

**INTEGRATED
REPORT
2016-17**



Executive Messages	4	Governance	22
<i>Message from Vice Chairman</i>	4	Risks and Opportunities	28
<i>Message from the Managing Director</i>	5	Strategy and Business Model	34
<i>Message from the Chief Financial Officer</i>	6	<i>Enabling Value Creation</i>	34
<i>Message from the Chief Sustainability Officer</i>	7	Customer Centricity	45
About the Report	8	Stakeholder Relationship	54
<i>Report Boundary and Scope</i>	9	Materiality	55
<i>Mergers and Acquisitions</i>	10	<i>Sustainability Roadmap 2020 - 21</i>	58
<i>Assurance Statement</i>	11	Delivering Value for Our Stakeholders	60
<i>Awards and Recognition</i>	15	<i>Enabling Our Financial Capital</i>	61
Company Overview	16	<i>Fostering our Intellectual Capital</i>	67
<i>Our Portfolio</i>	17	<i>Reinvigorating Natural Capital</i>	73
<i>Our Vision and Mission</i>	19	<i>Enhancing our Human Capital</i>	89
<i>Aspire 2020</i>	19	<i>Delivering on Social and Relationship Capital</i>	99
Supply Chain Management	20	<i>Manufactured Capital</i>	106
		GRI Content Index	107
		Mapping with the CDSB Framework	112

Sustainability mega forces risks like climate change, extreme weather events, water scarcity, shortage of skilled workforce and social unrest are emerging as risks for business. In this landscape, sustainability will drive businesses, societies and economies like never before. Businesses will thrive only if they are able to operate in this interconnected world and create value for all stakeholders.

In this dynamic and inter-connected external environment, we are innovating our business model and strategy. We are re-aligning and re-calibrating business focus, across technologies, domains and locations. We are developing customized, niche solutions and platforms to help our customers thrive in the changing socio-economic and environmental landscape. Through our CSR programs which are focused on all round development in education and skilling to make the youth employable and future ready.

Tech Mahindra's First Integrated Report is an attempt to share with our stakeholders how we create value through our business model, approach, strategy, governance systems and how we manage our financial and other capitals – Natural, Intellectual, Human, Social and Relationship and Manufactured to create value. We have made progress in our sustainability journey. The approach and milestones are demonstrated in the sections of this report. The strategy and business model have been aligned with DAVID philosophy. Risks have been looked from a perspective of opportunities. We made progress in achieving our sustainability goals and hope to continue making positive strides towards excellence in sustainability at Tech Mahindra.

Executive Messages

Message from Vice Chairman



“Driven by innovation and our smart capital, we are re-imagining product and service offerings in view of the changing societal needs and customer needs. We are an organization driven by a common core purpose – ‘Enabling people to Rise’. Our strategic decisions and initiatives are imbedded in the Mahindra Rise Philosophy.”

Vineet Nayar
Vice Chairman

The IT Industry is at a new threshold. While technology was earlier assisting businesses, now it is re-defining business models. Through our innovative platforms, solutions and service offerings, we play an enabling role in transforming our customers’ businesses and enabling them to Rise.

We are at the intersection of a localized world with customized solutions. Sustainability is at the core of our business strategy. From the way we right-skill, support and empower our associates, and the way we enhance our customers’ experience to the way we help our local communities through our CSR programs on training and education – our focus is on enabling people to Rise. We constantly strive to increase the positive impacts and minimize the negative impacts of our activities.

‘Code to Connect’ is our global initiative to create customized platforms in partnership with local municipal bodies and academia to address city level challenges of air quality, traffic etc.

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 to the Dow Jones Sustainability World Index in 2017 for the third consecutive year in a row. We were listed in CDP’s Carbon Disclosure A- List - 2016 and CDP Global Supplier A-List - 2017.

The zeal of our associates, the robustness in our governance systems and processes, focused improvement in infrastructure at our facilities that provide a good working environment, our efforts in talent management and retention - all make for a positive future outlook and strategy. We will continue to make assured strides in creating value for the company and our stakeholders.

Message from the Managing Director



“Skills required for tomorrow are very different. We will have to change otherwise we won't be ready for the new world. I believe that automation will be accepted as part of the Industry. The good news is that technology is making all the disruptions and there are not enough skills available today to meet all the demand. It will always be a demand-supply scenario and I see it as an opportunity. We are working closely with the Ministry of Skill Development and NITI Aayog to enable right skilling and right solutions for our customers.”

C P Gurnani,
Managing Director and
Chief Executive Officer

We are witnessing the Fourth Industrial Revolution. Innovation, Digitization, Automation, Virtualization and Artificial Intelligence are driving the future of companies, economies and societies. Global Technological and Political Landscape have been disruptive and transformative. Sustainability Risks are impacting business like never before. The US Presidential Elections and Brexit have brought forth a call for de-globalization

and localization. Nationally, demonetization and reform in the Financial Sector have brought Digitization to the core of most business activities.

In this changing scenario, inclusiveness is the new *mantra*. Financial Capital must be aligned with the Natural Capital – the stock of natural assets like air, water, land, forest and associated ecosystems. Right skilling our Human Capital can allow us to leverage the opportunities presented by the evolving customer requirements. Enhancing our intellectual capitals through collaborations and partnerships and acquisition of new age startups and strong relationships with our stakeholders will enable us to be the market differentiators.

We are re-skilling our workforce and reimagining our platforms, solutions and service offerings to keep pace with the global technological and political landscape. We are enhancing our Intellectual Capital and Social and Relationship Capital by focusing on cutting-edge technology solutions in Blockchain, Artificial Intelligence, Machine learning, Virtual Reality/ Augmented Reality and the Internet of Things. We are increasing focus on global talent and local sourcing. We are taking positive strides towards low carbon growth and water conservation and enabling our supply chain.

In the end, systematic transformation and focus on long term value creation for all our stakeholders is the responsibility of not just the Management of Tech Mahindra but also the associates of Tech Mahindra. We as an organization are geared up to make a difference.

“Automation will be part of every industry; that will be enabled by technology led disruptions. Skills required for new world are very different and we are changing for tomorrow. There are not enough skills available today for future demand supply scenario. We see it as opportunity and working with Ministry of skill development and NITI Aayog to enable right skilling and right solutions for our customers.”

Message from the Chief Financial Officer

Money is the lifeblood of a business; and finance is the nerve center. The goal of any finance function is to provide business support service, at lowest costs and underpinned by an effective control of the environment. The conventional view of finance focuses on being reactive, efficient, compliant, quantitative and risk averse. Financial capital is one of most the critical and measurable output for any corporation, whether big or small.

Prudent management of Financial Capital and its interconnected relationship with the other capitals is an enabler for the growth of the company. We are moving in the right direction by re-aligning and re-shaping our business in line with the market demands. We are managing on multiple fronts – changing demand patterns and refreshing skills given the uncertainty in the geo-political environment. As a mature industry, we are converting these challenges into opportunities.

Our Digital business has been growing as per expectations. It is backed by solid execution, as we realign our focus from the 'Run', side of the business opportunities to 'Change and Grow'. We are navigating the digitized and automated world by repurposing, reskilling and recalibration. Our performance reaffirms the success of our D.A.V.I.D. strategy and the journey we have undertaken to become a leading Digital Transformation Company.



“TechM’s First Integrated Report is an attempt to share with the stakeholders a broad based framework for our business and investment decisions that are long term, inclusive and with a purpose. The idea is to promote cohesive reporting across various resource capitals, like Financial, Intellectual, Human, Natural and Social and relationship capitals to enhance accountability and stewardship.”

Milind Kulkarni

Chief Financial Officer

Message from the Chief Sustainability Officer



“By committing to science-based emission reduction targets, we hope to unlock the innovation potential within the organization. Our internal portal ‘Ideation Factory’ provides opportunity to employees to submit creative ideas for greening the firm’s operations or products and services. Through cross function integration, we have been developing platforms and solutions to address climate change for customers.”

Sandeep Chandna **Chief Sustainability Officer**

Our Sustainability journey started almost 10 years ago as a part of the Mahindra Group. Since the last 4 years we had been releasing a Sustainability Report to disclose our performance on the People, Planet and Profit aspects of our organization. We are proud to present our First Integrated Report 2016-17. It is an attempt to disclose how we create value through our business model, approach, strategy, governance systems and management of our Financial, Natural, Intellectual, Human, Social and Relationship and Manufactured Capitals.

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 has been successful adoption of initiatives and programs to promote sustainability thinking across different functions.

As a technology company, our revenues depend largely on software development and client consultancy services. Since FY 2012-13, we have been able to achieve a 4.32% reduction in our Absolute (Scope 1 and 2) GHG emissions. To bring further focus on reducing our carbon footprint, we committed ourselves to Science Based Targets in 2016-17.

We are gearing up to increase dependence on renewable energy sources while migrating towards low carbon operations, solutions and supply chain. Through an 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, among others.

Going forward, Carbon Resilience and management will not just one of the ways to do business but the driving factor for many businesses. 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.

About the Report

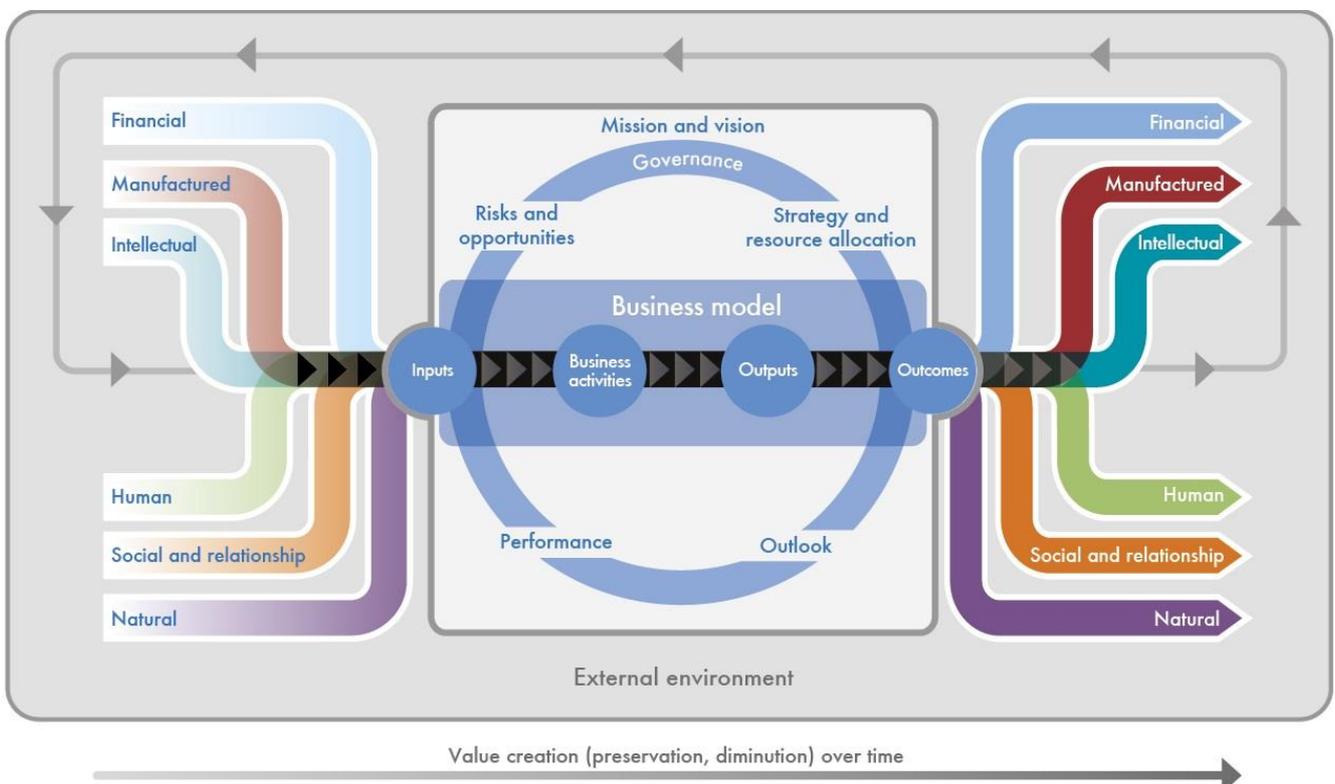
'Innovation – Towards a Sustainable Paradigm' is our First Integrated Report for the Financial Year 1st April 2016 to 31st March 2017. The report is the 4th Annual disclosure of our non-financial performance on sustainable development and value creation.

The core principle of <IR> is a disclosure on how the organization creates value over time. In this report, we have disclosed our approach towards value creation for all our stakeholders in the short, medium and long term - our business model, governance, strategy and future outlook. The Report discloses our performance of the six capitals viz. Financial Capital, Manufactured Capital, Intellectual Capital, Human Capital, Social and Relationship Capital and Natural Capital.

The report is prepared as per the Integrated Reporting <IR> Framework. The interactions between each of these capitals help us manage the impacts of challenges like climate change, water and resource scarcity, skill gap amongst the workforce and income disparity. It also enables us

to create value for the company as well as the stakeholder's viz. customers, investors, suppliers, local communities and society at large.

In order to allow continuity and comparability with our earlier reports. The performance on all the capitals of the report is disclosed using the GRI G4 Guidelines. *The disclosure on Natural Capital is in conformance with the Climate Change Reporting Framework issued by the Climate Disclosure Standards Board (CDSB).*



Report Boundary and Scope

The scope of the Report is limited to India operations for the following entities:

- ▶ Tech Mahindra Limited
- ▶ Tech Mahindra Business Services Limited
- ▶ Tech Mahindra Foundation (Section 8 Company)
- ▶ Tech Mahindra BPO Limited (Earlier a wholly owned subsidiary of Tech Mahindra Limited, which merged with Tech Mahindra Limited in April 2015).

This includes our facilities in the following cities:

Bangalore
Delhi NCR
Mumbai

Bhubaneswar
Gandhinagar
Nagpur

Chandigarh
Hyderabad
Pune

Chennai
Kolkata
Visakhapatnam

Wholly owned subsidiaries outside India and subsidiaries which are not wholly owned by Tech Mahindra are excluded from the scope of the report. This report has been externally assured by DNVGL Business Assurance India Private Limited. The assurance process is described in the Independent Assurance Statement issued by DNVGL Business Assurance India Private Limited. No other relationship exists between Tech Mahindra and DNVGL Business Assurance India Private Limited.

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Changes in the Reporting Year

In order to maintain consistency and comparability with our earlier Sustainability Reports, we have used the General and Specific Standard Disclosures of the GRI G4 Guidelines. In the reporting year, there were *no restatements of information provided in the Sustainability Reports of the previous year*. However, the following changes occurred in the scope and boundary of the Report.

- ▶ Addition of a new location Nagpur and new infrastructure in some of our locations.
- ▶ Increase in the scope of reporting Scope 3 GHG Emissions.
 - ◆ Outbound logistics from transportation of E-waste and food waste from our facilities.
 - ◆ To and fro employee commute car facility provided to Business Services Group staff.

During Financial Year 2016-17, the following Mergers and Acquisitions took place. However, they did not change the scope of our Integrated Report.

Mergers and Acquisitions

- ▶ **The BIO Agency**, a Digital Change agent, specializing in Digital Transformation and Innovation was acquired by Tech Mahindra in June 2016.
- ▶ **Pininfarina S.p.A.**, an iconic 85-year-old legendary Italian styling brand was acquired jointly by TechM and Mahindra & Mahindra Limited (M&M) on May 30, 2016.
- ▶ **Target Group**, UK was acquired by TechM to augment its Platform Busine4th – Process-as-a-Service (BPaaS) offerings in Banking, Financial Services and Insurance (BFSI) in May 2016.



Questions regarding the Report	Location of the Organizations Headquarters
<p>We value your feedback, suggestions and views on the report.</p> <p>✉ Corporatesustainability@techmahindra.com</p>	<p>Tech Mahindra Limited 2nd Floor, Corporate Block, Rajiv Gandhi Infotech Park, Phase III, Pune – 411 057, Maharashtra, India.</p>

INDEPENDENT ASSURANCE STATEMENT

Scope and approach

Tech Mahindra Limited ('TechM or 'the Company') commissioned **DNV GL Business Assurance India Private Limited** ('DNV GL') to undertake independent assurance of sustainability disclosures in the Company's Integrated Report 2016-17 in its printed format (the 'Report'). Our responsibility in performing this work is regarding verification of sustainability performance disclosed in the Report, and in accordance with the agreed scope of work with the management of the Company. The intended users of this assurance statement are the management of the Company. Our assurance engagement was planned and carried out during March '2017 to March '2018.

Our scope of work was the verification of the qualitative and quantitative information on sustainability performance disclosed in the Report covering Economic, Environmental and Social performance of the activities undertaken by the Company over the Reporting period 1st April'2016 to 31st March'2017. We performed our work using DNV GL's assurance methodology VeriSustain^{TM1}, which is based on our professional experience, international assurance best practice including International Standard on Assurance Engagements (ISAE) 3000 Revised*, along with GRI G4 Sustainability Reporting Guidelines.

The reporting aspect boundary is based on the internal and external materiality assessment covering the 35 operations of companies in India region i.e. the legal entities of the Tech Mahindra Ltd, Tech Mahindra Business Services Limited, Tech Mahindra Foundation and Tech Mahindra BPO Limited.

We understand that the reported financial data and related information are based on disclosures from Tech Mahindra Limited Annual Report for year ending 31st March' 2017, which are subject to a separate independent statutory audit process. We did not review financial disclosures and data in the Integrated Report and Annual Report 2016-17 as it was not within the scope of our work.

We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our assurance opinion related to non-financial sustainability disclosures in this Report. We are providing a 'limited level' of assurance and no external stakeholders were interviewed as part of this assurance engagement.

Responsibilities of the Management of Tech Mahindra Limited and of the Assurance Providers

The Senior Management team of Tech Mahindra Limited have sole responsibility for the preparation of the Report and are responsible for all information provided in the Report as well as the processes for collecting, analysing and reporting the information presented in the Report. Tech Mahindra has stated in this Report that this report based on the International Integrated Reporting Council (IIRC's) Integrated Reporting <IR> framework and has adopted performance indicators for disclosures related to identified material aspects from Global Reporting Initiative's Sustainability Reporting Guidelines (GRI G4).

In performing our assurance work, our responsibility is to the management of Tech Mahindra Limited; however, our statement represents our independent opinion and is intended to inform outcome of our assurance to the stakeholders of the Company.

DNV GL provides a range of other services to Tech Mahindra Limited, none of which constitute a conflict of Interest with this assurance work. This is the 1st year that we are providing assurance of the sustainability disclosures in this Report.

DNV GL's assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith and free from misstatements. DNV GL was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV GL expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Assurance Statement.

¹ The VeriSustain protocol is available on dnvgl.com.

* Assurance Engagements other than Audits or Reviews of Historical Financial Information.

Basis of our opinion

A multi-disciplinary team of sustainability and assurance specialists performed assurance at the Corporate office and selected sites of Tech Mahindra Limited. We undertook the following activities:

- Review of the non-financial sustainability disclosures disclosed in this Report;
- Review of approach to Materiality determination and Stakeholder engagement and its outputs, although we had no direct engagement with stakeholders;
- Review of information provided to us by the Company on its reporting and management processes related to the <IR> Framework and Global Reporting Initiative's Sustainability Reporting Guidelines (GRI G4);
- Interviews with selected members of leadership team, and senior managers responsible for management of sustainability issues and review of selected evidence to support issues discussed. We were free to choose interviewees and interviewed those with overall responsibility for the programmes to deliver the targets for medium and long term Vision, Mission and milestones;
- Site visits were conducted in Tech Mahindra Organizational Headquarter at Pune, site visits at TMTC, Hyderabad and TMTC, Pune to review the processes and systems for aggregation of site level sustainability data and implementation of management approach. The sites we visited were selected based on identified material aspects as well as geographical and divisional spread;
- Review of supporting evidence for key claims and data disclosed in the Report. Our verification processes were prioritised based on our risk based approach i.e. relevance of identified material aspect and sustainability context of the business;
- Review of the processes for gathering and consolidating the performance data and, for a sample, checking the data consolidation at site and corporate level.

During the assurance process, we did not come across limitations to the scope of the agreed assurance engagement; however, the Report excludes sustainability performance of Wholly owned subsidiaries outside India and subsidiaries which are not wholly owned by Tech Mahindra in FY 2016-17 as set out in the Report.

Opinion

On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not properly describe the sustainability performance of identified material aspects as below:

Economic

- Economic Performance - G4-EC1 & G4-EC2;

Environmental

- Energy – G4-EN3 & EN5;
- Water – G4- EN8 & EN10;
- Emissions – G4-EN15, EN16, EN17, EN18 & EN19;
- Effluents and Waste – G4- EN22 & G4-EN23;
- Compliance- G4- EN29;

Social

Labour Practices and Decent Work

- Employment – G4- LA1, LA2 & LA3;
- Occupational Health & Safety - G4-LA5, LA6;
- Training and Education – G4-LA9, LA10 & LA11;

Human Rights

- Investment- G4-HR1;
- Non-Discrimination- G4- HR3;
- Security Practices – G4- HR7;

Society

- Local communities – G4-SO1 & G4- SO2;
- Anti-Corruption – G4- SO4 & G4-SO5;
- Public Policy – G4- SO6;
- Compliance – G4-SO8;

Product Responsibility

- Product and Service Labelling – G4-PR5;
- Customer Privacy- G4-PR8;
- Compliance –G4-PR-9.

Observations

Without affecting our assurance opinion, we also provide the following observations. We have evaluated the Report’s adherence to the following principles on a scale of ‘**Good**’, ‘**Acceptable**’ and ‘**Needs Improvement**’:

Stakeholder Inclusiveness

The participation of stakeholders in developing and achieving an accountable and strategic response to Sustainability.

The stakeholder engagement process is fairly established to identify sustainability challenges and concerns of diverse stakeholder groups considering the Tech Mahindra business operations, however the Report does not explicitly bring about stakeholder concerns for key stakeholders as per GRI G4 disclosure requirements. In our opinion, the level at which the Report adheres to this principle is ‘**Acceptable**’.

Materiality

The process of determining the issues that are most relevant to an organization and its stakeholders.

Tech Mahindra has applied the materiality principles of GRI G4 to arrive at key material aspects for the Company. The materiality determination process was revalidated based on inputs from key stakeholders and senior management of Company. In our opinion Report has not missed out key material issues related to its IT & ITES and BPO sector operations in India. The management of the Company has established internal assessment process for monitoring and management of identified material aspects on a continual basis for their long term organizational sustainability. In our opinion, the level at which the Report adheres to this principle is ‘**Good**’.

Responsiveness

The extent to which an organization responds to stakeholder issues.

The Report has brought out responses to the identified material aspects and fairly disclosed the strategies and management approach and challenges considering the overall sustainability context of the Information Technology (IT) & Information technology and services (ITES) and Business processing outsourcing (BPO) sector, within the identified aspect boundary. The Report could bring out the long and medium term targets related to identified material aspects. In our opinion, the level at which the Report adheres to this principle is ‘**Acceptable**’.

Reliability

The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.

The majority of data and information verified at the Organizational Headquarter at Pune, site visits at TMTC, Hyderabad and TMTC, Pune in India were found to be identifiable and traceable to the source and nothing came to our attention to suggest that reported data have not been properly collated and consolidated at corporate level, nor that the assumptions used were inappropriate. Some of the data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation and aggregation errors and the errors have been communicated for correction. In our opinion, the level at which the Report adheres to this principle is ‘**Good**’.

Completeness

How much of all the information that has been identified as material to the organization and its stakeholders is reported.

The Report has fairly attempted to disclose the sustainability disclosures for key material aspects including the disclosure on management approach and performance indicators within the identified reporting boundary and excludes other Wholly owned subsidiaries outside India and subsidiaries which are not wholly owned by Tech Mahindra as part of its consolidated financial statement. In our opinion, the level at which the Report adheres to this principle is 'Acceptable'.

Neutrality

The extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone.

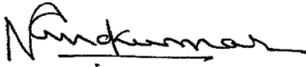
The disclosures related to sustainability issues and performances are reported generally in a neutral tone, in terms of content and presentation, however the Report could further bring out responses related to the challenges faced during the reporting period at various geographical locations. In our opinion, the level at which the Report adheres to this principle is 'Acceptable'.

Opportunities for Improvement

The following is an excerpt from the observations and opportunities for improvement reported to the management of the Company and are not considered for drawing our conclusions on the Report; however, they are generally consistent with the management's objectives:

- To expand the stakeholder engagement process to identify, capture and disclose stakeholder concerns with focus on external stakeholders such as supply chain partners;
- The future report may expand aspect boundary to include joint ventures and the subsidiaries which wholly owned subsidiaries outside India and subsidiaries which are not wholly owned by Tech Mahindra to meet the requirements related with the principle of completeness;
- Future reports may bring out sustainability strategy to meet the short-term targets and long term targets as per Science Based Targets.

