

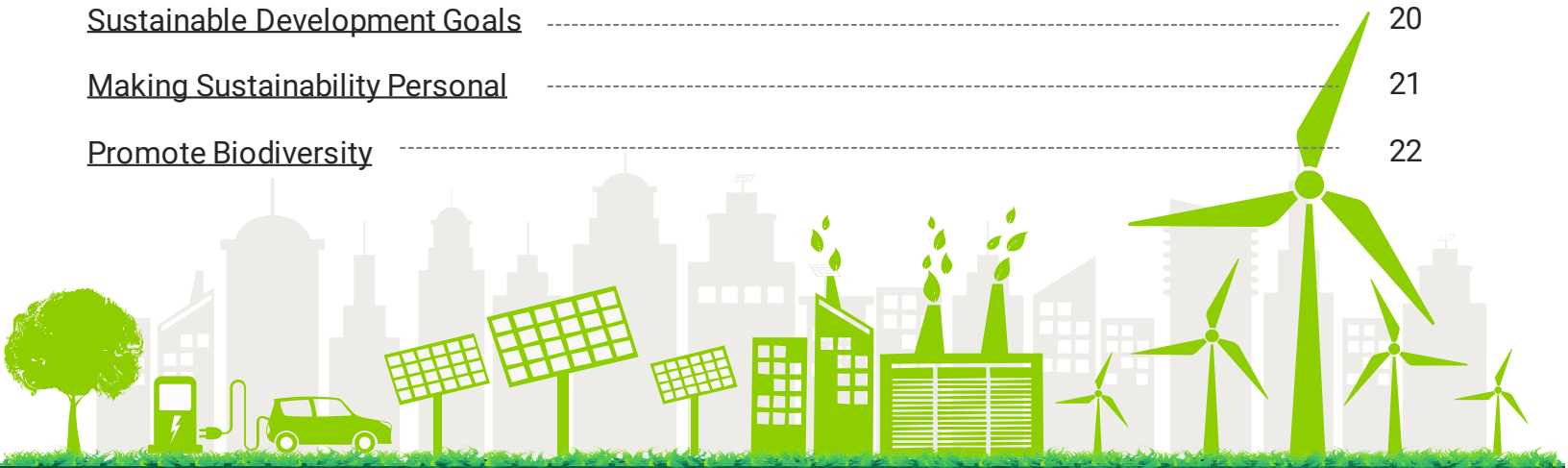


**TOWARDS
SUSTAINABLE
FUTURE**

Connected World.
Connected Experiences.

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WHO WE ARE?

TECH MAHINDRA IS A COMPANY WITH PURPOSE FOR SUSTAINABILITY, NOT ONLY IN BUSINESS BUT ALSO BEYOND IT.

Driven by the purpose of endowing the society by creating imperishable future.

- To be rated amongst the Top-3 sustainable organizations within India.
- Focused responsible business growth
- Focus on enhance operational eco-efficiency



World Recognitions

Carbon Disclosure Project 2020

The only Indian IT company to score double 'A' in CDP Climate and CDP Water 2020.



Dow Jones Sustainability World Index 2020

One amongst only 3 companies from India to make it to the DJSI World Index 2020



DJSI Emerging Markets Index 2020

One of only 11 Indian Companies to be part of DJSI Emerging Markets Index 2020



RobecoSAM 2020

Included in the RobecoSAM 2020 Sustainability Yearbook.



Telecom Industry Association

Awarded "Gold" rating by TIA (Telecom Industry Association) accredited by ANSI (American National Standards Institute)



Sustainalytics

Leader in Sustainalytics with 99 percentile, & an overall ESG Score of 84



ECOVADIS

Awarded Highest 'Gold CSR Rating-2019' by EcoVadis with 94 percentile



FTSE4Good Index Series 2020

Constituent of FTSE4Good (Financial Times Stock Exchange-Russell Group) Index Series 2020



Morgan Stanley Capital International

Rated BBB in MSCI (Morgan Stanley Capital International) with an ESG quality score of 7.5



Awarded by ISS-

Awarded Prime status by ISS



Integrated Report 2020



Sustainability Policy

Tech Mahindra's undeterred focus on good corporate governance is strengthened by our commitment to Sustainable Development. We aim to follow and promote sustainable business practices and to co-create sustainable business value for our stakeholders to achieve their sustainability goals. We believe that environmentally sustainable business operations will empower us to create a sustainable future.

