereunder. The process was completed on April 15, 2019 and is compliant with Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 and Securities and Exchange Board of India

(Depositories & Participants) Regulations, 2018. The byelaws framed thereunder the shares bought back were extinguished on April 17, 2019 by reducing the issued and paid up capital of the company.

➤ People Metrics

The people priorities for the company have been re-skilling the associated and reducing IT attrition. Since the last 2-3 years, we have taken various initiatives to reduce attrition.



FUTURE PROOFING THE ASSOCIATES

With our culture defined keeping in mind various stakeholders. We consulted stakeholders and articulated our culture as **“We drive positive change, celebrate each moment and empower all to rise”** in alignment with the Mahindra Core Values.

Successful digital transformation lies in ‘disrupting one’s own business before others do. Willingness to adapt to change and the ability to grab the opportunity that changing times are throwing our way are fundamental to any individual and organization that wishes to stay relevant in the industry. TechMNxt is our Charter to stay relevant. We are investing heavily in re-skilling employees in next generation technologies like Blockchain, Cybersecurity, Artificial Intelligence (AI), Machine Learning (ML), Robotics, and Automation, and 5G. We provide a positive environment for the employees to thrive.

Core Employee Phenomenon



We align our organization needs with our employee needs while heading towards the path of company with a Purpose



Engaging across diversity

of Age, Gender, Nationality, Cultures, Roles and Technologies etc.



Learning opportunities

To Reskill and stay relevant in a rapidly changing environment



Incorporating wellness

Into everything we do



DRIVING POSITIVE CHANGE / CELEBRATING EACH MOMENT / EMPOWERING ALL TO RISE



Harshvendra Soin
Chief People Officer

“Human Capital is the key driver of business transformation at Tech Mahindra. We aim to build an agile organizational ecosystem with future ready workforce in which humans and intelligent machines work together to improve productivity, innovation and growth”.

Gone are the days we had differentiation of brick and mortar / Product or Technology companies. In Today's world, all companies are Technology companies and all companies are competing to create great customer experiences to increase their share of pie. Today **Great Employee experience beget great customer experiences** - Creating great employee experience is not only important for attracting and retaining talent but also for creating great customer experiences.

New age digital technologies are disrupting the business landscape and impacting the structure of industries and economic activity. In this age of disruption, it is pertinent to reskill and transform oneself continuously in order to stay relevant, and staying relevant is equally important for the employees, as it is for the corporations.

Today's disruptive business landscape demands for our talents to be future ready and it is our prime responsibility that the right tools and innovative pathways are facilitated for them.

Our major focus areas for the company was **Process Transformation [Simplify]** – our major goal was to continue to evaluate our HR business processes to bring efficiencies. We adopted digital technologies to bring in best of breed solutions and interaction platforms for our Associates. For FY18-19, we looked at automating/digitalizing 15% of HR processes and take this to 50% in next three years.

Key initiatives were taken in various functions of HR like **Employer Branding, Leadership Development, Re-Skilling, Associate Engagement And Health & Safety.**

Re-Skilling / Leadership Development

➤ Business Case

The global external environment warrants developing the competencies of the associates in new age technologies, platforms and solutions with a consultative mindset. Bridging the learning gap of the associates is essential to meet the evolving customer needs. Re-skilling and right-skilling the associates is the differentiator of a motivated employee who imbibes the company's Rise Philosophy and the TechMNxT Charter.

➤ Strategy

In addition to our traditional mechanisms that help enhance **Learning & Development (L&D)**, we have adopted new ways of learning. We learn from the young, we learn from the best in the world, we learn device-agnostically, we learn at our own pace, we enhance our learning by working on real-time projects and we un-learn. **Reverse Mentoring** is our flagship program where our senior leaders reach out to young leaders for learning, especially around social media and technology. This allows our senior leadership to stay abreast of latest happenings in the world. All of our top management has learnt from the employees on various topics ranging from Block chain, Learning in the Millennial Age, AI, AR/VR to LinkedIn, Twitter, Facebook and Instagram.

We used our **Leadership Development Programs** and nurture internal talent to take up leadership positions in diverse areas. We sourced talent from external talent pools (Management Trainees and Global Leadership Cadre) to bring in contemporary and fresh perspective within the company.

The TechMNxT Charter for up-skilling, re-skilling and right-skilling the associate cuts across the business functions like Innovation, Strategy and L&D. There is a structured process for Identification of L&D needs from the execution departments/personnel like Regional CTOs, Verticals, SBUs and Delivery teams. Based on identified needs and priorities, the associates interest and passion, re-skilling is being driven.

CHANGING THE WAY WE LEARN

Learning is imbibed in our culture and DNA. Skill building continued to be a focus in 2018-19 with associates being trained in digital, automation and other emerging technologies. We have invested in re-skilling an up-skilling significantly in alignment with our company vision of Digital Transformation. Further, the company has partnered with some of the best training partners for effective training of new hires on digital and niche skills. We are training the employees on the most sought-after and latest technologies through, Ride With Pride, our future skilling initiative. This covers 13 skills of the future including AI, RPA, Big data/ Analytics, CX, AR/VR, Cloud, IoT, Block Chain, BE, Platforms, Security, SDN/ NFV.

DIGITAL EXPERIENCE FOR EMPLOYEES IN RE-SKILLING AND LEADERSHIP DEVELOPMENT

We have created innovative digital experiences for our employees.

- **Learning** – We have various platforms, which cater to our employees and their learning needs
- **DEXT** - Tech Mahindra's state-of-the-art learning portal is DEXT, is a platform developed by TechM in association with NASSCOM with lectures from edX, Pluralsite, Udemy of professors of Harvard, MIT, Stanford etc. It is an Intuitive Interface giving Personalized Learning Paths and Access from Any Device to world class learning content.
- **Palmleaf** – Interactive and gamified byte-sized learning at the employee's fingertips and convenience so that they can learn anytime, anywhere.

- **eXTra Miles** - ExtraMile is a platform developed to practice these skills and take up voluntary projects in the company. It is a crowdsourcing initiative that connects skills with opportunities within the organization. A Manager can post an assignment asking for resources and an associate can volunteer as a resource for one of the assignments
- **Talex** - After having successfully completed the assignment, our employees can confidently apply for the role they want on TalEx, the world's first AI driven market place for talent/leadership, which matches an employee's skills, hobbies and even travel voyages to the jobs they seek.
- We Launched **Chrysalis** – a journey towards Transformed Leadership launched with an intent to assess the strengths we bring to Tech Mahindra and the strengths we need to drive our growth plans. This will include a series of Development Centers across the leadership cadre.

Associate Engagement To Reduce Attrition

- **Business Case**
Financial and tacit resources are invested in right-skilling and hiring talent. They enhance efficient and effective functioning of the business through timely delivery of services and solutions for the customers. They are the company's brand ambassadors. Losing this talent to Attrition is a financial and non-financial loss for the company. The technical skills and collaborative, critical thinking approach developed overtime within the team enables smooth flow of the operations, which takes time to develop for a new recruit. We cannot quantify this cost.
At Tech Mahindra, attrition has been high because of both internal and external factors. Externally, there has been an uptick in the IT sector. Further, the associates, 75% of which are millennial, are driven by purpose, need new approaches to learning, working and feeling gratification. The up-skilled associates at the company become an attraction for all.
- **Strategy**
Humanoid Launch: We introduced K2 (Knowledge and Kindness), the first Human Resource (HR) Humanoid. K2 takes over the routine HR transactions to provide constant assistance to the HR team in creating an enhanced employee experience and helps reducing attrition as employees can take up more promising roles in the organization. K2 leverages state-of-the-art Artificial Intelligence (AI) technology and initiates conversation without any need for wake-up commands.

Associate Engagement and Satisfaction, associate re-skilling and utilization, and incorporating wellness into their lives are critical to attrition reduction and talent retention.

Focused initiatives to retain employees:

- Built an AI based Talent Exchange marketplace to enable better fitment of employee skills with opportunities.
- Digitized Reward and Recognition process so that associates can share their rewards and pride on their respective social networks.
- Simplified Performance appraisal system
- Higher education programs through tie-ups with major colleges (Harvard and MIT) to enhance associates' career that help retain employees who want to leave for higher level of studies.
- In-house programs, keeping in mind the associate welfare, growth and engagement opportunities.
- Training employees on the most sought-after and latest technologies.
 - ✓ Ride With Pride is our future skilling initiative which covers 13 skills of the future including AI, RPA, Big data/ Analytics, CX, AR/VR, Cloud, IoT, Block Chain, BE, Platforms, Security, SDN/ NFV. We created DEXT, a state-of-the-art learning platform for all the employees, which allows them to learn courses from various platform such as EdX and Futureskills where the courses are taught by best in the world professors from MIT, Harvard, and Stanford etc.
 - ✓ #UaaS (Upskilling as a Service) makes skill upgradation a continuous process with multi-avenue and device agnostic unified gateway for all learning contents from internal and external sources, enabling associates to undertake skill enhancement through skill units called SKUs (combination of skill, course and assessment)

as per market and project requirements. There are 356+ SKUs available in various areas. 43K associates have undergone upskilling and are NAD101 certified. 18K associates have identified training path for future benefits and will start the upskilling.

New Engagement Methods

We do continual engagements with our associates through our cutting edge technological solutions.

- **Facial Recognition** – Through FR, we assess and analyse the moods at all our locations on a real-time basis and are able to understand the situation and correct through interventions when location mood isn't up as usual.
- **UVO 2.0** – Our HR chatbot UVO helps all our associates by not only answering their queries but doing their work on their behalf like applying leave.
- **TibOT** – Tibot is our TIM Intelligence Bot which executes all your TIM related queries freeing our associate's time on mundane and freeing them up for better work.
- **Engaging Across Generational Diversity** including AIMers, Global Leadership Cadre, Management Trainees, SEAL and ASCEND, and Reverse Mentoring.
- We Launched **Chrysalis** – a journey towards Transformed Leadership launched with an intent to assess the strengths we bring to Tech Mahindra and the strengths we need to drive our growth plans. This will include a series of Development Centres across the leadership cadre.
- **Engaging across Talent Pyramid** including Engaging Bench, 1000 Leader Program, and Role Based Academy.
- Leadership programs like Young CEO, 1000 Leaders, Global Leadership Cadre and AIMers meet the aspiration of the employees for leadership roles.
- Leveraging Technology Platforms to Engage and Learn: CareNET, DEXT, eXtraMiles, Talex
- Engaging with Wellness and Social Responsibility: Career Counselling, Stress Management sessions, SMART centres, Capability Development

Apart from these, Employee engagement programs like Josh & Green Marshals give employees a platform to engage in co-curricular activities. There are incentives and rewards for these activities.

Wellness Before Business



Our, **'Wellness Before Business'** initiative aims to create a global platform of leaders across customers, partners and influencers to drive #WellnessFirst, that promotes healthy lifestyle practices – through yoga, running, cycling, meditation. We created a 'virtual yoga assistant' named "Aasana". It was launched in India on June 21, 2018 and will be launched globally in its second phase to give prime importance to health and well-being of all employees. Chatbot Aasana sits on the desktop of all Tech Mahindra employees, shares automated reminders, and demonstrate Yoga postures that can be performed at the workstation itself.



As a step forward in its mission to transform into a digital organization with a future-ready workforce, we have successfully re-skilled and up skilled nearly 70% of our IT workforce in digital and future skills.

Engaging Through Purpose



The Millennial are not looking for a straight jacketed, conventional jobs. They need to follow a passion, stay connected with their peers and seniors and be able to have an impact and feel purposeful. Individual social responsibility, volunteering through the Tech Mahindra Foundation & Green Marshals; learning next gen technologies in innovative ways are keeping them motivated.

In the reporting year, 31,830 associates clocked 164,278 volunteering hours through Tech Mahindra Foundation. Our Green Marshals clocked 8581 volunteer hours under our Green and Sustainability initiatives.

DISCLOSURE 102-8: INFORMATION ON EMPLOYEES AND OTHER WORKERS

➤ Employee Breakdown By Gender And Age For Tech Mahindra Ltd. India

Employee Type	Total Workforce By Employment Type, Employment Contract And Gender As Of 31 st Mar, 19								
	Age 18-30		Age 30-50		Age>50		Total		
	Female	Male	Female	Male	Female	Male	Female	Male	
Senior Management	0	0	29	299	14	165	43	464	
Middle Management	6	25	996	6690	58	406	1060	7121	
Junior Management	19170	27752	3591	14768	862	2573	23623	45093	
Sales	58	78	40	145	5	25	103	248	
Fixed Term Contract	165	121	17	43	3	24	185	188	
Third Party Contract	70	482	27	277	4	44	101	803	
Total	19469	28458	4700	22222	946	3237	25115	53917	
			Total TechM Associates					79032	
			Total 3rd Party Employees					5174	
TOTAL								84206	

➤ For Across Tech Mahindra Limited

Overall Employee Type	18-30 Age			30-50 Age			>50 Age			Grand
	Female	Male	Total	Female	Male	Total	Female	Male	Total	Total
Senior Management	0	0	0	45	442	487	18	211	229	716
Middle Management	10	33	43	1408	10492	11900	123	819	942	12885
Junior Management	21923	31086	53009	5458	19845	25303	1292	3659	4951	83263
Sales	78	116	194	89	553	642	21	159	180	1016
Fixed Term Contract	429	598	1027	180	564	744	33	173	206	1977
Third Party Contract	274	1028	1302	396	1660	2056	123	484	607	3965
Grand Total	22714	32861	55575	7576	33556	41132	1610	5505	7115	103822

➤ Employee Breakdown By Gender And Age For Tech Mahindra (Global)

Employee	Technical			BSG			Sales, Support & Tech Support			Grand Total		
	F	M	Total	F	M	Total	F	M	Total	F	M	Total
BAND												
E1	37	421	458	6	24	30	12	98	110	55	543	598
E2	3	62	65	0	8	8	3	27	30	6	97	103
E3	2	31	33	1	5	6	1	10	11	4	46	50
EVP	0	0	0	0	1	1	0	8	8	0	9	9
RG2	1	3	4	0	2	2	0	38	38	1	43	44
VIS 2	7	29	36	0	0	0	0	1	1	7	30	37
P1	1179	8547	9726	78	310	388	120	412	532	1377	9269	10646
P2	182	2335	2517	15	85	100	54	206	260	251	2626	2877
RG1	1	33	34	3	22	25	60	477	537	64	532	596
VIS 1	20	55	75	0	0	0	0	0	0	20	55	75
O1	0	1	1	0	0	0	0	0	0	0	1	1
O3	0	15	15	0	0	0	0	0	0	0	15	15
U1	2775	2727	5502	11300	15451	26751	222	234	456	14297	18412	32709
U2	5564	7141	12705	2340	4951	7291	427	532	959	8331	12624	20955
U3	3446	10838	14284	541	1444	1985	217	484	701	4204	12766	16970
U4	2642	12918	15560	159	503	662	163	434	597	2964	13855	16819
VIS 3	318	998	1316	0	0	0	1	1	2	319	999	1318
GRAND TOTAL	16177	46154	62331	14443	22806	37249	1280	2962	4242	31900	71922	103822

➤ GRI 401-1: New Employee Hires And Employee Turnover

During the year 2018-19, we hired **33,852** associates for our Indian operations. This includes hiring **22456** male associates and **11396** female associates. It has been our firm commitment to enrich our organization's strength by attracting the best available talent. We engage with leading educational campuses for our hiring activities while also offering rewarding opportunities to experienced professionals.

Remuneration Based On Merit

We do not differentiate compensation amongst employees (basic salary and remuneration) based on gender or any other aspects at any locations of operation. Remuneration is based on merit depending on the level, grade, number of years of experience, skills and competence and performance of the associate.

➤ GRI 401-2: Benefits Provided To Full Time Employees Which Are Not Provided To Temporary Of Part Time Employees

In order to attract and retain the best talent in the industry, we offer some leading benefits to our employees. The workplace benefits for full time associates, associates working on fixed term contracts (FTC), persons working part time. For associates working part time, compensation and annual/earned leave gets prorated based on the hours worked.

- Accident Insurance
- Wealth of Wellness
- Medical Insurance for the employees and their families.
- Group Term Life Insurance Policy
- BSG Insurance Policy
- Associate Welfare Trust

The only exception is flexibility benefits, which are not applicable to temporary associates (Direct Contracts). Also only permanent employees are eligible for ESOPs.

Notes on FBP Components

- Leave travel allowance
- Meal Card

- Telephone Reimbursement
- Car Lease/Rental
- Fuel and maintenance reimbursement
- Driver's salary reimbursement
- Superannuation
- National Pension Scheme (NPS)

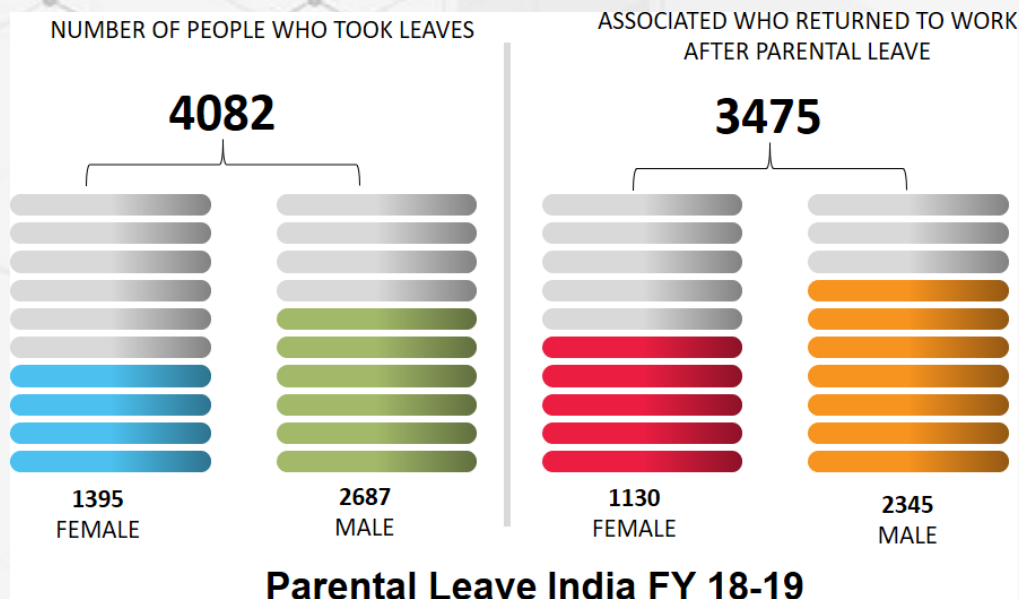
Long-Term Incentives

All employees who have finished a minimum of 5 years in the company are part of the long-term incentives plan. The benefits include:

- Certificate and a congratulatory plaque along with Cash award to celebrate their association with the company depending upon the number of years in the organization. They are also given additional leaves depending upon the number of years served.
- Gratuity - mandate under the Indian law, which is given as a lump sum to an employee leaving the organization after rendering continuous service for not less than 5 years in the company.
- The long term incentives given on basis of performance are
 - ✓ Stock options- given but only to a few who qualify under performance and other criteria too.
 - ✓ Variable pay – the performance of the associate is measured through the year and the % of this pay given depends upon the performance.

➤ GRI 401-3: Parental Leave

Our leave policy ensures that associates are entitled to maternity leave of 6 months and paternity leaves of 5 days.



Strive And Sustain

We are committed to providing a holistic employment experience to associates with the flexibility to balance professional and personal commitments. Our HR policies are designed to incorporate work-life balance. Flexible work timings are specifically designed to facilitate seamless work life integration for associates.



In the reporting year, we took various steps to ensure work-life balance of associates at Tech Mahindra. We introduced a new initiative 'Junior TechMighty' to congratulate our new mothers, and welcome their #JrTechmighty into the TechM family. Employees on maternity leave receive a gift hamper, assuring them of our best wishes and love to the little ones. The gifts are hand delivered to their residences across more than 20 locations in India by a Mahindra Retail representative. We also launched 'My Parent My Hero', an event to convince children of our associates that their parents are superheroes to us, changing the world to be a better place by leveraging technology and they should feel proud about them too. These initiatives have also resulted in improvement of our Glassdoor rating from 3.1 in Sept 2018 to 3.7 in March 2019.

Career Development

We have a 360-degree approach to Learning and Development. We actively invest in Leadership Development to facilitate professional growth and development of the associates. Career Development focuses on delivering a better and enhanced employee experience through simplified, digitized, enriching and collaborative work environment. Some of the programs/initiatives are:

- **UVO:** Virtual office assistant, a voice enabled assistant that takes command and processes it thus making work easy. UVO is equipped to apply leave, book conference bridges and carry out many more such work.
- **Career Counselling:** This is a program led by our team of '1000 leaders' on Coaching and grooming using an online platform. This portal guides associates on how to grow professionally and meet career aspirations.
- **Talex:** An AI and ML based platform that helps in enhanced and simplified internal job transfers. Talex is a market place for employees who can bid for their job on the portal. The best bid is considered for the final round along with the % match given by the system based on various factors like Skills, Location, Age, Experience etc.
- **TechmyTea:** This portal uses an algorithm to connect associates with each other based on their common interests. Associates can connect face to face or virtually. This will help build the network within the organisation, learn more about other units and make new friends.

➤ GRI 404 – 1: Average Hours Of Training Per Year Per Employee

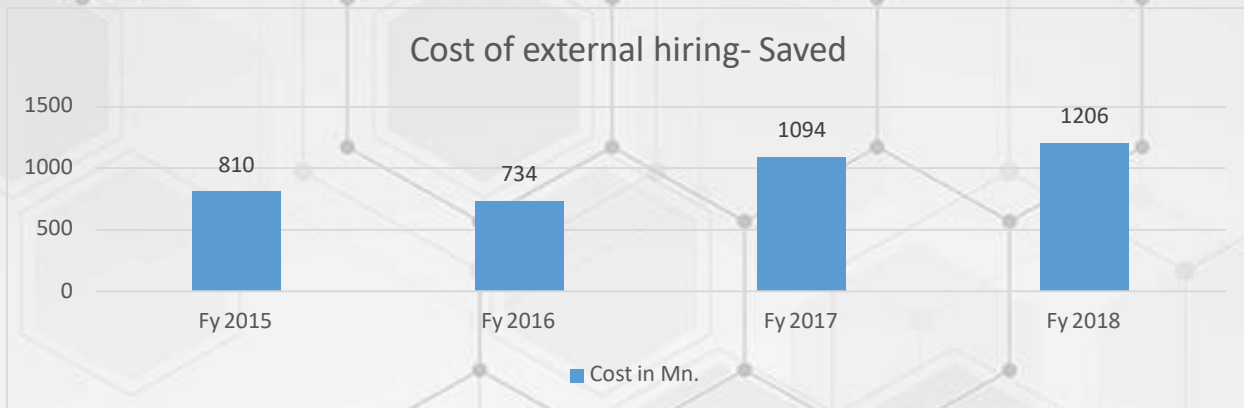
In the reporting year, we partnered with NASSCOM. This has majorly aided our digital transformation journey aimed at re-skilling associates in the organization, to make them 'Digital Savvy'.