For and on behalf of DNV GL Business Assurance India Private Limited

	
Ramesh Rajamani Lead Verifier, Project Manager- Sustainability Operations, DNV GL – Business Assurance India Private Limited	Nandkumar Vadakepatth Assurance Reviewer, Head - Regional Sustainability Operations – Region India & Middle East, DNV GL – Business Assurance India Private Limited.

Bengaluru, India, 30 March' 2018

DNV GL Business Assurance India Private Limited is part of DNV GL – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. - www.dnvgl.com

Awards and Recognition

Leadership, Governance and Risk Management

- ◆ Mr. C. P. Gurnani, Managing Director & Chief Executive Officer was recognized as the Best CEO in IT and ITES industry by BT.
- ◆ Mr. C. P. Gurnani won the Asia One Global Indian of the year – Technology.
- ◆ Golden Peacock Award for Corporate Ethics.
- ◆ ASSOCHAM Second Corporate Governance Excellence Awards.
- ◆ CNBC TV18 India Risk Management Award for 2017 for the second time in a row.
- ◆ Recognized in 5 categories at 7th Asia Best employer Brand Awards 2016.

Innovation and Future Readiness

- ◆ Firm of the Year – IT/ITES at the CNBC TV18 India.
- ◆ One Globe Award for Digital Economy.
- ◆ Top IT Exporters Award as part of HYSEA Summit & Awards.
- ◆ 'Best Digital Enterprise of the Year' by the Drivers of the Digital Awards 2016.
- ◆ Frost & Sullivan India ICT Awards 2016.
- ◆ Golden Peacock Excellence Award – 2016 for outstanding Business Excellence Practices for its BSG division.
- ◆ Coveted Economic Times Telecom Award 2016.
- ◆ Won ET Telecom Award 2017 for "Saarathi - The AI Personal Healthcare Assistant Robot" under Home & Personal IoT.

People

- ◆ The Business World HR Excellence Award.
- ◆ HR Excellence Award from the Society for Human Resource Management.
- ◆ Golden Peacock Award for HR Excellence.
- ◆ CMO ASIA Award for Best Use of Social Media in Employer Branding, 2016.
- ◆ Asia Branding Awards for Best Use of Technology in HR, Promoting Health in the Workplace, Best Use of Social Media, Excellence in Training, Learning and Development, Organization with Innovative HR Practice.
- ◆ NASSCOM Award for Best Practices in HR Technology, 2016.
- ◆ Awarded at NASSCOM HR summit for Excellence in HR Technology Adoption.

Climate Change and CSR

- ◆ One of only 6 Indian Companies included in the DJSI Sustainability Yearbook 2017.
- ◆ One of the only 3 Indian companies to make it to DJSI World Index 2016.
- ◆ One of the 10 Indian Companies to make it through the DJSI Emerging Markets Index 2016
- ◆ Listed in the CDP's Carbon Disclosure A list 2016 – one of only 2 Indian companies.
- ◆ Recognized as CDP Global Supplier A List 2017
- ◆ Constituent of the FTSE4Good Emerging Index 2016
- ◆ Tech Mahindra Foundation received the Best CSR Practices Award and Best Corporate Foundation Award.

Company Overview

[Tech Mahindra Limited](#) is a part of the Mahindra Group, a Global Federation of Companies divided into 10 business sectors. The companies act as a federation, with an optimum balance of entrepreneurial independence and synergy. Though Mahindra operates across vast geographies, all the companies are governed by the spirit of Rise.

We are a public limited Company, incorporated and domiciled in India with registered office in Mumbai, Maharashtra, India. We are listed on the National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE).

We are specialists in digital transformation, consulting and business re-engineering solutions. We offer innovative and customer-centric experiences in a connected world, enabling enterprises, associates and the society to Rise. With a presence across 90 countries and over 840 global customers, our convergent, digital, design experiences, innovation platforms and reusable assets connect across a number of technologies to deliver tangible business value and experiences for the stakeholders.

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. We operate across 90 countries, with dedicated offices in most of the countries.

Our Portfolio

- ▶ **ADMS, Java and Open Source** - Tech Mahindra is premier Application Development & Maintenance Services provider geared to ensure continuous improvement in service levels that will help meet customer's strategic business objective.
- ▶ **Consulting Customer Experience** - Tech Mahindra's consulting Services comprise a comprehensive team of Consultants and thought leaders specializing in Business Transformation, Business Process Consulting.
- ▶ **Enterprise Architecture** - Tech Mahindra has a proven track record in delivering end-to-end Enterprise Architecture services.
- ▶ **Platforms, analytics and connected enterprise solutions** - Tech Mahindra has extensive experience across Enterprise Business Solutions suite of applications, Spanning Enterprise Resource Planning, Data & Analytics and platforms.
- ▶ **Infrastructure management services** - Tech Mahindra's IT Infrastructure management services offers a suite of reliable, responsive, flexible and proven infrastructure services and solutions that deliver differentiated value to our customer's business.
- ▶ **Integrated Engineering Solutions** - Integrated Engineering Solutions (IES), a connected Engineering Solutions business unit of Tech Mahindra, aligns Technology, Businesses and Customers through innovative frameworks.
- ▶ **Mobility Solutions** - Combining the strengths of Tech Mahindra's mobility solutions and Mahindra Comviva subsidiary of Tech Mahindra we are today approx. 2800 mobility professionals serving over 250 customers in 100 + countries making us the leading mobile solution provider from Asia.
- ▶ **Performance Engineering** - It is dedicated horizontal business unit with over 7500 person years' of experience. The unit meets customer's Non-Functional (NF) testing needs, such as response time SLA's, scalability, availability, reliability etc.
- ▶ **Product Lifecycle Management** - Our Product Lifecycle Management (PLM) Practice provides comprehensive end-to-end service offerings, which includes building innovative solutions to the most pressing PLM challenges.
- ▶ **Enterprise Security and Risk Management** - With more than 16 years of experience, Tech Mahindra's Enterprise Security and Risk Management (ESRM) services provides services to 140+ large global clients, including 5 Fortune 20 companies.

Platform Solutions

Our Platform Solutions leverage our best in class analytics, service delivery capabilities, domain knowledge access to new technology and process acumen to provide our customers with business solutions that enable scalability, flexibility and cost predictability.

- ▶ **CareXa**: Next Generation Customer Care platform for agent virtualization, analytics, assisted interactions and digital channels.
- ▶ **SOCIA**: A Social Media Management platform providing actionable insights and proactive solutions in a world of multiplying factors and multiple interaction points.
- ▶ **UNO**: A Robotic Process Automation tool that manages operations effectively and efficiently
- ▶ **Smart Offers**: A Big Data analytics platform for Personalized Marketing and Customer Retention
- ▶ **PRISM**: A self Service predictive analytics platform
- ▶ **FQCC (Field Quality and Cost Control)**: An end to end, production quality and predictive analytics solution
- ▶ **Retirement and Wealth Services: SURE (Superannuation)**: The pension and retirement landscape is in state of flux characterized by ongoing evolution and reform.

- ▶ **Cloud Aggregation Platform – CAP:** Integrated platform designed for Cloud Brokers and Cloud Service Providers.
- ▶ **Tech Mahindra CUBES:** Unified NextGen Managed Services Platform enabler for running IT Service operations and Service management.
- ▶ **Epselon:** Digital transformations by providing an automated assessment of the enterprise baseline information.
- ▶ **Digital CPE:** B2B enterprise to demand services, test applicability to their environment, and consume services on the go.

Next Gen Solution

- ▶ **Big Data** - Our Big Data consulting helps in gaining insight from large volumes of structured or unstructured data.
- ▶ **Cloud Computing** - Our Cloud Computing solutions help business adaptability, cost efficiency and business collaboration.
- ▶ **Content Delivery Networks** - Our solution offers service providers the scale, serviceability and openness needed to deploy CDN.
- ▶ **Device Testing & Certification** - We offer platform validation, conformance and pre conformance testing etc for global compliance services.
- ▶ **Digital Enterprise Services** - Leverage the power of convergence of seven technologies - Networks, Mobility, Analytics, Cloud, Security, Social and Senders to enable organizations future Proof and Future Ready.
- ▶ **Green and Sustainability Solutions** - Going beyond the traditional Green IT. Our solutions help achieve a company's sustainability goals and objectives.
- ▶ **Long Term Evolution** - Our services help telecom operations speed up time-to-market and help quick launch of products.
- ▶ **Internet of Things (IoT)** - Interest in the Internet Of Things (IoT) market is rapidly expanding as companies across multiple vertical industries recognize the need for connectivity and the potential transformation enabled through connectivity.
- ▶ **New Generation Supply Chain** - Our Supply chain management team offers customer centric business solutions that help saving cost and revenue growth.
- ▶ **Smart Grid** - Our solutions help reduce energy consumption and benefit the utilities and their customers.
- ▶ **Spend Management System** - Our solution helps our customers streamline supplier-facing business practices and sourcing of goods and services.
- ▶ **Smart Cities** - The Internet of Things (IoT) enables cities and administrations to transform resource management, governance, citizen services and security.

Business Process Services

Tech Mahindra's Business Process Services delivers innovative and cost-effective solutions that help transform our customer's businesses. 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.

Our Vision and Mission

- ▶ 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.

Aspire 2020

We are gearing up for the future scenario through **Aspire 2020** by accelerating revenue from innovative future ready business solutions; will simplify systems, processes and structures to make re-skilling and learning easy for associates; and be a pioneer in the Digital service arena

We will RISE “ASPIRE 2020”

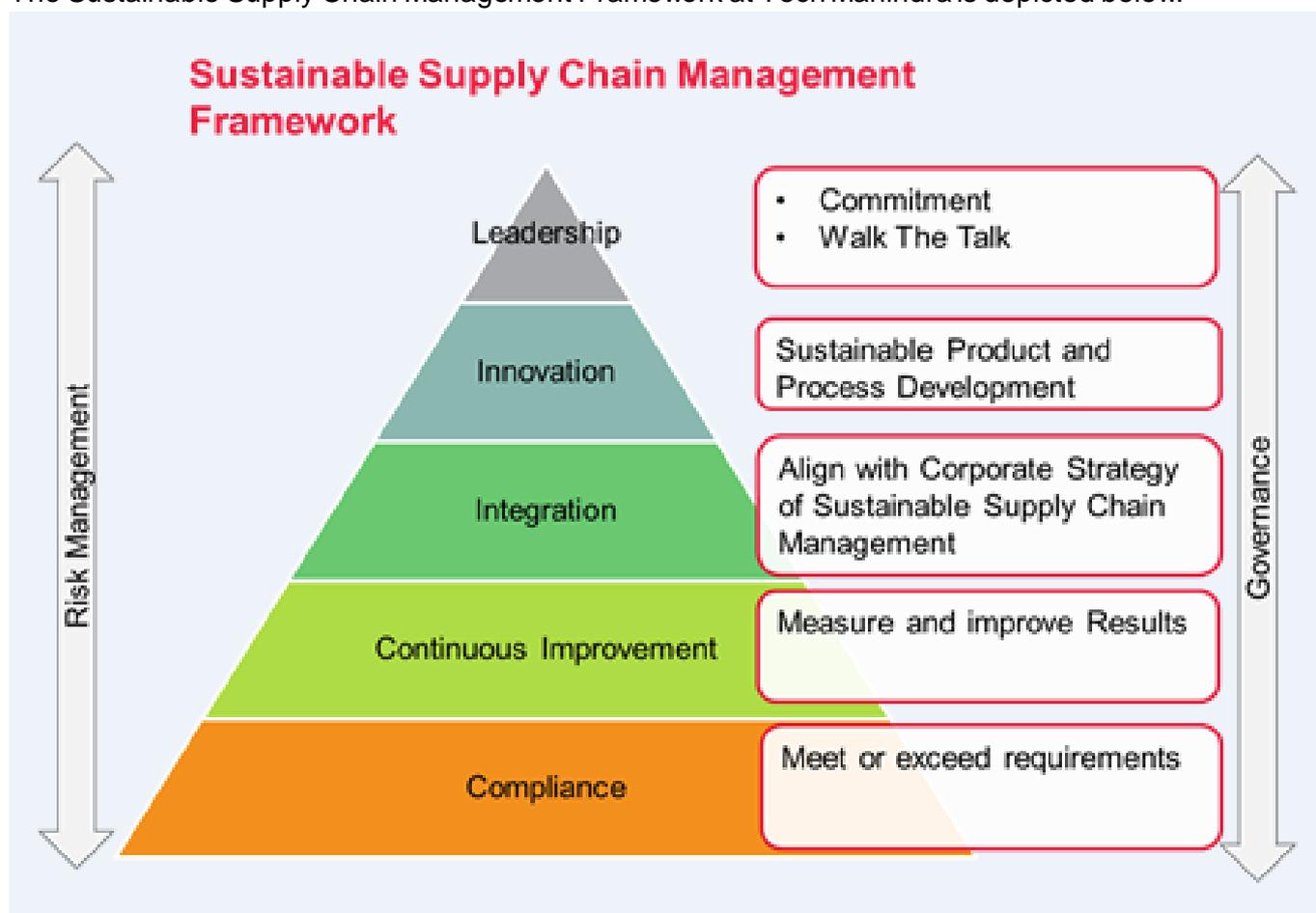
- ACCELERATE**
\$10B Revenue
- INNOVATE**
Future Bets
(XaaS, Tech, Business)
- SIMPLIFY**
Structure, Systems & Processes
- RISE**
Among the top 50 global technology brands
- PIONEER**
Digital
(40% of revenue)
- EXCEL**
EBITDA Inline with peers group

The infographic features a central illustration of a white rocket with three boosters, labeled 'ISRO' and 'INDIA'. The main body of the rocket is labeled 'GSLV MK II' and has the Indian national flag and the ISRO logo. The rocket is set against a dark background with a subtle glow at its base.

Supply Chain Management

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

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 their 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.*
- *Minimizing the impact on the environment.*
- *Providing a safe and healthy work place.*

As a proactive measure, we engage with top 20 suppliers based on Annual market-spend. They are assessed using a supply-chain questionnaire which requires their compliance with aspects on Labour/Workplace Management, Occupational Health and Safety, Risk Management, Environment, Corporate Governance and Ethics, Supply Chain and Community Engagement. We organize Capacity building workshops for our suppliers.



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 integrated view of requirement and accordingly plan, coordinate and execute strategies to mitigate the risks. 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 2016-17, 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.

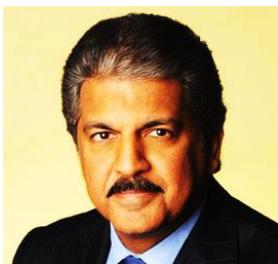
Governance

Corporate governance is the value by which we ensure and retain the trust of our stakeholders. It represents ethical governance practices, procedures and systems by which we balance the interests of our stakeholders. The objective of our corporate governance systems is to facilitate effective, entrepreneurial and prudent management that can deliver long-term value and ensure accuracy, consistency and responsiveness to our stakeholder's viz. shareholders, employees, management, customers, suppliers, government and the local communities.

We follow the highest standards of corporate governance, ethical business conduct and accountability. Our practices and guidelines are a reflection of our culture, our relationship with the stakeholders and a commitment to our values.

Our Board of Directors comprise of leaders with diverse backgrounds and expertise, each bringing their depth of knowledge and ethics to enable effective, strategic, honest and conscientious decision making. There is a fair balance between Directors and Independent Directors in Executive and Non-executive capacities.

THE DIRECTORS ON THE BOARD, AS ON 31ST MARCH, 2017



Mr. Anand G. Mahindra
Non-Executive Chairman



Mr. Anupam Puri
Independent Director



Mr. CP Gurnani
Managing Director



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. Vineet Nayyar
Non-Executive Vice
Chairman



Mr. V S Parthasarathy
Non – executive Director

Our corporate governance principles and practices are administered and governed through the following board level committees.



For more details on corporate governance, composition of Board Level committees and other aspects, please refer [Tech Mahindra Annual Report 2016-17](#).

We drive Sustainability across the organization through our [Sustainability Policy](#). It provides guidance on the impacts, risks and opportunities on People, Planet and Profit – and its interconnected impacts on value creation for our stakeholders.

Our performance on ESG (Environmental, Social and Governance) is administered by Tech Mahindra Sustainability Council. The Council constitutes of the heads of different functions, namely Finance, Human Resources, Corporate Services, Sustainability and Legal Services.

Composition of TechM Sustainability Council

Departments and Designation	Name
Chief Financial Officer (CFO)	Mr. Milind Kulkarni
Deputy CFO	Mr. Manoj Bhat
Chief People Officer	Mr. Rakesh Soni
Chief Sustainability Officer	Mr. Sandeep Chandna
Head of Corporate Services	Mr. Shivanand Raja
Head of Legal Services	Mr. Atanu Sarkar



The Sustainability Council has a direct reporting to the Corporate Social Responsibility (CSR) Committee of the Tech Mahindra Board. The CSR Committee comprises of Board members who looks into the Sustainability and CSR strategies and initiatives of the Company. Vineet Nayyar, Non-Executive Vice-Chairman, is the Chairman and M. Rajya Lakshmi Rao and Ulhas Yargop are the other members of the Committee.

Tech Mahindra Sustainability Council also consults with the Mahindra Group Sustainability Council which comprise of TechM Board member Ulhas Yargop and Group Sustainability Head Anirban Ghosh. The Sustainability Council is responsible for approving and overseeing all the sustainability initiatives within the Company.

Sandeep Chandna, the Chief Sustainability Officer of the Company is responsible for driving integrated sustainability thinking across the organization. Since he is also the Chief Customer Officer, he is able to influence sustainability thinking amongst the customers through the customer centricity office.

In addition to the responsibilities listed in the organizational structure, Tech Mahindra Sustainability Council also quarterly reviews key risks, overall performance and provides vital insights on the climate strategy.

Ethics and Integrity

Integrity is a core value at Tech Mahindra. It forms the basis of our organizational culture. Every associate at Tech Mahindra is the face of the organization to our stakeholders and must therefore exhibit ethical business conduct with honesty, accountability and due care at all times. Adherence with the Company's values on ethics and integrity is administered through the [Tech Mahindra Code of Ethical Business Conduct](#). The Board of Directors, Senior Management and associates (permanent and on contract) and all external stakeholders are required to strictly adhere to our Code of ethical Business Conduct (CEBC).

CEBC training is mandatory for all Associates. The training covers fundamental aspects of ethical business conduct 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. We encourage our external stakeholders also 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 avenue 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, for whistle blowing 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.

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.

G4 SO 4 - Communication and training on 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 and certification in 2016-17.

G4 SO 5 – Confirmed Incidents of corruption and actions taken

In FY 2016-17, there were no reported incidents of corruption.

Responsible Public Policy Partnership

We view membership with industry association and trade bodies as a platform for influencing public policy and sharing best practices.

In FY 2016-17, we paid a fee of INR 86.92 lakh towards these memberships. Some of the association which we are members of include:

- ◆ *National Association of Software and Services Companies (NASSCOM).*
- ◆ *Confederation of Indian Industry (CII).*

As a part of the Mahindra Group, we are part of the following forums.

- ◆ *World Resources Institute (WRI).*
- ◆ *Carbon Pricing Leadership Coalition (CPLC).*
- ◆ *The Energy and Resource Institute (TERI).*

G4 SO6 – Total value of political contributions by country and region

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 make contributions to political parties which are so made to influence any decision or gain a business advantage. We make donations that are legal and ethical under local laws and practices.

Human Rights

We follow 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 Tech Mahindra became a Signatory to UN Global Compact.

UNGC Principles of Human Rights

HUMAN RIGHTS

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: Make sure that they are not complicit in human rights abuse.

LABOUR

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

We ensure conformance with UNGC principles by the following GRI G4 based performance indicators.

G4 HR 1 - Total number and percentage of significant investment agreements that include human rights clauses or that have undergone human rights screening.

During the reporting year FY 16-17, we have made 3 major investments in acquired companies with a cumulative spend of US\$ 203 million and all significant investments have undergone human rights screening.

G4 HR 2 - Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.

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. All our associates completed the training and certification in 2016-17.

G4 HR3 – Total number of incidents of discrimination and corrective action taken

We have a formal mechanism for tracking incidents of discrimination. There were 23 complaints of sexual harassment in FY 2016-17, all of which were closed after satisfactory resolution and necessary action.

G4 HR 7 – Percentage of security personnel trained in the organization’s Human Rights policies.

100% security personnel were briefed on aspects of Human Rights

Collective Bargaining

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.

Risks and Opportunities



“Risk Management and compliance is integral to Corporate Governance and Management. We view Risk management as a precursor to opportunities of the future. We are challenging ourselves to identify and assess risks not just from a mitigation and management point of view of but also as drivers of Tech Mahindra's future growth”

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

The global environmental, social and political landscape are increasingly beginning to pose risks to the company. Identification and management of these risks, in addition to the traditional enterprise risks, is critical for continuity, growth and success.

We manage our risks through a robust risk management process which allows us to measure, mitigate and manage risks and enable business continuity. Reporting of compliance, financial, litigation and climate change risks helps us to integrate these risks into management decision making. It also provides opportunities for performance improvement; internal innovation; competitive advantage and generates ideas for new services and solutions.

TechM's approach to Risk Management is that of early stage identification, communication and management. The management of risks includes developing and strengthening operational controls; business continuity and disaster recovery planning; driving internal innovation and collaborations and identifying business opportunities.

Risk Management Process

Risk Management is driven by the Enterprise Risk Management (ERM) Council which is headed by the Chief Risk Officer and is represented by the Heads of all Business functions. They report to the Risk Management Committee of the Board on a quarterly basis. 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 with the help of tools like SWOT (Strength, Weakness, Opportunities, and Threat) analysis; Event/Decision Tree analysis; Business Continuity Management and FMEA (Failure Mode Effect Analysis). The risks, impact and strategies are reported to the Board quarterly and are set out in the Management Discussion and Analysis Report.

Risk Management

Risk Identification	Risk Assessment	Risk Response/ Strategy	Opportunities
Monthly identification and reporting to the ERM Function.	By using tools like SWOT Analysis; Event/Decision Tree analysis and assessment of probability and magnitude of impact.	Business Continuity and Disaster Recovery and Response Planning and use of response strategies. Ex. DAVID Strategy is in response to technology and competition risk. Right skilling associates help manage employee risks. Information Security Policy and certification help manage Privacy risk. Litigation risk is dealt with through FEMA.	Includes opportunities for performance improvement, internal innovation, competitive advantage and development of new services and solutions. Ex. Climate change risks have enabled development of solutions like CAPE; the Climate change regulation risk drove internal innovation towards low carbon transition; water risk drove improvement in water efficiency.

Technology Risk

Digitalization is emerging as a disruptive force for customers, buyers and technology. This disruption coupled with changes in delivery models and consumer spending patterns could be a threat to the growth in traditional IT spends and technology obsolescence.

Opportunities

We launched DAVID – Digitalization, Automation, Virtualization, Innovation and Disruption, our new business model and have been investing in centers of excellence and providing opportunities to employees through internal and external training on technology and domain skill upgrades.

Global Economy Risk

TechM's export revenues are over 95% and it derives 47% revenue from US, 29% from Europe and 24% from the Rest of the World. The Economic growth activity in these nations could directly or indirectly impact TechM customers' IT spends. A slowdown in these economies would pose lower growth or deferred IT spends thus impacting growth for TechM.

Opportunities

We have been evolving our Business Model to deal with changes in the business and IT spend outlook of our clients. Our **IT2DT Strategy** is a step towards managing risks and realizing opportunities.

Evolving Climate Regulation Risk

There is an increasing trend of regulation across the world with Country and Industry level targets to reduce greenhouse gases. Many of these industries are our existing or future customers and present a revenue and margin reduction or loss risk.

Opportunities

Companies are seeking services and solutions that can help them achieve operational efficiency and meet their carbon reduction, net zero carbon commitments. This has opened up multiple opportunities for the IT sector. In response to the foreseen opportunities - we have developed new solutions like Smart Grid, IEVCS and CAPE. Our NextGen technologies and solutions help customers respond to the climate change related challenges, risks and regulatory requirements.

Litigation Risk

Some regulators have begun to recognize the threat to the economy and countries because of events related to climate change. Extreme weather events are being attributed to anthropogenic (human induced) greenhouse gas emissions in some courts. Increased extreme weather events because of climate change when attributed to activities and actions of the companies, can pose a litigation risk to Tech Mahindra and the customers of Tech Mahindra. We are capitalising on an opportunity by assisting our customers in developing solutions that can help companies manage their GHG emissions while moving towards low carbon operations.

Employee related/ Supply Side Risks

IT is a manpower driven services industry will be associated with supply side risks on availability of a talented pool of people, domain and technology experts. Attracting talented people and attrition also remains a risk.

Risk Response and Strategy

We have a strong in-house and external training curriculum which covers the latest technologies and soft skills. We engage with employees across locations and levels through various employee friendly initiatives. We have been diversifying our talent pool by recruiting science graduates, diploma holders and certified skilled undergraduates, while increasing the hiring of local people in onsite locations.