Through the policy we shall contribute to development of a Sustainable future for our Business by:

- Making workplace sustainable
- Leveraging innovative green solutions and technologies
- Collaborating with Customers and partners to develop sustainable solutions to solve ecological problems
- Promoting Sustainability in Supply Chain

Tech Mahindra as a global IT services & consulting company, recognizes the impacts of its business operations on the 3 key pillars of Sustainability viz People, Planet & Profit. Tech Mahindra makes continuous efforts to optimize efficiency across the environmental, social and governance framework of the company

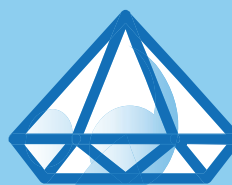
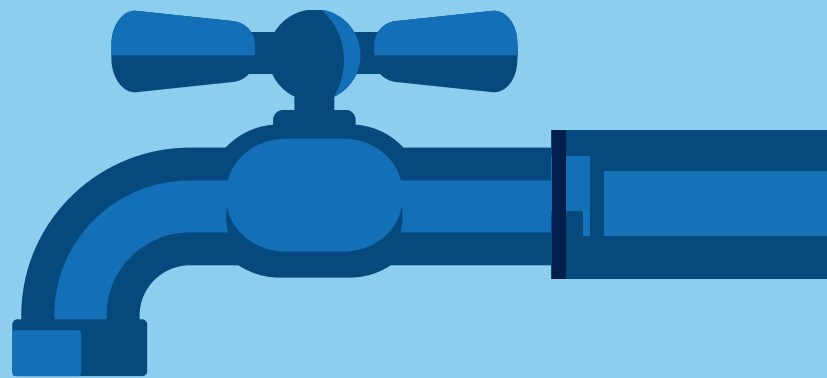
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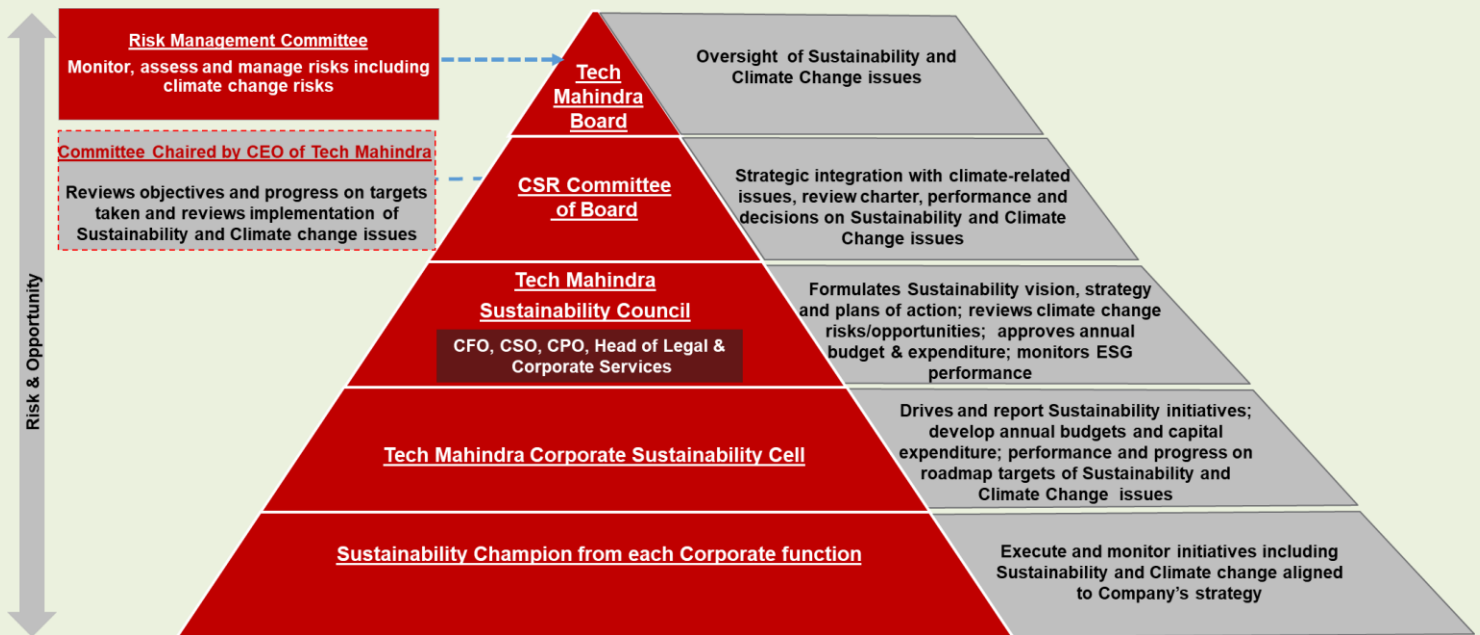
CP Gurnani
MD & CEO,
Tech Mahindra