Business Wait Re-Skilling

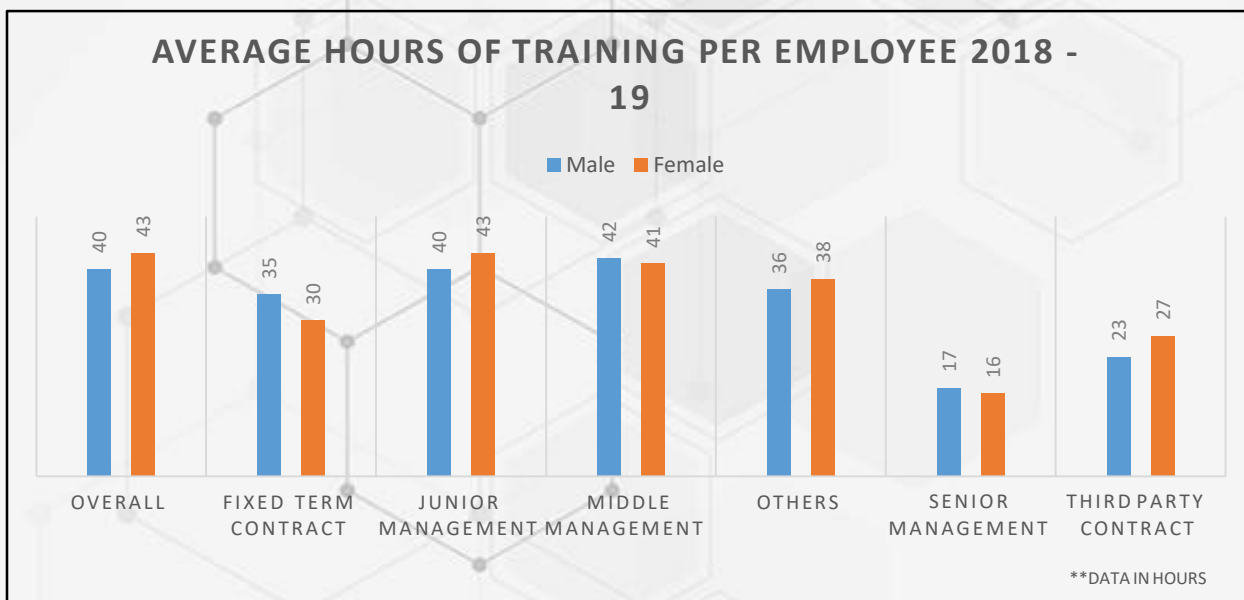
If the Bench size increases beyond a threshold value, the overall skill utilization drops and the cost to the company increases significantly impacting profit margins. In order to address this challenge, we have launched a bench re-skilling initiative. It enables the company to pick up new contracts requiring quick ramp-up and the associates on bench to re-skill/up-skill themselves into the roles for open positions instead of external hiring. The Bench skills set are profiled and matched with open positions, to identify needs and opportunities. The associates then undergo appropriate trainings, which are in line with the future needs of the clients.

We launched the business wait re-skilling program to reskill buffer/bench associates in Business wait as per open positions to enable them fill up the positions. This enabled effective utilization of bench and reduction in external hiring and associates cost saving. Bench associates are co-located in a special area wherein their skill set is profiled and matched with various open positions to identify the gaps.

The bench re-skilling and future skilling interventions have helped TechM save an estimated INR 1206 - Mn external hiring in FY 2018-19.



The average hours of training for lateral associates was 47.44 hours per FTE (Full Time Employee) while that for Fresh Graduates was 120 hours per FTE to make them deployable on projects. The average cost of training was INR 4859 per FTE. The other trainings, which were monitored, are reported in the table below.



Average hours per FTE of training and development	47.44 hours
Average amount spent per FTE on training & development	USD 70
Percentage of open positions filled by internal candidates	39

➤ **GRI 404 – 2: Programs For Upgrading Employee Skills And Transition Assistance Programs** We have robust learning platforms helps associates unleash their potential. We have multiple career tracks and internal job rotation options that provide associates opportunities within Tech Mahindra. In the reporting year, we created Talex, an internal Talent Marketplace to future proof the employees. The platform helps employees to explore careers through gamification, connect with career counselors, guide them on training avenues and provide information on live projects to get hands-on experience and allow them to apply for jobs of their choice using pre assigned credit points. Talex is an internal exchange for employees on bench or looking for a different project within the company. It increases recruitment efficiency by 3.7X and cuts-down sourcing cost by 50%.

Cross Skilling Associates For Verticalization

This trains the associates to deliver end-to-end services to customers in alignment with TechMNxT.

Higher Education Support:

Specialized tie-ups with best of education providers are rolled out to provide customized higher education programs and these programs have been crafted to suit the time challenges of the working professionals.

Programs for upgrading employee skills and transition assistance till 31st March, 2019	
No of programs conducted	Participants count (non-unique)
4,129	1,46,039

Programs For Career Transition And Advancement

Career Transition	Career Advancement
<ul style="list-style-type: none"> • Multiple Career Tracks • Talex • Career Turbo 	<ul style="list-style-type: none"> • Chrysalis • Shadow Board • Young CEO • AIM/fAIM • Global Leadership Cadre • 1000 Leaders

➤ GRI 404 - 3: Percentage Or Employees Receiving Regular Professional And Career Development Reviews

We follow a multidimensional performance appraisal. All the eligible associates are appraised through a Performance Indicator system, which integrates 3 types of performance appraisals i.e.

- Management by objectives: systematic use of measurable yearly goals and targets agreed between the line superior and associate.
- Multi-dimensional 180 degree feedback, where associates are appraised by their managers and unit heads, peers (not mandatory) and sometimes the external clients / customers).
- Formal comparative ranking of employees within one employee category.

100% of eligible associates receive performance appraisal.

Associate Engagement

We believe in the fundamentals of transparency and empathy, which has helped us build a culture of recognition, open conversation and celebrations. We launched C.A.R.E, a platform for associates to raise all types of non-operational issues from mental health to policy violations. The focus is on open conversation and providing quality resolutions. The Chief People Officer monitors the resolutions.

We share information about the overall organizational strategy, growth and future direction with the associates. There are multiple platforms to ensure transparent, informative and engaging two-way communication with the associates. Through our multi-channel communication programs (Free voice, All hands meet, My Beat), associates provide bottom up feedback and contribute, share, use and store both explicit and implicit knowledge and experiences with the rest of the organization. The feedback received from associates is used to define the organization strategy and approach and contribute to the strategy and direction of the company.

There are various engagements mechanisms for associates to gain perspectives on the Company's future growth plans, industry trends and future orientation.

Leadership Connect	Employee Engagement	Knowledge Platforms	Reward and Recognition
<ul style="list-style-type: none"> • Leader Chats • Coffee Meets • Location Councils 	<ul style="list-style-type: none"> • MyBeat Plus • Freevoice • All Hands Meet • TechM CARES Survey 	<ul style="list-style-type: none"> • KEE Portal • Ask The Expert • MINK • Raintree • Masterclasses 	<ul style="list-style-type: none"> • Annual Excellence Awards • KUDOS

Rewards And Recognition

In line with digitization, the entire Reward and Recognition process is digital and associates can share their pride on their respective social networks.

- Performance based recognition offerings are designed to be relevant and comprehensive, ranging from individual and instantaneous Awards like – Bravo, Pat on the Back, Loyalty and Contribution are recognized through our exclusive Long Service Awards on Milestone Service Anniversary.
- Annual Excellence Awards is TechM’s apex platform to celebrate excellence and provide visibility to the 'Best amongst the Best' performers while recognizing achievements in Innovation, Excellence, Solutions, Relationships, Growth and Operations.
- **KUDOS** is designed to reinforce and recognize the most important outcomes Associates create for our business. This comprehensive model recognizes excellence demonstrated by individuals, project teams as well as the larger universe of business and support units and is aimed at acknowledging associates achieving excellence in both technical and managerial roles.

44% people got rewarded during the year (penetration of rewards Industry average is ~40%).

Great Place To Work/ Social Media - Employer Branding

- TechM is among Top 150 companies searched for in Glassdoor among 7,700. Mostly paid companies are in top search
- Many of our peers are paid subscribers to Glassdoor and ensuring they are building a strong employer brand.
- Google also started branding in Glassdoor, after they started to lose employees to Apple and Facebook.
- Avg. Rating for our sized company - 3.2/5 our score 3.7
- Avg. CEO approval of our sized company - 69% our score 74%
- Avg. Recommend to a friend of our sized company - 59% our score 62%
- We have started responding to reviews and now we are an “Open Company” category in Glassdoor. None of our peers WIPRO, TCS and HCL is in this category.
- Our next focus is on other Key Sites like Indeed and Ambition box (Naukri) where our numbers are lower than our peers.

TechM CARES

TechM CARES survey measures associate experience across key engagement dimensions like Career, Alignment, Recognition, Empowerment and Strive. The survey helps (1) Understand the dimensions of employee engagement that consistently drive business outcomes, by learning about workplace strengths and reviewing weaknesses while also assessing improvements over last survey (2) Building a stronger workplace by initiating a process of team feedback and action planning and determining organizational intervention areas for executive support.

The survey is completely confidential and seeks feedback from associates on various spheres of engagement within TechM in order to incorporate their feedback and suggestions into actionable initiatives on the ground. The rating scale used is a 5-point scale where 1 represents Strongly disagree/Extremely Dissatisfied and 5 represents Strongly agree/Extremely satisfied. The action-planning feature in the survey is a step towards collaborative decision making that influences aspects such as jobs, work environment and the direction of the company as a whole. In the reporting year, 49% of our employees took part in the employee survey and the company scored 3.92 (on a 5 point rating scale), surpassing our target of 3.78. This also shows an improvement and increase of 4.25% from last year’s scores (3.76 in 2017-18).

JOSH



Josh is a voluntary group formed by “life enthusiasts” who run fun, delight & connect and organize events at TechM. The Josh Team Members ensure that TechMighties remain encouraged, entertained and also help enable the society around them. The JOSH team members give every associate a reason to smile, celebrate and connect work with fun.

Every Tech Mahindra location has its Josh teams. Within Josh, there are clubs dedicated to Culture, Sports, Adventure, Movies, Quizzing etc. and they organize events that include charity, cheer and challenges.

The entire JOSH team works together in conjunction with the Location Councils to Drive Positive Change in the lives of associates while Accepting No limits and Thinking Alternatively and celebrating every single occasion with passion, enthusiasm and commitment. Our Family Connect Programmes such as Founder’s Day, Family Day, Ekatvam, ACE Awards ensure we stay connected with our extended Tech Mahindra universe and celebrate our success with them.



Health And Safety

We are committed to the physical, mental and spiritual well-being of the associates. The Company's Mantra of "Wellness before Business" is reflected in the medical camps, wellness programs, work from home facility and numerous other options available across locations.

We formulated an **Associate Welfare Trust** to provide financial assistance to members of the Trust in case of medical emergencies where the medical expenses are more than the amount covered by the hospitalization insurance scheme of the Tech Mahindra. The Trust is funded and run by TechM associates with trustees being a set of nominated associates.

WoW is our comprehensive Health and Wellness program. It provides various avenues to the associates to ensure their physical, mental and spiritual wellbeing. The program offers sessions, events, camps, webinars, talks, workshops, and health contests and enables awareness of physical, emotional and spiritual fitness for associates. The WoW programs, activities and needs are planned through the 'WoW Committee'. It investigates workplace safety and injuries, brings fitness to the desks of the associates and also works with the management. The WoW committee is also responsible for tracking the effectiveness of our wellness program.

Welfare Infrastructure

All large campuses at TechM have Medical Rooms, Gymnasiums and Indoor Games facilities for use by associates. There is a robust Emergency contact process with toll free numbers across India, US, UK, and Australia. We also conduct self-defence training sessions across many locations.

➤ GRI 403-1: Worker Representation In Joint Worker Management Health And Safety Committee

We have a Health and Safety Committee at all the locations of operations to make work environment safe and healthy.

HEALTH AND SAFETY COMMITTEE	MALE	FEMALE	TOTAL
Senior management (E band)	2	0	2
Middle management (P band)	2	1	3
Junior management (U band)	2	0	2
Total	6	1	7

In addition to Health and Safety Committee, we also have WOW committee.

WOW COMMITTEE ACROSS LOCATIONS - 2018-19		
Employee Band	No of WoW members	%
Senior Management (Band E2 and above)	4	7
Middle Management (Band P2-E1)	10	18
Junior Management (Band U1-P1)	42	75
Total	56	100

➤ GRI 403-2: Type Of Injury And Rates Of Injury, Occupational Diseases, Lost Days, And Absenteeism, And Total Number Of Work-Related Fatalities, By Region And By Gender.

In the reporting year, there were no injuries or illness within the premises, which lead to lost days or absenteeism by the employees.

Counselling Facilities For Associates

We are also committed to the psychological well-being of our associates. Counseling facilities, with a strict confidentiality clause are made available at all the locations.

Diversity And Inclusivity

Tech Mahindra's Diversity and Inclusivity mission for sustainable leadership is “**Acknowledge, respect, and leverage the value of individual differences to enhance organization competency and innovation for Sustainable Leadership**”. Diversity is not limited to providing equal employment opportunities but extends to valuing and celebrating the uniqueness of every individual. Please refer to our Diversity and Inclusion Policy [here](#).

We have special initiatives to provide equal opportunities and necessary support to differently abled professionals. Cultural diversity at the workplace provides a competitive advantage enabling idea generation and an ability to understand a wide variety of customer segments.

DIVERSITY BY AGE	18-30 Age			30-50 Age			>50 Age			Grand Total
	F	M	Total	F	M	Total	F	M	Total	
Senior Management				45	442	487	18	211	229	716
Middle Management	10	33	43	1418	10520	11938	113	791	904	12885
Junior Management	21923	31086	53009	6552	22920	29472	198	584	782	83263
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Fixed Term Contract	429	598	1027	208	659	867	5	78	83	1977
Third Party Contract	274	1028	1302	446	1823	2269	73	321	394	3965
Grand Total	22714	32861	55575	8768	36931	45699	418	2130	2548	103822

➤ GRI 405-1: Diversity Of Governance Bodies And Employees

Gender diversity enables a better work environment, promotes an improved culture, increases efficiency and productivity and reduces attrition. We are committed to increasing the number of female employees at all levels within the organization and in the leadership and senior level positions. With a focus on increasing the number of women joining the workforce, we are committed to safety at the workplace. **Tech Mahindra has zero tolerance to sexual harassment.** We empower our women associates and ensure their safety by organizing self-defense workshops; GPS enabled cabs, regular transport surveys and training bus/cab drivers on safety and behavioral aspects.

Women's Representation

Percentage of women in workforce by category	2015-16	2016-17	2017-18	2018 – 19
Female as percentage of total workforce (%)	30	30.85	30.17	30.725
Females in Management Positions (as % of total Management Employees)	11	11.47	11.57	11.87
Females in Junior Management Positions, i.e. first line management (as % of total Junior Management Positions)	12	11.63	11.78	12.06
Females in Top Management Positions (as % of total Top Management Positions)	8	8.40	7.32	8.68
Females in Management positions in Revenue Generating Functions (as percentage of all such managers)	*	10.96	10.92	11.09

* In 2016-17, we added a new matrix in gender diversity and started monitoring the percentage of women in revenue generating functions.

➤ GRI 405 – 2: Ratio of basic salary of women to men by employee category.

We are an equal opportunity employer. Across Tech Mahindra, we recruit both men & women on equal salary ratio. Our remuneration is linked to performance of the individual and company business. Our compensation philosophies and processes doesn't include gender as an element for decision making. We only look at associate qualification, skill and proficiency while selecting any candidate.

HUMAN RIGHTS

Tech Mahindra follows the International Human Rights norms and National Labour laws that protect and empower all associates within Tech Mahindra's scope of control and influence, who produce products or provide services for Tech Mahindra, including associates employed by Tech Mahindra itself, as well as by its suppliers/subcontractors, and sub-suppliers. Tech Mahindra policies ensures non-employment of Child Labour, Forced and Compulsory Labour, promotes Health and Safety, Freedom of Association & Right to Collective Bargaining and there is no discrimination on the basis of caste, gender etc. within the company.

➤ **GRI 102 - 12 Externally Developed Economic, Environmental And Social Charters, Principles, Or Other Initiatives To Which The Organization Subscribes, Or Which It Endorses**

We follow the International Human Rights Norms and National Labour Laws that protect and empower all associates directly employed by us and our suppliers and sub-contractors. Enforcement of the principles of human rights in our decision-making and business interactions allows us to identify risks to our business and create value.

Being part of the Mahindra Group, which has long been a United Nations Global Compact (UNGC) signatory, we were always committed to follow global best practices and adhere to UNGC and UN Guiding Principles on Business and Human Rights. In FY 2016-17 we became a Signatory to the UN Global Compact and continue to be signatories in the reporting year. We ensure conformance with UNGC principles and monitor progress using the GRI Standards.

➤ **GRI 412-3: Significant Investment Agreements And Contracts That Include Human Rights Clauses Or That Underwent Human Rights Screening**

All employment contracts and policy documents are periodically and proactively reviewed to ensure that there are no human rights violations across the globe.

➤ **GRI 412-2: Employees Trained On Human Rights Policies And Procedures**

Human Rights aspects are administered and implemented through our Policy on Prevention of Sexual Harassment. We have zero tolerance to sexual harassment at workplace. Our Anti-Sexual Harassment (ASH) Policy was updated and renamed Prevention of Sexual Harassment (POSH) in 2016-17. All associates are required to complete a Prevention of Sexual Harassment Training and get a certificate of completion. This training and certification is strictly enforced and non-conformance ensures a quick dismissal. All the associates completed the training in 2017-18 in the training cycle.

➤ **GRI 412-3: Significant Investment Agreements And Contracts That Include Human Rights Clause Or That Underwent Human Rights Screening**

All significant investments in all our acquired companies have undergone human rights screening. Employment contracts and policy documents go through periodic reviews to ensure no human rights violation happen across the globe. While reviewing such agreements & policies, significant effort and time is invested by the organization along with incidental costs needed for reviews. Such investments are periodic and proactive. Though we always follow the principles of UNGC, being an associate concern of the larger M&M group, Tech Mahindra is now part of the Global Compact Network India (GCNI), the Indian Local Network of the UN Global Compact and a signatory of the larger UNGC also.

➤ **GRI 406-1: Incidents Of Discrimination And Corrective Actions Taken**

We have a formal mechanism for tracking incidents of discrimination. There were 26 complaints of sexual harassment in FY 2018-19, all of which were closed after satisfactory resolution and necessary action.

No.	Category	No of complaints filed in FY 18-19	No of complaints pending as on 31st Mar '19
1	Child labour / forced labour / involuntary labour	0	0
2	Sexual harassment	26	0
3	Discriminatory Employment	0	0

➤ **GRI 410-1: SECURITY PERSONNEL TRAINED IN HUMAN RIGHTS POLICIES AND PROCEDURES**

100% security personnel were briefed on aspects of Human Rights.

Freedom Of Association

Tech Mahindra has a highly educated workforce, whose technical skills are greatly valued globally. Most of our IT employees are not part of any trade Unions, as they are highly qualified and have a significant bargaining power in the IT and Software industry, thus ensuring that their interests are largely protected by the free market.

Tech Mahindra adheres to the local practices and some of our associates are covered by independent trade union or collective bargaining agreements in few of the European countries. Here our employees are members of the Works Council set up in accordance with local laws which takes part in majority of operations related to employees at the location, such as hiring and exit, terms and conditions of their employment, agreements etc. These memberships are confidential and not disclosed by the associates.

But even without being part of a union, every Tech Mahindra employee has readily available access to many internal tools to connect with the senior management. We have Free Voice (a platform to share views on policies, practices and culture within the company), IRIS (our idea bank) where employees can share their views, opinions and ideas across managerial levels and the organization.

Tech Mahindra encourages transparency across its workforce and directly helps connect with leaders and their vision through events like All-Hands meet and Coffee with Leaders where Senior Management leaders interact, discuss and exchange ideas on myriad issues including Company strategy and goals. The employees can also directly connect with the leaders through online platforms like Twitter/ Facebook etc. There is a Redressal committee which addresses all concerns raised by the associates and resolves them in a fair and transparent manner.

➤ **GRI 205-1: Operations assessed for risks relating to corruption.**

Conflict of interest is covered under the Code of Ethical Business Conduct (ref page 25 of the IR). All our associates are prohibited from practices of corruption and bribery, both direct and indirect, in cash or kind. We have an Anti-corruption and Bribery Policy, which is applicable 100% of the employees of Tech Mahindra and our subsidiary companies.

➤ **GRI 102 - 41: Collective Bargaining Agreements**

We recognize the right to freedom of association and encourage associates to connect, discuss ideas and raise issues through readily available internal tools and platforms. Some of the avenues like Free-voice (a portal where associates can air their issues), IRIS (our Idea bank), All hands Meets, Redressal committee offer an opportunity for associates to interact with the management, raise concerns and resolve issues and conflicts in a fair and transparent manner.

In addition to the policies on various aspects of Human Rights like POSH, CEBC, Anti-Bribery and Corruption Policy, we also have a Business Responsibility Policy, which administers the implementation of our core values and culture. The Policy is in line with the Nine Principles of the National Voluntary Guidelines proposed by the Ministry of Corporate Affairs.

Bribery And Corruption

Bribery and Corruption is a multi-dimensional issue that can be a risk to our brand, reputation and business growth. We have zero tolerance to bribery and corruption. All our associates are prohibited from practices of corruption and bribery, both direct and indirect, in cash or kind. We have an Anti-corruption and Bribery Policy, which is applicable to all employees of Tech Mahindra and our subsidiary companies.

➤ **GRI 205-2: Communication And Training About Anti-Corruption Policies And Procedures**

The Code of Ethics for Business Conduct covers topics of corruption and bribery. 100% of the employees of TechM received the training in 2018-19.

➤ **GRI 205-3: Confirmed Incidents Of Corruption And Actions Taken**

In FY 2018-19, there were no reported incidents of corruption. Tech Mahindra did not have any confirmed cases of corruption & bribery in the past four fiscal years and are not involved in any ongoing investigations.

➤ **GRI 102 – 13: Membership Of Associations**

Tech Mahindra is member of trade associations for knowledge sharing, networking and being part of a collective industry. We paid membership fees of INR 2.39 crore to various trade associations who represent our interests at government levels and help address issues with policy makers

Some of the association, which we are members of, include:

- National Association of Software and Services Companies (NASSCOM).
- Confederation of Indian Industry (CII)
- United Nations Global Compact(UNGC)
- World Economic Forum
- Local Industry Associations

The highest fees were paid to NASSCOM and WEF of approx INR 60 lakh each.

Non Alliance With Political Parties

Tech Mahindra as a company complies with the applicable laws and the governance systems of the country in which it operates. The company does not campaign for, support or offer any funds or property as a donation or otherwise to any political part of any independent candidate for the political office. The company strives to preclude any activity or conduct which could be interpreted as a favor to and from any political party or person.

The company does not contribute to political parties to influence any decision or gain a business advantage. The company makes donations that are legal and ethical under local laws and practices.

➤ **GRI 415-1: Political Contributions**

We do not campaign for, support or directly offer any funds or property as a donation or otherwise to any political party or to any independent candidate for the political office. We do not contribute to political parties to influence any decision or gain a business advantage. We make donations that are legal and ethical under local laws and practices.

Taking a larger view of **environmental sustainability**, Tech Mahindra collaborates with the government, industry and international bodies on utilizing information and communications technology to alleviate climate change and environmental degradation. We drive the transformation through policy advocacy, create and disseminate knowledge, develop smart grid technologies in the Indian power sector, and build 'on-ground' model projects to lead sustainability initiatives.

Collaboration ensures that we create a truly facilitative environment that embodies the Tech Mahindra culture of driving positive change, celebrating every moment and empowering all to rise. We still have a long way to go but our cutting edge technology, the high expectations customers challenge us with, talented employees and our ability to capitalize on new opportunities, place TechM well ahead on its transformation curve.