Competitive remuneration structure, mature HR processes and various employee friendly incentives attract and retain the best talent. Opportunities are provided to all employees through various program(s) for employee enhancement and growth like the Global Leadership Cadre (GLC), Young CEO program, Shadow Board, 1000 Leaders program etc.

High concentration in communication vertical with the vertical witnessing cycling spend

For the Financial year 2016-17; Communication Vertical had a revenue share of ~48% of the total business. This is much higher when compared to leading Indian and global IT peers of TechM. Services spend in Communications industry has been cyclical, resulting in periods of prolonged and tepid spends.

Risk Response/Strategy

The Communication Industry is one of the largest spenders on IT and Network Services and the nature of this spend keeps evolving and changing as new technologies are introduced. Tech Mahindra has made significant investments in being current and benefiting from the new technology spends. For ex SDN NFV

and Smart Cities are areas which are still evolving and Tech Mahindra has already started to create solutions around these.

Tech Mahindra is one of the few Global IT companies which have a complete end-to-end span of services in the Communications space and the Company has been able to leverage its expertise and unique positioning in the Communications vertical helping it grow faster.

Regulatory Change/Visa Risk

We have operations in over 90 countries and our employees work onsite at client locations on visas granted for extended or short term work. Few economies like USA, UK, Australia, Singapore, etc. have proposed to tighten immigration norms or increase minimum wages. Any changes in immigration laws or local regulations can impact profitability and growth.

Risk Response/Strategy

There are adequate and well defined internal processes, including contingency plans to deal with the changing regulatory environment like delivery center(s) in overseas geographies including USA and hiring local employees. We also engage with clients on a regular basis to discuss and deal with any critical regulatory issues which might have an impact on business.

Competition Risk

The global IT services industry is highly competitive with competition arising from Indian IT companies and MNCIT services companies having sizable presence in low cost geographies. The stiff competition can lead to pressure on pricing, vendor consolidation and hence can impact Company growth and profitability.

Risk Response/ Strategy

IT services companies have been under a competitive environment for several years. We have been able to become competitive from a multiple services and competency perspective and move up in the IT services value chain. Domain knowledge, skilled workforce, delivery capabilities, efficient sales force and relationship managers help us retain our competitive positioning amongst peers.

Currency Risks

The exchange rate of our 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. This may result in wide fluctuation in revenues and Forex losses and gains. This could impact our profitability.

Risk Response/ Strategy

We have a well-established hedging policy to protect from unfavorable currency movements. Moreover over 50% of our revenue is contributed by our onsite activities and a substantial portion of the overall cost is incurred onsite which acts as a natural hedge. We have a dedicated Treasury Department which seeks advice from expert professionals and banks for hedging decisions.

Privacy Risk – Brand Risk

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

Risk Response / Strategy

We have Information Security (IS) policy 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. We are certified through Information Security Management System (ISMS) and have our own security risk assessment and management methodology designed based on generally accepted industry methods.

Water Quality and Security at the Facilities

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.

Risk Response/ Strategy

We recycle water and carry out rain water harvesting to reduce dependence on fresh water. We installed water sensors to reduce water consumption. We carry out greater due diligence - pollution checks for incoming water supply to avoid disruption.

Climate Risk in the Supply Chain

Any disruption amongst our critical suppliers because of climate change poses a business disruption and delivery risk on our business. It can delay the services to be delivered which in turn can impact our daily operations and thus our customers.

Risk Response/ Strategy

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. We have mitigation plans for high risk suppliers as part of our Business Continuity Management System.

Carbon Taxes

India has a carbon pricing regime in which it has imposed levies on petrol and diesel, cess on coal, fund transfer to states based on forest coverage, ramped up its plan for implementation of solar power and is phasing out HCFCs (Hydro ChloroFluoro Carbons). In addition, India has also implemented a Perform - Achieve and Trade regime for 8 sectors such as cement, steel, fertilizer, aluminum, pulp and paper, thermal power, alkali manufacturing plants. It may extend to other industries like IT industry.

Risk Response / Strategy

We have been reducing GHG emissions through energy efficiency and transitioning towards renewable energy (installing solar plants and power purchase agreements). We have taken targets in our roadmap for reducing our energy intensity and GHG emissions. We are using energy efficient systems like Motion Sensors, LEDs and Natural Cooling Systems for Data centers to reduce use of electricity and GHG emissions.

Weather-related risks on our associates, facilities and operations

Changing precipitation patterns and natural calamities like floods, cloud burst etc. increase the spread of water-borne diseases. This impacts the wellness of our associates and their ability to work, resulting in loss of productive man hours. Few of our facilities are located in coastal areas that can be affected by the rise in sea levels threatening the safety of our associates who may require evacuation. This will negatively impact our business continuity thereby reducing our capacity to deliver our services.

Risk Response/ Strategy

We carried out a thorough risk assessment and evaluated the potential impact on our business activities. Our Business Continuity Management System and Business Continuity and Disaster Recovery Plan enables us to plan, coordinate and execute strategies to mitigate the risk ensuring people safety and business continuity and ensuring uninterrupted services to customers.

Non-market Risks

Governments and economies are confronted with growing health issues because of climate change, sedentary lifestyles, increasing stress and pollution. Inclusive development and opportunity for all are viewed as a panacea to many of the global risks and challenges.

Opportunities

We have developing platforms and solutions that help address some of these global challenges.

- ◆ *CARBON MANAGEMENT SOLUTIONS ENERGY MANAGEMENT SOLUTIONS*
 - ◆ *WASTE MANAGEMENT SOLUTIONS SMART CITY SOLUTIONS*
 - ◆ *HEALTH AND SAFETY SOLUTIONS*
 - ◆ *SOLUTIONS FOR THE VISUALLY IMPAIRED*
-

Strategy and Business Model

Enabling Value Creation

External Environment

Information Technology, the world over is going through a major shift with demand patterns changing constantly. Most businesses are also battling geopolitical uncertainties. As a Digital Transformation company, we see these as opportunities in the future. Our clients are approaching us with more problems to solve than ever before – that is definitely a happy problem to deal with. We are using technology to sustain customer and business profitability; manage regulatory impacts of climate change and empower our associates through skilling initiatives for the future.

Traditional Enterprises whose business models, business processes and business operations were built many years back, fail to meet the needs of the hyper connected world. It is estimated that 40-50% of the traditional enterprises will decline in the next 5 years, leading them to embark on initiatives to transform themselves to Digital Enterprises. Technology industry is also undergoing tremendous pressures from Geopolitical scenario like Brexit, Visa limitations across regions etc.

Core is Changing

The IT Services industry is experiencing a tectonic shift in the traditional spend. By 2020,

- ▶ *15% - 25% of traditional spend will be saved by going digital*
- ▶ *80% of the new spend will be around digital technologies*
- ▶ *Overall Digital tech spend will be 35%*

Staying Relevant

It is not just the spend pattern that will change. Even the customers and associates we engage with, will gradually be showing a change. More non-CIOs are today and tomorrow's decision makers - they are Millennials (they speak a different language and take a harder look at outcomes). The buying-selling cycle would be Consulting & Domain led. Traditional Models are being challenged and perishing to make way for "As a Service of Everything". And the providers of the above may not be Companies like ours, but young start-ups, new-age companies and a few large IT Service Providers who have been able to embrace this change.

What enables us to stay Relevant - Being Ambidextrous

Impact of digital is also seen in the way the work skills are changing. Hybrid roles are the 'in-thing' and these require organizations to be flexible & ambidextrous and be able to learn-unlearn & relearn. Technology skills are so integral to every function today that lines are blurring between being a technologist and a functional expert.



“While the environment parameters are changing, evolution remain the only constant. We intent to stay relevant through our DAVID Philosophy”.

Jagdish Mitra
Chief Strategy and Marketing Officer and Head of Growth Factories

D **Digital**

- Transformation from 'IT2DT'
- Digital and IoT solutions
- Optimizing IT spend across custom developed and 'as a service' hybrid models

V **Virtualization**

- ✓ Micro Vertical Focus
- ✓ Specialized solutions for lifecycle needs
- ✓ End products for global customers

I **Innovation**

- ① Intrapreneurship
- ① Ecosystem
- ① Competencies
- ① Customer co-innovations
- ① Partner co-innovations
- ① Crowd sourcing for ideas

D **Disruption**

- ⦿ Internet of Things
- ⦿ Big Data & Analytics
- ⦿ Healthcare IT
- ⦿ Fintech
- ⦿ Internet and Telecom

DIGITALIZATION

TRANSFORMING FROM INFORMATION TECHNOLOGY TO DIGITAL TECHNOLOGIES, SOLUTIONS AND PROCESSES

We help businesses thrive in a connected world through transformational digital initiatives including digital banking, smart cities and big data analytics, keeping our clients at the forefront of the digital revolution.

AUTOMATION

CONNECTING MAN AND MACHINE FOR OPERATIONAL EXCELLENCE

From back-office processes to core enterprise operations, our AQT (automation, quality, time) framework drives bottom line results and creates higher levels of efficiency, accuracy and precision in business operations.

VERTICALIZATION

BUILDING NICHE SERVICES TO SOLVE INDUSTRY-SPECIFIC PROBLEMS

With platforms and partnerships, we seek to find differentiated solutions that work at a micro level. For example, our real-time, cost-efficient, digitized and remote healthcare platforms have transformed the way healthcare is delivered worldwide.

INNOVATION

POWERING NEW WAYS TO WORK WITH INTRAPRENEURSHIP, ECOSYSTEMS AND CO-CREATION

Our innovation program framework combines intrapreneurship (encouraging entrepreneurial zeal from within), ecosystem (working with academia and start-ups), client co-innovations (joint solutions to address problems), partner co-innovations (investing for accelerators and white spaces), and associates (crowdsourcing for ideas).

DISRUPTION

RESHAPING ORGANIZATIONAL AGILITY WITH NEW AND EMERGING TECHNOLOGIES

We create value-driven experiences for customers with flagship innovations such as 5D imaging, IEVCS (intelligent electric vehicle charging system), social and mobile platforms for consumers, connected cars, microgrid-as-a-service, and more.

All aspects of DAVID will be an integral part of the future business platforms, solutions and services. In the **VUCA** world, our journey from IT2DT is a transformational journey to serve our new age of customers, investors, partners, associates and society at large.

DIGIT.ALL is the enabling mantra to help us help our customers embrace the brave new digital world. **DIGIT.ALL** is a program focused on preparing and taking TechM through a rigorous change management journey across functions to live Digital.

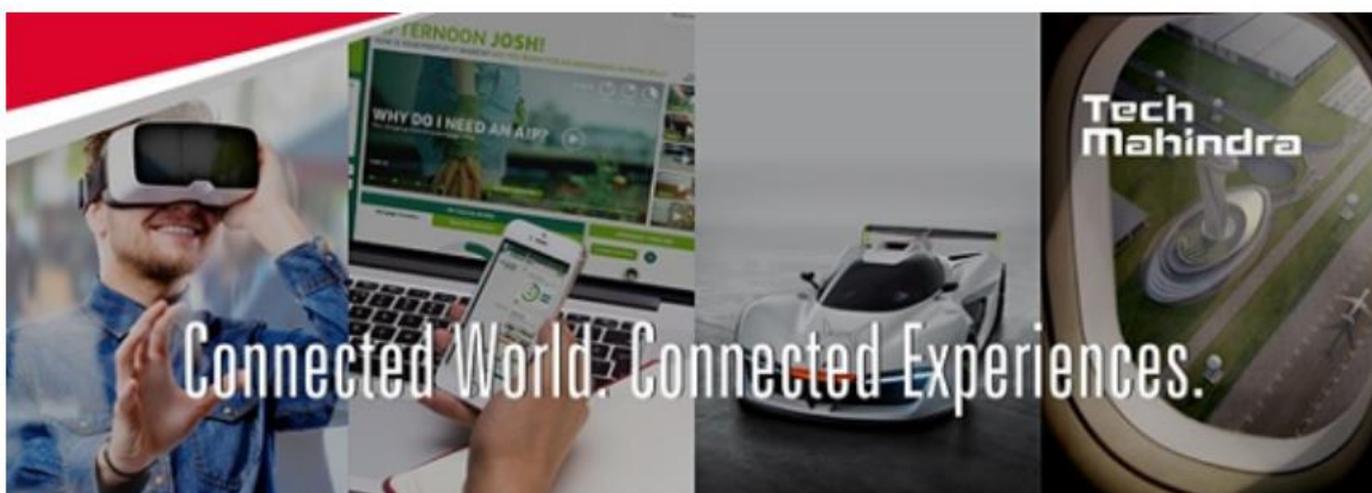
IT2DT journey through DIGIT.ALL is enabled across 115K+ associates, all our customers, verticals and sub-verticals and across 90 countries. This initiative spans across all the functions as Portfolio, Sales, Delivery, Marketing, and Learning & Training. We transformed our Delivery frameworks to adapt to the changes and rolled out Digital project lifecycle management approaches. Multiple Crowdsourcing, Hackathons and Codathons were conducted also in collaboration with our customers to innovate across new solutions. Our IT2DT strategy is an integral part of DAVID.

Organizing for a Digital Future

As an industry, we have the opportunity to solve challenges that impact billions of lives. And what is more exciting for us as a company is that in this changing environment, we are not fence sitters, we are not in the pavilion watching the world change. Instead, we are enabling this global revolution for businesses and society through technology & skill! As a step in this direction we have started on an organization wide transformational journey to build a new identity for ourselves – *from being seen as an IT player to being acknowledged, recognized and respected as a Digital transformation (DT) partner.*

Brand Philosophy – Connected World. Connected Experiences.

We foresee a demand for a *'hyper-connected world'*, that will require *'connected experiences'*. This will play out across industries and businesses. The new 'hyper-connected world' will be powered by an intelligent symphony of solutions and design experiences. In this world, only enterprises which can provide world class experiences will thrive. Our positioning represents the new connected world, offering innovative and customer-centric services and solutions and enabling Enterprises, Associates and Society to Rise by integrating technology with business.



The **Connected Experiences** brand philosophy will manifest in three ways

Digital Experiences

The future calls for Digital Change Agents®, and that's where The BIO Agency steps in. As one of the most innovative digital agencies, we offer consulting across digital strategy, service design, e-commerce solutions, digital retail, connected products, and product & service innovation. Helping create the models and frameworks that will lead enterprises to a new, customer-centric state of being as the future is all about experience.

Physical Experiences

Great experiences don't just happen – they are designed. Pininfarina, the 87-year-old, legendary Italian firm focuses on design, engineering services, conception and manufacturing of products that impact our lives. With Purity, Elegance, Innovation at the heart of every product, Pininfarina is changing the way the world experiences products at the intersection of digital technologies and physical spaces.

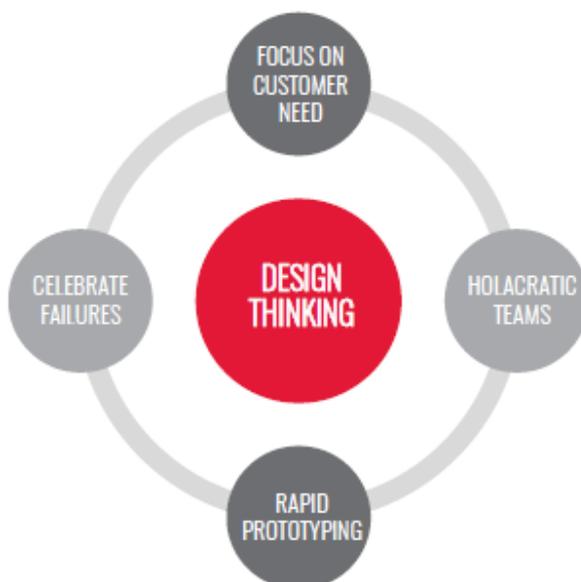
Convergent Experiences

Extraordinary experiences are when a continuous symphony of technologies, techniques, and touch points come together. We are driven to elevate businesses into the convergent realm of experiencing singularity using DAVID – Digital, Automation, Virtualization, Innovation, and Disruption. DAVID is the lens through which we view every opportunity to re-imagine, reinvent and revolutionize business models and operations, transforming enterprises into living, breathing connected businesses.

In the **VUCA World**, TechM employees will need to be trained for the changing times. In 2016-2017, we revamped the entire learning/training assets and courses on Digital. There were domain trainings released, to understand the business processes and relate how Digital technologies will help improve the outcomes of these processes.

Digital Businesses are a perfect amalgamation of Art and Science. Hence, Design is also a very important element of strategy apart from technology. We deeply integrated of Design Thinking methodology in our projects, processes and functions. Almost the entire organization was imparted training on design thinking. **Program/Project Managers** were also trained to handle the complexities of the Digital Programs. We have

been amongst the earliest adopters of Agile  and DevOps . We view them as the methodology of choice of future projects.



Internally, we have set up a 'Centre for Automation Technology' where we have a dedicated workforce of around 300 engineers, internally known as "Automation Commandos". Whether it is Robotic Process Automation (RPA), AI or Cognitive Intelligence, Analytics or Chat-bots, we are building Intellectual Property (IPs) in all these areas and are rapidly deploying it in client environments. We have rolled out an initial program called "Automate to Accelerate" involving around 1500 projects and touching around 20,000 of our associates and plan to expand it to other projects.

True to our DNA of being **Entrepreneurial**, TechM continues to be committed to investing in disruptive startups and encouraging intrapreneurs within TechM to create next generation ventures impacting our customers and society at large. In the recent past, some of our associates have created ground breaking solutions and collaborated at multiple layers to create social, economic and environmental impacts.

IEVCS is one of the solutions developed by our associates through the innovation initiatives and CAPE - Community Acton Platform for Community - emerged as an outcome of collaboration with the local bodies.

Intelligent Electric Vehicle Charging System (IEVCS) – IoT Solution

Electric Vehicle adoption has a direct impact on GHG emissions. IEVCS is an IoT solution for electric car charging and last mile electric network asset management. The solution uses intelligent mathematical modelling techniques and statistical analytic algorithms to provide insight into last mile power systems asset modeling, control, demand forecast and prediction, charge queuing for residential EV charging points.

Value Proposition

This solution will help accelerate the EV adoption rates by minimizing the risk on existing distribution network. Residents will be able to manage their EV's consumption of power

- ▶ ***Inbuilt Statistical tools for***
 - ◆ *Asset life cycle modeling*
 - ◆ *Group Behavior Analysis & Correlation Analysis*
 - ◆ *Load disaggregation*
 - ◆ *Impact analysis for overloading, voltage variations and Temperatures*
- ▶ ***Reduced commercial and optimized technical losses***
- ▶ ***Enhanced asset life by at least 20-30%***
- ▶ ***Automate EV workflow by scheduling and demand response***
- ▶ ***Improved power quality to customers.***
- ▶ ***Dashboard for prioritizing maintenance schedules***

Community Action Platform for Energy (CAPE) – Online Platform

CAPE - Community Action Platform for Energy aims to transform the use of energy in Milton Keynes by helping communities and businesses to save money and be more sustainable

CONNECTING communities to help them develop local energy schemes

HELPING communities and businesses in Milton Keynes to save money and make their energy use more sustainable

PROMOTING community-owned energy and local jobs

FREE of charge website provides various types of data and therefore information for users, enabling them to make better energy choices

Combatting fuel poverty

Unique combination of data related to energy

Local Energy Solutions

In Partnership with

www.capeproject.co.uk www.joincape.com CAPE Project @cape_project

CAPE - [Community Action Platform for Energy](https://www.capeproject.co.uk) 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.

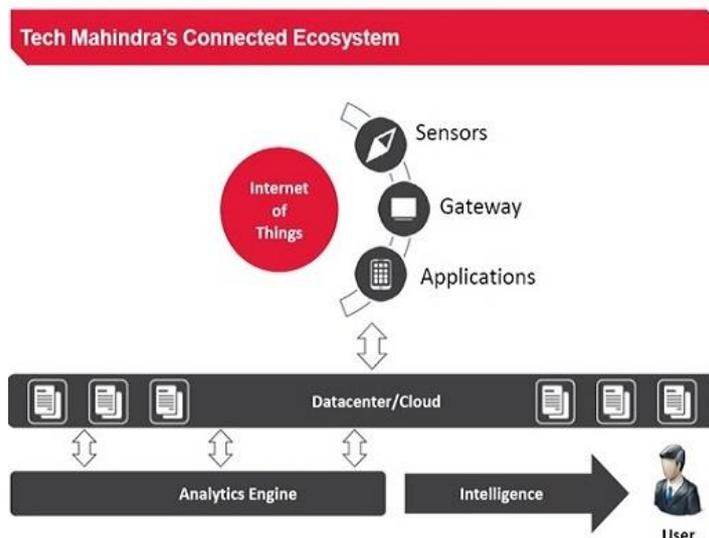
CAPE includes a free-to-use online platform to help citizens organize and manage their own community energy schemes, such as neighborhood insulation and roof mounted solar panels. Crucially, because communities will be group buying the energy products and services, prices will be kept low and quality high. CAPE supplements satellite imagery with energy and building data to find the best neighborhoods in city for an energy makeover.

Value Proposition

CAPE for City Councils	CAPE for Local businesses	CAPE for Citizens
<ul style="list-style-type: none"> Identify the potential areas to initiate the energy saving project & Improve citizens' quality of life Achieving social, environmental and economic sustainability targets for our cities Make our cities more competitive and better places to live in 	<ul style="list-style-type: none"> Analytics to accurately develop energy solutions Market place to sell energy saving products Initiate projects with City Councils and Consumers Better insight via social media Analytics 	<ul style="list-style-type: none"> Analytics to accurately develop energy solutions Market place to sell energy saving products Initiate projects with City Councils and Consumers Better insight via social media Analytics.

Despite the risks and challenges, businesses will continue to invest in IT but there will be shifts in spending patterns. Digital business, Blockchain, IoT and the progress from algorithms to machine learning to artificial intelligence will be the customer need. The climate of uncertainty will push new digital alternatives to save money and speed time to value. Paradoxically, the same uncertainty will cause businesses to freeze CapEx preferences, which may impact the growth of traditional IT services business.

Preparing For a Hyper Connected World



We are now living in the Hyper Connected World where **People-to-People, People-to-Things and Things-to-Things are connected** because of advancement in Communication and Social Networks. Hyper-Connectivism has forced people to adapt to Digital Lifestyles and gives inanimate things such as car, machines and equipment, the ability to sense and create data streams.

As the boundaries between the physical and digital worlds get blurred and the world is increasingly getting interconnected with the amalgamation of connected devices and solutions, we have refreshed our brand philosophy. The brand focus has been aligned with the changing needs, with a new brand tagline – 'Connected World. Connected Experiences'. Going forward, we intend to have the theme of 'Connected Experiences' ingrained in our work.

343 Strategy for Organization

By 2020, we will be looking for a very different future, which will be shaped by using technology. **Autonomous cars, computers working as helpers will become a norm in every process, in every sector.** The days when smart phones replaced old Java based phones are behind us. We are moving towards a world where everything will be connected and embedded in intelligence. Our customers and Customer's customer will

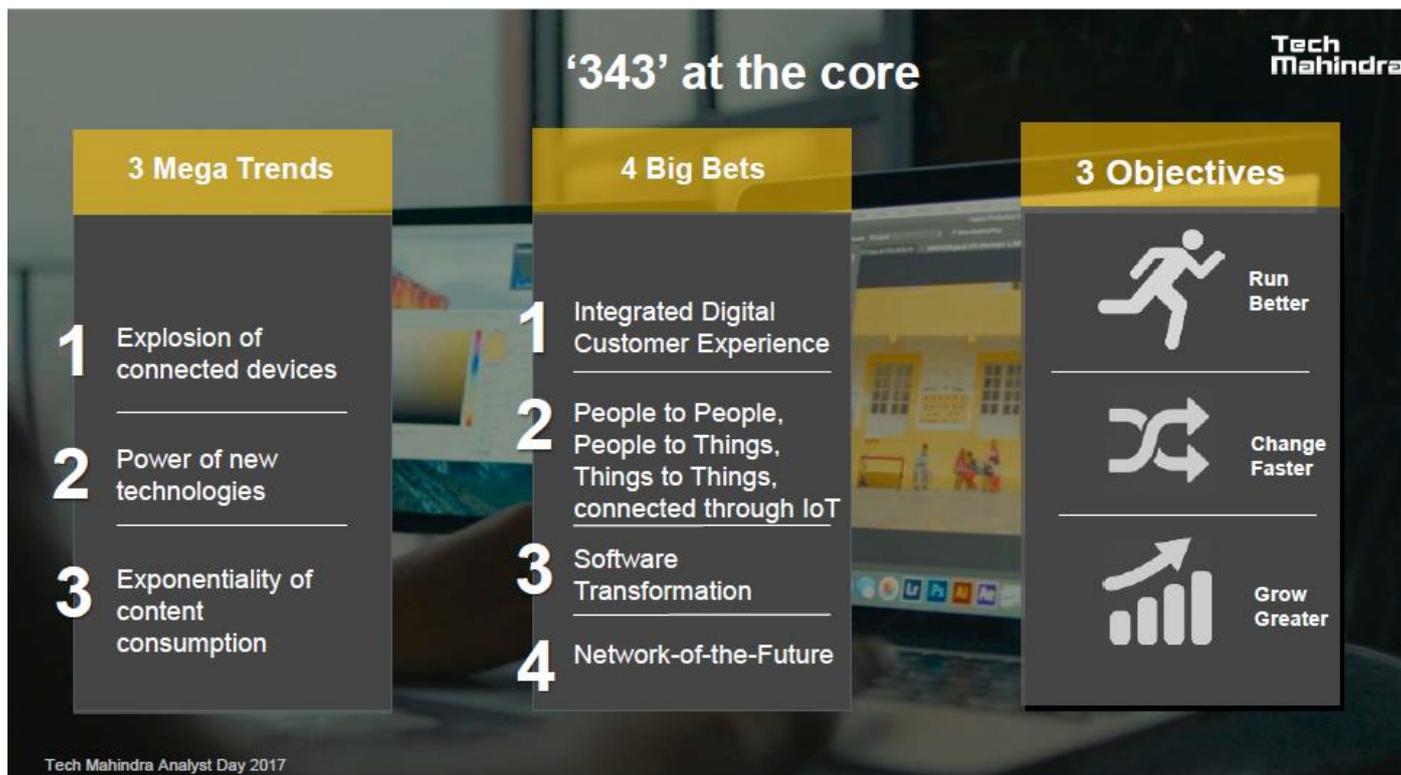
Live, Work & Play Differently

Future employees, customers and consumers will communicate using not only voice and data but also video, AR/VR, holograms etc. They will share and care through hyper fast networks, connected information and senses. They will be driven by and helped by autonomous workers and automated bots. Data and analytics will become predominant skills for future processes and operations, they will not just become optimal and past - but also evolve towards new models and new ways of achieving outcomes. Future operations will have optimal mix of manpower working side by side of automation, both will be driven by constant information influx from connected everything. Artificial Reality/Virtual Reality will dominate the space for play, entertainment and impact on consumers.