Sustainability is a long-term issue that will require decades of persistence. At Tech Mahindra, we are committed to pursue plans that will have long-term impacts on the communities and will lead to a balance between sustainability and overall business profitability.

”



Governance & Policies



Climate Change Policy

- SSCM Supplier Code Of Conduct
 - Human Right Policy
 - Environmental Policy
 - Health Safety and Environment Policy
 - Water Management Policy
 - Business Responsibility Policy
 - Sustainable Supply Chain Management Policy
- Sustainability Policy
 - Green Procurement Policy

Materiality Assessment Process

Issues Stakeholders Identified

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

In identifying our Stakeholders, we consider impact on:

- Revenue
- P&L
- Business Continuity
- Brand Value
- Operating Cost
- Compliance & Regulation
- Business Growth

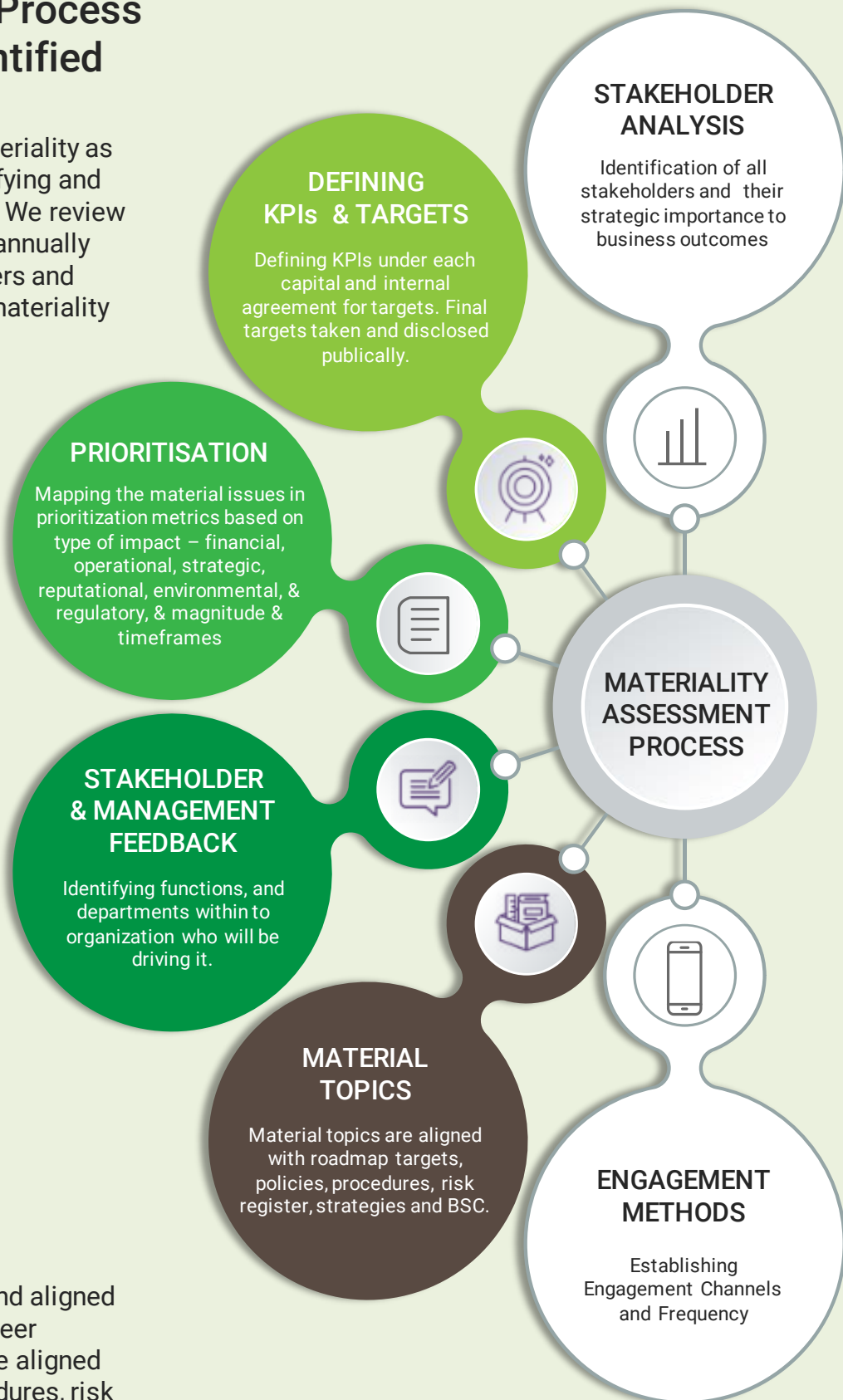
External stakeholders includes-

- Customers,
- Partners & collaborators,
- Academic institutions
- Suppliers & vendors
- External users of systems
- Government & authorities
- NGOs, local communities