NATURAL CAPITAL

Natural Capital represents the stock of natural assets like air, water, land, forest and associated ecosystems, from which we derive continuous benefits. The conservation of natural capital is focused on energy management, carbon neutrality, water resources management, waste management and protecting and promoting biodiversity.



Strategy And Approach

Vision

To be an industry leader in implementing sustainable business practices which maximize benefit to the environment and community

Our Commitment

Tech Mahindra's undeterred focus on good corporate governance is strengthened by our commitment to sustainable development. . Our commitment towards going carbon neutral, making optimum use of resources and our medium and long-term targets approved by SBT will help us accelerate transition to low carbon economy, creating sustainable value for our stakeholders.

Enabling Mission 2020

Enable the organization to help RISE amongst the Top 50 Global Technology Brand through its sustainability practices.

Policy Framework

Tech Mahindra as a global IT services & consulting company recognizes the impacts of its business operations on the 3 pillars of sustainability - people, planet and profit. Hence, it makes continuous efforts to optimize efficiency across the environmental, social and governance frameworks of the company. Tech Mahindra encourages the involvement of all stakeholders and ensures that the policy is well communicated, implemented, monitored and reviewed periodically.

People Connect	Environment	Business Model
<ul style="list-style-type: none"> ▲ Awareness and training on sustainability for associates, customers, investors and society. ▲ Ensuring safe and a motivated work Environment for associates. ▲ Fostering a Climate of Social Responsibility and volunteering. 	<ul style="list-style-type: none"> ▲ Saving electricity and fuel consumption to reduce our GHG Emissions ▲ Recover, Reduce, Reuse and recycle waste enabling circular economy ▲ Regulatory compliance, monitoring and environmental certifications ▲ Ensure access to safe water, sanitation and hygiene for all employees at our premises. ▲ Continuous Improvement in our Sustainability Performance by monitoring and review of the Roadmap, goals and targets. 	<ul style="list-style-type: none"> ▲ De-risking and mitigating climate risk. ▲ Co-creating sustainable business value for our clients, customers, investors and other stakeholders. ▲ Leveraging industry best practices to achieve stakeholder sustainability goals and adopt low emission technology practices. ▲ Engaging with other organizations and industry associations to actively advocate for positive change in various sectors we operate. ▲ Integrating sustainability as a part of our business strategy. ▲ Maintaining transparency and accountability.



Shivanand Raja
Sr. Vice President
(Commercial & CS)

“As a Technology Company, we are leveraging technology to minimize the impact of our activities on the environment. We are improving efficiency and environmental stewardship in all our processes – water consumption; water recycling; energy efficiency; increasing renewable energy sourcing of our total energy mix; improving the efficiency of our data centers; and reducing the generation of waste from our facilities.

We have been consistently reducing our Water and Carbon Footprint through smart technology, people and process linked interventions. This includes setting up of solar plants in our facilities, installing smart meters, getting green building certifications, installing water sensors and water restrictors to reduce our per capita water consumption, installing rainwater-harvesting systems, installing occupancy sensors and upgrading the infrastructure. We also conduct periodic water and energy audits at our facilities to assess and analyze the impact of our sustainable initiatives. Our organization wide drive on awareness to reduce food waste at all our canteens has yielded positive results and we have been able to bring down food wastage by 20%. In the same period, there was a 7.9% decrease in the total waste generated at our facilities.

We are committed to reduce our emissions through our sustainability roadmap and Science Based Targets. In the reporting year, we surpassed many of the targets taken in the roadmap and are aligned with Science Based Targets. We, as an organization have made Sustainability as a part of culture and adopt Making Sustainability a Personal accepting individual responsibility”.

Environment Management

Natural Capital is very significant for social and economic systems and these resources cannot be replaced. These resources includes water, fossil fuels, air, forest and soil, which cannot be replaced. Pollution of these natural assets is leading to human induced climate change, contamination of water sources and degradation of land - all

of which have an adverse impact on human life and development. Environment Management is a priority for Tech Mahindra and operates in limit imposed by environment. The Material topics under Environment Management include **Climate Change, Energy, Water, Waste and Biodiversity**.

Climate change induced events pose a direct and indirect risk to our Financial, Manufactured, Human, Social, and Relationship Capitals. There is a direct linkage between our financial, social, relationship performance and Natural Capital. Issue occurred in any of capital will adversely impact on business and its operations. Disruption in environment will affect service delivery for our customers and jeopardize the safety of our associates, thereby increasing financial liability.

We embrace a proactive and precautionary approach towards environment protection and management and endeavor to create a pollution-free and environmentally friendly enterprise. Our [Environmental Policy](#) and water policy supports our strategy for environmental and water stewardship.

We are streamlining our processes, assessing environmental risks as part of the risk management framework and developing carbon neutrality and water security strategies of mitigation and action plans.

We are:

- Developing Solutions and Platforms to assist Customers in Carbon management.
- Promoting adoption of sustainability practices for individuals and business
- Promoting Green Procurement and conduct capacity building workshops for our vendors and assess them on basis of Human rights, environmental, social and governance parameters.

Environmental Policy

Tech Mahindra strives to reduce the ecological footprint of the organization and its value chain while still ensuring business growth. To make optimum use of resources, reduce pollution and promote protection of environment we have Environmental policy for Tech Mahindra while adding value to Society, Customers, Employees, Investors, Government and other stakeholders. The policy supports our strategy for environmental protection. We focus our investments towards low emission and clean energy technology, waste recycling, increasing energy/water efficiency, optimizing logistics and reducing carbon footprint. We embrace a proactive and precautionary approach towards environment protection and management endeavor to create a pollution-free and environmentally friendly enterprise. Our [Environmental Policy](#) supports our strategy for environmental stewardship and water policy towards water stewardship.

Sustainability Highlights

At the Global Climate Action Summit 2018, anchored by Mission 2020 consortium, Tech Mahindra, along with twenty- one global digital powerhouses, announced the launch of the Step Up Declaration, a new alliance dedicated to harnessing the power of the fourth industrial revolution, to help reduce greenhouse gas emissions across all economic sectors and ensure a climate turning point by 2020.

In the reporting year, we make good achievements with respect to meeting the targets of our sustainability roadmap and SBT.

CHANGING CLIMATE



- Scope 1 reduced by **8%**
- Reduction of more than **19000+ MTCO2 GHG** emissions by renewable energy
- Science Based Targets Officially approved

WATER STEWARDSHIP



- Rainwater harvesting **950 kilo liters** (recharging ground)
- Recycled more than **606461 kilo liters** of water

ENERGY UTILIZATION



- Increase RE from **2.8% to 15.2%** from last year
- Energy intensity reduced by **19%**
- **3100+ MTCO2** through LEDs, Occupancy Sensors.

NEW TERRAIN



- Reduction in Paper Consumption by **21%**
- Planted **22,000** trees in FY19
- Waste reduced by **7.9%**
- **7%** of food waste recycled and reused through composting

INDUSTRIAL IMPACT



- Virtualized **25,000** servers & saved more than a lakh of carbon emissions.
- **\$150M+ USD** Revenue from Innovative Solutions
- Suppliers audited- **12**. Assessed- **30+** key suppliers

Renewable

We have total solar installations of 3,687 kWp across our campuses in Pune, Bangalore, Hyderabad, Chandigarh, Noida, Vizag and Chennai and renewable energy through PPA at Bangalore through which we generated 23,729,084 kWh of Solar Power leading to a reduction of 19457.84 MT CO2 equivalent. Moreover, through our solar water heaters we saved 316455 kWh and emission savings of 259.49 MTCO2.



Energy

- Installation of solar plants, solar LED lights and solar water heaters to reduce grid electricity
- Phase by phase LED installation, replacing CFLs and installation of motion sensors to increase energy efficiency across various locations.
- Procured Efficient VRV systems/ air conditioners, cooling systems, water coolers and efficient building controls across locations.
- We have taken up the installation of solar water heaters of the varying capacity of 2500, 5000, 8000 and 10000 KLD at our major locations to cut down emissions and are actively evaluating options to increase sourcing of electricity from renewable sources.



Water

- 100% STP water recycled used for flushing and horticulture.
- Updated STP with MBR Technology to increase efficiency as part of technological innovation
- Rain Water Harvesting plants installed at Pune and Noida in this year
- Water sensors and restrictors installation phase by phase at all our locations.
- RO installed at various locations to prevent use of bottled water

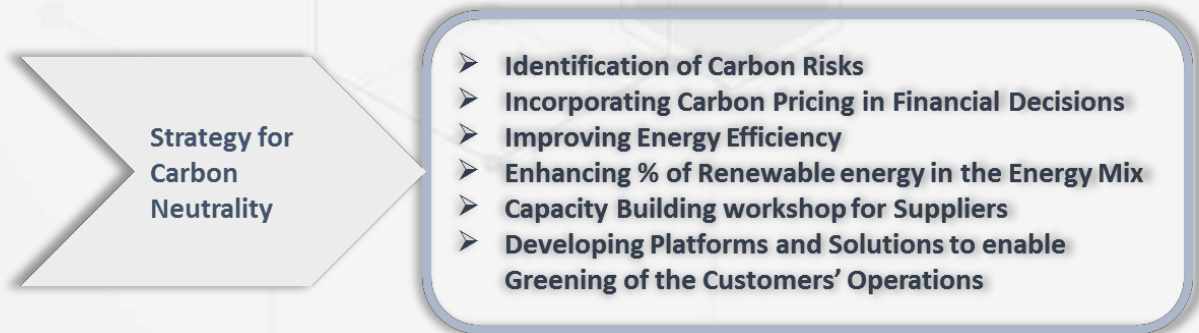
Waste

- Leaf waste converted to manure.
- Aggressive program and awareness on reducing food wastage which reduced by 20% against last year.
- 32.5 tons of food waste converted to manure through vermicomposting and OWC
- New Organic Waste Converter installed at Pune and planned in phases for this year across locations
- Waste Converter Pulverize installed at Bhubaneshwar also saving cost of transporting of waste
- Achieved target of reduction in paper consumption by 21% against baseline year 2015-16

Climate Change

Empirical data, statistics and increasing incidents of extreme weather events have shown that climate change will affect our assets, associates, customers and our supply chain. If it crosses its thresholds, regaining back will be critical. Delaying action on climate change is not an option for us. Collective action and responsibility of transition towards a low carbon economy is the imperative. Everyone have a role to play in shaping a sustainable future and each one of us need to do our bit in securing our shared resources and solving the climate crisis. GHG emissions in atmosphere will lead to large-scale, irreversible, and/or abrupt changes in physical systems. To curb these emissions we have to take steps towards carbon neutrality.

Carbon Neutrality is increasingly becoming a priority for the Management, given the spike in energy costs over the last decade and focus on reducing GHG emissions. As a leading IT company with a global presence, we are committed to minimizing the impact of our activities on the environment. There has been consistent focus on reducing our Carbon Footprint through various initiatives undertaken across our facilities. We have taken SBT Targets which will helps us accelerate transition to low carbon economy, moving towards low carbon neutrality and avoid adverse effects of climate change.



At strategy level, we have been making continuous strides towards low carbon transition. At operations level, focus areas are improving energy efficiency and increasing the percentage of renewable energy in the energy mix, building capacity across supply chain and developing products, solutions and platforms for the customers to address their Climate strategy.



Carbon Pricing

Our Management recognizes the risks associated to our business because of climate change. We view Carbon Pricing as an effective tool to transition towards a low carbon economy. It can provide an economic spur on the path to low- carbon prosperity. Coupled with policies that encourage energy efficiency and zero-carbon energy sources, Carbon Pricing can help mitigate GHG emissions and reduce the risks of climate change. It can create an economic incentive for us to be more efficient. It can spur innovation, investment and growth in the new low carbon technology and business verticals.

The Sustainability Council of Tech Mahindra has assigned an internal carbon price of \$10 per ton of Carbon. We have built an internal tool for our facilities, finance and procurement team for internal carbon price. This mechanism has helped us to increase green investments and motivate businesses to maintain and strengthen the price mechanism internally.

Following the steps of Mahindra Group, which has a strong representation at CPCL (Carbon Pricing Leadership Collation) - a World Bank initiative, we at Tech Mahindra also will continue to explore opportunities to price internally, explicitly or create a shadow price to reduce our emissions and grow the pool of green investments.

Science Based Targets

Sustainability is an integral part of our business. Over the years, Tech Mahindra has defined strategies and roadmap to manage the environmental impact of the company's activities and have a positive impact on the stakeholders. This has enabled us to create value not just for the customers, investors and partners, but also emerge as an organization defined by purpose. We have adopted Science Based Targets in order to increase our focus on addressing the impacts of climate change. We are committed to reduce our Scope 1 and 2 emissions by 22% until 2030 and 50% until 2050, which is approved by SBTi. Tech Mahindra is making plans and investments to curb these emissions.

Tech Mahindra is moving towards carbon neutrality through various sustainability initiatives. We are reducing our carbon footprint by installing solar modules, retrofitting LEDs, installing motion sensors, using star rated and efficient equipment and reducing, recycling and reusing waste. We have digitalized internal communications with virtual meetings through tele/audio-conferencing to bring down meeting-related travel and other costs considerably. We are investing in Green Solutions like smart grid, smart cities, smart waste management systems and electric vehicle charging systems. We are also working with suppliers and vendors to cut down on logistics and transportation and thus reduce our emissions.



The Science Based Targets initiative (SBTi) is a collaboration between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). Science-based targets provide companies with a clearly defined pathway to future-proof growth by specifying how much and how quickly we need to reduce our greenhouse gas emissions.

Green Procurement Policy

Our Green Procurement Policy helps us to administer and ensure initiatives and steps towards indirect GHG Emissions. We encourage suppliers to deliver products/services with minimum negative impact on the environment and adopt safe practices during production and delivery.



As a part of our supply chain strategy, we choose IT and Non IT suppliers who have sustainable practices along with an ability to deliver quality product on time. The criteria of Green Procurement are - Purchase of high-energy rated IT infrastructure (servers, laptops, desktops etc.).

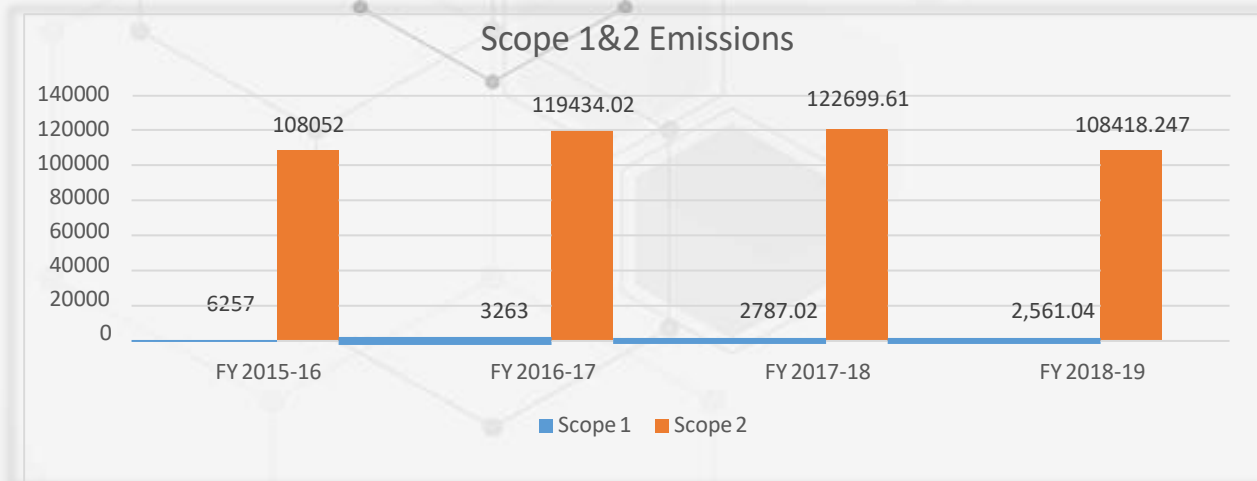
None of the products shipped by us includes any sort of conflicting material when they have manufactured by our Suppliers. They completely comply with the BIS standards and have a very strong trade compliance team to monitor & avoid such activities.

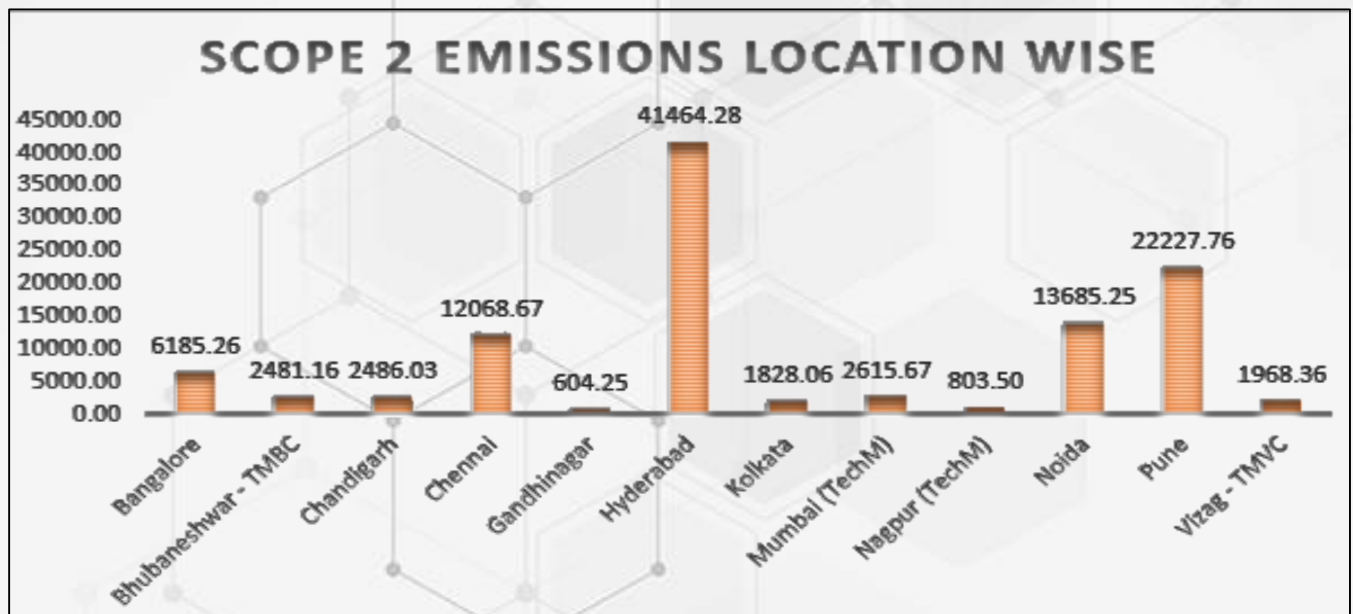
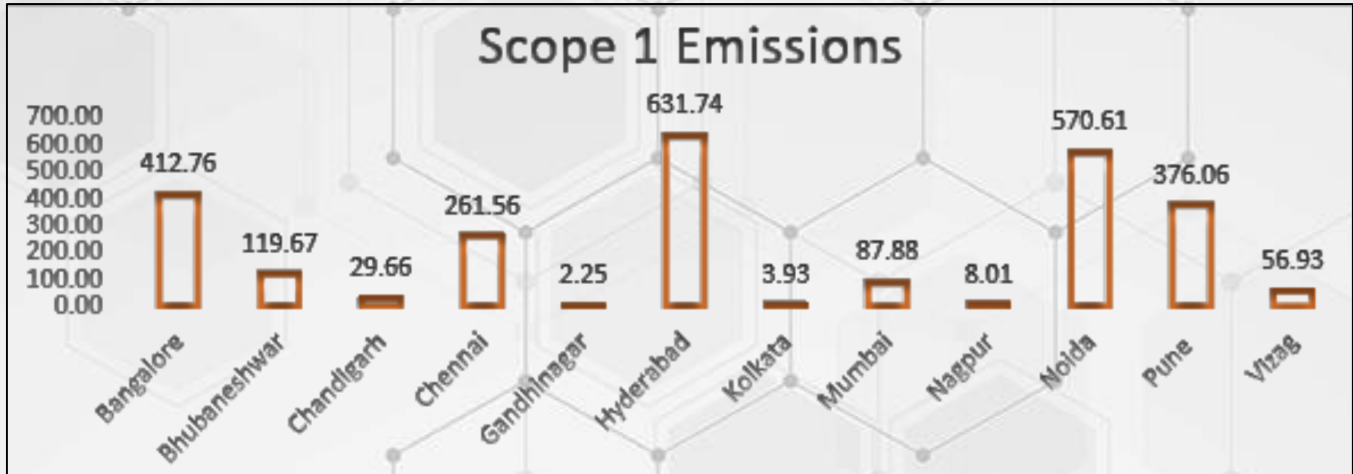
GHG Emissions

We measure our Greenhouse Gas Emissions using the World Resources Institute (WRI)/ World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol – Corporate Accounting and Reporting Standard. Our Scope 1 emissions includes fuels like diesel from Generators, Diesel and petrol from owned cars and LPG used, Scope 2 emissions are from the electricity purchased from the grid. There is a reducing trend in Scope 1 emissions due to decreased use of diesel generators, decrease in the use of personal cars by the associates and increased use of Renewable energy. Our investments into Renewable source of energy have reduced our Scope 2 emissions, even though new infrastructure and building have been added.

➤ GRI 305-2 & 305-3(Emissions) - Direct and Indirect Green House Gas Emissions (Scope 1 & Scope 2)

MTCO2	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
Scope 1	6257	3263	2787.02	2,561.04
Scope 2	108052	119434.02	122699.61	108418.247
Total	114309	122697	125487	110979.28





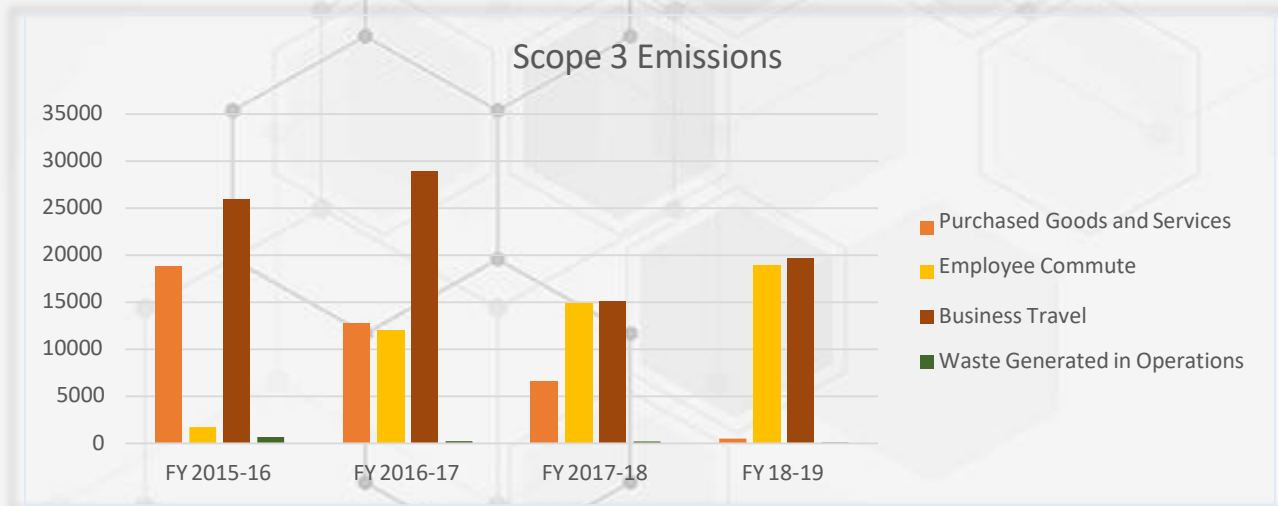
➤ **GRI 305 – 3 (Emissions): Other Indirect Greenhouse Gas Emissions (Scope 3)**

We are committed to reducing direct and indirect GHG emissions from our activities. The boundary of Scope 3 emissions represented below.