All of these changes are presenting unprecedented opportunities and responsibilities that lie ahead for all of us. Either we wait for the world to evolve or we get-up, understand the changes and help our customers align to digital reality.

4 Tech-bets & RCG Strategy

Is our answer to the immense changes that industry is going through currently!!!



4 Tech bets defining our Strategy for Future -

Our innovation and automation focus and assets and capabilities; both organically and inorganically; has placed us in an unique position to help our customers transform for the future. We foresee 4 major areas where our focus will be

Customer Experience Management

Orchestrate the interplay of design, digital and convergent deliver connected customer experiences.

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, we are 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 & 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. This has been our historical strength. We have proven abilities and have helped our customers transform at a faster pace.

Network of Future

Creating the Foundation for the connected world by creating intuitive networks where physical & digital come together

Our ability to create very software intense, very intelligent network architecture, coupled with our proven DNA across Networks and Telecom will be the differentiator where TechM can go the extra mile to help our customers.

Internet of Things

To drive connected everything by being largest systems orchestrator in the world

We have developed 50+ use cases and have partners across the entire IOT ecosystems, enabling TechM to deliver various niche & new use cases across connected world. Our Factory of future offerings, Smart City offerings have enabled various industries & cities to be connected. We have also enabled Telco (s) to become connected consumer service provider.

Helping Customers Run Better, Change Faster & Grow Greater...

Run Better



Artificial Intelligence, Machine Learning, Bots, Self-Healing etc. are new age technologies to effectively reduce operational cost & enhance process times by 3x-5x. Predictive intelligence enabled by data also have led productivity & quality enhancement across the business processes. TechM wants to pioneer this digital journey for our customers, while ensuring their existing business run better.

Change Faster



DevOps, Micro Services, Agile, Analytics, Data Intelligence, Machine Learning are propelling enterprises to evolve towards new stacks enabled by Digital Technologies. TechM wants to enable our customers transform, but transform faster as technology partner of choice.

Grow Greater



Digital have opened unprecedented new options and, 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.

Preparing For the Future Workforce

The future enterprises call for an evolution of the future workforce. We are geared up to retail the Gen Y workforce and enable to service the Gen Y customers.



CREATING THE FUTURE WORK PLACE

Future Workplace @ TechM

Gamification	Personalization	Simplification	Intelligence
 <p>DO IT YOURSELF® - Experience based learning</p>	 <p>Individualized view of utilization and eligibility</p>	 <p>Globalized classified portal</p>	 <p>Single window of wellness offerings (India)</p>
<ul style="list-style-type: none"> • DOVE - Onboarding journey • POLICY DISSEMINATION <ul style="list-style-type: none"> • Aka Pokémon GO • Puzzles • Videos 	<ul style="list-style-type: none"> • Sales Inc. & Performance Bonus <ul style="list-style-type: none"> • Real time tracking • Online workflow • Team target / achievement visibility 	<ul style="list-style-type: none"> • Revamped Global Mobility Portal • Pre on-boarding portal - US • Do-It-Yourself Induction 	<ul style="list-style-type: none"> • "UVO ..." Chatbot to Advise, Assist, Recommend • RFP/RFI: Chatbot for Standard responses (rebadging) • Dashboards: Meaningful HR actionable insights (Cluster / IBG)

Customer Centricity



“We are committed to building a synergistic relationship with our customers helping them envisage and deliver solutions and services that empower them to Run Better, Change Faster and Grow Greater. Our customer focus along with end to end technology expertise have enabled us to transform our customer relationships from being a vendor to a partner”

Sandeep Chandna
Chief Customer Officer

Value Creation for Customers

Customer centricity and retention is core to the service industry, where new and continued business is channelized only through proven excellence, deep understanding of the customer’s business, its challenges, needs and pain points. It requires constant engagement to ensure long-term relationships. At Tech Mahindra, this is driven by the Customer Centricity Office (CCO) which takes a partnership approach by working to help customers succeed while reducing their risks. **Customer Centricity a Core Value Customer Centricity is the first of Tech Mahindra’s five values.** Customer centric culture spans across the organization to ensure better service experience and value for money for customers.

In alignment with TechM’s DAVID Strategy, our customer value approach is driven towards

Future ready services and solutions

Future ready engagement approaches

Services and Solutions

In the future our customers and the customers of our customers will be driven by a desire for Connected World, Connected Solutions and Connected Experiences. In line with DAVID, we have triggered an IT legacy of a digital future gearing us to respond to customer’s need of a digital future enterprise.

Powered by Digital, we envision creating a world of imagined and unimagined possibilities for our Customers and their customers by embracing the technologies of the future like **Artificial Intelligence, Machine Learning, Data Analytics, Data Lakes, Augmented Reality, Virtual reality, BOTs and Internet of Things.**

These technologies will redefine business models of customers and create future growth opportunities, reduce operating costs, reduce time for standard processes and empower them to target newer segments and markets.

Engagement Approaches

We are becoming end-to-end solutions providers and moving from being just another vendor to a preferred vendor and partner. We are achieving this by integrating various other vendor deliverables (ranging from 30-300 vendors across engagements). Our processes, people, systems and outcome orientation help mitigate and minimize risks from exposure to multiple vendors. We have been primary and designated “preferred vendor of choice” for many of our customers.

Customer Centricity a Core Value

Customer Centricity is the first of Tech Mahindra’s five values. Customer centric culture spans across the organization to ensure better service experience and value for money for customers.

Continued focus on customer centricity has propelled us to be a trusted partner and advisor to our clients. It is our priority to understand the problem areas, business processes and strategic business direction of the customers.



Ensuring Customer Engagement at all levels

Customer engagement is at the core of our customer relationships management. We focus on every customer and are in constant contact with them - on a bi-weekly, monthly and immediate need basis - to understand dynamic business priorities. Together we are working to create new age business models that can enable revenue growth and connected experiences not just for the customers, but also the customers’ customers. Along with technology advice, we also help our customers as joint go-to-market partners. We provide direct face time to help them with their business run processes. There are dedicated feedback sessions scheduled with each customer.

Customer Centricity Office works non-intrusively with various functions across the organization such as delivery, sales and support to elicit the most positive customer responses and outcome. It is done by tracking all the critical customer escalations at a central level and taking necessary actions to close these escalations early, effectively and efficiently.

Measuring Customer Satisfaction

Our pro-customer centric initiatives include meeting customers pro-actively to understand the pulse on the ground, monitoring customer concerns, if any and measuring customer satisfaction through customer survey known as NPS (Net Promoter Score) or CaPS (Customer as Promoter score). We carry out a CaPS survey annually and so as, to maintain the neutrality, this survey is carried out via a third party. In addition we also carry out a Project Satisfaction Survey every 6 months to track the performance of the project and identify problem areas and ensure that proactive mitigation plan is on an ongoing basis.

Our focus on Customer Centricity via our CCO enables us to be connected with our customers 24/7.

Account Escalation Dashboard - Predictive Analytic Tool

Our approach towards customer satisfaction is that of nipping the customer challenge even before it surfaces. We use Account Escalation Dashboard - a predictive tool which helps us in knowing in advance the bottlenecks that customers are facing. In addition, there is an agile process to help customer with unresolved issues and challenges. The account escalation path provides the users with information on how to report issues which they encounter with the services displayed on the dashboard and how to escalate issues through a chain of command. This chain of command ensures that the customer can voice their problem to multiple senior leaders and also to our Chief Operating Officer.

Bringing together Service Quality and Delivery Capability

We continue our focus on quality and strive to exceed customer expectations at all times. We are certified under various standards to meet client demands and enhance value delivery. We are

- ▶ *Certified on ISO 22301:2012 (Societal Security) and other relevant certifications.*
- ▶ *Have a comprehensive Business Continuity and Disaster Recovery framework, to prevent potential business disruptions in the event of any disaster. It has processes that will help resume services to customers' acceptable service levels.*
- ▶ *Have an automated service desk with SLAs for enabling business and Vulnerability Assessment and Penetration*
- ▶ *Have Testing Lab for secured corporate network operations are highlights showcasing information security posture of the Organization.*

These certifications and systems enable us to remain robust in our business processes and retain the quality culture in the organization.

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 that help **resume services** to customers' acceptable service levels. We have 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 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.

Business Domain Expertise

We specifically focus on domain knowledge, skilled workforce, delivery capabilities, efficient sales force and relationship managers to ensure customer satisfaction. We listen to our customers. We keep our associates updated on business domains and technology by investing in centres of excellence and internal and external trainings.

Tech Mahindra has also invested in creating Point of Views for each vertical where dedicated teams have studied business transformations and technology transformations happening in current times; and expected changes in respective verticals due to the same. Each touch-point across customer journey cycle thereby

has been enabled with dedicated trainings on vertical business dynamics and changes. This enables us to steer our customer engagements towards consultative and helps our customers also to stay ahead of time.

Data Privacy and Security

Data Privacy and Security is critical for the customers of Tech Mahindra. Cyber-security risk related to our corporate and client data may hamper our relationship with customers and impact our brand value.

Security of data and information is the responsibility of all. It is managed through our Information Security (IS) Policy. It enables us to ensure confidentiality, integrity and availability of required information that is acquired, developed and provided to all relevant stakeholders.

We are certified through Information Security Management System (ISMS). Our Information and Data Security initiatives are in line with ISO/IEC 27001:2005 standard and code of practice ISO 27002. In addition we have our own security risk assessment and management methodology designed based on generally accepted industry methods.

Data Privacy and security is instilled amongst our associates through our Information Security Portal. It enables a sound security posture across the organization and helps us to identify vulnerabilities in the security aspects and initiate a root cause analysis to identify safeguards to be implemented and ensure protection against security breaches.

We ensure that all the employees of the company are aware of the security procedures through continuous awareness programs and mandatory training and certification.



PR 8 – Total number of substantiated complaints regarding breaches of customer privacy and loss in customer data

In **FY 2016-17**, there were no complaints regarding breaches of Customer privacy and loss in customer data. There have been no incidents to our IT infrastructure and we did not pay any penalties or suffer any revenue losses.

Bouquet of Innovative Sustainability Solutions

There is a global effort to reduce dependency on fossil fuels and move towards a sustainable production and consumption patterns. In our aspiration to create value for all the stakeholders we are developing platforms and solutions that help address global challenges.

Carbon Management Solutions

Energy Management Solutions

Waste Management Solutions

Smart City Solutions

Health and Safety Solutions

Solutions for the Visually Impaired

Energy and Carbon Management Solutions

As organizations look to consolidate and bring sustainability related data under one roof, they are increasingly being flooded with enormous amount of data. Manually tracking, aggregating and consolidating this data is extremely cumbersome, time consuming and prone to errors. To meet these challenges, organizations today are looking for tools that can help in managing, reporting and analyzing sustainability data, thereby giving them a complete picture of their environmental performance.

Since the last 3 years we have been actively working in [Enterprise Energy and Carbon Management](#) space and have developed industry specific bespoke carbon management solutions. We have 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.

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

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 (AMI), Energy Management Solutions, GIS solutions and Sensor Design Services. We have set up a Smart Grid Service Demonstration Center at our campus in Hyderabad.

The IoT enables cities and administrators to transform resource management, governance, citizen services and security. IoT combines with the ability to acquire, ingest and derive insights from streaming data, is already delivering enhances experiences for citizens, improving the quality of life and making the 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. Some of the solutions include Smart Energy Management, Smart Street Lighting, Smart Automated Meter Reading, Smart Bins and Integrated Command and Control Center. Some solutions are detailed further.

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 centers, 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 also 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 street light, 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 provides 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 board room discussions 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](#) is the technique 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.

Health and Safety Solutions

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.

ConnectSenseHealth – 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 the data about patient’s physical performance and stores it in cloud. Later it analyses the cloud data and provides accurate report about the patient. It encourages the patient to take physical exercise.

FightBack – Mobile Based SOS Service to enable Employee Safety

This Mobile App based service is conceptualized to help enterprise and retail customers raise different types of alerts, sharing their location details in case of emergency situations. It also provides support for backend monitoring through dashboard for admin to check the alerts and facilitate necessary support for the users. The solution has three components:



Web Interface

For user registration and settings. Helps admin to provision and monitor alerts being raised by the users, location tracking and coordination with 3rd party service providers.

Mobile Client Application (On Major Smartphone OS)

For users to raise emergency alerts and provide their location coordinates to admin and security service providers.

GPS Devices

Helps user raise the alert immediately and conveniently via GPRS/ SMS channels to be displayed on backend admin dashboard.

Solutions to Bring efficiency and connectivity to the Manufacturing Sector

Vistamon - Vigilance and Status Monitoring for Performance Optimization

This solution leverages the principles of IoT and advanced analytics which enable remote control monitoring and diagnostics, and performance optimization. The solution was developed for the aerospace industry but has the potential to be extended to other asset-intensive industries including rail transportation and power generation systems.

FQCC - Field Quality and Cost Control Framework

FQCC bridges the gap between product failure identification, diagnosis and resolution and closes the loop between customer service, quality, production, sourcing, and engineering departments.

Visibility into on-field information from the point of failure to source of failure and suppliers helps OEMs in

- ▶ *Reducing detection to correction (DTC) times by 25 to 50%.*
- ▶ *Reducing overall warranty related costs by 10 to 20%.*
- ▶ *Improving early warning by up to 50%.*

The solution streamlines quality costs and provides end-to-end actionable insight across the quality improvement process.

Digital Marketing Solution

An enterprise engagement platform strategy and vision that enables OEMs to effectively coordinate and integrate data and activities of various divisions, programs, dealers and vendors across the ecosystem. The platform helps OEMs reach wider and bigger audience, acquire and retain customers, up-sell and cross-sell products and services and support dealers.

Stakeholder Relationship

The nature and quality of relationships with our key stakeholders has a direct linkage with business growth and sustainability. We are in business because of our customers, employees and investors. Local communities and regulators provide us a license to operate. Internal and external systems and processes, organizational facilities and the right suppliers and NGO partners enable us to carry out our activities in alignment with our core values. Partners and collaborators and academia provide future growth areas. We view each of them as relevant stakeholders.

These relationships facilitate the development and enhancement of our Human, Intellectual, Social and Relationship, Natural and Manufactured Capitals and assure the development of our Financial Capital. Material topics identified by the various stakeholders groups (represented in the Materiality section).

Method and Frequency of Engagement

We engage with our stakeholders on a regular and continuously basis to receive feedback and respond to concerns raised by them. The purpose of engagement includes sharing relevant information, gaining feedback, fulfilling expectations, addressing concerns raised by the stakeholders and identifying risks and opportunities. The frequency of engagement ranges from monthly, to quarterly, annually and need based depending on the stakeholders and the topics of concern. We use multiple channels for engagement with our stakeholders.

Methods of engagement with the key stakeholders are elaborated below.

<i>Clients and Customers</i>	<i>Investors and Shareholders</i>	<i>Associates (Employees)</i>	<i>Local Communities</i>
<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 	<ul style="list-style-type: none"> ◆ Annual Report Sustainability Report ◆ Press Releases ◆ Investor presentations ◆ Corporate Website ◆ Quarterly & Annual results ◆ Other non-financial disclosures 	<ul style="list-style-type: none"> ◆ UVO – The HR Chatbot ◆ NeMo – The new and more app ◆ HR Flipbooks ◆ Simulation Games for learning ◆ Online portals ◆ Feedback Surveys ◆ One-to-one interactions. 	<ul style="list-style-type: none"> ◆ Impact Assessments ◆ Personal Interviews and Survey for need identification

We respond to the priorities of our stakeholders by aligning our strategy, projects and initiatives with the feedback received from our stakeholders. The CSR initiatives are identified based on the need assessment carried out with local communities. The evolving customer needs of Agility, Virtualization, Digitization and Automation have propelled us to re-define our Business Model – DAVID. In order to prepare our associates to service the new age customers, we have been re-skilled them. 'Code to Connect' is our global initiative to create customized platforms in partnership with local municipal bodies and academia to address city level challenges of air quality, traffic etc. The manner in which we have responded to the needs of our stakeholders has been covered under the respective sections of the report and reference page numbers are provided in the Materiality section.

Materiality

Materiality assessment enables us to identify those topics which can substantially affect our ability to create value over the short, medium and long term. A structured materiality assessment enables us to focus on the things that matter - increasing positive impacts and minimizing negative impacts of our activities and operations.

As the external environment undergoes transformation and the stakeholder priorities keep shifting, we review our materiality assessment from time to time. In 2016-17, we carried out a materiality assessment for developing Tech Mahindra's Sustainability Roadmap 2021. We identified stakeholders based on the criticality of each stakeholder for the business. Through various formal and informal engagement mechanisms we arrived at the list of material topics for each stakeholder group.

Material Topics by Stakeholder Category

STAKEHOLDER GROUP	MATERIAL TOPICS	REFERENCE SECTION
▶ INTERNAL – EXTERNAL SYSTEMS AND PROCESSES	<ul style="list-style-type: none"> ● Governance ● Ethical and Compliance ● Code of Conduct (Bribery & Corruption) ● Climate Change 	<ul style="list-style-type: none"> ● Governance ● Risks and Opportunities
▶ ORGANIZATION FACILITY OR LOCATION	<ul style="list-style-type: none"> ● Safety, Security and comfortable workplaces ● E-waste ● Data centers, ● GHG Emissions ● Water ● Biodiversity 	<ul style="list-style-type: none"> ● Manufactured Capital ● Natural Capital
▶ CLIENTS AND CUSTOMERS	<ul style="list-style-type: none"> ● Delivery Capability ● Quality ● Data Privacy and Security ● Domain and Business Knowledge ● Fair and ethical business conduct 	<ul style="list-style-type: none"> ● Governance
▶ INVESTORS AND SHAREHOLDERS	<ul style="list-style-type: none"> ● Corporate Governance ● Transparency and Disclosure ● Continued Revenue Growth ● Profitability ● Dividend Payouts ● Cash Flows 	<ul style="list-style-type: none"> ● Governance ● Financial Capital
▶ ASSOCIATES (EMPLOYEES)	<ul style="list-style-type: none"> ● Career Development ● Engaging assignments ● Talent attraction and retention ● Freedom of expression ● Human Rights ● Code of Conduct ● Environmental Stewardship 	<ul style="list-style-type: none"> ● Human Capital
▶ LOCAL COMMUNITIES	<ul style="list-style-type: none"> ● Digital Inclusion ● Support for development programs, ● Responsible Citizenry* 	<ul style="list-style-type: none"> ● Social & relationship Capital
▶ PARTNERS AND COLLABORATORS	<ul style="list-style-type: none"> ● Engagement activities. ● Collaboration to develop new services and platforms. ● Innovation. 	<ul style="list-style-type: none"> ● Strategy & Business Model ● Intellectual Capital
▶ REGULATORS	<ul style="list-style-type: none"> ● Compliance ● Partnering in solutions to address environmental and social challenges. 	<ul style="list-style-type: none"> ● Governance ● Creating value for Customers

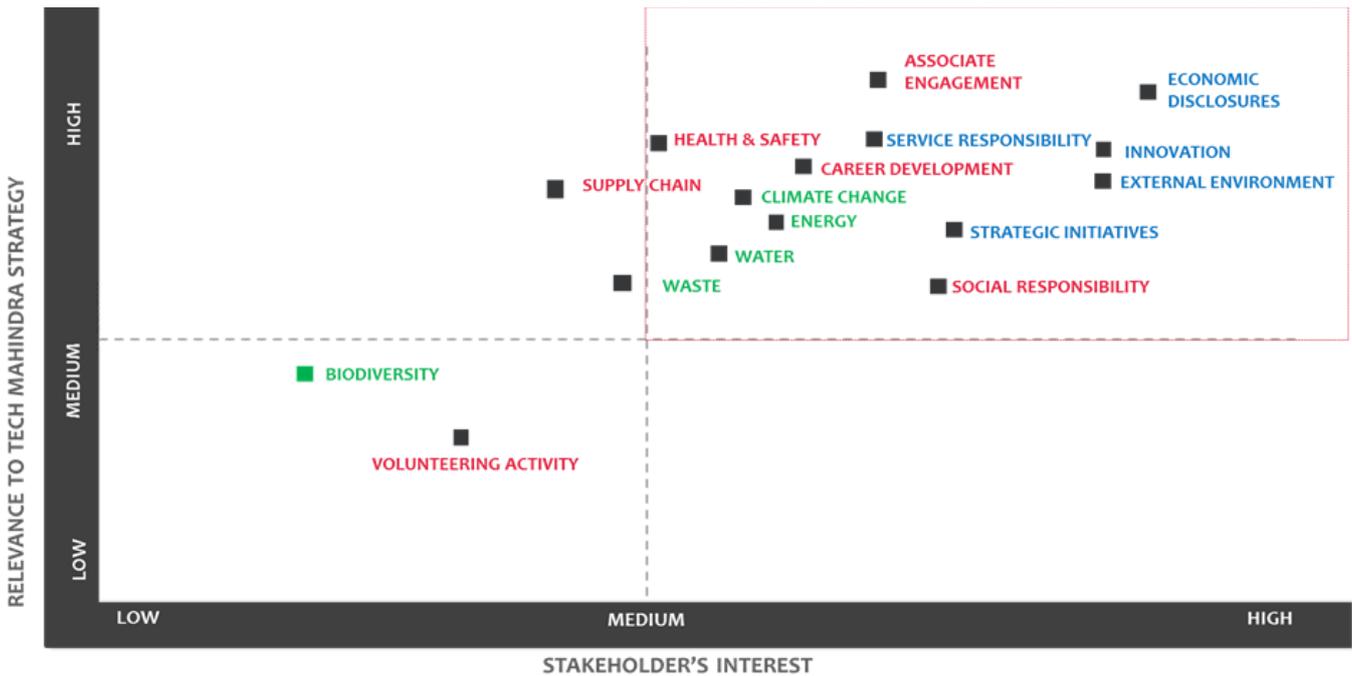
▶ ACADEMIA AND INSTITUTIONS	<ul style="list-style-type: none"> Curriculum Development Job Creation Faculty Development 	<ul style="list-style-type: none"> Intellectual Capital Strategy & Business Model
▶ SUPPLIERS AND VENDORS	<ul style="list-style-type: none"> Ethical Business and Governance Compliance (EHS and Social) Capacity Building Knowledge Sharing Fair business practices Environmental Stewardship 	<ul style="list-style-type: none"> Supply Chain
▶ NGOS	<ul style="list-style-type: none"> Support for Development Program Ethical Governance Practices Donations and Impact Assessments 	<ul style="list-style-type: none"> Social & relationship Capital Governance
▶ SOCIETY AT LARGE	<ul style="list-style-type: none"> Green IT Product Innovation Research and Development 	<ul style="list-style-type: none"> Intellectual Capital Innovative Sustainability Solutions

Responsible Citizenry represents responsibility towards the local communities in the areas of operation. The activities and operations should not have an adverse effect on the water table or surface water availability for local users.

The material topics for Tech Mahindra’s strategic priorities were arrived at by interaction and discussions with the Senior Management.