- Regulators
- Society at large
- Investors & shareholders

Internal stakeholders includes-

- Organization facility/Location
- Department Heads
- Associates

The materiality topics are identified and aligned after the inputs of stakeholders and peer benchmarking. Our material topics are aligned with roadmap targets, policies, procedures, risk register, strategies and BSC.



Stakeholders Identified and Material Issues....

Collaborators & Partners

- Innovation & Digitization
- Business Model
- New Services and Platforms
- Credit Worthiness

Investors & Shareholders

- Sustainable revenue growth & profitability
- Cash flows
- Innovation & Digitization
- Dividend payouts
- Ethical Governance & Compliance
- Transparency and disclosures

Customers

- Service Responsibility
- Delivery Capabilities and Quality
- Cyber Security & Customer Privacy
- Technology
- Customer Relationships
- Climate Impact

Suppliers & Vendors

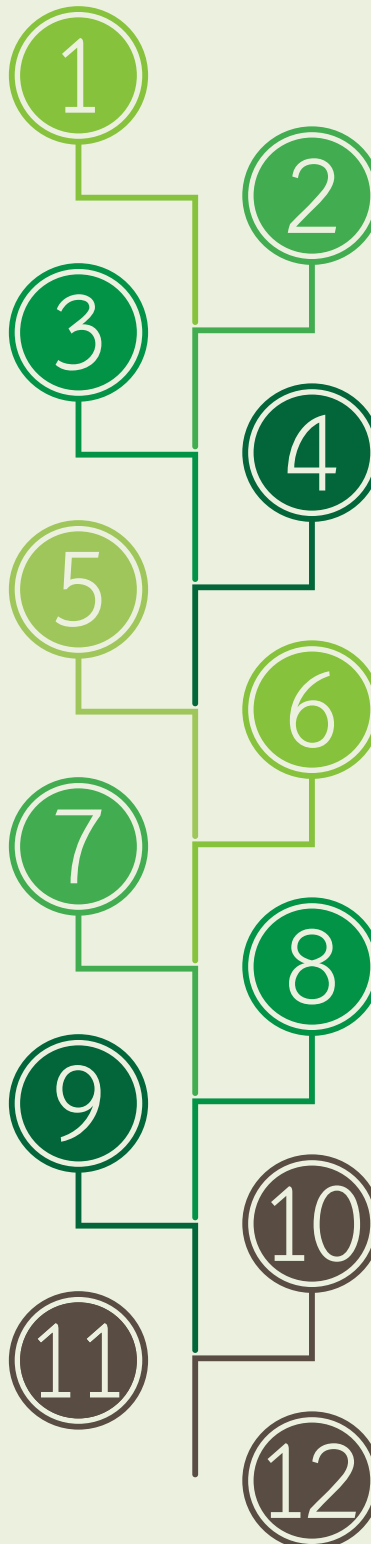
- Health & Safety
- Environmental & Social Integration
- Credit worthiness
- Supplier Code of Conduct
- Knowledge Sharing and Capacity Building