- ❖ **Purchased Goods and Services:** This includes Inbound Logistics for transportation of IT products from the suppliers to the TechM Facilities and downstream transportation of e-waste, scrap, paper and used oil from TechM facilities to authorized recycler and disposal of food waste from the facilities to the piggeries or landfill. We have also installed Organic Waste Converter (OWC), Vermicomposting plants to convert food waste into manure. We are reducing our inbound and outbound logistics by bundling of routes and controlling inventories.
- ❖ **Employee Commute:** Employee commute of our associates back and forth from TechM office by company shuttle, buses and cabs. We also have escort cabs for Woman safety. Increase in Business growth and demand of our associates has increased our commute data. Employee commute survey though inbuilt application helped us to estimate personal commute data travelling through local buses, train, personal bikes and cars, autos and carpool to work. TechM takes various initiatives to reduce employee commute; we encourage our employees to carpool to work, or use public transport. Our Carpool Portal and 'Ride for Pride' initiatives are small steps in facilitating and sharing of rides amongst colleagues. We also have carpool application for ease of use of carpool. The initiative has evoked tremendous response and has been successful in inculcating a culture of environment conservation and protection.

- ❖ **Business Travel** – Business Travel is the employee travel by air for work. We have focused on use of Lync, Live meeting, Tele-Presence, video conferencing and virtual meetings through online platforms to minimize physical travel. Tele-presence and Web-ex services helped us reduce equivalent GHG emissions as the result of reduction in travel requirements for meetings.
- ❖ **Waste Generated in Operations** – This includes waste categories like food, scrap, e-waste, battery, paper, and garbage. We have reduced our overall waste by 7.9%.

Scope 3 Category	Description	FY 2015-16	FY 2016-17	FY 2017-18	FY 18-19
Purchased Goods and Services	Inbound and Outbound Logistics for Purchase of Goods and Services	18868	12816	6597.37	498.22
Employee Commute	Daily Commute	1733	11994	14931.63	18965.15
Business Travel	Employee air travel employees for business	25959	28968.61	15152.33	19707.31
Waste Generated in Operations	Food, scrap, e-waste, battery, paper, and garbage	667	249.91	203.43	17.60
MTCO2	Total	47227	54029	36884.76	39188.28

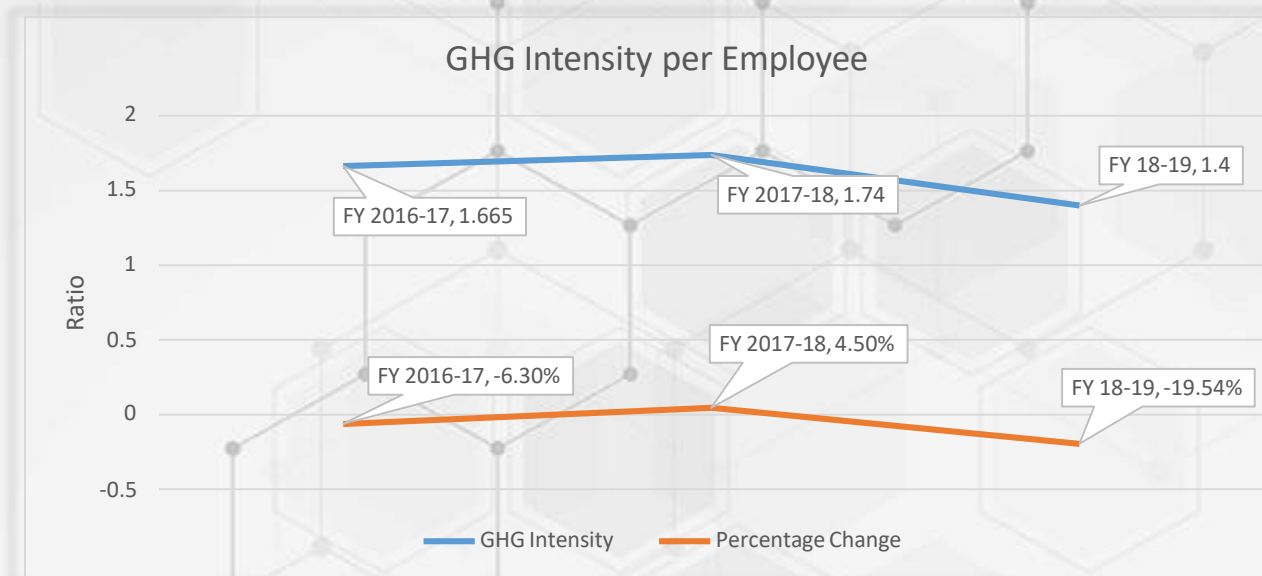


➤ **GRI 305 – 4 (Emissions) - Greenhouse Gas Emission Intensity**

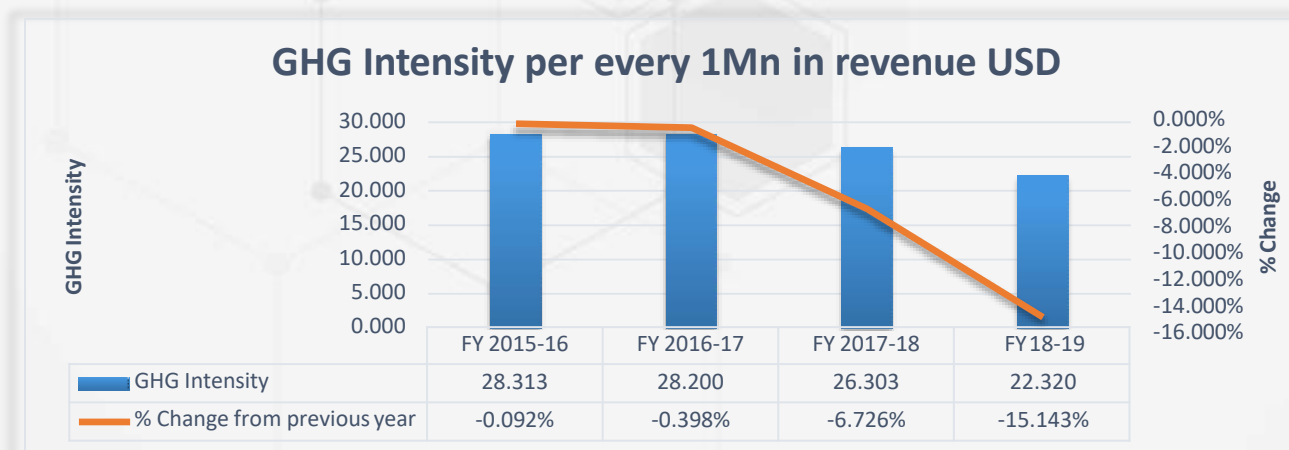
GHG emission intensity is the ratio of Greenhouse Gas Emissions produced to the number of employees of the organization. We have shown a positive trend by consistently reducing GHG intensity year on year.

	FY 2015-16	FY 2016-17	FY 2017-18	FY 18-19
GHG Emissions (Scope 1 & 2)	114309	122697	125487	110979.2867
Denominator (No of emp.)	64356	73702	72004	79032
GHG Intensity	1.776	1.665	1.74	1.4
Denominator (Revenue in USD)	4037400000	4351000000	4770800000	4970500000
GHG Intensity (Revenue as Denominator)	0.000028313	0.000028200	0.000026303	0.000022328
% change from previous year	(0.0921%)	(0.399%)	(6.726%)	(15.14%)

GHG intensity per employee	FY 2015-16	FY 2016-17	FY 2017-18	FY 18-19
GHG Emissions-Scope 1 and 2	114309	122697	125487	110979
Denominator-Employees count	64356	73702	72004	79032
GHG Intensity	1.776	1.665	1.74	1.4
Percentage Change		-6.3	4.5	-19.54



GHG Intensity per every 1Mn in revenue	FY 2015-16	FY 2016-17	FY 2017-18	FY 18-19
GHG Emissions (Scope 1 and 2)	114309	122697	125487	110979.286
Denominator (Revenue in USD Mn)	4037.4	4351	4770.8	4970.5
GHG Intensity	28.313	28.200	26.303	22.320
% Change from previous year	-0.092%	-0.398%	-6.726%	-15.143%



*The Greenhouse Gas Intensity is according to total number of employees as denominator. The GHG intensity is decreased in the reporting year because of decrease in Scope 1+2 emissions and increase in the number of employees. We have also calculated GHG emissions using Revenue as denominator.

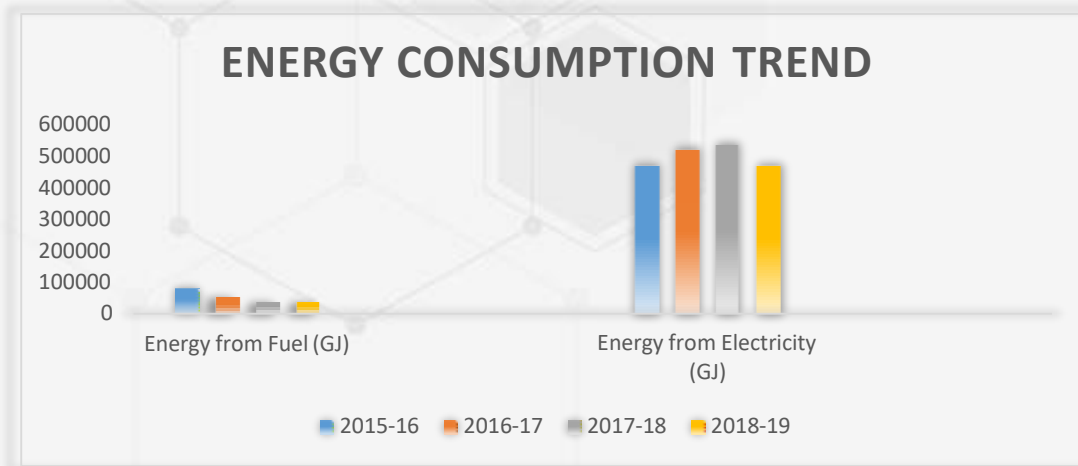
Energy

Conservation of energy has a strong business case. Our Sustainability roadmap reflects our commitment to energy conservation and exploring alternate sources of energy. Our major energy consumption is in the form of electricity, which we purchase from grid. In order to maintain uninterrupted power supply, we have back-up diesel powered generators, which are used only when the grid electricity supply fails. Apart from this, fuel consumption in company owned vehicles in the form of petrol, LPG and CNG makes up total energy consumption on premises by our owned assets. The Average emission factor were taken from the link: [Emission Factor](#).

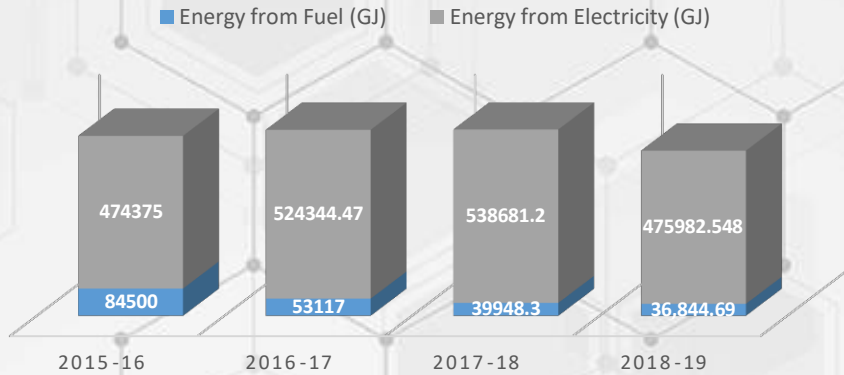
- **GRI 302-1: Total Energy Consumption within the organization**
- **GRI 302-2: Energy Consumption outside the organization**

2018-19	GJ	KWh	MWh
Direct Energy	36844.69	10234636.18	10234.636
Indirect energy	475982.5	132217374.4	132217.37
Indirect RE energy	86563.94	24045539.45	24045.539
Total	599,391	166497550.1	166497.55

2018-19	GJ	KWh	MWh
Direct Energy	36844.69	10234636.18	10234.636
Petrol	5.1831	1439.75	1.43975
HSD/Diesel	21599.88	5999966.777	5999.9668
LPG	15239.63	4233229.648	4233.2296



ENERGY CONSUMPTION TRENDS

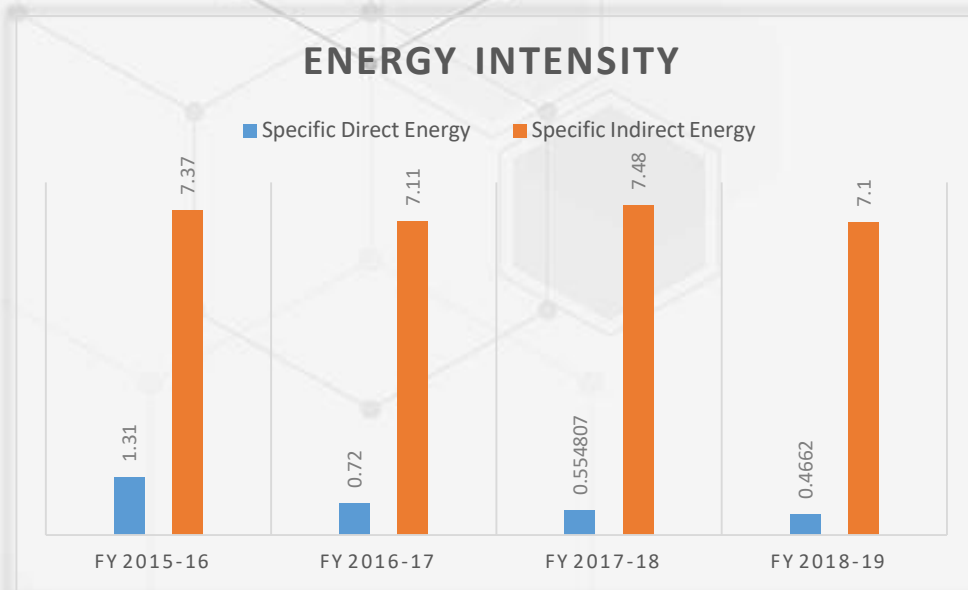


We have installed solar plants at various locations across India and exploring more options towards open access of renewable energy to reduce our GHG emissions and align to SBT targets. Through several energy conservation initiatives such as installation of motion sensors, LEDs replacing old equipment and CFL's, efficient water coolers and efficient VRV and HVAC systems and solar water heaters, we have successfully reduced our energy consumption.

➤ GRI 302-3: Energy Intensity

Energy Intensity*	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
Specific Direct Energy	1.31	0.72	0.554807	0.4662
Specific Indirect Energy	7.37	7.11	7.48	6.02
Denominator (No of employees)	64356	73702	72004	79032

ENERGY INTENSITY



* Energy Intensity is calculated by using No of employees as the denominator. Even though our buildings, infrastructure, and number of employees have increased, we have successfully reduced our grid consumption and fuel consumption through renewable energy sourcing and conservational measures.

➤ **GRI 302 - 4: Reduction of Energy Consumption**

Energy management, including energy conservation and switching to renewable energy sources is a high priority for us. Our major energy consumption is of electricity purchased from the grid. Other sources of energy include diesel for the DG sets and fuel consumption in company-owned vehicles. Energy audit helps us to analyze energy dynamics and conserve if any waste of electricity.

Initiatives to Reduce Power Consumption

- Use of efficient cooling technology, efficient VRV and HVAC installation and efficient building controls
- Consolidation of AC Chillers Plants to increase system efficiency and energy savings
- Chillers de-scaling
- Desynchronization of lifts to reduce power consumption
- Automation/scheduling of all AHU units of New buildings
- Utilizing natural cooling techniques for offshore development centres
- Regulated Air Conditioning during working hours (setting the temperature to 25 degree Celsius) and restriction during non-working hours.
- Standardization of Cafeteria AC operations.
- Switching off redundant transformers during weekends.
- Create awareness on Energy conservation among employees through mailers, webinars, posters, pamphlets and road shows.
- Ozone friendly gases are used as the refrigerants for HVAC equipment

Power Usage Effectiveness (PUE)

We have increased the energy efficiency of our data centers through Data Centre consolidation, server virtualization and modular energy efficient equipment for data Centre designs. We have ensured that there is only a very small increase in PUE by deploying efficient cooling mechanisms by installing efficient cooling mechanisms across data centers and server rooms. Since the majority of our facilities are new, there have been adoption of better cooling technology at Chennai, Pune, Hyderabad SEZ, Noida and Chandigarh campuses. We have utilized natural cooling techniques for data centers wherever possible.

Air Quality:

Air Quality It goes without saying that clean fresh air is the basic requirement for a healthy lifestyle. A clean and fresh working environment not only maintains health but also improves concentration. In recognition of this fact, it has been our objective to ensure that the air quality at all our facilities meets the applicable compliance norms. At all our campuses, we have strived to create a natural and refreshing environment by planting trees and dedicating open spaces. We firmly believe that this will not only create a workplace which our associates will look forward to but will also add to their productivity.

Owing to the critical requirement of uninterrupted power supply and due to interruptions in grid electricity supply, our campuses have diesel generators for back-up purposes. These DG sets are of the highest quality offering clean burning of fuel and ensuring silent operation. We are continually evaluating alternate ways for reducing the use of DG sets.

Water

At Tech Mahindra, we believe in the sustainable management of the water resources we use across our operations. To support this, we are focused on increasing our understanding of water-related risks and impacts to our business and to the communities we serve by setting meaningful goals, improving our water efficiency, and advancing innovative solutions to water challenges. We make our efforts transparent by disclosing our annual water use, our water-related risks and governance of water through our reports and on various other forums.

Water scarcity is a growing problem, which requires global attention and action. We foresee increased costs in purchasing fresh water with the growth of our business operations, risk of loss in potential Brand value of the organization and loss in revenue if we do not establish a robust Water Management Strategy and Plan.

Though the majority of our water requirement is for domestic water usage, we have started working towards measuring, reporting and reducing water footprint of our operations. We administer implementation of water management initiatives through the [Water Policy](#). The Policy is integrated with the business strategy and covers the following aspects of water conservation with the objective of ensuring access to safe water, sanitation and hygiene for all employees in our premises.

- Improve water efficiency in operations
- Reduce water footprint through water efficiency measures, adopting the “3-R” (reduce, reuse and recycle).
- Set, monitor and review mechanisms on an on-going basis toward achieving continuous improvement.
- Comply with all the applicable regulatory and legal and requirements relating to water.
- Report our water performance by being transparent to all stakeholders through appropriate communication channels.
- Proactively support governmental and other national water conservation initiatives.

We have taken various Sustainability initiatives to reduce per capita consumption of water through recycling and reuse of water through STP, installation of Rain Water Harvesting to recharge ground water levels, use of water sensors, water restrictors and water efficient coolers to increase water efficiency and savings. We are building awareness for responsible water usage across employees through advocacy and awareness initiatives to encourage reduction of water consumption. We have taken a target to install six rainwater-harvesting units in our owned premises by 2020-21, where we have already achieved the target and are charging ground by more than 950kl. We are also investing for more rainwater harvesting plants at our locations. These measures are a step towards managing future water stress and water-linked future regulation. They will also enable internal cost efficiencies and reduce dependency on fresh water.

Evaluating water related risks and aligned processes for managing these risks

Water availability and quality emerged as a business risk. One of the direct critical risks due to Climate Change is scarcity of fresh water in coming years. Tech Mahindra along with Mahindra Group supported the development of [India Water Tool 2.0 \(IWT\)](#). The IWT 2.0 allows us to identify water risks, prioritize water management actions, plan for sustainable water management and address water risks that confront natural environment in a given river basin. The research and development of IWT help us identify future water risks arising at different facilities due to climate change and carve out the corresponding mitigation strategy. The tool helps us to know high stress regions, critical/over- exploited areas, ground water availability and concentration of pollutants

WASH tool:

Water-related improvements are crucial to meet the development goals, reduce child mortality, and improve health in a sustainable way. WASH tool is developed by WBCSD and It represents a method of assessing the current status of access to safe WASH at the workplace in a given facility of the company, in order to identify potential gaps to Pledge compliance. We have conducted WASH tool survey through our associates highlighting awareness on water conservation; improve access to water and sanitation and advocate water stewardship.