Prioritization of Material Issues

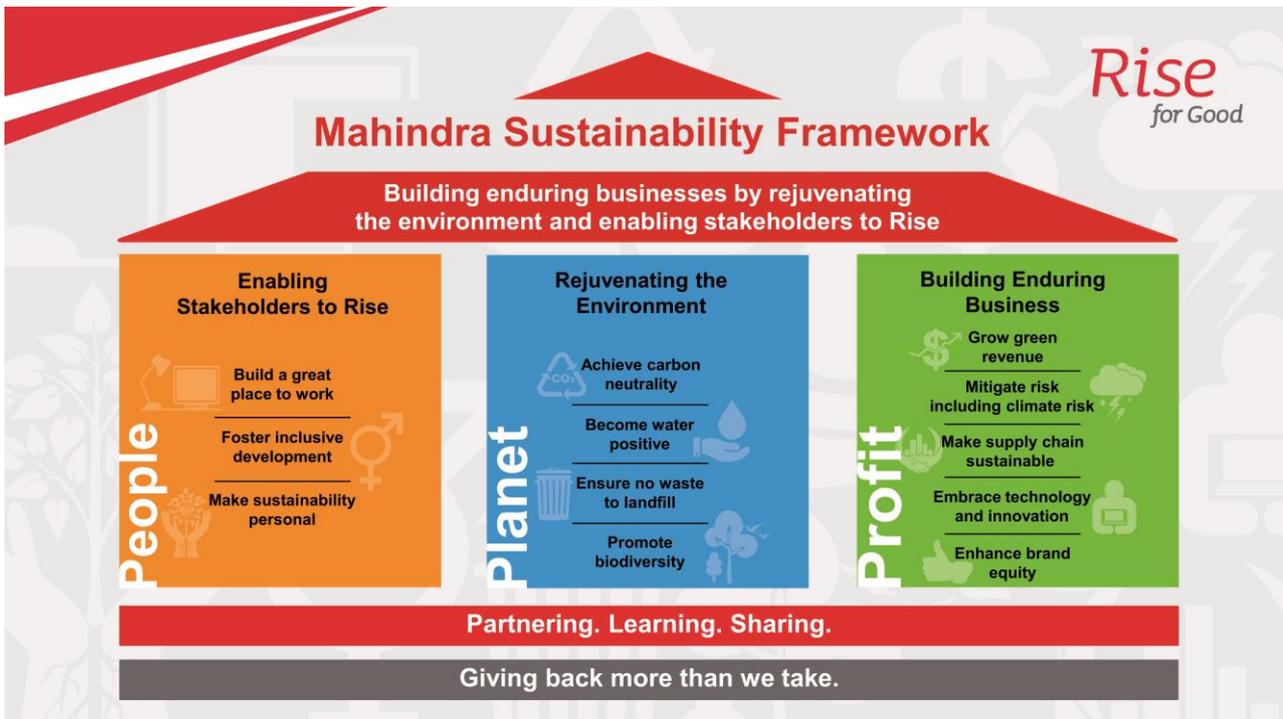
The material topics for the stakeholders and TechM were prioritized by assessing the magnitude of impact in terms of value creation for the stakeholders and the Organization. The material issues were then plotted on our Materiality Matrix.



Aligning the Materiality Matrix with the Mahindra Framework

In 2016-17, we aligned our Materiality Matrix with the Mahindra Sustainability Framework and updated some of the stakeholder priorities.

▶ 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"> ◆ Associate Development ◆ Career Development ◆ Health and Safety ◆ Social Responsibility ◆ Volunteer Activity
▶ 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 ◆ 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"> ◆ Strategic Initiatives ◆ Climate Change, Waste ◆ Supply Chain ◆ Innovation ◆ Governance ◆ Economic Disclosures



Sustainability Roadmap **2020 - 21**

REINVIGORATING THE ENVIRONMENT

ASPECT	Mahindra Sustainability Framework	Target	Baseline 2015-16	Progress 2016-17	Target 2020-21
GHG EMISSIONS	Achieving Carbon Neutrality	Reduction in Scope 1 -2 GHG emissions (MTCO2)	114309	122697	15%
PUE	Achieving Carbon Neutrality	Reduction in Power Usage Effectiveness of Data Centers (%)	1.76	1.78	2%
RENEWABLE ENERGY	Achieving Carbon Neutrality	Renewable energy as percentage of total electricity used (%)	1.77	2.10	10%
WATER	Water Security	Reduction in per capita fresh water consumption (Kl/employee/year)	13.73	18.28	5%
	Water Security	Rain water harvesting units (Numbers)	2	4	6
WASTE MANAGEMENT	Ensuring zero waste to landfill	Reduction in Paper Consumption (Tons/year)	93.37	86.17	15%
	Ensuring zero waste to landfill	Composting food waste at Owned Facilities (No of Locations)	2	3	9

BUILDING A FUTURE READY BUSINESS

ASPECT	Integrated Sustainability Framework	Target	Baseline 2015-16	Progress 2016-17	Target 2020-21
PROMOTE INNOVATION	Becoming Innovation and Technology Leaders	Innovation contests and events (No of events per year)	18	48	24
	Becoming Innovation and Technology Leaders	Ideas incubated in Labs (Number of ideas per year)	2	4	8
REALIZATION OF OPPORTUNITIES FROM INNOVATION	Becoming Innovation and Technology Leaders	Revenues from Innovative Solutions (USD in Million)	40	42	100
CONNECTING WITH CUSTOMERS	Enhancing the Customer Experience	Customers Connected	8	46	30
SUPPLY CHAIN	Greening the Supply Chain	Supplier Audis on Sustainability (Numbers)	2	4	10

REDUCING CARBON FOOTPRINT IN SUPPLY CHAIN	Greening the Supply Chain	Estimating GHG emission (Scope 3) from IT Products	-	1	5
CREATING VALUE FOR STAKEHOLDERS					
ASPECT	Integrated Sustainability Framework	Target	Baseline 2015-16	Progress 2016-17	Target 2020-21
EMPLOYEE ENGAGEMENT AND RETENTION	Developing and re-skilling the Associates	Employee Engagement Score	3.7	3.78	3.9
GENDER DIVERSITY	Enabling Inclusive development	Women in Senior Management (%)	8	8.4	12
INTEGRATING SUSTAINABILITY INTO BUSINESS	Integrating Sustainability with Business	Sustainability Training for Associates (%)	25	27	100
TALENT RETENTION	Developing and re-skilling the Associates	IT Attrition (%)	20	17	17
LEARNING AND DEVELOPMENT	Developing and re-skilling the Associates	Learning Hours per associate per year	40	40	40
HEALTH & SAFETY	Developing and re-skilling the Associates.	Health, Safety and Ergonomics Trainings (No of Locations)	10	11	12
	Developing and re-skilling the Associates.	Telephonic and Face to face Counseling (No of Locations)	7	8	12
CSR	Enabling Inclusive development.	Direct and Indirect beneficiaries of Tech Mahindra Foundation (Number in Lakh)	3.85	2.5	5.39
	Empowering through education and skill development.	TechM Foundation SMART Vocational Training Centers. (Numbers)	75	80	130

Delivering Value for Our Stakeholders

Strategic and Prudent Management of the Capitals; the **interactions between the capitals**; the **interdependence of the stakeholders with the capitals** has been the focus for value creation in our short, medium and long term agenda, not just for the investors and shareholders but also for the customers, employees, supply chain and society at large.

This section represents how we create value for our stakeholders by the use of the 6 capitals. For Tech Mahindra, the Human capital and Intellectual capital are critical. Natural capital will be a differentiator for the company as well as the customers. The customers act as drivers for innovation, digitization and automation and right skilling the associates. The subsequent sections elaborate on how we managed these capitals.

Capitals for Value creation

Financial capital – the pool of funds available for delivering service: revenue, debt, equity, grants.

Manufactured capital – TechM's facilities and campuses across the country.

Intellectual capital – Strategic acquisitions, patents, knowledge within the people of Tech Mahindra.

Social and relationship capital – The local communities in the areas where are facilities are located and the responsibility towards them.

Human capital – The employees, both permanent and contractual, who render on site and off site services to the customers.

Natural capital - The stock of natural assets like air, water, land, forest and associated ecosystems which we depend on.

Enabling Our Financial Capital



Financial Capital refers to the pool of funds available to Tech Mahindra for use in the provision of services to the customers. It is obtained through financing or generated through operations or investments

Legendary investor Warren Buffett has a simple approach to investing: pick out companies that offer high earnings growth potential and hold them till as long as it is in place. Historically, high earnings growth companies have always delivered high stock returns.

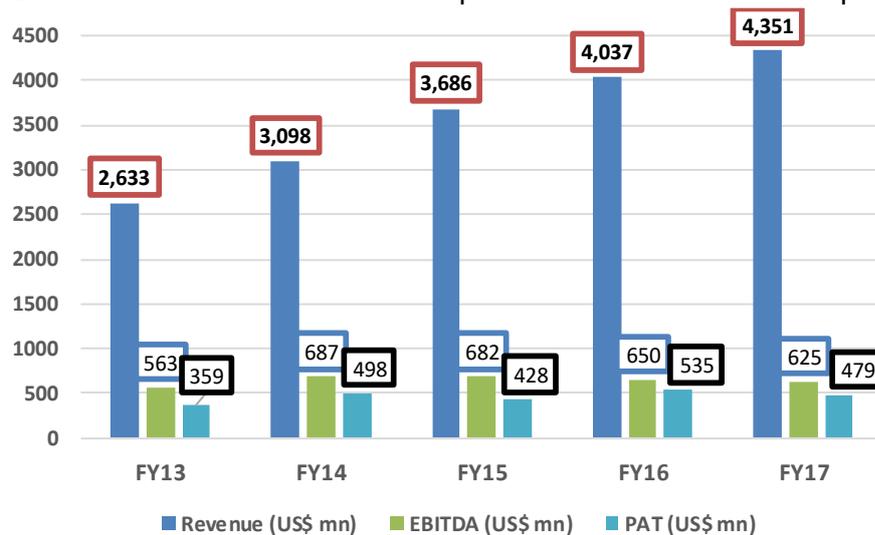
At Tech Mahindra we have focused on enhancing value creation for our investors and shareholders in the changing external environment in the technology sector.

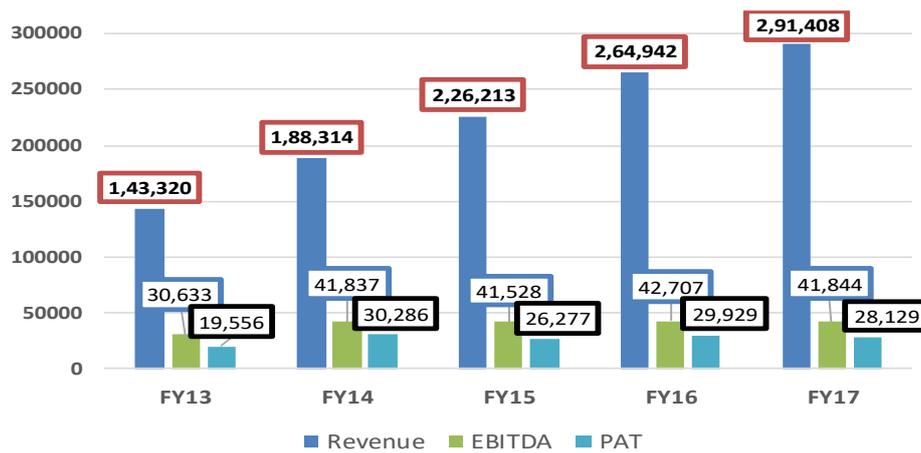
In tandem with the disruptive scenario, we have aligned our financial and knowledge resource allocation with Tech Mahindra Brand Philosophy of 'Connected world, Connected Experiences' to propel TechM's Strategy – D.A.V.I.D. The Human Capital – our associates are being cross skilled to meet the changing customer requirements in the Digital and Automation spectrum.

Performance Overview for FY 2016-17

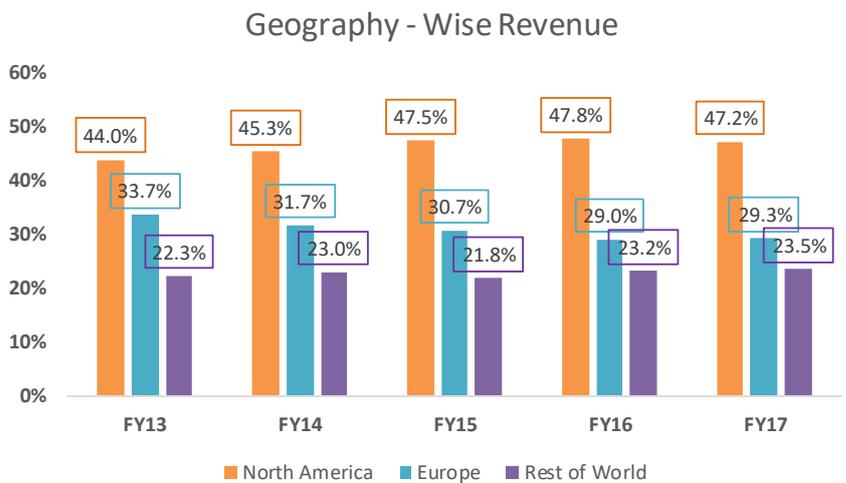
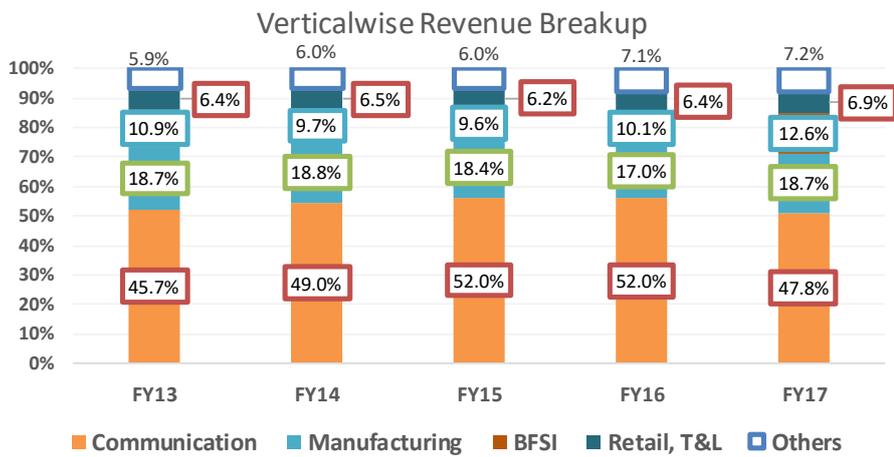
Consolidated Revenue, EBITDA and PAT

- ▶ INR Revenue CAGR from FY13 to FY17 is 19.4%
- ▶ EBITDA and PAT CAGR for the same period is 8.1% and 9.5% respectively





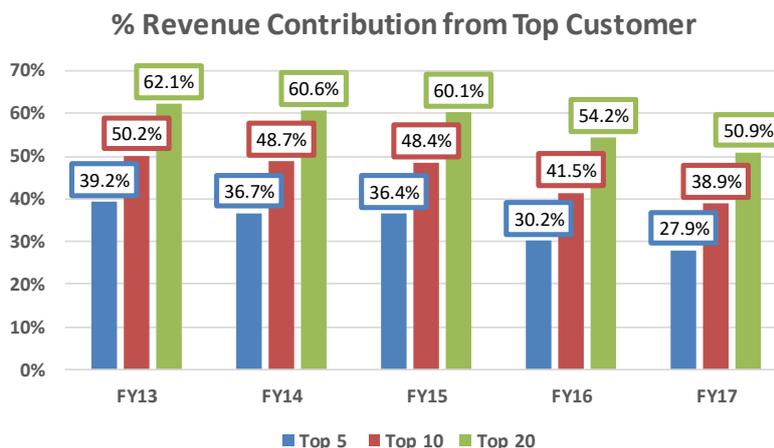
Revenue break up – Vertical-wise and Geography-wise



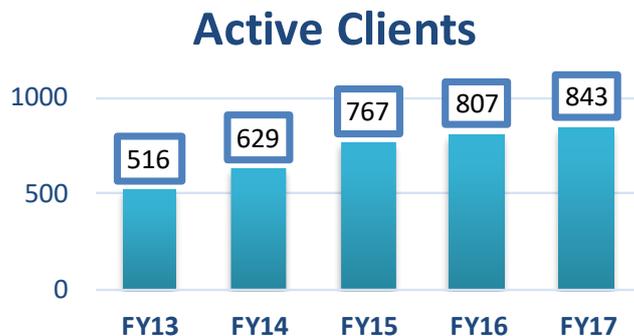
We derive revenue across the key regions of the globe; Americas, Europe and Rest of the World (ROW). A balanced mix across these key regions and further across 90+ countries helps Tech Mahindra mitigate the Global Economy Risk and Geography Concentration risk.

Further; the Company derives revenue across large Information Technology (IT) spend verticals such as Communication, Manufacturing, Banking, Financial Services and Insurance (BFSI), Retail, Travel & Transportation, etc. The relatively high Concentration in Communication verticals has been coming down over the years. A faster growth in Non-Communication verticals (Enterprise Business) and most of recent acquisitions on the Enterprise side have been reason for the gradual decline in the share of revenues from the Communication verticals.

Revenue break up –Client Contribution and Client Count

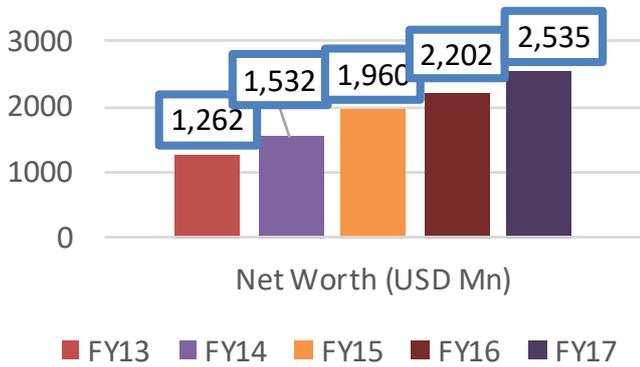


We have successfully been able to bring down our client concentration over the past 5 years. At the same time the count of active customers i.e. customers with a revenue threshold of US\$ 0.125 mn + on a LTM basis, has increased by 327 in the last 5 years, thus broadening the client base across various verticals.

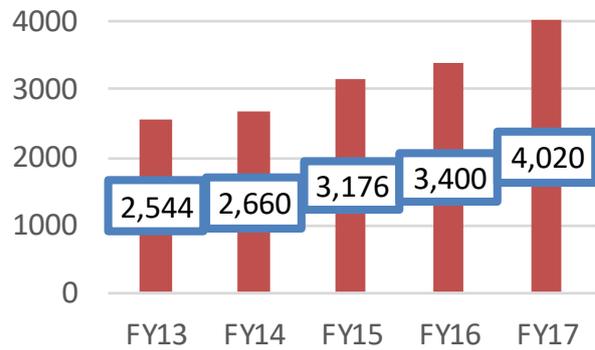


Key Balance Sheet Metrics

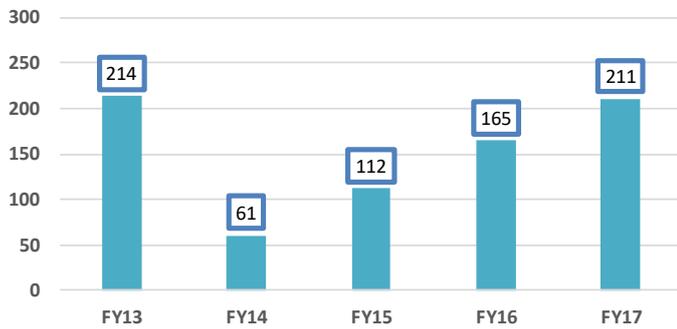
Net Worth



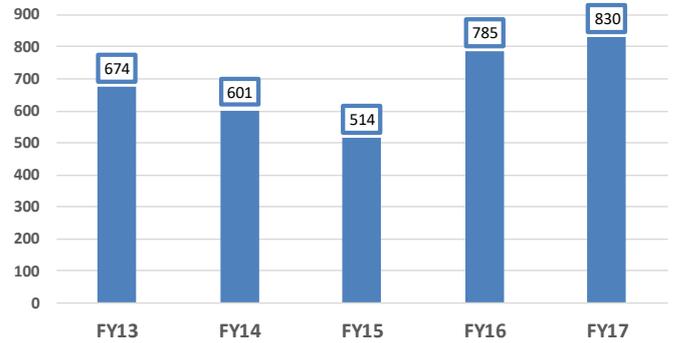
Total Assets (USD Mn)



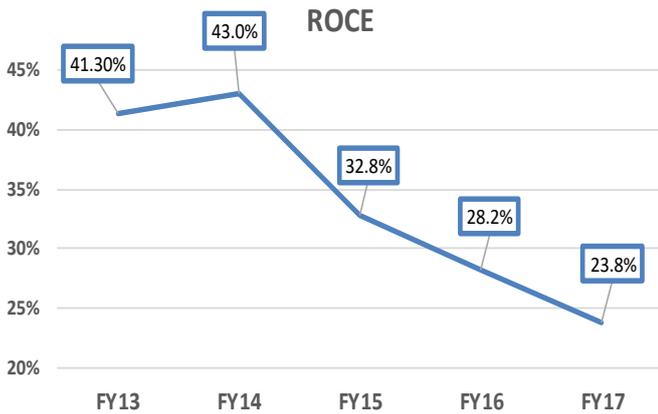
Borrowings (USD Mn)



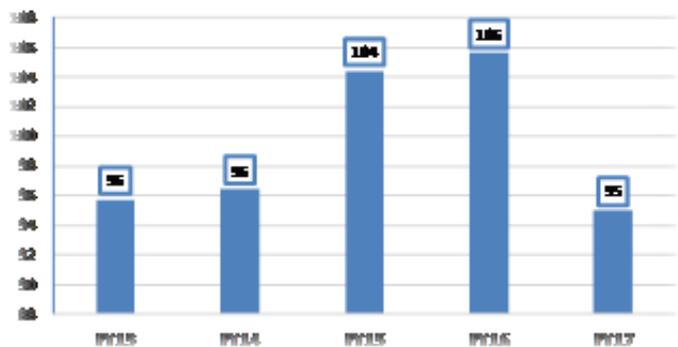
Cash & Cash Eq (USD mn)



ROCE

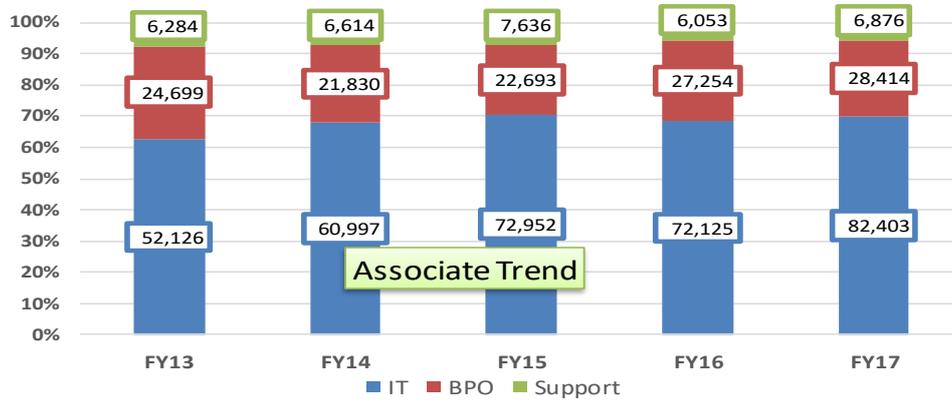


DSD Days



Key Balance Sheet metrics like Total Assets, Net worth, cash balance etc. have seen gradual increase in line with growth in revenue. However, ROCE has seen decline, primarily due to relatively lower margin onsite centric acquisitions and a cyclical slump in the Communications vertical for the past 3 years.

Key People Metrics



IT Attrition



IT Utilisation (Incl Trainees)



IT Utilisation (Ex Trainees)



Other key Financial Capital Inputs

Market Capitalization (as of 15 th Dec 2017)	: INR 488,000 mn (US\$ 7,615 mn)
Credit Rating	: CARE AAA / CARE A1+
D&B Rating	: 5A1
D&B D-U-N-S® NUMBER	: 65-007-9572

“Despite the external environment, tech Mahindra’s financial performance in the reporting year was good. We delivered value for our stakeholders – investors, customers and associates. There were strategic acquisitions, recalibration of the strategy and business model and focus on right skilling the associates.”

Manoj Bhat,
Dy Chief Financial Officer



Financial Impacts of Climate Change

We believe that there is a direct relationship between TechM’s financial performance and the impacts of Climate change. Empirical data, statistics and increasing incidents of extreme events have shown that climate change will be costly and damaging for the growth of our business, our customers and supply chain; safety and wellbeing of our associates and survival of society at large. If we cross certain atmospheric thresholds, achieving these goals will become more expensive and harder to achieve. Delaying action on climate change is not an option for us.

Collective action and responsibility to transition towards a low carbon economy is the imperative.

While we have been taking various energy efficiency initiatives and increasing the use of renewable energy to reduce GHG emissions, we believe that **Carbon Pricing will be an effective tool in spurring accelerated climate action across the organization.** We have assigned an internal Carbon Price across the organization to spurs green investments and motivate our businesses to maintain and strengthen the price mechanism internally.