Academic Institutions

- Career Development
- Job Creation
- Innovation
- Internship Opportunities
- Co-innovation Synergies

Organisation Facility/ Locations

- Biodiversity
- Energy, Water, E-waste
- Health and Safety
- GHG Emissions
- Data Centres



External Users of Systems & Processes

- Climate Change Risk
- Governance
- Ethics and Compliance
- Code of Conduct
- External Environment

Associates

- Re-skilling
- Career Development
- Attrition
- Human Rights, Safety, Security
- Code of Conduct
- Associate Engagement
- Engaging Assignments

Government & Local Bodies

- Job Creation
- Impacts on Local Communities
- Diversity & Inclusion
- Corporate Governance, Ethics & Compliance

NGOs & Local Communities

- Volunteering Activities
- Support for Development Programmes
- Awareness
- Impact Assessments
- Responsible Citizenry

Regulators

- Partnering in Research
- Environmental Disclosures
- Economic and Disclosures
- External Environment
- Digital Inclusion
- Compliance

Society at Large

- Climate Change
- Innovation
- Green IT
- Research and Development
- Product Innovation and Enhancement
- Ethical Business Practices

Stakeholders Engagement and Roadmap

Engagement with the stakeholders helps us understand their explicit and tacit needs that inform our strategy and operational decisions. We follow a robust process for engagement with both internal and external stakeholders based on the need and context. We adopt various methods to ensure that we understand stakeholder's needs and concerns. We also effectively work towards addressing these needs.

Roadmap- Our materiality topics are aligned and dully approved by the respective department heads.

The performance of relevant personnel is linked to the Balance Score Cards and KRA's. The targets have been set by the department heads based on materiality issues. Environmental, strategy and people related risks were evaluated in terms of likelihood of occurrence and its impact on business

For more on engagement, please refer to page 45 & materiality risks on page 62-73 of [Integrated Report FY 19-20](#)

For more on roadmaps, please refer to page 48 onwards of [Integrated Report FY 19-20](#)



Building Enduring Business

Aspect	Mahindra Sustainability Framework	Target	Baseline year 2015-16	Target 2019-20	Achieved	Target year 2020-2021
Promoting Innovation	Embrace technology and Innovation	Number of Innovation contests and events per year	18	54	80	85
	Embrace technology and Innovation	Number of ideas incubated in Labs (including IRIS, IP and Makers Lab) per year	2	14	15	20
Realization of opportunities from Innovation	Embrace technology and Innovation	Revenues from Innovative Solutions (USD in Million)	40	208	250	300
Connecting with Customers	Enhance Brand equity	Customers connected	8	154	175	200
Supply Chain	Make supply chain sustainable	Number of top Suppliers to be audited yearly on Sustainability parameters	2	7	23	10
Reducing Carbon Footprint in Supply Chain	Make supply chain sustainable	Engaging with IT suppliers to estimate GHG emission from products manufactured for Tech Mahindra	-	4	2	5