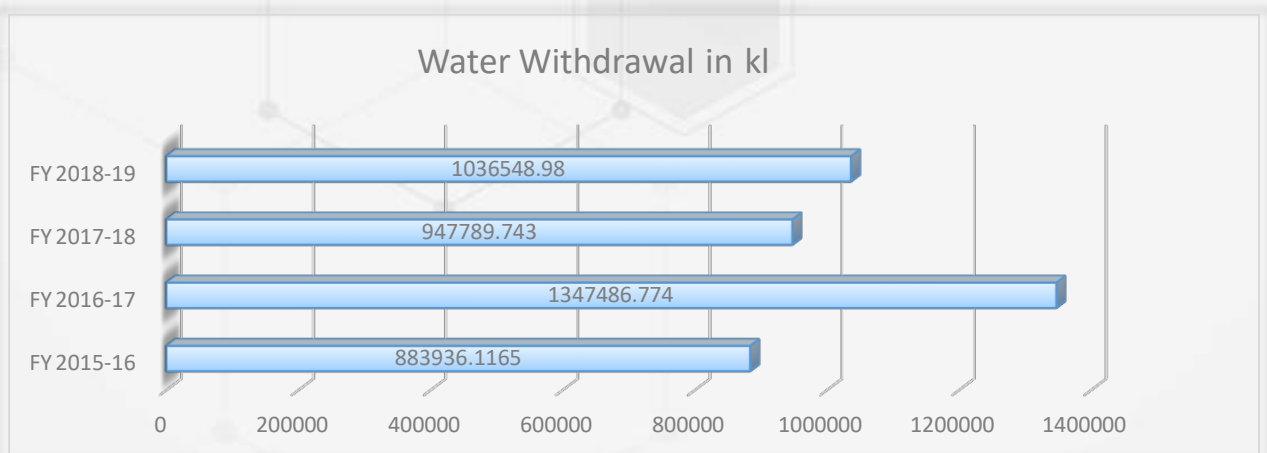
Water Risk - Mitigation Initiatives in Business Operations

- System for ensuring smooth business operation in case of a delay in monsoons and increased water scarcity.
- Assessing the impacts of water borne diseases impacting the wellness of our associates, which indirectly affects the revenue of the company.
- Six Sigma projects on optimizing water consumption
- Harvesting Rainwater wherever feasible to increase ground water level
- Prevent fresh water withdrawal for gardening purpose

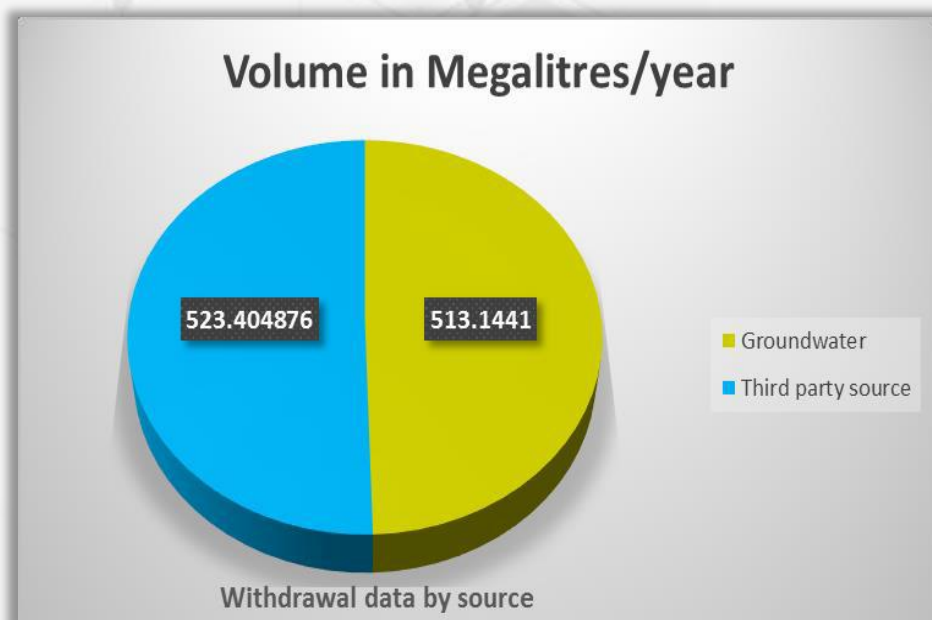
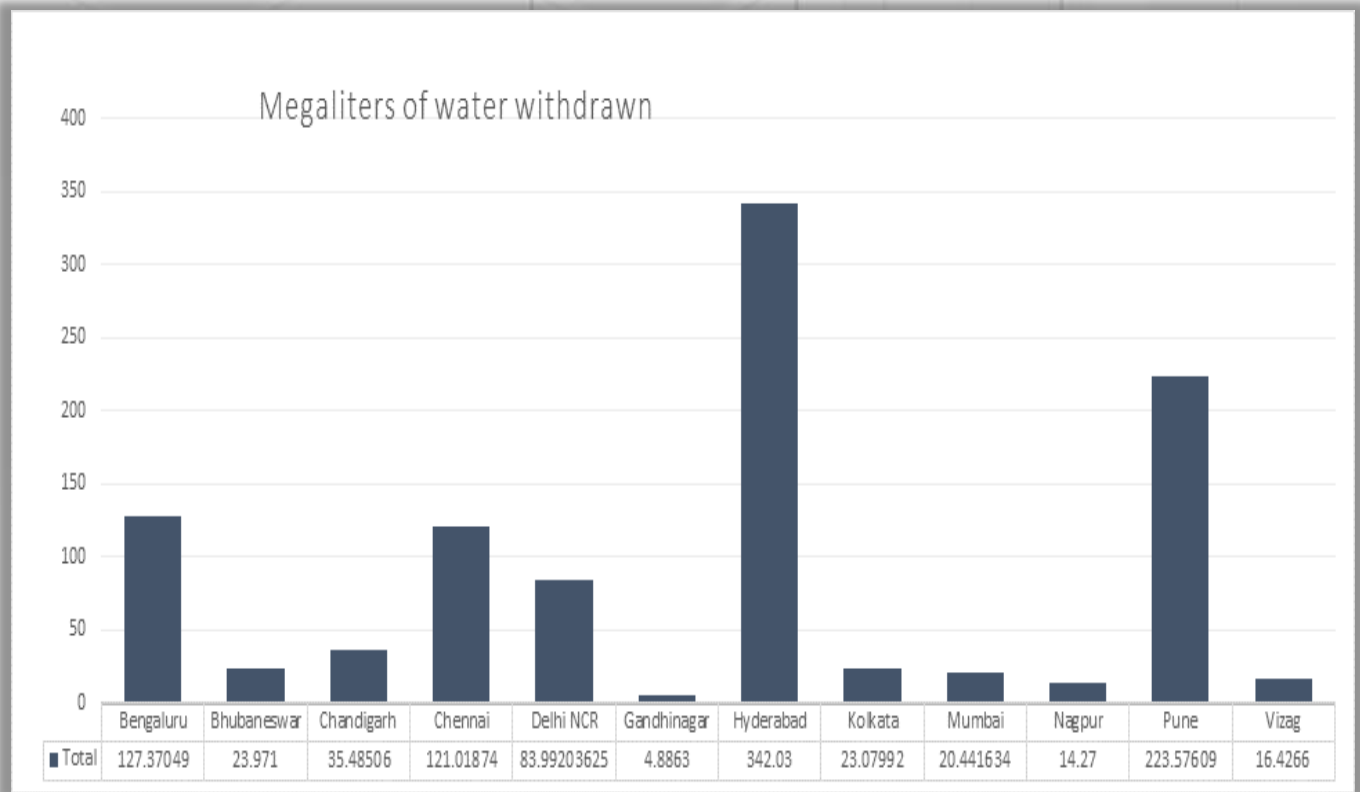
We were the least affected company during natural disasters like the Chennai floods and Bhubaneswar cyclone.

➤ GRI 303-1: Total water withdrawal by Source

The source of water is bore-wells, municipal supply or tankers. We do not source any water from rivers or other water bodies.



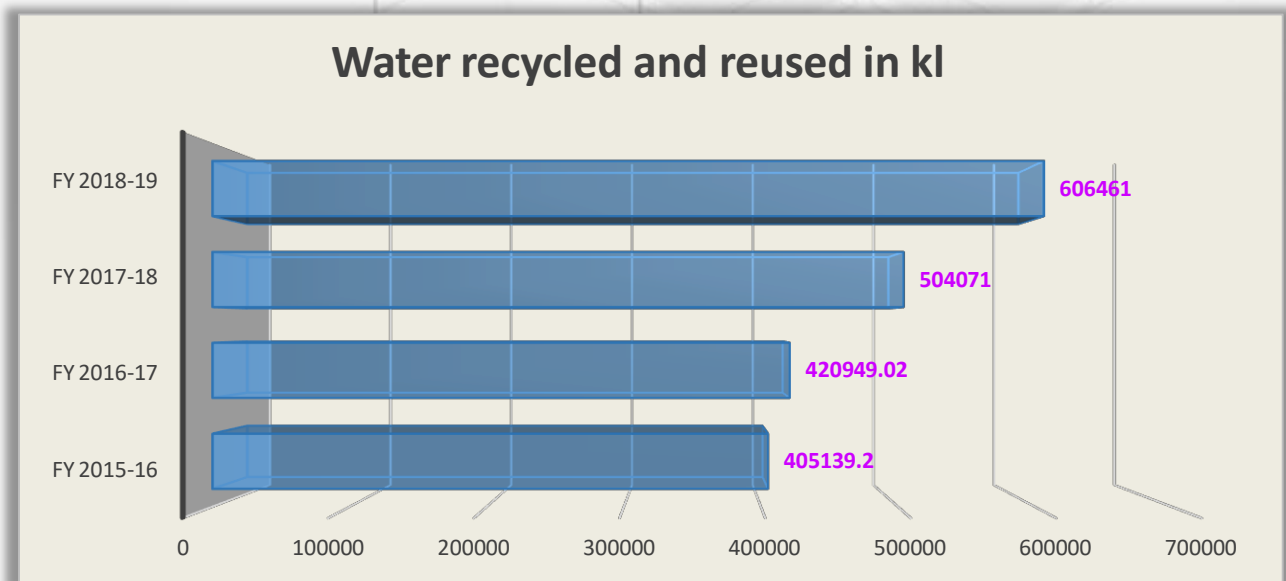
Water Use	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
Total volume of water withdrawn	883936.1165	1347486.774	947790	1036548.98
Total volume of water consumed	524204.9565	926537.7542	443719	890817.1593



➤ **GRI 303-3: Total volume of water recycled and reused.**

We understand the importance of water for our overall business continuity. We recycle sewage water in STPs and use it for landscaping. We have STPs at all our owned facilities. All such facilities are 'Zero Water Discharge' facilities. Wastewater generated is treated and reused for landscaping and washrooms. This helps us to reduce our fresh water requirement. In FY 2018-19, we recycled and reused 606461KL of wastewater from 11 locations.

Water Recycled	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
Total volume of recycled water used (kl)	405139.2	420949.02	504071	606461



➤ **GRI 306-1: Total volume of water discharged by quality and destination**

	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
Total volume of water discharged* (kl)	340733.2	143469.3	142557	145731.8168

*Waste water is sewage generated from the washrooms at locations where the premises are leased offices that do not have their own STPs. The waste flows into the Municipal Sewage Line.

Waste

We are arduously working towards generating less waste by focusing on the behavioral aspects of waste generation and ensuring that all the waste we generate from our own activities is disposed in a responsible manner. We have a robust system of segregation at source, collection and management of both hazardous and non-hazardous waste. Tech Mahindra has setup procedures and best practices for Solid Waste Management across locations. The management of the E-waste is as per the E-waste Management Policy, which is as per the E-waste (Management and Handling) Rules.

The recycling of the waste generated is explained below:

Category	Waste	Disposal Method
Hazardous Waste	<ul style="list-style-type: none"> • Solid – UPS Batteries, E-waste • Liquid - Compressed oil and fuel from DG sets. 	<ul style="list-style-type: none"> • Sent to the respective State Pollution Control Board authorized Recyclers.
E - Waste	<ul style="list-style-type: none"> • E-waste, which includes defunct computers, monitors, servers, laptops and electrical items. 	<ul style="list-style-type: none"> • E-waste sent to registered recyclers, who are authorized by the respective State Pollution Control Boards, as per the E-waste (Management) Rules.
Non-hazardous Waste	<ul style="list-style-type: none"> • Scrap waste comprising of plastic, packaging waste, paper and cardboard and other office waste. • Food waste from the canteens 	<ul style="list-style-type: none"> • Paper waste given to vendors for recycling. • Food waste either composted on-site to generate manure for maintaining green belt or sent to piggeries.

In the same period, we vermicomposted our wet waste and yielded 32.5 tons of manure which was used for landscaping. Our waste output does not affect any habitats or water bodies. We do not ship any hazardous waste anywhere. The total waste disposal by category is provided below:

➤ GRI 306-2: Total weight of waste by type and disposal method

Waste Categories	Generated	Used/recycled/sold	Disposed
Food Waste	473344.65	473344.65	---
Paper	73547.19509	73547.19509	---
Scrap	788	788	---
Garbage	53422.65	---	53422.65
Total Non-Hazardous Solid	601102.4951	547679.8451	53422.65

Hazardous Solid	Generated	Used/recycled/sold	Disposed
E-Waste	209326.6	209326.6	---
Battery Waste	30870	30870	---
Total Hazardous Solid	240196.6	240196.6	---
Total Hazardous liquid	12.63	12.63	---

➤ **GRI 307-1: Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations**

In FY 2018-19, there were no fines or non-monetary sanctions due to non-compliance with environmental laws and regulation.

Total Environmental Protection Expenditure

We have been proactively making financial investments towards environmental protection, particularly improving our operations and activities, to become resilient to climate change. All investments towards greening our facilities and transitioning towards low carbon growth are voluntary initiatives.

With a focus on assigning cost to Carbon and Water, we also monitor and track our operating expenditure on energy and water by facility. The total expenditure was:

Capital Expenditure for Water (INR)	Green Investments (INR)
13419338.32	128949820

With a focus on assigning cost to Carbon and Water, we also monitor and track our operating expenditure on energy and water by facility. The total expenditure was:

Operating Expenditure on Energy and Water (INR)	
Fuel	38,643,859.56
Electricity	1,232,946,110
Water	71484880.44
Total	1,343,074,850.00

Making Sustainability Personal

We believe in inculcating a spirit of sustainability across our every action, our operations and within our associates not only for Business but also beyond it. Our program “Making Sustainability Personal” driven by Green marshals is next step beyond integrating sustainability into the strategy. . The Green Marshals at TechM are a small band of passionate associates who spearhead the cause of environment and sustainability across all our centers. They encourage and initiate activities and advocacy campaigns that bring about awareness about the need and urgency of sustaining nature. Various awareness on Sustainability initiatives has been taken as a priority task and educated 100% of our associates through video learning session on climate change, global warming and GHG emission.

GREEN MARSHALS, which has been our ongoing initiative along with JOSH, enables us to create a platform for the associates to engage in co-curricular and societal activities driven towards environmental stewardship and carbon responsibility. To bring greater participation, the initiatives are incentivized and rewarded. Some of the Green Marshals

initiatives in the reporting year are captured through the Green Marshals Events Gallery. Our Green Marshals clocked **8582 volunteer hours under our Green and Sustainability initiatives.**

Initiatives aimed at making sustainability personal included:

- Say No To Plastic Campaign
- Promotion of biodegradable materials like food plates and glasses
- Save water & Plant tree campaign
- Tree plantation, sapling distribution, rolling out seed balls across Tech Mahindra Campuses and other areas like government schools, nearby hills etc.
- Swachh Bharat Abhiyan
- Green food festival
- Sale of saplings to associates in order to raise funds for families of great cause.
- Sustainability awareness by Greenpeace at all our major campuses.
- Awareness session on setting up terrace garden to grow food at home.
- Kiosk of CNG service for 2 wheelers as a sustainable approach towards reducing carbon foot printing.
- Awareness sessions on etiquettes on driving for associates, water conservation & ground water recharge
- Sale of LEDs at campuses to promote usage of energy efficient equipment among associates.
- Green quizzes across locations to increase awareness of environmental issues
- Promote the sale of cloth bags and wooden products to discourage the use of plastic bags.
- E-waste drop box drive for associates for disposal of obsolete mobiles and laptops.
- Environmental awareness kiosk by WWF India
- Workshop for composting for home kitchen and terrace garden

Green Marshal Highlights

Conservation of natural resources through workshops, mailers, posters and other advocacy initiatives



Technology as the Next Step in Achieving Sustainability:

Drones were used for the deployment of seeds to restore rangeland habitat near Pune Hinjewadi campus. The objective was to 'make reforestation scalable'. The use of technology helped us in achieving the reforestation of large barren lands.

Plant a Tree & Plant a New Life:

Tree plantation is a great way to offset carbon footprint and move towards carbon neutrality. Green Marshal aids in planting trees across Tech Mahindra campuses and peripheral areas.

We have planted more than **22197** trees across Tech Mahindra, which contributes around 488.334 tons of Carbon offsetting.



Virtual Reality Booth

At our Virtual Reality booth, associates got a 360-degree view of the Arctic and the Amazon. With the help of this technology, associates could feel as if they have been transported to these breath-taking locations, and it helped them see the impact of climate change created by human activity, and how it affects the natural habitat of animals.

Waste Segregation and Khamba Composting

Greenpeace (NGO) volunteers taught associates, how to separate dry waste from wet waste. The volunteers explained how the wet waste can be used to create compost at home in a simple and efficient way by using a method called Khamba Composting.

Biodiversity

Biodiversity forms a support system used by millions for growth and development. The rich biodiversity has been instrumental in providing humanity with food security, healthcare and industrial goods, all that is required for fulfilling the necessities of life and leading to a better standard of living. The diversity of life on earth is so rich that if we use it sustainably, we can preserve it for generations to come. We at Tech Mahindra understand the importance of biodiversity as an important resource for our growth and development. None of our operating locations is located in the vicinity of biodiverse rich or protected area. There are no IUCN Red List species in the vicinity of our operations or operating locations. We are committed to conserve & enhance biodiversity.

One such step towards biodiversity is a swan pond maintained and managed within heart of our Tech Mahindra Hinjewadi campus, at Pune, India. The aim to develop and maintain a natural surrounding was a prime driver in instigating this initiative. The campus also has many species of plants, shrubs & trees, which not only helps maintain a green area but also enables in local climate control for our office and surrounding areas. Our initiative for incorporating biodiversity in our day-to-day operations has helped us reduce our carbon emission footprint, building a greener campus landscape and helping us manage waste via nutrients recycling.

Our commitment to sustainable development also constitutes conservation of biodiversity. We have a [Biodiversity Policy](#) and a directive on protecting habitats and species. We ensure that none of our operations has a negative impact on biodiversity by complying with all the conditions identified and recommended during environment impact assessments. We have planted 22197 trees offsetting 488.34MTCO2/annum

➤ **GRI 304 – 2: Significant impacts of activities, products, and services on biodiversity**

We have a swan pond in our Tech Mahindra Hinjewadi campus, at Pune and a Deer Park at Tech Mahindra Technology Center in Hyderabad. The objective of the park is to increase awareness of the associates on Biodiversity. A retired NZP veterinary officer and a qualified veterinarian consultant maintain it. The maintenance of the park is administered through our **Vision statement - Education, Conservation and Entertainment**.

➤ **GRI 304 – 1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas**

None of Tech Mahindra Facilities owned or leased are adjacent to protected areas and areas of high biodiversity value.

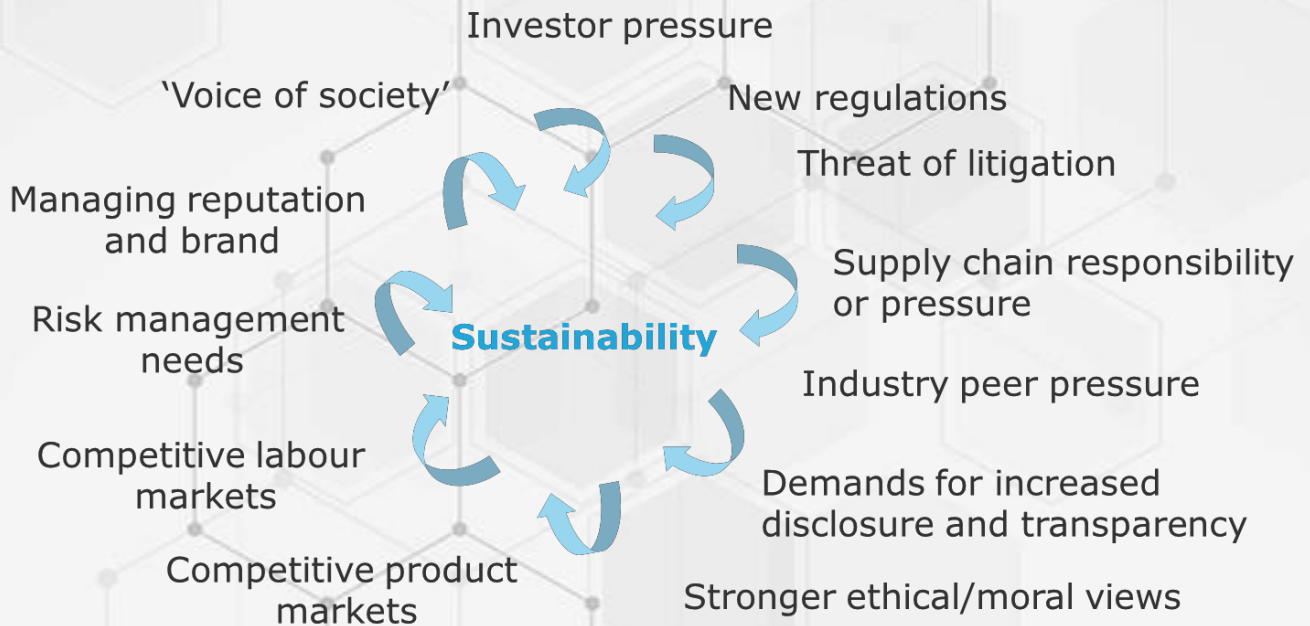
➤ **GRI 304-4: Number of IUCN Red list species and national conservation list species with habitats in areas affected by operations**

There are no IUCN Red List species or national conservation list species in the vicinity of our locations.

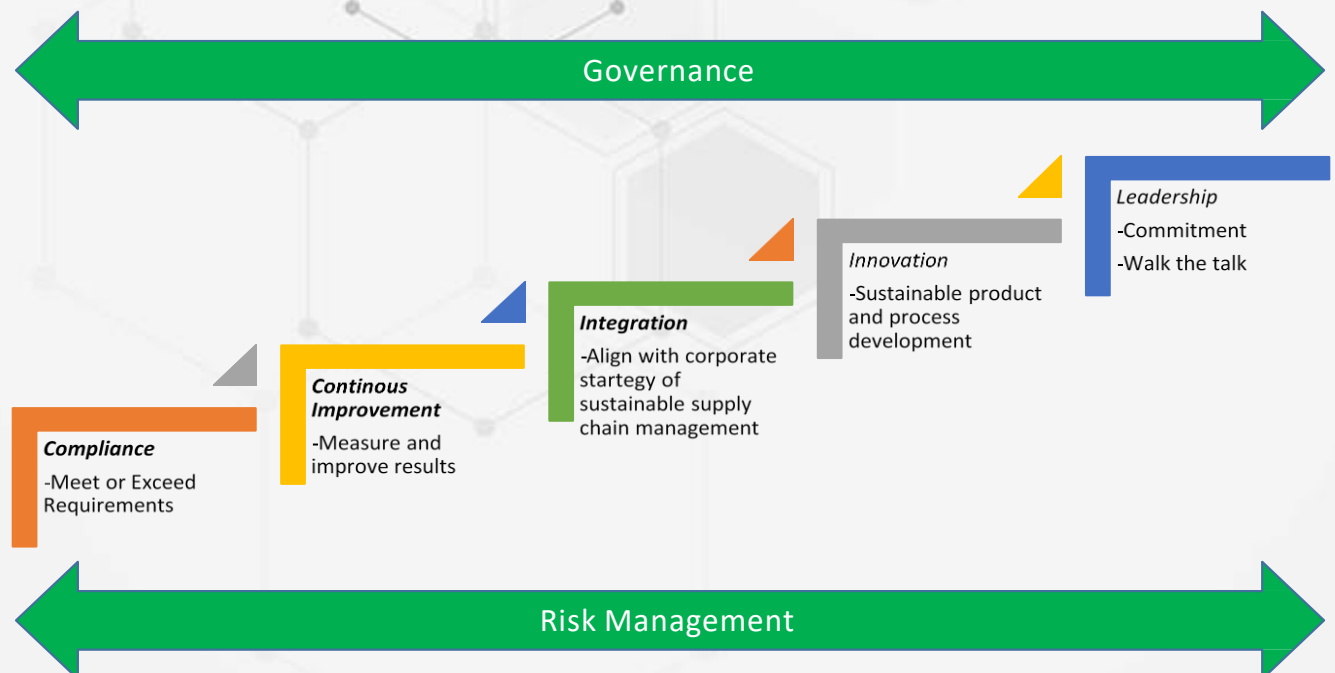
Supply Chain Management

Tech Mahindra’s commitment to Corporate Governance, Ethical Business Conduct, Environmental Stewardship and Sustainability also extends to our Supply Chain. It enables us to mitigate and manage the risks posed by the supply chain to our business and operations.

Sustainability drivers:



The Sustainable Supply Chain Management Framework at Tech Mahindra is depicted below:



As an Information Technology Services Company, the scope of our supply chain primarily extends to the suppliers of Goods and Services to support our operations. The suppliers are expected to abide by the Sustainable Supply Chain Management - Supplier Code of Conduct (SSCM CoC) and demonstrate commitment to incorporating best practices and continuous improvement in their own activities. Some of the key aspects of the SSCM are:

- ❖ Ethical Business Practices
- ❖ Management practices that respect the rights of all employees and the local community
- ❖ Minimising the impact on the environment
- ❖ Providing a safe and healthy work place
- ❖ Risk Management
- ❖ Business Continuity Management

As a proactive measure, we engage with the top 60 suppliers based on Annual market-spend. They are assessed using a supply-chain questionnaire, which requires their compliance with aspects on Labor and Human Rights, workplace management, Occupational health and safety, Risk management, Environmental compliance, Corporate governance and ethics, Supply chain and Community Engagement. We conduct Capacity-building workshops for our key suppliers based on these questionnaires. We also conduct on-site audits and share the complete report with our observation, suggestion, recommendation, key mandates on compliance and measures taken to account and reduce GHG emissions.