Fostering our Intellectual Capital



Intellectual capital refers to Tech Mahindra's knowledge-based intangibles –the intellectual property - trademarks and licences; tacit knowledge, systems, procedures and protocols; and intangibles associated with Tech Mahindra's brand and reputation.

Strategy and Approach

In the dynamic and changing landscape, Intellectual Capital is the key enabler for business sustainability. For customer services centric organization like Tech Mahindra, Intellectual capital is our people, who constantly develop new age technologies, processes that we re-imagine for the future and the innovation culture, which we foster through labs, innovation events and initiatives. We have taken also taken a focused approach to enhancing intellectual capital in alignment with D.A.V.I.D. strategy – Digitization, Automation, Virtualization, Innovation and Disruption.

We leverage the knowledge and entrepreneurial mindset of people across the organization. In 2016 -17, we trained more than 10,000 workforce across digital technologies and futuristic transformations to make them future ready. We are focused on creating a culture of innovation and knowledge transformation across the company through programs like DEA, Innovation, Automation, Maker Labs etc.

Approach to Enhancing Intellectual Capital



The knowledge bits and bytes captured through experiences, interactions and learning-on job learning on the job and interactions develop and evolve into learning tools and solutions. It is channelized through Maker's Lab – the thin-q-bator or R&D division of Tech Mahindra. It serves as a co-innovation/co-creation hub for customers. In order to get new ideas from the next generation customers, we organize a kid -a-thon every six months where children of the associates of Maker's lab, visit the lab, see some of the cool things happening and give their suggestions and ideas.



“Integrating creativity with engineering will be the answer to future solutions. There is immense potential in extending the reach to all things that technology can do. We are making innovation the change agent for developing solutions of the future.”

L Ravichandran,
Chief Operating Officer

Strategic Acquisitions

The BIO Agency - A Company specializing in **Digital Transformation and Innovation**, helping organizations change the way they engage with their customers. The team helps customers change and transform to a customer centric digital world. The **Bio Agency's innovation and strategy first approach**, plus experience in frameworks and delivery processes create true differentiator for clients. They are helping brands in **Financial Services, Retail, Property Sector, Travel and Technology**. Tech Mahindra purchased 100% of the shares of BIO for an Enterprise Value of around GBP 40 Million.

Target Group, UK - The Company offers Platform Business- Process as-a-Service (BPaaS) offerings in Banking, Financial Services and Insurance (BFSI). The acquisition will help in **expanding Fintech capabilities** and adding IP and platforms to drive non-linearity and play aggressively in the BFSI sector. **Target Group's proprietary platform automates complex and critical processing, servicing and administration of loans, investments and insurance**. Tech Mahindra purchased 100% of the shares of Target Group for an Enterprise Value of around GBP 112 Million.

Pininfarina S.p.A., an iconic 85year old legendary Italian styling brand associated among others with Ferrari, Alfa Romeo and Peugeot. The acquisition was completed on May 30, 2016. The acquisition complements existing engineering capability of the Company with High-end styling and Engineering Services. As part of the agreement, and M&M purchased 76.06% of Pininfarina shares from the then controlling shareholder PincarS.r.l. at a price of Euro 1.1 per share through a Special Purpose Vehicle (SPV), the ownership of which is with TechM and M&M in the ratio of 60:40.

Alliances and Partnerships

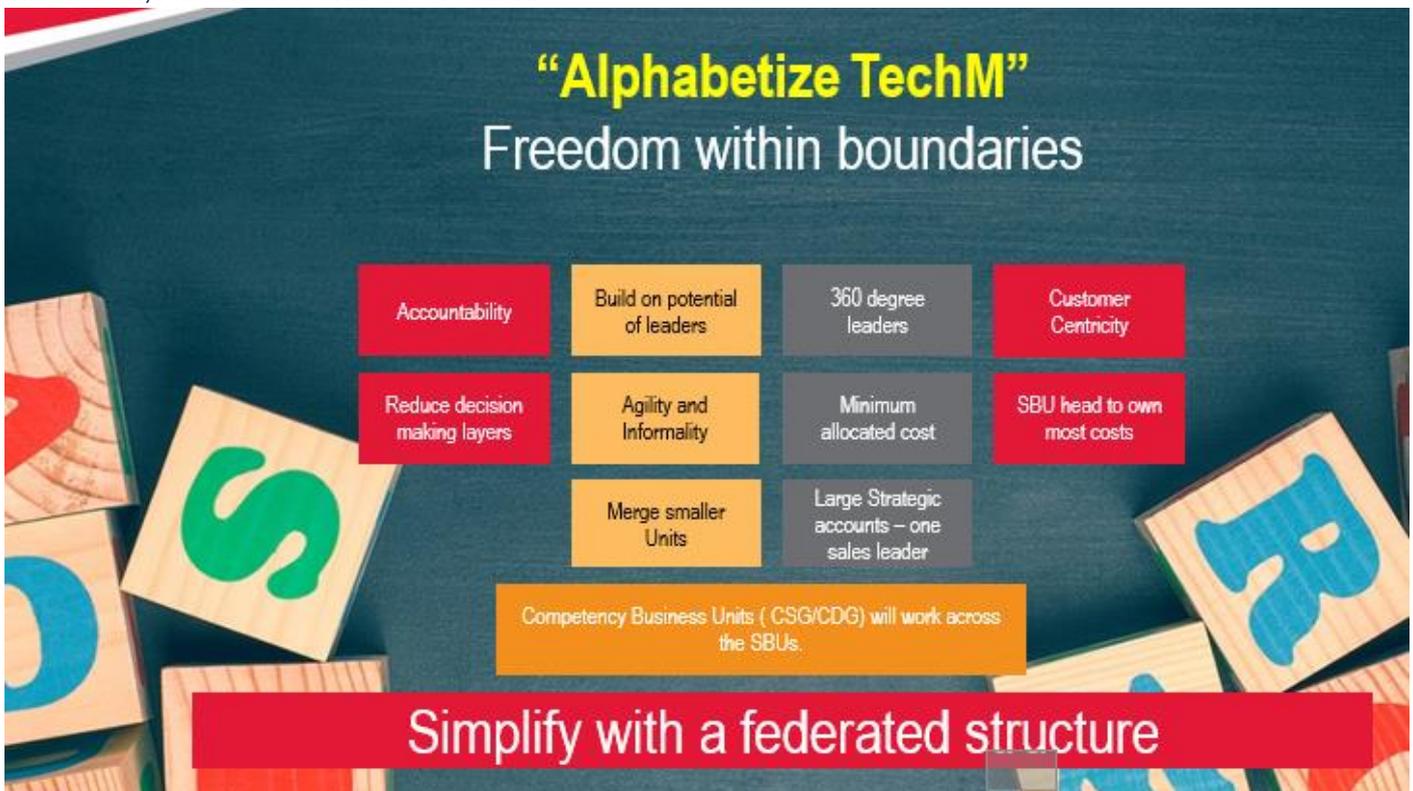
Through a powerful alliance ecosystem of leading technology firms and disruptive startups, we develop our business capabilities to deliver complete and customized solutions to our customers. Our dedicated alliance teams and partner management help customers in their journey of digital transformation.

Strategic Alliances	Solution Partners
<p>Global Relationship Joint GTM strategies Differentiated joint offerings World class lab and training infrastructure</p>	<p>Technical engagement Niche technology firms Regional engagement</p>

Organization Level Changes

Federated Structure

We have been focused on building competencies in servicing changing customers – non-CIOs and buyers and Millennials. It requires multipronged approaches and multiple focus points; agility and simplicity. We have restructured the organization to a federated structure which allows simplicity and accountability with autonomy within businesses to create their own growth stories. There are focused units and labs for Innovation, Automation and Co-creation.



Connected Solutions Framework

Our connected solutions framework harnesses the power of convergence of technologies and the change it can bring to businesses. We recognize and understand the inter-relations in consumer habits and the important role it can play in tomorrow’s connected enterprise. We are developing seamless and integrated technological capabilities across the digital, physical and convergent dimensions to fulfill dynamic customer preferences.

Automation

Digital Transformation enabled by Intelligent Automation techniques is on the rise in the IT and Business Process Services in various industries, driving the Business efficiency and Customer experience upward. Technologies like Robotic Process Automation (RPA) and Artificial Intelligence (AI) are driving this disruption. Whatever we do must positively impact our customer's top-line, bottom-line, investments and end-customer experience. AQT, our Automation, Quality, Time framework helps us do that.

We were one of the earliest companies to have our own integrated suite of platforms towards Intelligent Automation called AQT (Automation, Time, and Quality) TM. These platforms allow you to accelerate adoption of Digital Workforce in operations and Digital re-imagining of various IT/Business processes. AQT is powered by technologies like RPA, Analytics and AI, and improves Customer Experience (better Quality) and Agility (reduced Time-to-market). We apply AQT platforms in all our projects and service lines.

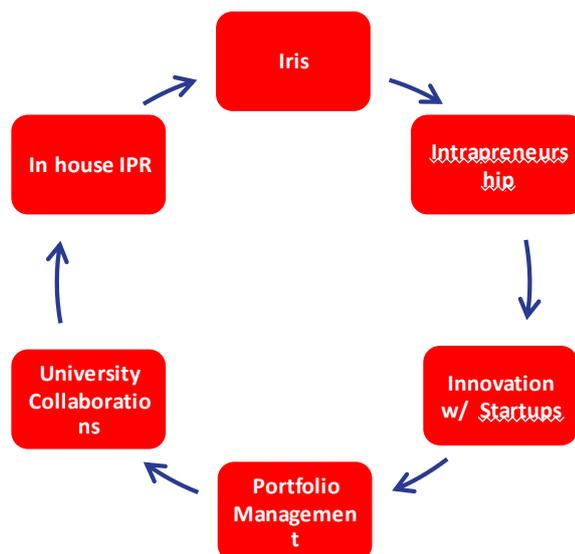


Innovation

We have an innovation culture imbibed deep into our customer as well as our employee relationships. ISIS and Intrapreneurship – our platforms to nurture innovation provide associates the opportunity to pursue their ideas and even commercialize them with support from mentors and resources from within the company.

- ▶ The IRIS (Ideate, Refine, Implement and Shine) program was launched with the aim to foster a culture of innovation and generate new revenue streams in today's competitive world. The portal allows associates to share their innovative ideas 24X7
- ▶ Intrapreneurship's an internal Venture Capital program to fund and assist Tech Mahindra Associates who have an idea and convert it into a business reality.
- ▶ Innovation with Startups Startup ecosystem program

6-pillar Innovation Strategy



focused on drawing and comprehending innovation ideas at work in startups – the niche product they make, the new markets they create and their potential for disruptive innovation and jointly unveil the future opportunities.

- ▶ **Portfolio Management** Identify innovative solutions happening within verticals and encouraging cross pollination of solutions within verticals.
- ▶ **University Collaborating** Engage with educational institutional institutions to develop new service offerings and create innovation culture, incubation frameworks in colleges.
- ▶ **In house IPR** Patent, Copyright and Trademark

Maker's Lab

Makers Lab, an initiative since August 2014 is a place where TechMighties conduct R&D to develop platforms focused on AI and Machine Learning; Robotics; Artificial Reality and Virtual Reality aimed at finding solutions to the Customer Problems. The first Market Lab was developed in Pune with the idea of developing smart machines that would blend human emotion (EQ) with Artificial Intelligence (AI). Drawing on the success of the idea, Market Labs were developed in other cities focused on niche technologies. Currently there are 4 Makers Lab in India in Pune, Hyderabad, Bangalore and Chennai. The Market Labs cater to 100 - 300 customers every year in alignment with the organization's Brand Philosophy - Connected World, Connected Experiences.

IP accelerators created by the Market Lab

Entellio, is a Bot Framework built on natural language processing which allows seamless and contextually meaningful conversations. Using the Framework, we developed UVO – an internal HR **CHATBOT**. The self-help tool is used to respond to HR queries from employees instantly. It was also applied for a theme park recently to provide contextual help and respond to customer questions before reaching a theme park. It is being piloted for a broad range of customers use cases line improving interaction, giving a natural UI of conversations, reducing OPEX etc.

X-Retail, is being designed as a solution for the Millennials who will require shopping to include sensors and augmented reality. This will provide the next generation shopping experience for enterprise customers. The system includes beacons for in-store positioning, location based offers and augmented offers on the application. It is being piloted as a proof of concept for some retail customers and showcasing an augmented display of the product.

Our Trademarks & Patents

At Tech Mahindra, we pass our systems and processes from a lens of innovation and transformation. We view Patents, Trademarks and innovative solutions as the KPIs for measuring intellectual capital. In 2016-2017, we applied for 20 trademarks and developed 27 products. We have created IP like Entallio, which is a BOT for chats; which is not being used to address various markets and customer challenges like Entallio for agent queries, customer experience improvement, financial planning, and quotation help agent; as virtual assistant for Banking customer, Telco Customer and government customers. Similarly, we have also innovated products for AR/VR as 360 view that can be applied for various industries like real estate and others.

Trademarks	Innovative Solutions
20 trademarks filed	27 products developed out of the Innovation labs.

We also maintain DEA – Delivery Excellence Assurance as knowledge repository which captures every customer delivery experience. All the key reusable intellectual assets are captured across this repository and can be used by people across projects for various customers. This improves efficiency.

Reinvigorating Natural Capital



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

We derive a host of **Direct and Indirect Benefits from Our Natural Capitals**. 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. Climate change induced events pose a direct and indirect threat to our Financial, Manufactured, Human and Social and Relationship Capitals.

“Climate change has become one of the major challenges for mankind and the natural environment. Greenhouse gas emissions released into the atmosphere is mainly responsible for this change. Carbon footprint is the direct effect of our actions and lifestyle that have impact on the environment in terms of carbon dioxide emissions and all these actions contribute to accelerating global warming and climate change. Everyone has a responsibility towards reducing the emissions or even reversing climate change.

Tech Mahindra Ltd strives to reduce the ecological footprint of its activities while ensuring business growth. In our effort towards de-carbonizing our facilities and business operations, we have challenged ourselves to find new ways to reduce our carbon footprint and invest in the low-carbon infrastructure and renewable energy. We are managing our water footprint by reducing per employee water consumption and implementing the practice of Reduce, Reuse, Recycle and Recovery of water through Sewage Treatment Plants. We design and build our Infrastructure by using Energy Efficient Air-conditioning system and Electrical equipment and using recyclable and eco sensitive building material. We are shifting focus from conventional sources of energy to eco-friendly sources through commissioning of Solar Plants and installation of Occupancy Sensors.

We, at Tech Mahindra Ltd, reinforce our commitment to reduce carbon emissions in our operations.”



Shivanand Raja,
Sr. Vice President (Commercial & CS)



Towards Sustainability

- Making Sustainability personal for Tech Mahindra Employees
- Award winning reports and disclosures
- Presentations, opinion pieces, case studies, videos, other publications

Strategy and Approach

We recognize the direct linkage between our financial performance and Natural Capital. Any environmental/ social issue in any facility, where we have operations can impact our businesses adversely. It can cause a disruption of service delivery to our customers and jeopardize the safety of the associates, thereby increasing financial liability.

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

Carbon Neutrality, Energy Efficiency, Water Security and Ensuring Minimal Waste to Landfills, Promoting Biodiversity and Making Sustainability are key priorities for the TechM.

Chain

We are Developing Solutions and Platforms to assist Customers in Carbon management and We are Promoting Green Procurement and Building Capacity of the Supply Chain.

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.

Sustainability Highlights

 Solar Panels Installed - 3404kWp Capacity	 Implemented carbon pricing within system	 First Integrated Report as per Integrated Reporting <IR> framework
 LED & occupancy sensors - 5000+ MTCO2e savings	 Commitment to SBT	 38 tones recycled through Vermicomposting/Organic waste
 Reduce, Recycle & Reuse of materials	 Awareness & Capacity Building Workshops	 ISO 14001:2015, OHSAS 18001:2007 and LEED Certification for some major campuses
 STP- More than 400000 kl Water Recycled this year	 Listed in DJSI World Index and Emerging markets & CDP as Rising Star	 UNGC Signatory
 Supply Chain Sustainability Audits	 Ranked 3 rd in India and 13 th in Asia by CSR Channel New Asia Sustainability Ranking 2016	

Transition towards a Low Carbon Enterprise

Solar Installations - Total Solar Installations of 3,404 kWp to date covering our campuses in Pune, Bangalore, Hyderabad and Chennai. Commissioning of solar installation at Bangalore TMEC having a capacity of 962 kWp.

Occupancy Sensors across Vizag, Hyderabad, Noida, Pune, Bhubaneswar, Chennai and Bangalore led to 1577220 kWh electricity savings and 1293.32 MTCO₂ reduction in GHG emissions.

Green Building Certification
- Leed Gold Certified by Indian Green Building Council (IGBC) at Chennai SEZ Campus.

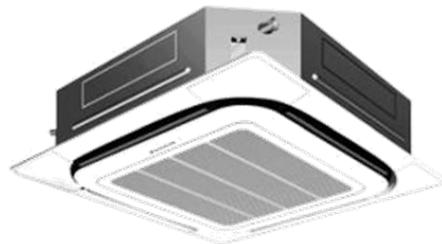


LED Lights installed led to 6875745.18 kWh electricity savings of 5638.11 MTCO₂ equivalent GHG emissions reduction. Replacing lights with LED in a phased manner at Hyderabad, Bhubaneswar, Nagpur, Vizag and Bangalore.

Investments towards greening our facilities and transitioning towards low carbon growth are voluntary initiatives.



Solar Panels- Tech Mahindra Pune



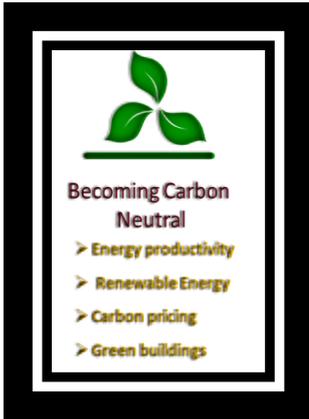
Efficient VRV Systems energy efficient HVAC equipment

Capital Expenditure for Water (INR)

54679893.42

Green Investments (INR)

166082385.7

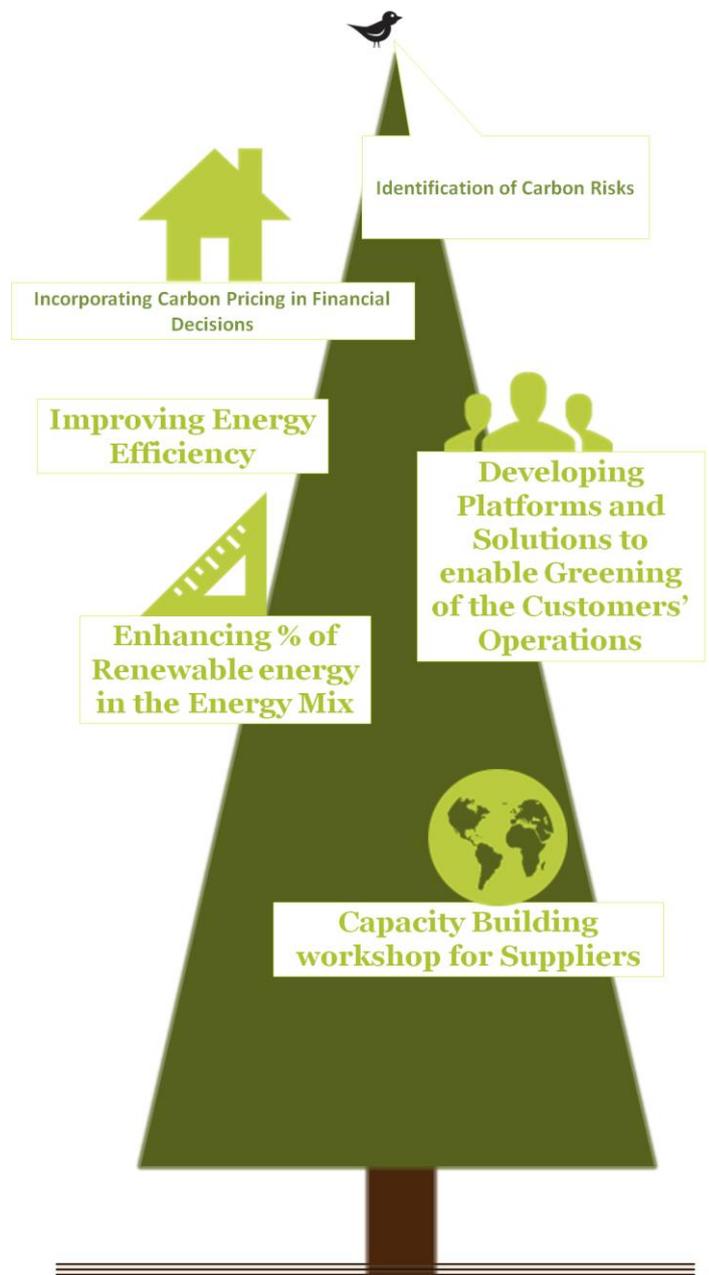


Strategy for achieving Carbon Neutrality

Empirical data, statistics and increasing incidents of extreme events have shown that climate change will be costlier and damaging for the growth of our business, our customers and supply chain. If it continues to risk our environment, safety and wellbeing of our associates and survival of society at large is at risk. If we cross certain atmospheric thresholds, reaching these goals will become more expensive and harder. 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.

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. Global and region specific initiatives such as the Carbon Reduction Commitment (CRC) Energy Efficiency Scheme are playing a vital role to improve energy efficiency of our operations.

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.



Strategy for Carbon Neutrality

Science Based Targets

The Science Based Targets Initiative is a collaboration between CDP, World Resources Institute (WRI), the World Wide Fund for Nature (WWF), and the United Nations Global Compact (UNGC) and commitments of WMB. *It champions science-based target setting as a way to boost companies' competitive advantage in the transition to the low-carbon economy.*

Tech Mahindra has committed to taking Science Based Targets (SBT) - short term targets for 2030 and long terms targets for 2050 to be within the threshold of 2 degree rise in average surface temperature. We are in the process of developing a strategy to meet the targets.

Carbon Pricing

At Tech Mahindra, we understand that the business have to be done in more climate responsible manner. We view Carbon Pricing as an effective tool to enable a transition towards low carbon in our operations and business activities.

While we have been taking various energy efficiency initiatives and increasing % of renewable energy in our energy mix and also initiatives to reduce GHG emissions. We believe that Carbon Pricing will be an effective tool in spurring accelerated climate action across the organization. *We have assigned an internal Carbon Price across the organization to spurs green investments and motivate businesses to maintain and strengthen the price mechanism internally.* We are exploring opportunities to create a shadow price to reduce our emissions and grow the pool of green investments.

Tech Mahindra was part of World Bank's Carbon Pricing Leadership Coalition (CPLC) hosted by the Mahindra Group. It was a coalition of the World Bank, World Resources Institute (WRI), Carbon Disclosure Project (CDP) and World Business Council on Sustainable Development (WBCSD) to explore various methods & ways to internally pricing carbon within Indian corporate sector, and encourage businesses to voluntarily take action using carbon pricing methodology.

Green Procurement

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 rating IT infrastructure (servers, laptops, desktops etc.).*

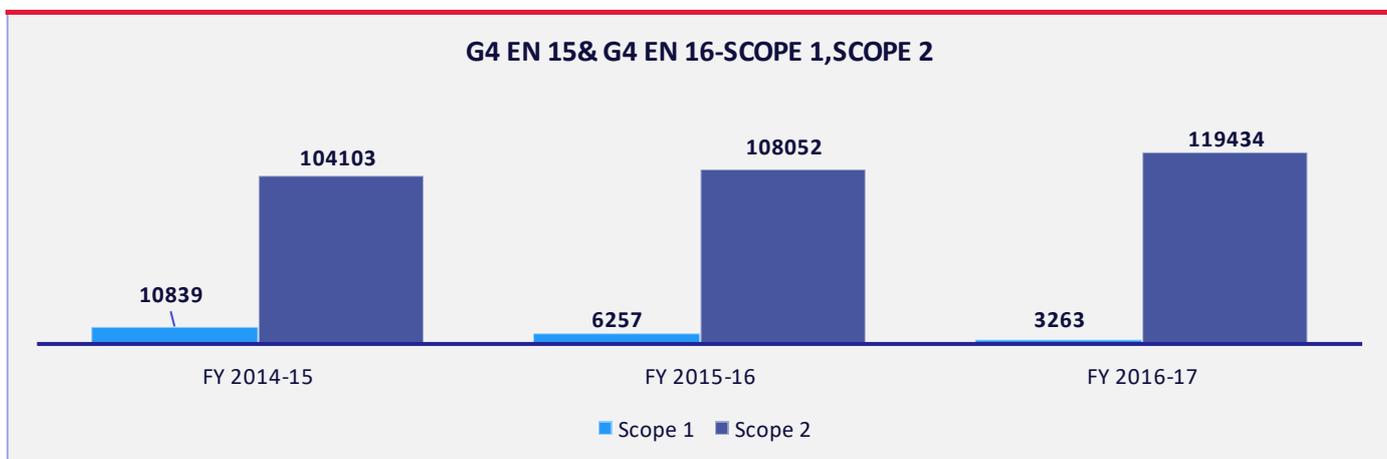
In the FY 2016-17, energy rated laptop and desktops helped us save 2159.87 MTCO₂ of Carbon Emissions.