Rejuvenating the Environment

Aspect	Mahindra Sustainability Framework	Target	Baseline year 2015-16	Target 2019-20	Achieved	Target year 2020-2021
GHG Emissions	Achieve Carbon Neutrality	Reduction in Scope 1 -2 GHG emissions in MTCO2	114309	100592	107511.98	97163
Renewable energy	Achieve Carbon Neutrality	Renewable energy as percentage of total electricity used	1.77%	12%	17.60%	15%
Water	Becoming water positive	Reduction in per capita fresh water consumption kl/employee	13.73	12.63	12.4	12.36
	Becoming water positive	Number of rain water harvesting units	2	4	8	6
Waste Management	Ensure no waste to landfill	Reduction in Paper Consumption in kg	93379.46	12%	41.88%	15%
	Ensure no waste to landfill	Composting food waste at owned locations	2 locations	6 locations	5 locations	9 locations

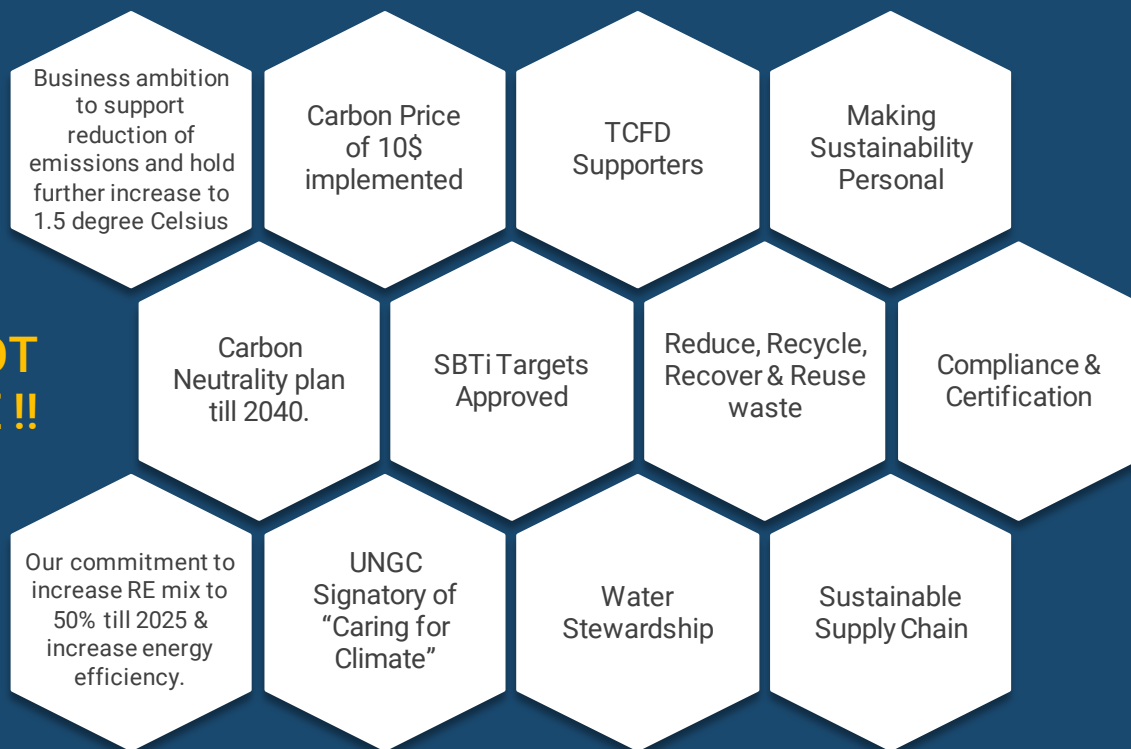
Enabling Stakeholders to Rise

Aspect	Mahindra Sustainability Framework	Target	Baseline year 2015-16	Target 2019-20	Achieved	Target year 2020-2021
Employee Engagement and Retention	Build a great place to work	Improvement in Employee Engagement Score	3.7	3.86	3.92	3.9
Gender Diversity	Foster inclusive development	Increasing percentage of women in Senior Management	8%	11.2	8.81%	12%
Integrating Sustainability into Business	Make Sustainability Personal	Sustainability training of total associates	25%	60%	100%	100%
Talent Retention	Build a great place to work	Attrition rate (%)	20%	17.6%	19.1%	17%
Learning and Development	Build a great place to work	Continuous Learning for all Associates (Hours Per Person Per Year)	40	40	47.08	40
Health & Safety	Build a great place to work	Health, Safety and Ergonomics Trainings at locations	83% (10 locations)	97% (11 locations)	100% (12 locations)	100% (12 locations)
	Build a great place to work	Telephonic and Face to face Counselling facility for associates and contract employees at locations	58% (7 locations)	92% (11 locations)	100% (12 locations)	100% (12 locations)
CSR	Foster inclusive development	Direct & indirect beneficiaries of (Figures in Lakhs)	3.85	5.08	19.1	5.39
	Foster inclusive development	SMART Vocational Training centres across all locations of operations with 80% placement	75	119	109	130

Our Journey

-
- Recognized as part of CDP Global Supplier A List & Leadership ranking of A- in CDP
 - Made it to DJSI World Ranking & DJSI Emerging Markets Index