We evaluate the impact of our activities in the supply chain at all stages on a periodic basis. We carry out comprehensive risk analysis of our supply chain in terms of ability to deliver on time because of market and climate related risks. Our Business Continuity Management system ensures an integrated view of requirement and accordingly plan, coordinate and execute strategies accordingly to mitigate the risk. Scope 3 emissions from transportation and distribution of products purchased from our suppliers and operations of vehicles not owned or operated by us (Including multi modal shipping where multiple carriers are involved in the delivery of a product) are tracked. We are engaging with our suppliers to initiate the process of tracking, monitoring, reviewing and analysis of the GHG emissions of the supply chain.

In 2018-19, more than 80% of our total procurement expenditure was for the top 20 suppliers. There are separate procurement teams for IT Suppliers and Non IT Suppliers. The procurement teams work in tandem with the Corporate Services team to conduct supplier assessment. We are working with our supply chain on various initiatives to reduce business travel and logistics by trip optimization reducing travel frequency and examining the need of traveling. We manage our supply chain responsibly to ensure our business is not adversely affecting environmental values of communities across the globe and we are working to reduce the GHG emissions.

MANUFACTURED CAPITAL



Manufactured capital is one among the 5 capitals, which allows the organization to develop a vision of what sustainability looks like for its operations, products and services. It refers to the physical capital which helps the operations of an organization flow seamlessly and helps in production process – e.g. machines, tools, buildings. In IT scenario, technological objects that are available to the organization are the ones which are used in the provision of services and thereby helps in fulfilling its purpose. For IT services business, fixed assets like buildings, IT hardware and telecommunication equipment are referred as manufactured capital.

We have some of our facilities LEED, OHSAS and Green building certified. We have our global environmental commitment to build efficiency and sustainable technologies. Environmental guidelines are followed to minimize environmental impacts for new buildings and through energy efficiency, parking space, building automation, water recycling, waste converter, a state-of-the-art air conditioning system and other comfort enhancing features.

Technology equipment and services

Tech Mahindra's AI based NewAgeDELIVERY engine enables customers to envision a new paradigm of technology solution delivery. This paradigm utilizes reusable data asset lakes to avoid work duplication, delivers value at scale, and uses the time saved towards innovation.

SOCIAL AND RELATIONSHIP CAPITAL

TECH MAHINDRA LIMITED, AS AN ORGANIZATION, IS GOVERNED BY THE PURPOSE TO CREATE VALUE FOR ALL, AND ENABLE PEOPLE TO RISE.

-A culture of innovation, disruption, alternative thinking, mindfulness, and most importantly empathy, represent the entire Mahindra family ethos.

Tech Mahindra Foundation (TMF) is the Corporate Social Responsibility (CSR) division of its parent company—Tech Mahindra Limited; set up in 2007 with a vision to 'Empowerment through Education'. As part of Tech Mahindra's social agenda, the CSR programmes at the Foundation are directed at creating a positive impact on the overall socio-economic development of the community beneficiaries within the areas of its operations, across India.

How We Define Purpose

The Foundation's social agenda is to help its beneficiaries *Rise* and empower them to choose a career/life that instils a sense of purpose in them. This is fulfilled through its various CSR interventions that TMF implements at regular intervals. Its interventions are aimed at helping children become educated and informed individuals, and training youth to become employed in a society that allows sustainable development of all.

The three focus areas that are common across all CSR programmes at the Foundation include:

- Empowerment of girls/women
- Empowerment of persons with disabilities
- Corporate volunteering

Our Programmes: An Overview

In order to bring about sustainable impact and social transformation in the quality of the lives of underprivileged youth, the three key primary areas of intervention of the Foundation are - Education, Employability, and Disability. The Foundation in 2018-19 reached out to as many as 36,723 direct beneficiaries.

These tenets enable the beneficiary communities to *Rise*. From primary school to professional training, our CSR interventions are aimed at creating impact in the lives of young people so that they take charge of their lives, and build a more prosperous future for themselves and their families.

TECH MAHINDRA CSR

TMF PROGRAMMES

EMPLOYABILITY	EDUCATION	DISABILITY
<ul style="list-style-type: none"> Tech Mahindra FOUNDATION SMART Skills for Social Training Tech Mahindra FOUNDATION SMART ACADEMY FOR HEALTHCARE (Delhi Mohali Mumbai) Tech Mahindra FOUNDATION SMART ACADEMY FOR DIGITAL MEDIA (Vadodha) 	<ul style="list-style-type: none"> shikahantar In-service Teacher Education Institute (Joint State Municipal Corporation, North Delhi Municipal Corporation, EDMC NDMC) shikahantar Teacher Capacity Development Programme Tech Mahindra FOUNDATION All Round Empowerment of Rural Adolescent ARISE 	<ul style="list-style-type: none"> Tech Mahindra FOUNDATION SMART+ Skills for Social Training Tech Mahindra FOUNDATION All Round Empowerment of Rural Adolescent ARISE+

MEI PROJECTS

TECHNICAL EDUCATION

Mahindra Ecole Centrale

www.techmahindrafoundation.org

IMPACTING LIVES SINCE 2007

EDUCATION • EMPLOYABILITY • DISABILITY



Social And Relationship Capital

Tech Mahindra’s social and relationship capital is created by CSR efforts undertaken in partnership with communities, government primary schools, students, youth, and NGO organisations. The basis of this association stems from a common vision to achieve greater good for the society and contribute towards the nation’s productivity by finding ways to collaborate, expand and utilise resources in the optimum manner. Through its interventions and activities people at the Foundation, ensure that social value created is a continuous reflection of its norms and beliefs, and strategies adopted towards benefitting society. All social investments of the Company are aligned with the mandate provided and approved by the Board.



Rakesh Soni,
CEO, Tech Mahindra Foundation

“Corporate Social Responsibility is embedded in the DNA of the Company. Education of children and skilling of the youth are among the most important needs to enable people to Rise – as a nation, as an individual and as a society.

As a company, we aspire to see children who are purposefully engaged, youth that is constructively employed and a society that provides equal opportunities to all the people. The key focus areas of our CSR efforts that help us fulfil this vision are Empowerment of girls/women; Empowerment of people with disabilities and Corporate volunteering. Through Tech Mahindra Foundation’s CSR programmes on education, employability and disability, we are creating a positive impact at significant scale across urban India”.

Programmes At The Foundation

➤ **Employability: Smart And Smart Academies**

Now in its seventh year, SMART (Skills for Market Training) has the vision of creating a model for vocational training programme of international standards in the country. Launched in 2012, SMART is Tech Mahindra Foundation’s flagship employability programme providing training to young men and women in various courses such as Foundation skills and domain-specific training in the service industry and ensuring their placement in dignified jobs. All the courses are aligned to the QP (qualification pack) and NOS (National Occupation Standards) as specified by the Sector Skill Council. The students can opt from 13 domains and 34 courses.

Over the years, SMART has successfully trained approximately 75000+ youth, with an annual placement rate of over 75%. It follows robust processes and the data is backed by a strong Management Information System (MIS). With an industry-led approach SMART has been able to create a scalable model for its skill development programme.

Today, the Foundation runs three Tech Mahindra SMART Academies in Healthcare in Delhi, Mohali and Mumbai and one Digital Media Academy in Visakhapatnam, under its directly implemented programmes within employability. The Healthcare Academies train paramedical professionals through a number of diploma and certificate courses. The Academies are state-of-the-art centres imparting high-quality training, with a blend of classroom, practical and on-the-job training. Tech Mahindra SMART Academy for Digital Media offers professional training and required knowledge to young students to make a career in the revolutionizing Digital Media sector.

Smart Student



HOPE SEES THE INVISIBLE, AND ACHIEVES THE IMPOSSIBLE!

Taira is a mother of two kids and stays in Okhla, New Delhi. Life changed upside-down when her husband got a paralysis attack immediately after they got married. She had no choice and has been staying with her husband's relatives for the last six years. Situation forced her to depend on them (financially) for her own family's expenses. This led her go in depression.

TECH MAHINDRA FOUNDATION—A RAY OF HOPE FOR TAIRA

SMART community mobilization team made her believe that she is capable of a lot more and through SMART she could give a new direction to her life. She joined SMART-Retail & Sales Centre, Delhi and improved her basic soft skills and computer knowledge. Joining the centre worked as a medicine for her as she not just became confident through regular training classes, the course on workplace readiness helped her become calmer and collected that brought normalcy to her life.

WHAT NEXT?

After successfully completing the SMART course she is now working with Saima Manpower Pvt Ltd. as HR recruiter because of her communication skills and confidence. She is supporting her family, managing her kids and living life with great pride, each day.

I am very thankful to Tech Mahindra Foundation because it gave me a new life
- Taira

Rise For Good



SABA KHAN (trained at SMART Academy for Healthcare)

General Duty Assistant, Fortis Hospital, Noida

Married at 17, mother at 18 and widowed at 19, and today Saba Khan is a 20-year-old General Duty Assistant at the Fortis Hospital, Noida.

She started her career at the Rotary Blood Bank, Noida as a General Duty Assistant.

"The happiest day of my life was when I was appointed as a General Duty Assistant with the Rotary Blood Bank. I will educate my daughter and I will not marry her before she is 21 years," says a determined Saba. "Thank you, Tech Mahindra for helping me."

➤ **Education: Arise And Shikshaantar**

Tech Mahindra Foundation's agenda of ensuring universal elementary education is reinforced and put into the system through its two key programs:

➤ **ARISE (All Round Improvement in School Education)**

The educational initiatives at the Foundation under ARISE focus on working with government and aided schools to improve the quality of education, with a focus on enhancing the learning experience for students coming from difficult socio-economic backgrounds. ARISE+ another variant of ARISE looks at the holistic development of children with disabilities to help them and their parents choose the best suited special educational needs for their holistic development in schools.



- **SHIKSHAANTAR** is another flagship programme of the Foundation that focuses on creating happier classrooms for the students. The Foundation is committed to empowering teachers, teacher educators, principals, school inspectors, and school management officials in pedagogical skills and subject-related competencies by conducting workshops, seminars and capacity building programs for them. In-service Teacher Education Institute (ITEI) is a collaborative initiative of the Foundation with East Delhi Municipal Corporation and North Delhi Municipal Corporation that aims to fulfill the agenda of capacity building of the stakeholders in these two municipal corporation-run schools.




DISABILITY

Disability is the third major area of intervention for Tech Mahindra Foundation. The Foundation works towards ensuring that persons with disabilities have the opportunity for a better future and dignified life. This is done through two programs: **ARISE+** (All Round Improvement in School Education) and **SMART+** (Skills-for Market Training for Persons with Disabilities). **ARISE+** is a special programme that encourages children with disabilities, such as, visual impairment, hearing impairment, and intellectual disability, to become a part of the mainstream education with emphasis on various educational and curriculum-based learnings and initiatives to support them in their primary school education. The **SMART+** programme focuses on providing employable market-related entrepreneurial skills, and opportunities to youth with disabilities. Specially designed curriculum and well-equipped classrooms in the centers allow young people with disabilities to obtain different foundation skills such as Basic IT and Computers, Spoken English and Workplace Readiness.

The Foundation mandates that 10% of all its beneficiaries are Persons with Disabilities

Congratulations, Gokul Srinivas Subramanian
on winning the Special Olympics World Games, Abu Dhabi 2019 under 1500m freestyle swimming!



SUPERB SHOW!

Gokul was diagnosed with Autism at the age of 5. Parents, being unable to pay the school fees shifted him to an ARISE+ school (All Round Improvement in School Education for Children with Disabilities). In order to channelize his energy and strength, they put him in swimming despite their monetary hardships. The school understood his potential and the Foundation supported him with a proper diet plan, nutrition programme and training that was needed to prepare him for the Special Olympics. Winning gold in 1500m and the second position in 800m freestyle swimming are his phenomenal achievements for the country, school as well as for his family.

VOLUNTEERING

Tech Mahindra's employee volunteering programme enables the associates to fulfill their individual social responsibility (ISR). For each associate at Tech Mahindra Limited, volunteering/ISR is a way of life. Employees volunteer in the various programs and contribute to driving positive social change while simultaneously enhancing their own capacities for empathy and compassion. Every year, thousands of employees participate in several Individual Social Responsibility activities that are planned across all the TMF locations such as blood donation, tree plantation, Swachhata Hi Seva, bicycle rallies, paint the wall, card making, conducting training sessions and more. 31,830 Tech Mahindra associates, i.e. 40% of TechM India (India workforce 79032), clocked 164,278 hours of volunteering in 2018-19. This indicates that there was an increase of more than 100% volunteering hours and nearly 70% increase in volunteers from last year (2017-18 had 18744 employees volunteering for 80,846 hours).



31,830
#TechM Volunteers
Clocked **164,278**
Volunteering Hours with
Much Joy and a Sense
of Satisfaction

Rise for Good



MAHINDRA EDUCATION INSTITUTION (MEI)

Mahindra Educational Institutions, a 100% subsidiary of Tech Mahindra Limited, is a not-for-profit company set up under Section 25 of the Companies Act 1956 (corresponding to Section 8 of the Companies Act 2013).

Mahindra École Centrale (MEC) was established in August 2014 through a collaborative venture between Mahindra Educational Institutions (MEI – a not-for-profit, 100% subsidiary of Tech Mahindra), École Centrale of Paris, France (now known as CentraleSupélec) and the Jawaharlal Nehru Technological University (JNTU) Hyderabad to offer undergraduate engineering programmes in Computer Science, Engineering, Mechanical Engineering, Electrical & Electronics Engineering, and Civil Engineering. It is located at the TechMahindra Technology Centre campus in Hyderabad.

The main objectives of MEI are:

- To establish institutions of higher learning such as setting up institutions, universities, colleges, academies, and research institutes encouraging education and research work in different disciplines, to promote innovation and technology development, to collaborate and/or affiliate with other universities by exchange of teachers and scholars in India and abroad for the cause of promoting quality higher education.
- To undertake, collaborate or affiliate with any institutions, trusts, or any other bodies in India and abroad for establishment and running of educational institutions in different disciplines to provide tertiary education and research, award degrees, institute awards and fellowships, provide scholarships for education, organize conferences and seminars, provide vocational education and any other activity related to promotion of higher education.

Mahindra École Centrale has strong students to faculty ratio of 15:1. The result of this ratio is reflected in a huge demand from the industry for MEC engineers. In the graduating batch of 2019, employers from all sectors of the industry offered 150+ positions to the graduating students with an overall average salary of Rs. 7 Lakh per annum. Four of the students got an offer of Rs. 30 Lakh per annum.

➤ GRI 413 – 1: Operations With Implemented Local Community Engagement, Impact Assessment And Development Programmes

The Foundation is currently running 150+ projects with 90+ partners across India. Its programmes span 11 locations in India, namely—Chennai, Bhubaneswar, Chandigarh, Delhi-NCR, Hyderabad, Kolkata, Mumbai, Nagpur, Pune and Visakhapatnam and Bengaluru. It operates from its New Delhi-based Corporate Office, city-based Chapters and a number of Project Offices. The following are covered under its community engagement and development programmes.

Saakaar—scholarship Fund—a Tech Mahindra Foundation Initiative meant for the children of third-party staff of Tech Mahindra Limited; across all domestic locations. Its purpose is to provide support to children of third-party staff of Tech Mahindra to continue their higher education. This initiative will support the students receive Secondary School Certificates, Higher Secondary Certificates and all 3 and 4-year bachelor's degree programmes including their coaching/ tuition programmes. The first year of the scholarship set an exemplary model with 87 young boys and girls receiving Rs 25 Lakh in the form of scholarship.



Initiatives in **Public Health** include supporting a project called 'Last Mile Connect' as part of which a Public Cycle intervention in Delhi is supported on an end-to-end basis. In addition, the Foundation has also supported the infrastructure development of a Nursing College at Banasthali University in Rajasthan and another project in which affordable Dialysis care is provided to patients.

The initiatives across all programmes had a huge positive impact on all the beneficiaries. The Foundation in 2018-19 reached out to as many as 36,723 direct beneficiaries.

CSR PROGRAMME-WISE IMPACT FOR 2018-19

Initiatives	Description	Nos.	Direct Beneficiaries (Nos)
Arise Schools	Schools	24	13262
Arise + Schools	Schools	19	2486
Total Students enrolled			15,748
SMART Centres	Centres	70	14437
SMART + Centers	Centers	11	1477
SMART T Centers	Centers	19	3105
SMART Academies	Centers	4	1041
Total Students enrolled			20,060
Shikshantar - Partner Projects	Teachers Trained	7	1082
Shikshantar - Direct Projects	Teachers Trained	2	1496
Total teachers trained			2578

Women formed ~48.52% of these beneficiaries (approximately 17000 females) while ~11.08% of the beneficiaries (approximately 3900 persons with disabilities including children). Tech Mahindra Foundation spent INR 65.59 crore on its CSR programs during 2018-19.

This is in line with the TMF CSR vision of promotion of Education especially across the minorities and ensuring that 50% of the total beneficiaries on the TMF programs are girls/ young women while 10% of the total beneficiaries are people with disabilities.

The total CSR spend in 2018-19 was INR 94.71 Cr. In 2015-16, we carried out an impact assessment of the SMART initiative through a third party. With these, the Foundation has established itself as one of the leading CSRs in the country.

Some of the Tech Mahindra Foundation employees are on Tech Mahindra Ltd payroll and their salaries, work travel and business overheads like rent are supported by the company beyond the CSR spend. 1.95 Crore was spent on the overheads in 2018-19. Tech Mahindra replaces computers of employees every 5 years. These old but still working computers are donated to deserving schools, NGOs and other not-for-profit organizations but these are not computed in monetary terms TMF also conducts donation drives within the organization.

The link to the Impact Assessment Report by KPMG is provided below.
<https://techmahindrafoundation.org/annual-report/>

A copy of Tech Mahindra's **CSR Vision and Policy Document** is available online at:
<https://techmahindrafoundation.org/csr-policy/>

GRI STANDARDS CONTENT INDEX

General Disclosures

GRI 102 - General Disclosures 2016			
Organizational Profile	Disclosure	Page No.	Omissions
Name of the Organization	102-1	10	-
Activities, brands, products, and services.	102-2	17-19	-
Location of the organization's headquarters.	102-3	10	-
Location of operations.	102-4	10	-
Ownership and legal form	102-5	17	-
Markets Served	102-6	19	-
Scale of the organization	102-7	19, 76	-
Information on employees and other workers	102-8	90-91	-
Supply chain	102-9	124-125	-
Significant changes to the organization and its supply chain	102-10	10	-
Precautionary Principle or approach	102-11	103-104	-
External initiatives	102-12	100	-
Membership of associations	102-13	102	-
Strategy	Disclosure	Page No.	Omissions
Statement from senior decision-maker.	102-14	5-8	-
Key Impacts, Risks and Opportunities	102-15	41 – 42, 52-56	-
Ethics and Integrity	Disclosure	Page No.	Omissions
Values, principles, standards, and norms of behavior	102-16	26	-
Mechanisms for advice and concerns about ethics	102 – 17	26	-
Governance	Disclosure	Page No.	Omissions
Governance structure	102-18	22-26	-
Delegating authority	102-19	22-26	-
Executive-level responsibility for economic, environmental, and social topics	102-20	23-25	-
Consulting stakeholders on economic, environmental and social topics.	102-21	23	-

Composition of the highest governance body and its committees	102-22	22-26	-
Chair of the Highest Governance Body – is a non - executive officer.	102-23	22	-
Nominating and selecting the highest governance body	102- 24	IR 26 AR 11	-
Conflicts of Interest	102 – 25	AR 13	-
Role of highest governance body in setting purpose, values, and strategy	102 – 26	23-25	-
Collective knowledge of highest governance body	102 – 27	Trainings – AR 11	-
Evaluating the highest governance body's performance	102 – 28	Board Evaluation AR 11	-
Identifying and managing economic, environmental, and social impacts	102 – 29	3-25	-
Effectiveness of risk management processes	102 – 30	41	-
Review of economic, environmental, and social topics	102 – 31	23-25	-
Highest governance body's role in sustainability reporting	102 – 32	25	-
Communicating critical concerns	102 – 33	25	-
Remuneration Policy	102 – 35	26	-
Process for determining remuneration	102 – 36	AR 26 IR 26	-
Stakeholders involvement in remuneration	102 – 37	26	-
Annual Total Compensation Ratio	102 – 38	AR 49	-
Percentage increase in annual total compensation ratio	102 – 39	AR 49	-
Stakeholder Engagement			
List of stakeholder groups	102-40	27-32	-
Collective bargaining agreements	102-41	101	-
Identifying and selecting stakeholders	102-42	27-32	-
Approach to stakeholder engagement	102-43	27-32	-
Key topics and concerns raised	102-44	29-30	-
Entities included in the consolidated financial statements	102-45	AR 30	-
Reporting Practice			
Defining report content and topic Boundaries	102-46	10	-

List of material topics	102-47	35	-
Restatements of information	102-48	10	-
Changes in reporting	102-49	10	-
Reporting period	102-50	9	-
Date of most recent report	102-51	9	-
Reporting cycle	102-52	9	-
Contact point for questions regarding the report	102-53	10	-
Claims of reporting in accordance with the GRI Standards	102-54	Comprehensive Option.	-
GRI content index	102-55	134-137	-
External assurance	102-56	11	-
Explanation of the material topic and its Boundary	103-1	35-36	-
The management approach and its components	103-2	35-36	-
Evaluation of the management approach	103-3	35-40	-

GRI Standards – Economic Disclosures

Economic Performance – 2016	Disclosure No.	Page No.	Omissions
Direct economic value generated and distributed	201-1	76 AR 7	-
Financial implications and other risks and opportunities due to climate change	201-2	47-51	-
Defined benefit plan obligations and other retirement plans	201-3	AR 145	-
Financial Assistance received from Government	201 – 4	Nil	-

Procurement Practices – 2016	Disclosure No.	Page No.	Omissions
Proportion of spending on local suppliers	204-1	125	-

Anti-Corruption – 2016			
Operations assessed for risks relating to corruption	205 -1	101	-
Communication and training about anti-corruption policies and procedures	205-2	102	-
Confirmed incidents of corruption and actions taken	205-3	102	-

GRI Standards – Environmental Disclosures

Energy – 2016	Disclosure No.	Page No.	Omissions
Energy consumption within the organization	302-1	113	-
Energy Consumption outside the organization	302-2	113	-
Energy intensity	302-3	114-115	-
Reduction of energy consumption	302-4	115	-
Reduction in energy requirements of products and services	302-5	Not Applicable. Tech Mahindra is a technology services company.	