Quantification of 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 are due to diesel consumed in the generator sets and fuel consumed for the running of company-owned vehicles. Scope 2 emissions are from the electricity purchased from the grid.

G4 EN 15 and G4 EN 16 - Direct and Indirect Green House Gas Emissions (Scope 1 and Scope 2)

MTCO2	FY 2014-15	FY 2015-16	FY 2016-17
Scope 1	10839	6257	3263
Scope 2	104103	108052	119434.02



G4 EN 17 – 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. The boundary of Scope 3 reporting was increased to include inbound transportation of non IT products and transport by taxi for corporate services staff and BSG Group.

Purchased Goods and Services This includes Inbound Logistics for transportation of IT products from the suppliers to the TechM Facility and downstream transportation of E-waste and used oil from TechM facilities to the registered recycler and disposal of food waste from the facilities to the piggeries and landfill. Transportation of non IT products was added in the scope 3 boundary in 2016-17.

Employee Commute Employee commute from their homes to TechM facilities by company buses was included in 2015-16.

In 2016-17, we also included the scope 3 emissions from transport by taxi for corporate services staff and BSG Group, the BPO business since the taxi service is provided by the company to the employees.

We encourage our employees to carpool to work. Our Carpool Portal and 'Ride for Pride' initiatives are a small step in facilitating and sharing of rides amongst colleagues. 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 31306.81 Metric tons of CO2 equivalent GHG emissions as the result of reduction in travel requirements for meetings.

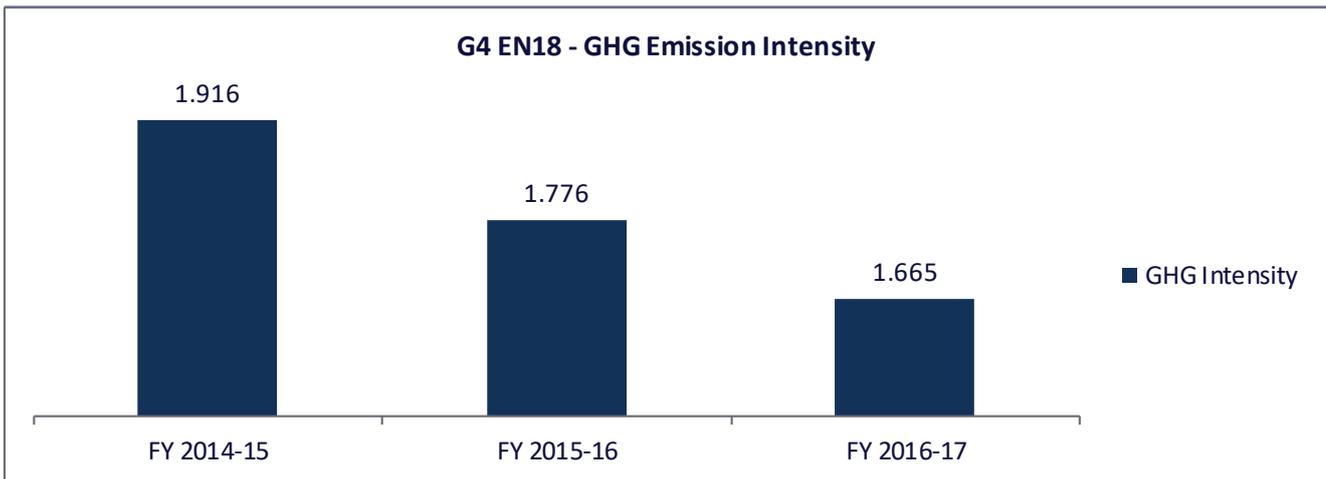
Waste Generated in Operations – This includes the use of paper for operations of the clients.

Scope 3 Category	Description	2014-15	2015-16	2016-17
▶ Purchased Goods and Services	Inbound and Outbound Logistics for Purchase of Goods and Services	6779.38	18868	12816
▶ Employee Commute	Daily Commute	2970.067	1733	11994
▶ Business Travel	Employee air travel employees for business	32385.74	25959	28968.611
▶ Waste Generated in Operations	Paper	656.524	667	249.91
▶ MTCO2	Total	42791.7	47227	54029

G4 EN 18 - 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 2014-15	FY 2015-16	FY 2016-17
GHG Emissions (Scope 1 and 2)	114942	114309	122697
Denominator (No of Employees)	60005	64356	73702
GHG Intensity	1.916	1.776	1.665



***The Greenhouse Gas Intensity was arrived at by using the total number of employees as the denominator.**

Energy Efficiency



Energy management, including energy conservation and switching to renewable energy sources is a high priority for us. Our major energy consumption is from electricity purchase from the grid. Other sources of energy include diesel for the DG sets and fuel consumption in company owned vehicles.

Initiatives to Reduce Power Consumption

- ◆ Consolidation of AC Chiller Plants to increase system efficiency and energy savings
- ◆ Chillers de-scaling
- ◆ Automation\scheduling of all AHU units of New buildings
- ◆ Utilizing natural cooling techniques for offshore development centers
- ◆ 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

G4 EN 3 – Total Energy Consumption within the organization

Total Energy Consumption	2014-15		2015-16		2016-17	
	GJ	MWh	GJ	MWh	GJ	MWh
▶ Direct Energy	146346.72	40651.87	84500.00	23472.22	53117.00	14754.72
▶ Indirect energy	457037.03	126954.73	474375.00	131770.83	524344.5	145651.24
▶ Total	603383.75	167606.60	558875.00	155243.06	577461.00	160405.96

G4 EN5 - Energy Intensity

Energy Intensity*	2014-15	2015-16	2016-17
▶ Specific Direct Energy	2.44	1.31	0.72
▶ Specific Indirect Energy	7.62	7.37	7.11
▶ Denominator (No of employees)	60005	64356	73702

* Energy Intensity was arrived at by using No of employees as the denominator.



Towards Water Security

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 majority of our water requirement is for domestic water usage, we started working towards measuring, reporting and reducing water footprint of our operations. We administer implementation of water management initiatives through the Environmental 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.

Our Water Strategy and Management Plan were aligned with the Mahindra Group Sustainability Framework to pave the way for new business continuity strategies.

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 companies, government agencies, and other users to identify their water risks; prioritize their water management actions; plan for sustainable water management and address water risks that confront agriculture, industry, households, and the natural environment in a given river basin. The research and development of IWT would help us identify future water risks arising at different facilities due to climate change and carve out the corresponding mitigation strategy.

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 wellness of our associates which indirectly impacts the revenue of the company.
- ◆ Six Sigma projects on optimizing water consumption
- ◆ Harvesting Rainwater where feasible

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

G4 EN 8 - Total water withdrawal by source

	FY 2014-15	FY 2015-16	FY 2016-17
 Total volume of water withdrawal (KL)	834104.267	883936.1165	1347486.774
 Total volume of water consumed (KL)	651671.019	524204.9565	926537.7542

Recycling and Reusing waste water

We understand the importance of water for our overall business continuity. We recycle sewage water in STPs and use it for landscaping. We have taken a target to install 6 rain water harvesting units in our owned premises by 2020-21. 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.



Rain Water Harvesting - Tech Mahindra Pune

Sewage Treatment Plants (STPs) for Water Reuse and Recycling

We have STPs at all our owned facilities. All such facilities are 'Zero Water Discharge' facilities. Waste water generated is treated and reused for landscaping and washrooms. This helps us to reduce our fresh water requirement. In FY 2016-17, we recycled and reused 420949.02 KI of waste water from 11 locations.

G4 EN10 - Total volume of water recycled

	FY 2014-15	FY 2015-16	FY 2016-17
 Total volume of recycled water used (KI)	346054.916	405139.2	420949.02

G4 EN 22 - Total volume of water discharged by quality and destination

	FY 2014-15	FY 2015-16	FY 2016-17
 Total volume of water discharged (KL)	182433.25	340733.22	143469.31



Ensuring Zero Waste to Landfill

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 have setup procedure and best practices for Solid Waste Management; all Solid Waste Management across locations follow procedures. The management of the E-waste is as per the E-waste Management Policy which are consistent with the E-waste (Management and Handling) Rules, 2011.

The waste generated by category and how they are recycled is explained below:

- | | | |
|-----------------------|---|--|
| ▶ 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 is sent to registered recyclers who are authorized by the respective State Pollution Control Boards, as per the E-waste (Management) Rules. |
| ▶ Hazardous Waste | <ul style="list-style-type: none"> ◆ Solid – UPS Batteries, Generator Filters ◆ Liquid - Compressed oil and fuel from DG sets. | <ul style="list-style-type: none"> ◆ Sent to the respective State Pollution Control Board authorized Recyclers. |
| ▶ 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 is given to vendors for recycling. ◆ Food waste is either composted on-site to generate manure for maintaining green belt or sent to piggeries. |



In the same period, we vermin-composted our wet waste and yielded 37.5 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:

G4 EN 23 - Total weight of waste by type and disposal method

	FY 2014-15	FY 2015-16	FY 2016-17
▶ E-Waste (MT)	-	121.3	149.5
▶ Hazardous			
▶ Solid (MT)	51	166	130.48
▶ Solid (Nos.)	1007.07	6430	4017
▶ Liquid (KL)*	5	8	9.315
▶ Non Hazardous			
▶ Solid (MT)	532	476	715.9

Solid (Nos.) are UPS Batteries.

G4 EN29 - Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations

In FY 2016-17, there were no fines or non-monetary sanctions due to non-compliance with environmental laws and regulation.

G4 EN31 - Total environmental protection expenditures and investments by type

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.

Capital Expenditure for Water (INR)	Green Investments (INR)
54679893.42	166082385.7

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	69638245.77
 Electricity	1389666807
 Water	71981995.52
Total	1531287048

Promoting Biodiversity

Our commitment to sustainable development also constitutes conservation of biodiversity. We have a [Biodiversity Policy](#) and a directive on protecting habitats and species. 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. It is maintained by a retired NZP veterinary officer and a qualified veterinarian consultant. The maintenance of the park is administered through our **Vision statement - Education, Conservation and Entertainment.**

G4 EN 14 – Number of IUCN Red list species and national conservation list species with habitats in areas affected by operations

We ensure that none of our operations have a negative impact on biodiversity by complying with all the conditions identified and recommended during environment impact assessments. There are no IUCN Red List species or national conservation list species in the vicinity of our locations.

Deer Park at Tech Mahindra Technology Center in Hyderabad



Making Sustainability Personal

Sustainability is the responsibility of all. When we make Sustainability personal in day-to-day lives of our associates, we know that we have taken a step beyond integrating sustainability into the strategy. We have made it a way of life. Our efforts are driven by the Green Marshals - a small band of TechMighties who are passionate about spearheading the cause of environment and sustainability.



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 **2782 volunteer hours under our Green and Sustainability initiatives.**

NAAM Foundation

130 Green Marshals of TechM planted 10,000 trees in Goglegaon Village in the drought affected area of Ahmednagar with the commitment to ensure survival rate by taking responsibility for 3 years.



Enhancing our Human Capital

Human Capital refers to the Associates of Tech Mahindra's competencies, capabilities and willingness to learn and innovate and remain relevant. It is driven by our governance systems, our learning and development initiatives and loyalty to the organization.

Strategy & Approach

For TechM, development of the Human Capital means continuous engagement with our associates; developing and enhancing their knowledge and skills and making them future ready to adapt to the changing customer requirements; retaining talent and enabling the associates to live the Mahindra Rise Philosophy.

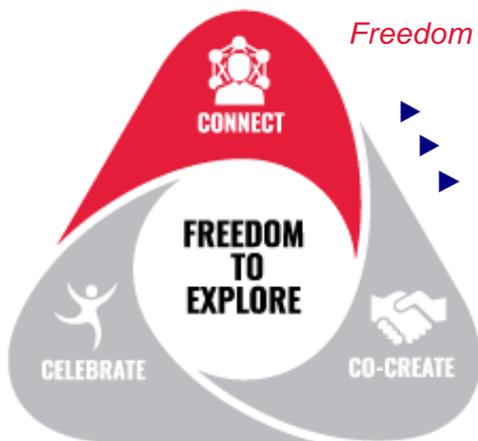
Vision

Build People to Build Business

Mission

To attract, develop and retain a high performing diverse workforce by provide a *Caring Environment and The Freedom to Explore*, so as to create value for all stakeholders.

Our Value Proposition for Associate



Freedom to Explore: Connect, Co-Create and Celebrate

- Opportunities to CONNECT Aspiration and Achievements*
- Opportunities to CO-CREATE New Approaches & Breakthrough Solutions.*
- Opportunities to CELEBRATE the blending of Life & Work*



Rakesh Soni,
Chief People Officer

“While Technology can enable processes, it is people who make things happen. In this journey of delivering tangible business value to stakeholders, our associates are envisioned as the strategic differentiators. We take enormous pride in our associates and are dedicated to making the organization a great place to work. The policies, processes and benefits are all aligned to ensure that the associates work in a transparent and inclusive environment that helps them to develop into technically sound and functionally adept professionals.”

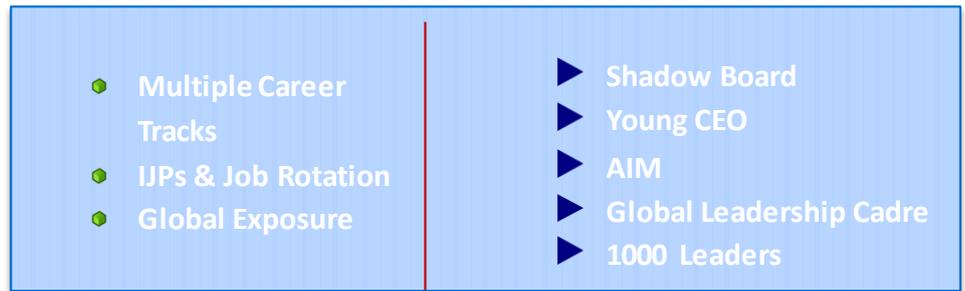
G10- Total Workforce by Employment Type, Employment Contract, and Region



Employee Type	31-Mar-17									
	Age <30		Age 30-50		Age >50		Total			
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Senior Management			348	38	131	12	479	50		
Middle Management	37	14	7663	1132	340	44	8040	1190		
Junior Management	25027	18261	15529	3700	78	18	40634	21979		
Sales	17	5	73	15	19	2	109	22		
Fixed Term Contract	82	90	59	16	17	2	158	108		
Third Party Contract	495	100	269	64	4	1	768	165		
Total	25658	18470	23941	4965	589	79	50188	23514		

Opportunities To Connect Aspirations & Achievements

Tech Mahindra actively invests in robust Career and Leadership Development Programs to facilitate Associates' professional growth and development.



Associates' career development and growth are key areas of focus at TechM. We have built an environment conducive for Associates to grow professionally and personally, through a combination of an effective performance and career management process, comprehensive learning and development offerings and focused leadership development programs.

G4 LA 11 – PERCENTAGE OR EMPLOYEES RECEIVING REGULAR PROFESSIONAL AND CAREER DEVELOPMENT REVIEWS

100% of the associates who joined before September 2016 (in accordance with our appraisal cycle) were appraised.

G4 LA 10 - PROGRAMS FOR SKILLS MANAGEMENT AND LIFELONG LEARNING THAT SUPPORT THE CONTINUED EMPLOYABILITY OF EMPLOYEES AND ASSIST THEM IN MANAGING CAREER ENDINGS

At Tech Mahindra, continuous learning is part of our core strategy and is recognized as the only sustainable competitive advantage. A culture of continuous learning has been meticulously created and nurtured over the years, and this is the key factor in delighting all the stakeholders – Associates, Investors and Customers. We nurture globally competitive professionals and enable their continuous learning through robust training, **360 degree learning and leadership development programs**. This is coupled with an effective performance and career management processes which helps associates in professional growth. We endeavor to create an environment that fosters innovation and collaboration and enables the associate to leverage the collective knowledge of TechMighties.

Our multiple **career tracks and internal job rotation options** give our associates diverse opportunities within Tech Mahindra. The Young CEO Programme, Shadow Board, 1000 Leaders and the Global Leadership Cadre are some of our flagship programmes that enable our young achievers to demonstrate their leadership skills and strategic thought process. Robust learning platforms enable individual development and help Associates to unleash their true potential

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

Right-skilling Associates: Right skilling the associates have been the priority in line with the strategy of transitioning from IT2DT. We focused on right skilling the associates and making them future ready to provide relevant solutions. **Associates were trained through our Digital Training Framework** (Digital Practitioners and certified professionals in the areas of Design Thinking, DevOps, Automation and Business Networking skills. **Cross Skilling Associates for Virtualization** so that they can deliver end to end services to customers.

G4 LA1 – TOTAL NUMBER AND RATES OF NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER BY AGE GROUP, GENDER AND REGION

New Hires during reporting period

Employee Type	New Hires										
	Age <30			Age 30-50			Age>50			Total	
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
Senior Management				46	5	51	9		9	55	5
Middle Management	33	9	42	1468	192	1660	27	2	29	1528	203
Junior Management	17867	10632	28499	5052	1247	6299	6	1	7	22925	11880
Workmen										0	0
Fixed Term Contract	132	112	244	73	20	93	11	1	12	216	133
Third Party Contract	731	149	880	393	89	482	4	2	6	1128	240
Others	297	207	504	43	11	54	12	1	13	352	219
Total	19060	11109	30169	7075	1564	8639	69	7	76	26204	12680

Employee turnover during reporting period

Annualized Quarterly attrition is computed on “LTM” last twelve months. This data is as on 31st March, 2017. The annual attrition for FY 2017 is 17%

G4 LA9 – AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE BY GENDER, AND BY EMPLOYEE CATEGORY

Employee by category	2016 – 17		Avg. training Hour
	 Male	 Female	
▶ Junior Management	49.35	54.24	51.06
▶ Middle Management	52.63	52.83	52.66
▶ Senior Management	21.47	19.86	21.31
▶ Fixed Term Contract	26.29	13.97	21.29
▶ Third Party Contract	19.53	26.09	20.69
▶ Others	7.83	1.0	6.47

Opportunities to CO-CREATE New Approaches & Breakthrough Solutions

We promote an empowered work environment. Every Associate has the right to challenge status quo and explore opportunities to do new things and new way of doing things, powered by the collective wisdom of TechMighties and a strong engagement with leadership.

- ▶ Intrapreneurship Program
- ▶ IRIS
- ▶ Mahindra Innovation Awards
- ▶ Codathons/Hackathons
- ▶ Leader Chats
- ▶ Coffee Meets
- ▶ All Hands Meets
- ▶ Location Councils

- ◆ MyBeatPlus
- ◆ Freevoice
- ◆ TechM CARES Survey
- ◆ KÈE Portal
- ◆ Ask The Expert
- ◆ MINK
- ◆ Raintree
- ◆ Annual Excellence Awards
- ◆ KUDOS

Innovation Focused Culture: At TechM, our Associates are an integral part of our 360 degree innovation strategy and by crowd-sourcing ideas from 100,000+ Associates and transferring the mantle of ideating on to them, we encourage innovation across the organization. Initiatives like our Intrapreneurship Programme, Innovation Platforms - **IRIS**, Mission Innovation, Knowledge Portals and the Social Intranet are few of our platforms that facilitate **co-creation and innovation** at Tech Mahindra. Through the Intrapreneurship Program, associates have the opportunity to pursue their business ideas and commercialize them with support from mentors and resources of the company.

Associate Connect: We believe in staying connected with our Associates and have established multiple platforms to ensure transparent, informative and engaging two-way communication with our Associates. Our **multi-channel communication programs** (Free voice, all hands meet, My Beat plus, SURE, etc..) enable associates to provide bottom up feedback and contribute, share, use and store both explicit and implicit knowledge and experiences with the rest of the organization. This feedback is considered for changes in the organization that impact an associate's work life and also contribute towards 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. Some of the initiatives for **leadership connect** are – Connect with the CEO, CEO Blogs, CXO Blogs, Leaders Web-chats, Coffee Meets, Location Council Meets, etc.

Associate Satisfaction – TechM Cares: TechM Cares survey measures associate experience across key engagement dimensions like Career, Alignment, Recognition, Empowerment and Strive. 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.

Rewards and Recognition: We recognize our associates for their outstanding efforts and their contribution and value addition to the organization through a Rewards and Recognition (R&R) Program.

Tech Mahindra's 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.

The **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.



Our **Rewards Program – 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.

Opportunities to Celebrate the blending of Life & Work

We provide a wholesome employment experience to our Associates by enhancing personal wellbeing in addition to their professional wellbeing and enable them to blend life and work seamlessly.

- | | |
|---|---|
| <ul style="list-style-type: none"> ▶ JOSH ▶ Special Interests Programs | <ul style="list-style-type: none"> ▶ Family Day ▶ Ekatvam ▶ ACER Felicitation ▶ Accepting No Limit Awards |
| <ul style="list-style-type: none"> ▶ Insurance Coverage ▶ Associate Welfare Trust ▶ Wealth of Wellness ▶ Let's Talk ▶ Flexi Work ▶ Diversity & Inclusivity Programs | <ul style="list-style-type: none"> ▶ Rise for Good through Tech Mahindra Foundation |

Workplace Benefits: In order to attract and retain the best talent in the industry, we offer industry leading benefits to employees.

G4 LA2 – BENEFITS PROVIDED TO FULL TIME EMPLOYEES WHICH ARE NOT PROVIDED TO PART TIME EMPLOYEES BY SIGNIFICANT LOCATIONS OF OPERATION.

We abide by the local employment/labour laws prevailing in India and the countries we operate. Benefits are provided to the permanent (full time) and contractual (fixed term/part-time) employees based on the entitlements as provided by the regulations and the local laws in the countries of operation.

Work life balance provides great opportunities to improve the bottom line of the company. We are committed to providing a holistic employment experience to associates with the flexibility to balance both 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.

JOSH 'The Catalyst for Fun': Josh is a voluntary group at TechM formed by "life enthusiasts" who run fun, delight and connect events at TechM. The Josh Team Members ensure that TechMighties remain encouraged, entertained and enable society around them. JOSH team members - known as "Joshilays" - give every associate a reason to smile, celebrate and connect work with fun. Every Tech Mahindra location has its Josh teams formed by Associates volunteering to be part of these teams and 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 Alternately and celebrate every single occasion with passion, enthusiasm and commitment



Our Family Connect Programmes such as Founder's Day, Family Day, Ekatvam, ACE Awards and ensure we stay connected with our extended Tech Mahindra universe and celebrate our success with them.

Associate Welfare Trust: Associate Welfare Trust has been formed 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 (Trustees are a set of nominated associates).



Wealth of Wellness (WoW): We have a comprehensive Health and Wellness program - 'Wealth of Wellness' (WoW), through which we harness the power of technology for associate health and wellness.

WOW strives to provide various avenues to the associates to ensure their physical, mental and spiritual wellbeing. The program offers sessions, events, camps, webinars, talks, infrastructure, 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', our Health and Safety 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.



Wellness Infrastructure: All large campuses at TechM have Medical Rooms, Gymnasiums and Indoor Games facilities for use by Associates

G4 LA6 - 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.

Counseling Facilities for Associates: We are also committed to the psychological well-being of our associates. Counseling facilities are available at all the locations and in strict confidentiality.



Diversity and Inclusivity

TechM'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". In TechM, we do not limit diversity to providing equal employment opportunities but extend it to valuing and celebrating the uniqueness of every individual by fostering an environment of inclusion and empowerment. We have been focusing on matrices of gender, cultural and generational diversity and we have made optimistic strides in inclusivity.

We believe that differently-abled associates increase the quality of organizational diversity and encourage collaborative work. We therefore 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 Initiatives

There are focused initiatives which support and *empower women to take on leadership positions*, some of which are *Leadership Talks, Role Models and Fire-side Chats, COLORS and Mentoring Table*.



G4 LA3 – RETURN TO WORK AND RETENTION RATE AFTER PARENTAL LEAVE

2017

	Associates who availed Parental Leave	Associated who returned to work after parental leave
▶ Maternity Leave (No)	818	816
▶ Paternity Leave (No)	7	2184

In the reporting year, we added a new matrix in gender diversity and started monitoring the percentage of women in revenue generating functions.