 - World Leader for Supplier engagement on Climate Change by CDP
 - Included in the RobecoSAM 2019 Sustainability Yearbook with a Silver Class distinction
 - Microsoft Global Supplier Leadership Award on Climate Change 2019.
 - Awarded Prime status by ISS-OEKOM, our sustainability
 - Achieved 'Silver CSR rating' by ECOVADIS
 - Constituent of FTSE4Good Index Series
 - Signatory to UNGC
 - SBT targets approved
- DJSI World Index & Emerging market
 - Silver Class distinction in the DJSI Sustainability Yearbook
 - Listed as 'Rising Star' in the CDP's India Leaders
 - Member of UNGC
 - CDP Global Supplier A List
 - FTSE4Good Emerging Index
 - Winner of the Mahindra Group Grand Master Sustainability Award
- Leader in CDP Supply Chain "A" rating
 - 1st time made it to DJSI under both Emerging Markets & World category
 - Ranked 3rd in top 100 Asian companies
 - Channel News Asia Sustainability Ranking
 - Included in RobecoSAM's "The Sustainability Yearbook"
 - Gold Rated at CII Sustainable Plus
- Only Indian IT company to score 'double A' in CDP Climate & CDP Water 2020.
 - Amongst only three Indian companies to be included in the DJSI World Index.
 - One of eleven companies from India in the Emerging markets category
 - One of the top seven global companies in the "TSVIT services & Internet Software and Services" segment
 - Constituent of FTSE4Good Index Series
 - Awarded Highest 'Gold CSR Rating' by EcoVadis with 94%.
- Achieved GOLD performance level in TIA which is accredited by ANSI
 - Awarded Prime status by ISS, our sustainability performance among the best 10% in the sector
 - Signatory to UNGC
- Made it to DJSI World Ranking & DJSI Emerging Markets Index
 - World Leader for Supplier engagement on Climate Change by CDP
 - Listed as a 'Rising Star' in the CDP's India Leaders
 - Emission targets approved by SBTi
 - Awarded Prime status by ISS-oekom,
 - Included in the RobecoSAM Sustainability Yearbook & received Silver Class distinction
 - Awarded 'Silver CSR Rating' by EcoVadis
 - Constituent of the FTSE4Good Index
- Listed in Dow Jones Sustainability Indices (DJSI)
 - and rated "A"
 - Won ASSOCHAM Award
 - Constituent of the FTSE4Good Emerging Index
 - Green Marshals won the M&M Harish Mahindra Memorial Trophy
 - Rated Gold in CII Sustainability Plus Corporate Assessments

WHAT GOT US HERE !!