Water – 2016	Disclosure No.	Page No.	Omissions
Water withdrawal by source.	303-1	116-118	-
Water sources significantly affected by withdrawal of water.	303-2	Not Applicable. Water is used only for domestic purposes.	-
Water recycled and reused.	303-3	118	-
Biodiversity – 2016	Disclosure No.	Page No.	Omissions
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	304-1	122	-
Significant impacts of activities, products, and services on biodiversity	304-2	122	-
Habitats protected or restored	304-3	None.	-
IUCN Red List species and national conservation list species with habitats in areas affected by operations.	304-4	123	-
Emissions – 2016	Disclosure No.	Page No.	Omissions
Direct (Scope 1) GHG emissions	305-1	109 -110	-
Indirect (Scope 2) GHG emissions	305-2	109 -110	-
Other indirect (Scope 3) GHG emissions	305-3	109-111	-
GHG emissions intensity	305-4	111-112	-
Reduction of GHG Emissions	305-5		
Emissions of Ozone Depleting Substances (ODS)	305-6	Not applicable. We do not have significant ODS emissions from our operations.	
Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions.	305-7	115	
Effluents and Waste	Disclosure No.	Page No.	Omissions
Water discharged by quality and destination.	306-1	118	-
Waste by type and disposal method	306-2	119-120	-
Significant spills	306-3	Not applicable	
Transport of hazardous waste	306-4	Not applicable. E waste is managed as per the rules.	
Water bodies affected by water discharges and/or runoff.	306-5	Not applicable.	
Environmental Compliance	Disclosure No.	Page No.	Omissions
Non-compliance with environmental laws and regulations	307-1	120	-
GRI Standards – Social Disclosures			
GEI 401 – Employment- 2016	Disclosure No.	Page No.	Omissions
New Employee hires and employee turnover	401-1	91	-
Benefits provided to full-time employees that are not provided to temporary or part-time employees	401-2	91-92	-
Parental leave	401-3	92	-

GRI 403 - Occupational Health and Safety – 2016	Disclosure No.	Page No.	Omissions
Workers representation in formal joint management–worker health and safety committees	403-1	98	-
Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	403-2	98	-
Workers with high incidence or high risk of diseases related to their occupation	403-3	Not applicable	
Health and safety topics covered in formal agreements with trade unions	403-4	Not applicable	
GRI 404 - Training and Education – 2016	Disclosure No.	Page No.	Omissions
Average hours of training per year per employee	404-1	93-94	-
Programs for upgrading employee skills and transition assistance programs	404-2	94-95	-
Percentage of employees receiving regular performance and career development reviews	404-3	95	-
GRI 405 – Diversity and Equal Opportunity – 2016	Disclosure No.	Page No.	Omissions
Diversity of governance bodies and employees	405 – 1	99	-
Ratio of basic salary of women to men by employee category.	405 - 2	Tech M is an equal opportunity employer. Recruitment and compensation is on merit. We report diversity based on other parameters.	
GRI 413 - Local Communities – 2016	Disclosure No.	Page No.	Omissions
Operations with local community engagement, impact assessments, and development programs.	413-1	127-133	-
Operations with significant actual and potential negative impacts on local communities.	413-2	Not applicable	
GRI 415 - Public Policy – 2016	Disclosure No.	Page No.	Omissions
Political contributions	415-1	102	-
GRI 418 - Customer Privacy – 2016	Disclosure No.	Page No.	Omissions
Substantiated complaints concerning breaches of customer privacy and losses of customer data	418-1	75	-
GRI 419 - Socio Economic Compliance – 2016	Disclosure No.	Page No.	Omissions
Non-compliance with laws and regulations in the social and economic area	419-1	75	-

Mapping With CDSB Framework

The Integrated Report is aligned with the Guiding Principles and requirements (REQs) of CDSB Framework for reporting environmental information and Natural Capital.

CDSB Guiding Principles	Description	Ref Page No.
P1 - Environmental information shall be prepared applying the principles of relevance and materiality	Material environmental aspects were identified through a structured process and reviewed in 2018-19	Pg. 33-36
P2 - Disclosures shall be faithfully represented.	The information is balanced and neutral with representation of 3 year trends in the Natural Capital section. It was externally assurance by a third party.	Pg. 11 -16
P3 Disclosures shall be connected with other information in the mainstream report.	The Natural Capital chapter is part of the Mainstream Integrated Report using the Integrated Reporting Framework.	Pg. 9 – 10
P4 - Disclosures shall be consistent and comparable.	Four Year performance trends are provided based on the GRI Standards to ensure comparability with earlier sustainability reports.	Pg. 109 - 120
P5 - Disclosures shall be clear and understandable.		
P6 - Disclosures shall be verifiable.	The data is externally assured and the assurance statement is enclosed.	Pg. 11 – 16
P7 - Disclosures shall be forward looking.	Future outlook of environment management. 5 year Sustainability Roadmap with 2015-16 as baseline year.	Pg. 103-105 Pg. 38 - 40
Reporting Requirements		
REQ-01 - Company's environmental policy, environmental strategy and environmental targets	Clear Strategy for climate change and water management. There are Environmental Targets in the Sustainability Roadmap based on material matters. They are reviewed at the Management Level.	Pg 105 Pg 38 Pg 40
REQ-02 - Risks and opportunities	Material current and anticipated environmental risks form a part of the enterprise risk management framework and are reported along with mitigation measures in Risks and Opportunities.	Pg 47 – 54
REQ-03 – Governance	The CSR Committee at the Board and the Sustainability Council are responsible for monitoring and review of environmental policies and strategy with monitoring and review mechanisms.	Pg 23 - 25
REQ-04 - Sources of environmental impacts	GHG Protocol is used for estimation of GHG emissions. Other material aspects of natural capital are reported using the GRI Standards and the TCFD Recommendations. GRI Content index is included.	Pg 109
REQ-05 - Performance and comparative analysis	Four year trends are reported for each material environmental topic. There were no changes in strategy, governance, methodology or KPIs used for calculating results.	Pg. 109 - 120

REQ-06 - Outlook	Effect of environmental impacts, Risks and opportunities on the organization's future performance and position is covered in the Risks and opportunities section.	Pg 47 – 54
REQ-07 – Organizational boundary	The organizational boundary is the same for the Integrated Report - all the facilities in India. They constitute > 70% of the business operations.	Pg 10
REQ-08 - Reporting policies	The performance has been monitored using the GRI Standards consistently. Assurance statement represents continuity from one year to the next.	Pg 10 – 11
REQ-09 - Reporting period	The reporting period of the <IR> is consistent with the Annual Report for mainstream financial disclosure following the Financial Calendar of 1 st March to 31 st April.	Pg 9
REQ-10 – Restatements	There were no restatements of errors in previous reporting period, or changes in policies or methodology affecting performance over time. The base year for GHG emissions was changed as the number of locations increased to cover all the locations in India. Acquisitions and divestments in the reporting year are disclosed.	Pg 9
REQ-11 – Conformance	Disclosures shall include a statement of conformance with the CDSB Framework.	
REQ-12 – Assurance	The Integrated Report has been assurance by an external third party.	Pg 11 - 16

MAPPING WITH SDGS

Initiatives/Activities	SDG Linked	SDG's Impacted	Ref Pg No.
GAiA – Open source Artificial Intelligence platform for solving business problems	9 - Industry, Innovation & Infrastructure	13, 8	4
FutuRise	8 - Decent Work & Economic Growth	9	5
TechMNxT	8 - Decent Work & Economic Growth	9	57
Farm Guru	2 - Zero Hunger	9	68
IRIS (Ideate, Refine, Implement and Shine) Initiative, Mission Innovation	9 - Industry, Innovation & Infrastructure		64
360 Degree Innovation Approach	9 - Industry, Innovation & Infrastructure	8	62
Smart Metering, Smart Grid Solutions, Smart Mobility Solutions	11 - Sustainable Cities & Communities	7, 13	67
Smart City Solution with IoT, Smart Lighting Solutions	11 - Sustainable Cities & Communities	13	68
Block Chain Based Trading Solutions	11 - Sustainable Cities & Communities	13, 9	67
Renewable Energy Solutions	13 - Climate Action	9, 13	66,67
IEVCS – Intelligent EV charging system	13 - Climate Action	7	67
SMART, SMART T	4- Quality Education	4	130
SMART Academy	4 - Quality Education	1,9	128
Shikshaantar	4- Quality Education		130
Arise	4 - Quality Education		129
Mahindra Education Institution (MEI)	4 - Quality Education	17, 8	131-132
Business wait re-skilling	4 - Quality Education	8	93-94
Self-defence workshops	5 - Gender Equality	11	99
Escort cabs for Woman safety	5 - Gender Equality		99
GPS enabled cabs	5 - Gender Equality	11	99
Training bus/cab drivers on safety aspects.	5 - Gender Equality	11	99
Tech Mahindra Cares	8 - Decent Work & Economic Growth		96
Cross Skilling Associates for Verticalization, Right-skilling Associates, Higher Education Support	8 - Decent Work & Economic Growth	4	94
Making Sustainability Personal – Green Marshals	13 - Climate Action		120 – 122
Business Continuity Planning (BCP)	13 - Climate Action	13, 3	42
Science Based Targets Initiative	17 - Partnerships for the Goals	9, 13	108
Carbon Pricing	13 - Climate Action	9	108

TCFD Recommendations Report

Background of the TCFD Report

In June, 2017, the Financial Standards Board Task Force on Climate-related Financial Disclosures (TCFD) developed voluntary, consistent climate-related financial risk disclosures for use by companies in providing information to investors, lenders, insurers, and other stakeholders. The Task Force considered the physical, liability and transition risks associated with climate change and what constitutes effective financial disclosures across industries.

The Task Force structured its recommendations around four thematic areas that represent core elements of how organizations operate: governance, strategy, risk management, and metrics and targets.

As a company committed to building resilience and managing the present and likely future impacts of climate change on the company, we have aligned the recommendations with the relevant chapters in the Integrated Report. However, in order to keep greater focus, we have prepared a separate report to disclose Governance, Strategy and Risk Management around climate change.

Recommended Disclosures – Governance

The Directors of the Board of Tech Mahindra are Mr. Anand G. Mahindra, Mr. CP Gurnani, Mr. Anupam Puri, Mr. M. Damodaran, Ms. M. Rajyalakshmi Rao, Mr. Ravindra Kulkarni, Mr. T N Manoharan, Mr. Ulhas N. Yargop and Mr. V. S. Parthasarathy. With their collective knowledge and experience, they bring specific focus towards climate change. Each quarter, Mr. Anand Mahindra, the Chairman of the Board of Tech Mahindra (Chairman of the Mahindra Group) reviews Tech Mahindra's Sustainability Charter.

Board's oversight of climate-related risks and opportunities

The Board reviews Tech Mahindra's Sustainability Charter and Sustainability Roadmap each quarter in terms of performance in operations, Climate change and ESG reporting and compliance.

Climate change and other material matters receive attention at the Board level through the Risk Management Committee and the CSR Committee. The CSR Committee at the Board is responsible for formulating Sustainability vision and strategy and reviewing Climate Change strategy and performance. It is reviewed each quarter at the Board Level.

The execution of the climate change strategy and objectives, including review of risks and opportunities is done through Tech Mahindra's Sustainability Council. Tech Mahindra has a Sustainability Roadmap with defined goals and targets that are distributed across the management, function and department heads and the employees. The performance of relevant personnel is linked to the Balance Score Cards (used to measure performance) and KRA's. Climate Change is aligned to the balanced score card of the 'CEO & MD' and senior leader of the organization.

Management's role in assessing and managing climate-related risks and opportunities

Climate Change Risks like business disruption, changing regulatory landscape, acute physical stress are identified and prioritized by the Enterprise Risk Management Council, reported each quarter to the Risk Management Committee and presented to the Board of Directors. The risk of transition to a low carbon economy is also considered by the risk management committee.

CSR Committee - Governance of Sustainability & Climate Change

The Corporate Social Responsibility Committee (CSR) of the Board of Directors meets the criteria laid down under Section 135 of the Companies Act, 2013 and Rules made therein. Mr. C. P. Gurnani, Managing Director & CEO is the Chairman of the Committee. Mrs. M. Rajyalakshmi Rao and Mr. Ulhas N. Yargop are the other members of the Committee. Mr. Vineet Nayyar ceases to be member of the CSR Committee post his retirement w.e.f. July 31, 2018. There were two meetings held on May 24, 2018 and October 29, 2018.

Name	Category	No. of CSR Committee meetings attended
Mr. Vineet Nayyar ¹	Non – Executive Vice Chairman	1
Mr. C.P. Gurnani ²	Managing Director & CEO	1
Mrs. M. Rajyalakshmi Rao	Independent Director	2
Mr. Ulhas N. Yargop	Non-Executive Director	2

¹ Retired as Director w.e.f. July 31, 2018.

² Appointed as Chairman of Corporate Social Responsibility Committee w.e.f. August 01, 2018.

The Company Secretary acts as the Secretary to the Committee. Chief Financial Officer of the Company and the Chief Executive Officer of Tech Mahindra Foundation are the permanent invitees to the Committee meeting.

To ensure creation of defined and measurable results from our green initiatives, we have charted a sustainability roadmap. The defined goals and targets are distributed across the management, function & department heads and the employees. The performance of relevant personnel is linked to the Balance Score Cards and KRA's. Climate Change is aligned to the balanced score card of the 'CEO & MD' and senior leader of Tech Mahindra.

Tech Mahindra Sustainability Council

The Tech Mahindra Sustainability Council has a direct reporting to the Corporate Social Responsibility (CSR) Committee. The Council is responsible for approving, overseeing and monitoring the formulation, implementation, monitoring & review of the Sustainability and Climate Change Strategy, Roadmap and Initiatives. It covers the material topics listed in the Materiality Matrix. It also reviews key risks and overall performance and provides vital insights on integrating risks with strategy.

The Sustainability Council comprises of the key department heads like Finance, Human Resources, Corporate Services and Sustainability & Customer Centricity and meets every quarter to review progress. Mr. Sandeep Chandna, the Chief Sustainability Officer, is responsible for driving integrated sustainability thinking across the organization. Tech Mahindra Sustainability Council also consults with the Mahindra Group Sustainability Council which comprise of TechM Board member Ulhas Yargop and Group Sustainability Head.

Composition Of The Tech Mahindra Sustainability Council

Department And Designation	Name
Chief Financial Officer (CFO)	Mr. Manoj Bhat
Chief People Officer (CPO)	Mr. Harshvendra Soin
Chief Sustainability Officer (CSO)	Mr. Sandeep Chandna
Head of Corporate Services	Mr. Shivanand Raja
Group General Counsel	Mr. Vineet Vij

Tech Mahindra's [Sustainability Policy](#) provides guidance on impacts, risks and opportunities in the context of value creation.

Tech Mahindra Sustainability Cell

The day-to-day responsibilities of the Sustainability council are carried out by the Tech Mahindra Corporate Sustainability Cell. The Cell works in collaboration with the Location Councils.

Sustainability Champions

Each location council has a Sustainability Champion who oversees the implementation, monitoring and review of the Climate Change and Sustainability Reporting, implementation of strategy and initiatives, environmental compliance and management of sustainability related risks.

The Corporate Services and Human Resources function coordinate with the Sustainability Council in integrating sustainability with business. The departments collaborate and support the TechM Sustainability Cell in driving sustainability, and managing non-financial disclosures. The Sustainability Champions monitor the reporting data every month. The corporate Sustainability Cell reviews it every quarter and the Sustainability Council reviews it every 6 months.

Recommended Disclosures - Strategy

We at Tech Mahindra are keeping pace with the global trends in technology disruption, climate change, water scarcity amongst others. The operating strategy and business model are being reviewed and re-aligned with sustainability and environmental mega trends to address some of the key challenges facing enterprises and society.

Across the organization - governance; strategy formation and deployment; management of risks and opportunities; development and review of systems and processes; learning and development of the associates - integration of sustainability with business strategy is at the core. Activities, approach and organizational attitude are being re-aligned towards that end.

The new suite of solutions and platforms are designed not only to enable a connected experience, but also assist customers to manage their Climate change commitments, programs, plans and responsibilities.

Climate-related risks and opportunities identified over the short, medium, and long term.

The climate related risks and opportunities are identified as part of the Enterprise Risk Management Process. Key risks we foresee in the Short and Medium term are listed below.

Chronic Physical Risks - Rising Sea levels

Few of our facilities are located in coastal areas that can be affected by the rise in sea levels. As impact of 2degree rise in temperature, sea levels will rise or due to some catastrophic event at sea or climate can impair our service delivery and operations. We have inter-continental networks spread through sea cables, some of the premises globally are also dedicated networked peer-to-peer network cables. Any physical damage into cables can result into connectivity being lost across locations, customers, various Tech Mahindra facilitates and employees. Thereby, hampering our service delivery and our operations, this can also impact customers operations continuity as well. It may threaten the safety of the people in our offices thereby requiring evacuation. It can also affect our workforce as people might get affected by the flood waters. This will negatively impact our business continuity thereby reducing our capacity to deliver our service. Tech Mahindra have 2 facilities close to sea that can be impacted with sea level rise - Mumbai and Chennai

Current and Emerging Regulation Risks

Carbon Tax impacting the Bottom Line

Increased pricing of GHG emissions” due to current regulatory policies is a potential risk. GHG emissions are costing Indian economy upto USD 210 billion every year. Thus the country is likely to suffer highest economic damage due to climate change and temperature rise. So even though India does not have clean energy tax due to GST, in coming years it will be levied on coal fuels. India may cut subsidies and increase taxes on fossil fuels (petrol and diesel) turning a carbon subsidy regime into one of carbon taxation, by putting an effective price on emissions. This will significantly increase petrol and diesel price while serving as price signal to reduce fuel burnt and hence CO2 emissions.

Renewable Energy Mandate

Due to the drastic weather/climate change globally, India has submitted it's Nationally Determined Contributions (NDC) under the Paris Agreement. This includes commitments to increase the share of non-fossil fuels to 40% of the total electricity generation capacity, to reduce the emission intensity of the economy by 33 to 35% by 2030 from 2005 level, and to create additional carbon sink of 2.5 -3 billion tonnes of CO2 equivalent through additional forest and tree cover. To ensure implementation of India NDC's, NITI Aayog have incorporated them in draft National Energy Policy. Going further, there could be mandate for Tech Mahindra and all other operational companies to opt for renewable energy sources to align with the Paris agreement of 1.5-degree Celsius. Considering this risk, we have already started investing in sourcing renewable energy. This technology transition will lead to extra capital & operational expenditure for compliance of India's NDCs and National Energy Policy.

Mandates and Regulation on Products and Services

The Central Pollution Control Board (CPCB) of India is a statutory organization under the Ministry of Environment, Forest and Climate Change (Mo.E.F.C). It was established in 1974 under the Water (Prevention and Control of pollution) Act, 1974. It is responsible for maintaining national standards under a variety of environmental laws, in consultation with zonal offices, tribal, and local governments. They have Water (Prevention and Control of Pollution) Act, 1974; Air (Prevention and Control of Pollution) Act, 1981, Environmental (Protection) Act, 1986 and rules for waste management. The agency also works with industries and all levels of government in a wide variety of voluntary pollution prevention programs and energy conservation efforts. Since, Central PCB's and State PCB's norms are statutory norms, any non-compliance to norms may result into direct closure of our operations in designated centers and facilities. This is a major risk considered during planning for sustainability compliance across the company.

Technology Risk - Cost to transition to lower emissions:

We are using technology to support our facilities operations, ACs, data centers, laptops and computers as mode of work and for operations management. Technology is ever evolving and there are always new R and D, evolution to new age devices with improved energy intake and utilization. As organization we adopt to new technology which can have severe cost impacts and lead to TCFD Transition risk of "Costs to transition to lower emissions technology" which includes process of phasing-out & replacement of existing assets used across the organization. This type of risk applies to our data centers, desktops, laptops and AC' etc.

Impact of climate related risks and opportunities on the organization's businesses, strategy, and financial planning

Results of scenario analysis are integrated within our sustainability strategy and business strategy. We are trying to utilize green opportunities and scenario analysis results for defining our future roadmap with respect to targeted reductions in energy and carbon emissions. We are also trying to integrate climate related opportunities like green product, solution development and innovation to reduce carbon footprint for customers, local procurement by reducing in scope 3 emissions etc. We are also integrating mitigations and management of climate related risks in our future business strategy by having more solar investments, robust BCP processes, data center migrations/upgrades, AC, LED's and other technology upgrades.

Case/ example - Focus on green products to reduce carbon print of our customers are inducted as main opportunity/focus area for future business growth.

Resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

We have used 2DS Scenario Analysis to create future strategy; identify and assess risks to our business; and utilize opportunities from climate change and bring adequate focus on CSR initiatives.

Scenario Analysis Parameters, Assumptions and Analytical Choices

Parameters considered for carrying out the scenario analysis included YoY World GDP Growth rate 5.75%; carbon intensity with target year 2018; macro-economic variables; price of key commodities; and TechM's green investments.

Policy Inputs for Analysis

They included the Climate Models for India's Nationally Determined Contributions (NDC) and Draft National Energy Policy among others. Carbon Price inputs are based on Tech Mahindra's internal Carbon Price of \$10/ton of CO₂, which is defined by the management for Climate Change Risk Mitigation.

Other inputs considered are the 4th, 5th Assessment Reports of IPCC, Global Climate Considerations, World GDP, Company Inputs like Average Growth Rate, Revenue and EBIDTA and base year Scope 1+2 Emissions. Assumptions taken are 50% reduction by 2050, contraction of absolute emissions, Intensity target value added based on contraction of absolute emissions. It also has a level of dis-aggregation on industry type, energy mix 60:40 as renewable: fossil fuel by 2050.

Scope and Time Horizons of Scenario Analysis

We have operations spread across 90+ countries. Scenario analysis was conducted for entire organization value chain (inputs, operations & markets) spanning across the globe and supporting multiple client operations globally. For analysis we have taken long term as 2050, since technology services market are evolutionary and layer with Tech Mahindra have proved to evolve towards technology skills and markets in last 15 years and shown YOY growth. We have used Emission scenario of IEA 2DS as one of critical inputs for Science Based Targets.

Recommendations from Scenario Analysis

Governance: Governance for scenario analysis has been conducted by the Sustainability Team. Sustainability targets defined are directly linked to senior management KRA's. There is direct Board oversight for sustainability vision, energy pathways and environmental initiatives, done through Sustainability Council (comprised of Management and Board from Tech Mahindra).

Materiality Assessment: We have identified water, energy and waste as material issues to us.

Risk Management: We have identified various climate risks such as investing in green products, imbibing climate reporting, Business continuity planning for acute and chronic physical risks etc.

Targets: We have taken emissions reductions targets based on "Science Based Targets" with base year 2015 in line with level of de-carbonization required to keep global temperature increase below 2°C compared to pre-industrial temperatures.

Carbon Resilience Strategy - Increased revenue through diversification: De-carbonizing our business makes financial sense. Carbon reduction pathways are no different from our business pathways. In the emerging climate risk scenarios, Tech Mahindra is striving to move towards a Low Carbon future. Our performance is demonstrated by the external recognition we have received in the form of awards. We made it on various forums and indices like CDP Climate Change, CDP Supply Chain, DJSI, Eco Vadis, OEKOM, FTSE etc. There is lot of potential to diversify our portfolio and provide consulting with a nominal price charged for our Suppliers. While working to steadily reduce the carbon footprint from our own activities and operations, we hope to play an enabling role in assisting our value chain partners – our customers, suppliers and vendors – in transitioning towards low carbon development and growth and report them through various forums.

Response Strategy: Tech Mahindra has played a significant role in area of sustainability and established itself leader in this space. Tech Mahindra is already into forming integrated report with CDSB framework, conducting assessments and audits for suppliers, taking capacity-building workshop to improve on this space. We have also implemented Carbon Price to abate GHG emissions and invest in various Sustainability projects like increasing Renewable Energy source, energy efficiency, LEED certifications, environmental management systems, Green building certifications and creating awareness amongst our employees, customers and suppliers through program called as Making Sustainability Personal and enable taking various events, seminars, activities towards protecting environment.