Percentage of women in workforce by category	FY 2015-16	FY 2016-17
◆ Female as percentage of total workforce (%)	30	30.85
◆ Females in Management Positions (as % of total Management Employees)	11	11.47
◆ Females in Junior Management Positions, i.e. first line management (as % of total Junior Management Positions)	12	11.63
◆ Females in Top Management Positions (as % of total Top Management Positions)	8	8.40
◆ Females in Management positions in Revenue Generating Functions (as percentage of all such managers)	-	10.96

Safe and Fair Work Environment: At TechM, we have institutionalized various policies to promote the highest standards of ethical behavior in our business conduct and to ensure that the work environment is conducive to fair, safe and harmonious relations based on mutual trust and respect. This assurance is manifested, in part, by our Code of Ethical Business Conduct (CEBC), Whistle Blower Policy, and Anti-Sexual Harassment Policy

GA HR2: TOTAL HOURS OF EMPLOYEE TRAINING ON HUMAN RIGHTS POLICIES OR PROCEDURES CONCERNING ASPECTS OF HUMAN RIGHTS THAT ARE RELEVANT TO OPERATIONS, INCLUDING THE PERCENTAGE OF EMPLOYEES TRAINED

Adequate workshops and awareness programmes against sexual harassment are conducted across the organization

Women Safety

Women safety is a priority for Tech Mahindra. With a focus on increasing the number of women joining the workforce, we want to reiterate our commitment to safety at the workplace. We have zero tolerance to sexual harassment at the workplace. 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 aspects. TechM also follows the highest Health, Safety and Environment standards and is one of the few IT Organizations to be dual certified for both ISO 14001 and OHSAS 18001 together.

Delivering on Social and Relationship Capital



Tech Mahindra's Social and relationship capital is derived from the institutions and the relationships within and between communities, groups of stakeholders and other networks. It includes shared norms, and common values and behaviours; trust and willingness to engage and strives to build and protect with external stakeholders; and intangibles associated with the brand and reputation. It represents the ability to share information to enhance individual and collective well-being.



"India has the world's largest youth population, which has tremendous potential to boost our economy. This is why, from primary school to professional training, our CSR interventions are aimed at empowering our young people to take charge of their lives, and build a more prosperous future for themselves and their families. The success of SMART, and now the SMART Academies, has shown how corporates can play a vital role in supporting local communities through CSR."

Loveleen Kacker

Chief Executive Officer, Tech Mahindra Foundation

Strategy and Approach

Corporate Social Responsibility means responsible business practices by involvement of all stakeholders in the decision-making process and in operations. It entails having business policies that are ethical, equitable, environmentally conscious, gender sensitive, and sensitive towards the differently-abled.

We established **Tech Mahindra Foundation (TMF)** in 2007 and **Mahindra Education Institutions (MEI)** in 2013; under Section 25 of Companies act 1956 (referred to as a section 8 Company in Companies Act 2013) with dedicated professionals to carry out our CSR activities. The TMF has been focusing on implementation projects related to of education and employability while MEI implements higher education projects.

CSR Vision - Empowering Through Education

Purpose of our CSR Program

- ▶ Demonstrate commitment to the common good through responsible business practices and good governance.
- ▶ Actively support and be part of the state's development agenda to ensure sustainable change.
- ▶ Set high standards of quality in the delivery of services in the social sector by creating robust processes and replicable models.
- ▶ Engender a sense of empathy and equity among employees of TML to motivate them to give back to the society.

Corporate Social Responsibility Committee

We have a CSR Committee at the Board Level. Our CSR focus areas, budget and initiatives are approved by the CSR committee of the Board. It formulates and recommends policy and expenditure, and has a monitoring and review mechanism. We spend at least 2% of the average net profits made during the three immediately preceding financial years as per the CSR Rules.

Tech Mahindra Foundation

The Foundation focuses on CSR activities that benefit socially and economically disadvantaged communities. This is done by consistently investing in programs of Education for the underprivileged and the differently abled as well as equipping youth with market-linked skills and opportunities.

“Educated, Skilled and Able Women and Men Are a Country’s True Strength.”

We are committed to a vision of a more equitable and inclusive India, and the values of good corporate governance, ethical practices, and dignity of the individual. In order to achieve sustainable transformation, we support and create opportunities that nurture talent and enable the socially disadvantaged to utilize their potential.

CSR Focus Areas – Alignment with SDGs



Goal 4:

Ensure inclusive and quality education for all and promote lifelong learning.

TMF's main focus area is Education, Employability, and Disability. It is mirrored with the UN Sustainable Development Goals (SDGs), particularly Goal 4 – 'Ensure inclusive and quality education for all and promote lifelong learning'. Our focus on all round development in education helps us to reach the poorest and underserved segments children and enable them to Rise. The education program is embedded in inclusivity for women and differently-abled children. Employability, our other focus area is steered towards skill building and ensuring employability of the youth.

We track the number of children who benefited under the education and skilling initiatives.

Education

We believe that Education is the tool for creating an empowered, enlightened society capable of rising to its full potential. Availability of Quality Education for all classes is the way to ensure an equitable and just social system. *Our Focus Area Is Promotion Of Education.* Within this broad theme we include school education, education for employment, and technical education. Our interventions in these thematic areas are prioritized to reach the underserved segments of the population like women, economically and geographically disadvantaged, and vulnerable and marginalized population.

We have identified the following thrust areas in education:

- ▶ *Whole School improvement*
- ▶ *Capacity building of teachers and other stakeholders*
- ▶ *Supplementary education.*

The work in these thrust areas is carried out through the following programs:

- ▶ *All Round Improvement in School Education, or ARISE*
- ▶ *ARISE+, or All Round Improvement in Special Education, targeting children with disabilities.*
- ▶ *Shikshaantar, a capacity building program for educators.*

Empowering through education – Tech Mahindra Foundation’s Initiative to enable society to Rise



ARISE (All Round Improvement in School)

This program works with the Municipal Corporations of India to develop existing Government/ Non-Government schools and turn them into schools of excellence. It builds upon four specific connected domains of school improvement:

- ▶ **Academic** - focuses on educational achievements and measures to improve them- ensuring that children acquire grade appropriate learning.
- ▶ **Social** - attempts to build upon values of friendship and collaboration between schools and families/communities of children through connecting, networking, and ensuring that communities participate actively in the process of education along with children, teachers, school management and teachers
- ▶ **Infrastructural** - makes schools happier and effective places of learning.
- ▶ **Organizational** - attempts to add an effective management component to the schools- to ensure that schools evolve as effective units of education, functioning effectively as well managed organizations.

ARISE+

Arise+ is a special program, which focuses on school education for children with disabilities. Through this program, we reach out to some of the most disadvantaged children in India. We work with diverse groups and empowers children with physical disabilities like sight impairment, hearing/ speech impairment, loco-motor disabilities and mental disabilities by focusing on the following interventions:

- ▶ *Early detection of disabilities.*
- ▶ *Equipping parents, teachers and caregivers with techniques to look after children with disabilities.*
- ▶ *Support in education of children with disabilities.*

Bringing smiles to their faces and enabling them to Rise through ARISE+



Shikshaantar

Shikshaantar, literally means 'creating a difference in Education'. It focuses on building the capacity of teachers, principals, school inspectors, education officers and leaders. It works with a vision to achieve quality enrichment in education by developing an effective in-service teacher education program which prepares professionally competent and compassionate education professionals, dedicated to serving the diverse cultural, linguistic and exceptional learning needs of the most marginalized children.

We have collaborated with the Municipal Corporations of Bengaluru, Chennai, East Delhi, South Delhi, Greater Mumbai and Pune, as well as academic organizations.

Disability

India has more than 21 million people with some kind of disability as per the 2001 census. Persons with disabilities continue to be discriminated against, with the focus being on their disability instead of ability. We seek to give dignity and independence to persons with disability (with a special focus on visual disability) through inclusive education, providing employable market-related entrepreneurial skills, and opportunities, thereby allowing them to be self-reliant.

Employability

We promote the concept of “education to employability”, and runs the *SMART (Skills-for-Market-Training)* program to encourage and facilitate employment opportunities for youth from the marginalized communities. Under this program, there are *SMART* and *SMART+* (for persons with disabilities) centers, which are operational across India. The *SMART* program targets school dropouts and addresses the skill gap in areas like retail, hospitality, accounting, nursing aide, plumbing, electricians, and so on. Employability includes following CSR events:

SMART (Skills for Market Training)

SMART program is one of the largest skilling initiatives run under corporate social responsibility in India. It is a model vocational training program for youth from underprivileged backgrounds, which helps them actualize their potential in a career of their choice. The *SMART* program equips youth from urban communities with the requisite skills and attitudes for them to gainfully participate in the new economy.

It is aligned with the Government of India’s vision on skilling.

- ▶ *The SMART program is designed with a vision in mind – it focuses on training today for jobs of tomorrow. It aims to prepare youth to take on the challenges of newer-age careers by equipping them with skills in trades like Customer Relationship and Skills, Tally etc.*
- ▶ *All the trades in the SMART program start with a Foundation Course, which train students in three areas– spoken English, basic IT/computers and workplace-readiness. Together, these courses equip the youth with the quintessential people and soft skills that help them navigate through their everyday work with confidence and comfort at a very early stage*
- ▶ *The program lays great emphasis on practical training, in addition to the concepts and theories of the trades. Students are regularly taken out for industry visits, and guest lectures are organized to bring industry expertise right inside the classroom*
- ▶ *Full placement support is offered to the graduates, who get placed at a country-level average placement rate of 70%.*
- ▶ *The Foundation maintains a regular connect with the graduates and has real time monitoring of the program through a robust management information system (MIS).*

SMART+

SMART+ or *SMART* for persons with disabilities was launched in 2013-14 – to include youth with disabilities under the skilling initiatives of the Foundation. The Programme has enabled youth with a diverse range of disabilities – sight impairment; hearing/ speech impairment and loco-motor disabilities to receive hands on training and exposure to the rich curriculum and resources of *SMART*.

SMART-T

Drawing upon industry research and experience of running a large employability program, the Foundation realized the need of bridging the demand and supply gap for trained, skilled manpower across various trades in technical domains. We offer a variety of trades through the *SMART –T* program, a number of them in formal partnership with some of the leading agencies in technical training.

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). The main objectives of MEI are:

- ▶ *To set up institutions of higher learning for encouraging education and research work in different disciplines, to promote innovation and technology development, to collaborate and/or affiliate with other universities in India and abroad for the cause of promoting quality higher education.*
- ▶ *To collaborate and cooperate with educational or other institutions in any part across world by exchange of teachers and scholars promote 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, to 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.*

Technical Education: The Mahindra École Centrale (MEC) project provides high quality technical education in Engineering and Computer Technology for the students. MEC is an international quality, technology school with assured career progression for engineering aspirants. It focuses on multi-disciplinary knowledge, personality development, and critical-creative thinking. MEC College of Engineering, heralds the Rise of the New Engineer in India.

Employee Volunteering

We lay emphasis on employee volunteering in all our CSR efforts. Driving positive change is one of the three pillars of Mahindra RISE. It rests on creating opportunities that allow associates to make a difference while they grow professionally. We live this value, through corporate volunteering.

We encourage associates to contribute their time and skills to diverse social initiatives of the Tech Mahindra Foundation. We aim to have at least 10% of our associates spend 10% of their free time in CSR activities. In 2016-17, 14370 associates participated in volunteering activities and clocked 70,620 hours. This is almost 20% of the total work force of Tech Mahindra Ltd. India. We also clocked 2782 volunteer hours under our Green and Sustainability initiatives led by the associates' advocacy group the Green Marshals.

Volunteering activities are not conducted during work hours. All employees who participate in the Foundation's volunteering programs do so during their own free time after work or over the weekends and holidays.

G4 SO1 – Percentage of operations with implemented local community engagement, impact assessment and development programs

Tech Mahindra Foundation implements programmes both directly and through NGO partners. The Tech Mahindra SMART Academy for Healthcare in New Delhi, and the In-Service Teacher Education Institute run in partnership with the East Delhi Municipal Corporation are direct implementation projects. Two new direct implementation SMART Academies are in the pipeline in Mohali and Visakhapatnam.

In 2016-17, we ran 144 projects. Through our initiatives we have directly impacted the lives of more than 50000 beneficiaries till date. In addition to the existing SMART Centers, SMART + Centers and SMART- T Centers, we started the first SMART Academy for Healthcare in Delhi in 2016-17. The Academy will provide quality training to allied health professionals such as operation theatre technicians, emergency medical technicians, dialysis and X-Ray technicians etc. More than 200 students were enrolled in courses of varying durations in the first year.

In the reporting year, we trained more than 16,500 young women and men under the SMART program through 80 SMART centers. Over 70% of the graduates are placed in jobs upon successful completion of the training. The details of the initiatives and number of beneficiaries are provided below:

Initiative	Description	No of Beneficiaries
ARISE (All Round Improvement in School Education)	Worked with 18 schools	8600
ARISE+ (All Round Improvement in Special Education)	Ran 18 Projects	7033
Shikshaantar (Capacity building for educators)	Ran 7 projects	7160
SMART (Skill for Market Training)	80 SMART Centers	16,500

In 2015-16, we carried out an impact assessment of the SMART initiative through a third party. The link to the Impact Assessment is provided below.

<http://techmahindrafoundation.org/wp-content/uploads/2017/02/KPMG-report.pdf>

Manufactured Capital



Manufactured Capital – Tech Mahindra’s Facilities and Infrastructure; the facilities and infrastructure of the clients when the associates are on-site for projects; data centers and IT infrastructure - enables the associates to deliver services to the customers.

The manufactured capital acts as an enabler in increasing our financial capital, intellectual capital and human capital. Our world class facilities, green open spaces, cafeterias, canteens, training rooms, medical rooms and gymnasium provide the right environment for the associates to enable service delivery and development of new platforms and solutions.

Our Facilities

Bangalore
Delhi NCR
Mumbai

Bhubaneswar
Gandhinagar
Nagpur

Chandigarh
Hyderabad
Pune

Chennai
Kolkata
Visakhapatnam



GRI Content Index

General Standard Disclosures

General Standard Disclosures		Page	External Assurance
Strategy and Analysis			
G4 1	Statement from the most senior decision-maker.	4 – 7	Yes
Organizational Profile			
G4 3	Name of the Organization	16	Yes
G4 4	Report the primary brands, products, and services.	17-18	Yes
G4 5	Location of the organization's headquarters.	10	Yes
G4 6	Number of countries where the organization operates and there are significant sustainability impacts	16	Yes
G4 7	Report the nature of ownership and legal form.	16	Yes
G4 8	Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries)	16	Yes
G4 9	Scale of the organization	62	Yes
G4 10	Total number of employees by employment contract and gender	90	Yes
G4 11	Percentage of total employees covered by collective bargaining agreements.	91	Yes
G4 12	Description of the supply chain.	20-21	Yes
G4 13	Significant changes during the reporting period regarding size, structure, ownership, or supply chain	10	Yes
G4 14	How the precautionary approach or principle is addressed	74	Yes
G4 15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	26	Yes
G4 16	Memberships of associations and national or international advocacy organizations in which the organization participates or holds position.	25	Yes
Identified Aspects and Boundaries			
G4 17	List all entities included in the organization's consolidated financial statements or equivalent documents. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	9	Yes
G4 18	Explain the process for defining the report content and the Aspect Boundaries.	9, 55-57	Yes
G4 19	List all the material Aspects identified in the process for defining report content.	55-57	Yes
G4 20	For each material Aspect, report the aspect boundary (within the organization)	55-57	Yes
G4 21	For each material Aspect, report the Aspect Boundary (outside the organization).	55-57	Yes
G4 22	The effect of any restatements of information provided in previous reports, and the reasons for such restatements.	9 (No restatements)	Yes
G4 23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries	9 (No changes)	Yes

Stakeholder Engagement			
G4 24	a. Provide a list of stakeholder groups engaged by the organization.	54	Yes
G4 25	a. Report the basis for identification and selection of stakeholders with whom to engage.	54	Yes
G4 26	Approach to stakeholder engagement, frequency of engagement by type and by stakeholder group, and whether any of the engagement was undertaken specifically as part of the report preparation process.	54	Yes
G4 27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	54, 58-59	Yes
Report Profile			
G4 28	Reporting period (such as fiscal or calendar year) for information provided.	8	Yes
G4 29	Date of most recent previous report (if any).	8	Yes
G4 30	Reporting cycle (such as annual, biennial).	8	Yes
G4 31	Contact point for questions regarding the report or its contents	10	Yes
G4 32	'In accordance' option the organization has chosen. GRI Content Index for the chosen option.	8	Yes
G4 33	Policy and current practice with regard to seeking external assurance for the report.	9	Yes
Governance			
G4 34	The governance structure, committees of the highest governance body and committees responsible for decision-making on economic, environmental and social impacts.	22-25	Yes
G4 35	Process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	22 – 24	Yes
G4 36	Executive-level position with responsibility for economic, environmental and social topics and whether post holders report directly to the highest governance body.	22 – 24	Yes
G4 38	The composition of the highest governance body and its committees by executive or non-executive, Independence and Gender	22 – 24	Yes
Ethics and Integrity			
G4 56	The organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	25	Yes

Specific Standard Disclosures

Material Topic/ Performance Indicator	Description	Page No.	Omissions	External Assurance
Governance	<i>DMA</i>	22 - 25	Nil	Yes
G4 34	The governance structure, committees of the highest governance body and committees responsible for decision-making on economic, environmental and social impacts	22 – 25	Nil	Yes
G4 35	Process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	22 – 25	Nil	Yes
G4 36	Whether the organization has appointed an executive-level position with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body	22 – 25	Nil	Yes
G4 38	The composition of the highest governance body and its committees by Executive or Non-Executive, Independence, Gender.	22 – 25	Nil	Yes
G4 56	The organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	25	Nil	Yes
G4 SO4	Communication and training on anti-corruption policies and procedures	25	Nil	Yes
G4 SO5	Confirmed Incidents of corruption and actions taken	25	Nil	Yes
G4 SO6	Total number of political contributions by country and region	25	Nil	Yes
G4 SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	No fines	Nil	Yes
G4 EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	85	Nil	Yes
G4 EN31	Total Environmental Protection Expenditure by type	85	Nil	Yes
Economic Disclosures	<i>DMA</i>	61	Nil	
G4 EC1	Direct economic value generated and distributed	62 - 65	Nil	Yes
G4 EC2	Financial implications and other risks and opportunities for the organizations activities due to Climate Change	66	Nil	Yes

Associate Engagement	<i>DMA</i>	93 – 95	Nil	Yes
G4 LA2	Benefits provided to full time employees which are not provided to temporary or part time employees	94	Nil	
G4 LA3	Return to work and retention rates after parental leave, by gender.	98	Nil	Yes
G4 LA 11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.	91	Nil	Yes
Re-skilling the Associates	<i>DMA</i>	91	Nil	Yes
G4 LA9	Average hours of training per year per employee by gender, and by employee category.	92	Nil	Yes
G4 LA10	Programs for skill development and lifelong learning that support continued employability of employees and assists them in managing career endings	91	Nil	Yes
G4 LA 11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.	91	Nil	Yes
Health and Safety	<i>DMA</i>	96	Nil	Yes
G4 LA6	Type of Injury, occupational diseases, lost days and absenteeism and total number of work related fatalities	96	Nil	Yes
Customer Value	<i>DMA</i>	45	Nil	Yes
G4 PR 5	Results of surveys measuring customer satisfaction.	46	Nil	No
G4 PR 8	Total number of substantiated complaints regarding breaches of customer privacy and loss in customer data	49	Nil	
Innovation Management	<i>DMA</i>	67	Nil	Yes
Renewable Resources	<i>DMA</i>	32	Nil	Yes
Supply Chain Management	<i>DMA</i>	20 – 21	Nil	Yes
G4 12	Describe the Organization's Supply Chain	20 – 21	Nil	Yes

G4 EC9	Proportion of spending on local suppliers at significant locations of operations	20	Nil	Yes
Inclusive Growth	<i>DMA</i>	99	Nil	Yes
G4 SO1	Operations with implemented local community engagement, impact assessments and development programs	104 - 105	Nil	Yes
Volunteering Activity	<i>DMA</i>	87, 95	Nil	Yes
Water Security	<i>DMA</i>	81	Nil	Yes
G4 EN 8	Total water withdrawal by source	82	Nil	Yes
G4 EN10	Percentage and total volume of water recycled and reused	83	Nil	Yes
Carbon Neutrality	<i>DMA</i>	76-77	Nil	Yes
G4 EN15	Direct greenhouse gas (GHG) emissions (Scope 1).	78	Nil	Yes
G4 EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2).	78	Nil	Yes
G4 EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3).	78 – 79	Nil	Yes
G4 EN18	Greenhouse gas (GHG) emissions intensity.	79 – 80	Nil	Yes
G4 EN 3	Energy consumption within the organization.	81	Nil	Yes
G4 EN5	Energy Intensity.	81	Nil	Yes
Waste Management	<i>DMA</i>	84	Nil	Yes
G4 EN23	Total weight of waste by type and disposal method.	84	Nil	Yes
Biodiversity	<i>DMA</i>	86	Nil	Yes
G4 EN14	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	86	Nil	Yes

Mapping with the 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		
MATERIAL ASPECTS	DETAILS	PAGE NOS
<ul style="list-style-type: none"> P1 - Environmental information shall be prepared applying the principles of relevance and materiality 	<ul style="list-style-type: none"> Material environmental aspects were identified through a structured process and reviewed in 2016-17. 	55 – 57
<ul style="list-style-type: none"> P2 Disclosures shall be faithfully represented. 	<ul style="list-style-type: none"> The information is balanced and neutral with representation of 3 year trends in the Natural Capital section. Externally assurance was carried out by third party. 	73 – 88 11 – 14
<ul style="list-style-type: none"> P3 Disclosures shall be connected with other information in the mainstream report. 	<ul style="list-style-type: none"> The Natural Capital chapter is part of the Mainstream Integrated Report using the Integrated Reporting Framework. 	NA
<ul style="list-style-type: none"> P4 - Disclosures shall be consistent and comparable. 	<ul style="list-style-type: none"> 3 Year performance trends are provided based on the GRI G4 Guidelines to ensure comparability with earlier sustainability reports. 	73 – 88
<ul style="list-style-type: none"> P5 - Disclosures shall be clear and understandable. 	<ul style="list-style-type: none"> All Disclosures are clear and understandable 	NA
<ul style="list-style-type: none"> P6 - Disclosures shall be verifiable. 	<ul style="list-style-type: none"> The data is externally assured and the assurance statement is enclosed. 	11 – 14
<ul style="list-style-type: none"> P7 - Disclosures shall be forward looking. 	<ul style="list-style-type: none"> Future outlook of environmental with a 5-year Sustainability Roadmap with 2015-16 as baseline year. 	58 – 59
Reporting Requirements		
<ul style="list-style-type: none"> REQ-01 - Company's environmental policy, environmental strategy and environmental targets 	<ul style="list-style-type: none"> Environmental Strategy and roadmap forms a part of the Sustainability Roadmap. There are clearly defined targets for material environmental topics which are reviewed at the Management Level. 	58 – 59 73 – 88
<ul style="list-style-type: none"> REQ-02 - Risks and opportunities 	<ul style="list-style-type: none"> 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. 	28 – 33
<ul style="list-style-type: none"> REQ-03 – Governance 	<ul style="list-style-type: none"> There is a senior executive committee for monitoring and review of environmental policies and strategy with monitoring and review mechanisms. The environmental policies are subject to the same governance process and controls as financial management through the Sustainability committee. 	23 – 24

<ul style="list-style-type: none"> REQ-04 - Sources of environmental impacts 	<ul style="list-style-type: none"> GHG Protocol is used for estimation and of GHG emissions. Other material aspects of natural capital are reported using the GRI G4 Guidelines. GRI Content index is included. 	107 – 111
<ul style="list-style-type: none"> REQ-05 - Performance and comparative analysis 	<ul style="list-style-type: none"> Three year trends are reported for each material environmental topic. There were no changes in strategy, governance, methodology or KPIs used for calculating results. However, the scope increased and has been reported. 	73 – 88 9
<ul style="list-style-type: none"> REQ-06 - Outlook 	<ul style="list-style-type: none"> Effect of environmental impacts, Risks and opportunities on the organisation's future performance and position is covered in the Risks and opportunities section. 	28 – 33
<ul style="list-style-type: none"> REQ-07 – Organizational boundary 	<ul style="list-style-type: none"> The organizational boundary is the same for the Integrated Report - all the facilities in India. They constitute > 70% of the business operations. 	8 – 9
<ul style="list-style-type: none"> REQ-08 - Reporting policies 	<ul style="list-style-type: none"> The performance has been monitored using the GRI G4 Guidelines consistently. Assurance statement represents continuity from one year to the next. 	9
<ul style="list-style-type: none"> REQ-09 - Reporting period 	<ul style="list-style-type: none"> The reporting period of the <IR> is consistent with the Annual Report for mainstream financial disclosure following the Financial Calendar of 1st March to 31st April. 	NA
<ul style="list-style-type: none"> REQ-10 – Restatements 	<ul style="list-style-type: none"> 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. 	9
<ul style="list-style-type: none"> REQ-11 – Conformance 	<ul style="list-style-type: none"> Disclosures shall include a statement of conformance with the CDSB Framework. 	8
<ul style="list-style-type: none"> REQ-12 – Assurance 	<ul style="list-style-type: none"> The Integrated Report has been assurance by an external third party. 	11 – 14

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