RECOMMENDED DISCLOSURES - RISK MANAGEMENT

Process for identifying and assessing climate-related risks

Risk assessment is entrusted with ERM (Enterprise Risk Management) Team in conjunction with various business functions. ERM function is headed by Chief Risk Officer and all business functions have a designated Risk officer. Tech Mahindra Sustainability Council assesses sustainability risks. It incorporates feedback & inputs from all relevant stakeholders via Risk officer. We have documented process where climate change risks and opportunities are integrated into the company's centralized enterprise risk management function covering all types of risks and opportunities. This risk assessment is conducted once every year and reviewed monthly. Tool used for risk assessment is risk register. We analyze risks at both locations & assets level.

Process for Risk Assessment:

1. Risks are identified via bottom-up approach where each business function directly contributes to climate change aspects & updated onto risk register and analyzed. Facility and Infrastructure Group assess physical risks of our office locations, data centers, people etc. Risks related to extreme weather events, vector borne diseases and pandemics are part of our BCM framework.
2. Risk analysis & Prioritization is done via systematic tools, detailed assessment using TCFD framework, financial impact assessment & management method assessment. ERM team along with business functions and location councils prioritize risks reported in the risk register. Tools used are Scenario analysis; Delphi technique; Cause & Effect diagrams; and Sensitivity analysis.
3. Prior to risk finalization, we also assess all external factors that can create climate risk for the organization like ecological changes, water maps, damaging impacts on climate due to human activities, regulatory & compliance related changes, draft policies related to environment impacts & environmental norms etc.
4. Risk prioritization processes does identify transition & physical risks & have covered them under policy & Legal, Technology, Market, Reputation, Acute & Chronic sub-areas as per TCFD framework. We also determine relative significance of climate-related risks in relation to other risks.
5. Analysis of potential, size & scope of identified climate related risks; assessing financial impact. Material analysis & scenario analysis is also performed over identified risks. We prioritize risks that are found to be material to our company & its business & have major impacts, based on scenario analysis. During Materiality Analysis, we followed international guidelines such as GRI standards & those published in international journals & reports. During analysis, we also analyze regulatory impacts, cost impacts & stakeholder concern.
6. Analysis of management method of each of these risks & financial impact. There could be a significant financial impact caused due to OPEX & CAPEX incurred to ensure compliance with climate related mandates & capital that is invested in low carbon technologies & digital solutions that provides risk mitigation & management.
7. The risks & management methods like investment in solar energy that have substantive financial impact are created into sustainability projects & included within sustainability roadmaps. For Tech Mahindra, we consider substantive financial impact as financial impact or management method, which has higher investment than \$1 million USD & any such issues, which directly affects our investors & stakeholders.

As a part of the ERM process, Climate Change Risks are also identified. The criteria used to prioritize risks associated with climate change are:

- Quantum of impact of climate changes on operations, changes in regulations, locations of our operations
- Scope of impact - regulatory impact, cost impact & stakeholder concern
- Time and resources required for implementing changes
- Potential return on sustainable investments

Identification of opportunities is embedded within business verticals and solutions groups which have a direct interaction with the customers. The opportunities identified are bench-marked within the industry during regular meetings with Chief Technology Officer, Chief Operating Officer and Head of Innovation Management Cell. Opportunities identified are prioritized based on following parameters to provide impetus to overall sustainable business growth:

- R&D initiatives fitment to business verticals.
- Market Relevance & competition of the project.
- Fitment to overall business strategy on climate change.
- Feasibility of a business case for solutions related to climate change.
- Size of Opportunity.
- Increasing customer demand for IT-based Energy Management Solutions.
- Budgeting aspects of R&D projects.
- Milestones achieved on R&D Projects.

ERM Framework looks at Climate Change Risks. Risks reported to the board each quarter.

Processes for managing climate-related risks

Process for Managing climate related opportunity

We consider opportunities such as how we drive internal efficiency to reduce carbon footprint, reducing operating and maintenance costs. Sustainability team, Corporate Services & Location Councils discuss on all aspects of opportunities and prioritize opportunities using scenario analysis – Delphi technique – SWOT analysis. Capex, Opex investments are identified along with short-term, medium-term and long-term savings. Investment decisions are made and executed by appointing head of program for each of opportunities related projects. For example, green opportunities emerged as a risk because of changes in consumer preference towards green products and services.

We performed detailed opportunity assessment for customer interest in green products. We used design thinking to understand consumer preference and created 3 products where design has incorporated social or environmental concerns, risks and/or opportunities.

Process for Managing Climate Related Risks

All business functions have designated Risk Officers who collect inputs on a monthly basis for updating the risk register. The identified risks are assessed on the basis of outcomes, probability and magnitude of impacts using tools like SWOT (Strength, Weakness, Opportunities, and Threat) Analysis; Event/decision Tree Analysis; Scenario Analysis, Delphi Technique, Cause and Effect Diagram and Failure Mode Effect Analysis (FMEA). These techniques allow early stage prediction of different scenarios and its probable impact on Tech Mahindra's business continuity and Growth. Basis of the risks identified, the Business Continuity Plan is deployed. The risks, impact and strategies are reported to the Board quarterly and are set out in the Management Discussion and Analysis Report.

Processes for Identifying, Assessing, and Managing Climate-related Risks and integrating into the organization's overall risk management

Tech M's approach to Risk Management is that of analyzing each and every risks thoroughly in short, medium & long-term. We perform complete assessment of risk and its prioritization, impact assessment, likelihood assessment, magnitude assessment along with financial impact assessment. We also create management approach for each risk that generates into focus across some of sustainability projects to be immediately established.

Sustainability team, Corporate Services and Location Councils discuss all aspects of risk with employees, which arise during floods and identify key risks. Risks are reported to Risk Officers and Chief Risk Officer for immediate action.

At asset level, our Operations team maintain documented Business Continuity Plans-incorporate assessment of physical risks & impact of natural disasters. We prioritize risks & opportunities that are material to our company & business on the basis the materiality approach defined by the GRI Standards. Prioritization process involved engagements with various stakeholders, internal teams and senior management of the company encompassing entire value chain, to identify risk & opportunities.

We carried out a thorough risk assessment & evaluated potential impact on our business activities. Our BCM System, Business Continuity & Disaster Recovery Plan were created and updated to be able to respond & management effectively any risk issue.

Recommended Disclosures - Metrics And Targets

Metrics used by the organization to assess climate related risks and opportunities in line with its strategy and risk management process.

Transition Risk

Risk Driver	Metrics	Management Methodology
Policy and legal: Mandates on and regulation of existing products and services	Operational cost	Compliance for Tech Mahindra with India's NDC to Paris agreement is our top priority in sustainability. India's NDC at Paris agreement is a commitment to increase the share of non-fossil fuels to 40% of total electricity generation capacity and reduce the emission intensity of the economy by 33%-35% by 2030 from 2005 level. To ensure compliance we are setting up solar plants across various locations. Despite cost of setting up a solar plant is higher, it saves operational cost by saving commercial cost attached with grid electricity cost. Further, we want to invest in increasing green coverage to create additional carbon sink. As an e.g. Tech Mahindra has already set up various solar plants at our various facilities including Pune, Bangalore, Chennai, Noida, etc. Calculation - Cost of setting up of a solar plant is USD 762041 with an average capacity of 1MW, excluding the cost of repair, damage, and maintenance. The total financial impact will be USD \$3813496.765 including management personnel cost for solar panels, investment of solar panel and expenditure for increasing green coverage by plantation. Impact assessment has been done for solar panels and we are considering investment of solar implementations in planned manner. We have increased our renewable energy source from 2.8% in FY 17-18 to 15.2% in FY 18-19. One of the contributors to this was implementing solar panel installation at Noida, Chandigarh and Vizag this year increasing our total capacity to 3687kWp and have increased renewable energy source through PPA at Bangalore location of capacity to 10MW. Calculation - Solar plants do not involve higher maintenance so managing it will require maintenance engineers at locations and managers for handling any problems, substantial decisions, and tracking of benefit involved. The installation of solar energy and plantation coverage enhancement involves the salary of Managers and maintenance engineer, cost of workers for green cover and plantation which is USD 74630.05.
Physical risk: Chronic – Rising sea levels	Reduced revenue from decreased production capacity (e.g., transport difficulties, supply chain interruptions)	Tech Mahindra has a total revenue of \$4,970.5 Mn from its operations across globe. Sea level rise may impact our daily operations and network, thus our clients and suppliers face connectivity problems. Also, our Business will be at loss. Our employees will face difficulty to commute to office and will suffer with health problems. Impact assessment has been done considering our offices at 5 of our locations near sea, impact on revenue due to downtime for 15 days and relocation to new facilities. With sea level rising, it could impact 5 of our buildings located near the sea, in terms of headcount that impact could be 11,188 workforce. We assume that due to sea-level rise, we will be able to relocate and resume operations in 15 days at worst-case; hence arriving at a business loss cost of \$27.14 Mn. Tech Mahindra has processes for all the Data recovery and business continuity in case of long term sea level rising risks across all Tech Mahindra operating locations. Calculation - So, to manage the continuation of work for two months period we will require \$1680517.61 cost of management. This includes the cost of operations from alternate locations and 2 managers required for BCP DR planning and drill.

<p>Technology: Costs to transition to lower emissions technology</p>	<p>Capital investment</p>	<p>Tech Mahindra have always transitioned to new technologies to move towards carbon neutrality. We have moved to energy efficient devices for building management. We are replacing our existing data centers with more efficient HVAC containment; airflow reduction systems, utilizing natural cooling techniques wherever possible, using LED lighting. Calculation - We are accounting for all our Capex investments on energy saving technologies and solar panels as they would contribute to lowering our net emissions and energy tax reductions. The combined financial impact of installing motion sensors (USD 5157.12), LEDs (USD 54,636.95), effective building systems (USD 19798.71), efficient building controls (USD 1524.08), aircon units (USD 503,235.08), Solar water heaters (USD 8,626.89) and solar plants (USD 287,562.90), comes to USD 880541.74. Cost of management calculation - We will incur management overheads of USD 68296.19, which includes salary of 5 managers and 10 maintenance engineers.</p>
<p>Reputation: Changing customer behaviour</p>	<p>Reduced demand for goods and services due to shift in consumer preferences</p>	<p>As the impacts of climate change are being experienced by businesses and society, our customers are requesting additional information on carbon management, water management, sustainable supply chain, climate change related disclosures, climate change risk and environmental responsibility, energy, water and waste management. We explore the risk of how much brand reputation and potential loss of business might happen in case there is a change in consumer behavior towards greener products and services and organization which is more sustainable, we loose the opportunity. In recent times stakeholders, are becoming increasingly aware of the climate related risks, therefore if a company is not complying with the environmental laws or not imbibing sustainability within its operations then it is going to be a risk to the reputation of the organization. The revenue for the financial year 18-19 is \$ 4970.5 million, affected revenue if we had not been Sustainable would have been \$24852500. The impact assessment has been done based on assumption % impact on revenue reduction considering losing top 5% clients and 10% new business. Companies who are already taking initiatives to reduce the environmental impacts are having a positive edge as compared to competitors who are not. Tech Mahindra responds to at least 40+ customer Request for proposals(RFP) and Request for Information(RFI's) where customers have asked about our sustainability declarations. These deals amount to 1Bn plus value in terms of new revenue. Calculation - The financial impact is arrived by taking into consideration, the salary of 4 account managers to handle the risk which comes to USD92086.</p>
<p>Acute: Increased severity of extreme weather events such as cyclones , floods and increase sea levels</p>	<p>Decreased production capacity (e.g., transport difficulties, supply chain interruptions)</p>	<p>Tech Mahindra has a total revenue of \$ 4970.5 from its operations across globe. Due to floods our daily operations are disturbed and the operational cost increases. So commute of our employees at work will get disturbed. At Tech Mahindra we have business continuity plans at place. At Tech Mahindra we did impact assessment for floods and other calamities. Example - At Tech Mahindra 2 of our facilities at Mumbai and Chennai are prone to floods. Last year, our Chennai facility has also faced flood situation, Tech Mahindra was able to fully recover and re start customer delivery in short time, through effective backup and data recovery, employee volunteering the impacted employees and their families. Calculation - The financial impact is arrived by taking into account total number of billable employees at these flood or cyclone centric locations which is 7832, operations halted due to calamity is assumed at 5 days and revenue generated per employee per day is according to the business functions in USD, but average is assumed at \$200 per day. The financial impact, due to floods or other calamities would have been USD 7831600 with assumption that it would impact 7832 employees with 5 days of operations on hold. The cost of management is USD 92020, for the calculation - We have considered cost of data center repair and desktops repairs after such calamities, specialist doctor visits, Cost of sending people home at calamity and 2 risk managers salary.</p>

Physical Risks

Risk Driver	Metrics	Management Methodology
Transition risk – Increased price of GHG emissions	Increased operating costs (e.g., higher compliance costs, increased insurance premiums)	GST Compensation Cess is put in place for coal production at the rate of USD 5.75 (INR 400) per tonne. India may cut subsidies and increase taxes on fossil fuels (petrol and diesel) turning into one of carbon taxation regime, by increasing price on emissions. At Tech Mahindra we did impact assesment of the possible risk, we would incur if the policy is introduced. Since the Scope{1+2+3} emissions are equal to 150167 MTCO ₂ , we will incur a cost of USD 863652.37 considering the GST compensation cess at USD 5.75 (INR 400) per tonne. We have already considered this risk and to reduce our carbon footprint, Tech Mahindra have started moving towards Renewable source of energy with solar plants investment. We are also investing in various other energy saving initiatives like replacement with solar heaters, replacement of CFLs with LEDs which are more energy efficient and other initiatives. For example the Scope 1+2 emissions of Tech Mahindra in the FY17-18 were 125487 MTCO ₂ and in FY18-19 Scope 1+2 emissions are 110979.3 MTCO ₂ , reducing the emissions by 11.56%. The management cost is arrived by taking into consideration the cost of virtual conferencing systems, cost of implementation of solar panel, other green investments and salary of management staff which arrives at USD 5295509.403. At Tech Mahindra we have identified this risk and to manage this risk, we have implemented Internal Carbon Pricing thereby investing the money in green investments which will lead to decrease in GHG emissions and decrease in financial impact.

Opportunities

Opportunity Type	Opportunity Drivers	Metrics	Management Methodology
Resource efficiency	Recycling	Operation Cost	We are taking various initiatives to reduce freshwater withdrawal through the installation of STP, Rain Water Harvesting systems, Water sensors, and restrictors. We have implemented 2 rainwater harvesting plants in FY18-19 with investments \$88276.75 , deployed water sensors in our Pune location in Hinjewadi with the investment of \$9236.72 , implemented in STPs in two of our locations with the cost of \$71646.18 and implemented water heaters at 1 of our locations with cost \$7994.24 The total investment cost and management cost for this opportunity \$234666 , which is calculated as the sum of all the above investment in procurement and installation of the above equipment along with the cost of 5 managers for managing this equipment. For example, through the installation of STP, we treat 606461kl of wastewater in-house and utilize that for our green plantation, thereby reducing our dependence and cost of freshwater withdrawal.
Energy source	Use of lower-emission sources of energy	ROI in low emission technology	To abate the GHG emissions, renewable source of energy is very significant. We have shifted focus from conventional sources of energy to eco-friendly sources through the commissioning of Solar Plants. Since 2009, we have taken up installation of solar panels across 10 locations of capacity 3687 KWp (Pune - Hinjewadi, Chennai - TMCC, Hyderabad - TMIC SEZ, Hyderabad - TMLW, Hyderabad - TMIC, Hyderabad - TMTC, Bengaluru - TMEC, Chandigarh, Noida - NSEZ, Vizag - TMVC) and impact assessment has been done for solar panels and we are considering investment of solar implementations in a planned manner. We are planning to increase our in-house solar energy production at Noida, Bhubaneswar, Vizag, Chennai and Chandigarh locations in the future. The cost to realize this opportunity is the cost of implementation of 1 solar plant of capacity 368.7 KWp arrives at \$3,30,266 and the cost of management staff \$17570. The total cost to realize the opportunity, 347876 USD. To calculate the cost of implementation, we have used our actual investment cost in solar panels across 10 locations as a base. Case Study: Solar panel implementation at Pune-Hinjewadi location has provided us 322956 kWh units of solar power with an investment of 237239.39 USD leading to 37148.06 USD cost savings.

Products/ Services	Development of new products or services through R&D and innovation	Revenue	We have created green solutions such as SMART Grid, Micro-Grid As A Service, Intelligent Electrical Vehicle Charging System (IEVCS), Community Action Platform for Energy (CAPE), Energy Management, Green Data Centers and Cloud-based services, smart cities, Nextgen technologies which help reduce carbon footprints and achieve sustainability goals for our customers. Some of the other solutions include Smart Energy Management, Smart Street Lighting, Smart Automated Meter Reading, Smart Bins, Integrated Command and Control Centre, etc. Our total cost spends on R and D of these innovations and management salary accounts to \$6.23mn (Infrastructure and Platform cost will be over and above this). For example, for one of our projects for the smart lighting system, we reduce 25% of carbon emissions and reduced 40% of energy utilization for one of our customers.
Resilience	Diversification	Revenue	Companies nowadays are looking forward to green and sustainable approaches to be adopted across their processes, policies, and systems. At Tech Mahindra, we provide consulting on green approaches, green processes and green investments for companies, for our customers, suppliers, and vendors. The management cost arrives at USD 40,258.81 which includes the salary of associates as a consulting fee. For example project on consulting of GHG emission accounting and emission reduction for the Tier 1 Customer, from the retail industry.

Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

We measure our Greenhouse Gas Emissions using the World Resources Institute (WRI)/ World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol – Corporate Accounting and Reporting Standard. Our Scope 1 emissions include fuels like diesel from Generators, Diesel and petrol from owned cars and LPG from the Canteens and Guesthouses. Scope 2 emissions are from the electricity purchased from the grid. There is a reducing trend in Scope 1 emissions due to decreased use of diesel generators, decrease in the use of personal cars by the associates and increased use of Renewable energy. Even though new infrastructure and building have been added but through investments into Renewable source of energy we have reduced our Scope 2 emissions.

GRI 305-2 & 305 – 3 (Emissions) - Direct & Indirect Green House Gas Emissions (Scope 1 & Scope 2)

MTCO2	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
Scope 1	6257	3263	2787.02	2,561.04
Scope 2	108052	119434.02	122699.61	108418.247
Total	114309	122697	125487	110979.28

GRI 305 – 3 (Emissions): Other Indirect Greenhouse Gas Emissions (Scope 3)

We are constantly increasing the scope of Scope 3 emissions. The boundary of Scope 3 emissions is:

Purchased Goods and Services: This includes Inbound Logistics for transportation of IT products from the suppliers to the TechM Facilities and downstream transportation of e-waste, scrap, paper and used oil from TechM facilities to authorized recycler and disposal of food waste from the facilities to the piggeries or landfill. We have also installed Organic Waste Converter (OWC), Vermicomposting plants to convert food waste into manure. We are reducing our inbound and outbound logistics by bundling of routes and controlling inventories

Employee Commute: Employee commute of our associates back and forth from TechM office by company shuttle, buses and cabs. We also have escort cabs for Woman safety. Increase in Business growth and demand of our associates has increased our emissions from commute. We carried out an Employee commute survey through an inbuilt application to estimate the scope 3 emissions from personal transport, local buses, train, personal bikes and cars, autos and carpool. TechM takes various initiatives to reduce employee commute. We encourage carpool and use of public transport. Our Carpool Portal and 'Ride for Pride' initiatives are small steps in facilitating and sharing of rides amongst colleagues. We also have a carpool app. The initiative has been helped in inculcating a sustainability culture.

Business Travel – Business Travel is the employee travel by air for work. We have focused on use of Lync, Live meeting, Tele-Presence, video conferencing and virtual meetings through online platforms to minimize physical travel. Tele-presence and Web-ex services have helped reduce equivalent GHG emissions because of reduction in travel requirements for meetings.

Waste Generated in Operations – This includes waste categories like food, scrap, e-waste, battery, paper, and garbage. We have reduced our overall waste by 7.9%.

Scope 3 Category	Description	Fy 2015-16	Fy 2016-17	Fy 2017-18	Fy 18-19
Purchased Goods and Services	Inbound and Outbound Logistics for Purchase of Goods and Services	18868	12816	6597.37	498.22
Employee Commute	Daily Commute	1733	11994	14931.63	18965.15
Business Travel	Employee air travel employees for business	25959	28968.61	15152.3321	19707.31
Waste Generated in Operations	Food, scrap, e-waste, battery, paper, and garbage	667	249.91	203.43	17.60
MTCO2	Total	47227	54029	36884.76	39188.28

Targets used by the organization to manage climate-related risks and opportunities and performance against targets.

Sustainability is an integral part of our business. Over the years, Tech Mahindra has defined strategies and roadmap to manage the environmental impact of the company's activities and have a positive impact on the stakeholders. This has enabled us to create value not just for the customers, investors and partners, but also emerge as an organization defined by purpose.

Tech Mahindra is moving towards carbon neutrality through various sustainability initiatives. We are reducing our carbon footprint by installing solar modules, retrofitting LEDs, installing motion sensors, using star rated efficient equipment and reducing, recycling and reusing waste. We have digitalized internal communications with virtual meetings through tele/audio-conferencing to bring down meeting-related travel and other costs considerably. We are investing in Green Solutions like smart grid, smart cities, smart waste management systems and electric vehicle charging systems. We are also working with suppliers and vendors to cut down on logistics and transportation and thus reduce our emissions.

Science Based Targets

We have adopted Science Based Targets in order to increase our focus on addressing the impacts of climate change. We are committed to reduce our Scope 1 and 2 emissions by 22% until 2030 and 50% until 2050, which is approved by SBTi. Tech Mahindra is making plans and investments to curb these emissions.

Carbon Pricing

Our Management recognizes the risks associated to our business because of climate change. We view Carbon Pricing as an effective tool to transition towards a low carbon growth. It can provide an economic spur on the path to low-carbon prosperity. Coupled with policies that encourage energy efficiency and zero-carbon energy sources, Carbon Pricing can help mitigate GHG emissions and reduce the risks of climate change. It can create an economic incentive for efficiency. It can spur innovation, investment and growth in the new low carbon technology and business verticals.

Following the steps of Mahindra Group, which has a strong representation at CPCL (Carbon Pricing Leadership Collation) - a World Bank initiative, Tech Mahindra's Sustainability Council has assigned an internal carbon price of \$10 per ton of Carbon. We have built an internal tool for our facilities, finance and procurement team for internal carbon price. This mechanism has helped us to increase green investments and motivated businesses to maintain and strengthen the price mechanism internally.

Performance against the Roadmap

Aspect	Target	Baseline 2015-16	Progress 2016-17	Progress 2017-18	Progress 2018-19	Target 2020-2021
GHG Emissions	Reduction in Scope 1-2 GHG emissions in MTCO ₂	114309	122697	125486.63	110979.28	15%
PUE (Power Usage Efficiency)	Reduction in Power Usage Effectiveness of Data Centers (%)	1.76	1.78	1.79	1.91	2%
Renewable energy	Renewable energy as percentage of total electricity used	1.77%	2.1%	2.87%	15.2%	10 %
Water	Reduction in per capita fresh water consumption kl/employee	13.73	18.28	13.16	13.11	5%
	Number of rain water harvesting units	2	4	4	6	6
Waste Management	Reduction in Paper Consumption	93.37 ton	86.17 ton	70.15 ton	73.54 ton	15%
	Composting food waste at owned locations	2 Locations	3 Locations	4 Locations	5 Locations	9 Locations