CHANGING CLIMATE

- Scope 1 + 2 reduced by 3.10% against FY 2019 and 6% against baseline year FY 2016
- Reduction of 23683+ MTCO₂e emissions through Renewable energy
- Supporters of TCFD and Caring for Climate

WATER STEWARDSHIP

- Recycled more than 590 million liters of water in FY 2020
- 1 mn liters of ground water level recharged through Rain Water Harvesting plants in FY2020
- 5.4% reduction in water intensity (kl/employee) against FY 2019



COVID-19 has made businesses realize the importance of adopting strategies which will deliver innovative solutions without adversely affecting the environment. Our commitment towards going carbon neutral, conserving, and deploying resources efficiently will help us to accelerate our transition to a low carbon economy while creating sustainable value for our stakeholders.



- Sandeep Chandna

ENERGY UTILIZATION

- Increase RE from 1.77% (in baseline year FY 2016) to 17.60% this year
- Energy intensity reduced by 4% against FY 2019 & 24.03% against baseline year FY 2016
- Reduction of 6000+ MTCO₂e through LEDs, occupancy sensors, AC sensors and efficient equipment

NEW TERRAIN

- Reduction in Paper Consumption by 21% as compared to previous year FY 2019
- Planted 26,000 trees in FY 2020
- 92% of waste reused / recycled / upcycled/ sold to recycler

INDUSTRIAL IMPACT

- Virtualized 30,000 servers saving more than 1 lakh MTCO₂e
- Audited and assessed 66 suppliers and conducted workshops for 80 key suppliers till FY 2020.
- Joined SBTi Business Ambition to support reduction of emissions & hold further increase to 1.5^o C.



Making Supply Chain Sustainable

Tech Mahindra recognizes that our suppliers are independent entities; however, the business practices and actions of a supplier may impact on or reflect upon Tech Mahindra

Sustainability is deemed to make significant contribution to company's success, and suppliers plays a major role in this

We bind all our suppliers to the following social, ethical and environmental minimum standards of conduct and encourage each supplier to adopt practices with preferred and favored standards

We actively engage with our key suppliers for making our Supply Chain sustainable

Suppliers must share our commitment to best practice, continuous improvement, and collaborative approaches, and commit to our requirements as per the SSCM Supplier Code of Conduct.

OUR SUSTAINABLE SUPPLY CHAIN MANAGEMENT POLICY INCLUDES:

Seek high standard performance from our key suppliers through SSCM questionnaire and Supply Chain Code of Conduct

Deliver social and environmental benefits for Tech Mahindra, our suppliers and the broader community, by encouraging practical and effective social, ethical and environmental responsibility by our supplier

Encourage our suppliers to make available cost-effective, environmentally and socially responsible products and services

Create other benefits for our company, such as reduced costs, improved risk management, enhanced quality, and product or service innovation

SSCM- Supplier Code of Conduct

Sustainable Supply Chain Management Policy

Supplier Performance review

- We evaluate and review performance for **supplier's targets (both quantitative and qualitative) taken on ESG aspects** and their future plans
- We look ethical and human right practices and **beyond compliance at their connect with their employees, how they communicate, details of compliance processes and polices**, capacity building and awareness on green and environment
- We evaluate our suppliers on the basis of their transparency in reporting their **sustainability details publicly** and their participation in indices like CDP, CDP Supply Chain, DJSI etc.
- We prefer suppliers who
 - Set environmental/ social targets
 - Report publicly on these indicators
 - Conduct independent audits against appropriate standards or certification schemes.
- We ensure that all our suppliers are aligned to the **minimum social, ethical and environmental standards of conduct** set out in the Supplier Code of conduct and encourage them to adopt our preferred and favored standards
- We encourage our Suppliers to **track and reduce GHG emissions and encourage Sustainability practices**
- While reviewing we encourage vendors to use **increasing amount of recycled and recyclable content into making of new products to support progress towards circular economy**



Observations & Recommendations Supplier Performance Review Feedback on

Good Points

- **Code of conduct and workplace management:**
 - Workplace management policies
 - Training/Induction program
 - Written labor policy in place
 - Written Diversity/equal opportunity for employment policy
 - Proactive in learning/development for employees
- **Occupational health & safety:**
 - Written safety & health policy
 - Strictly following health & safety checklist for employees
 - Conducting safety related training for employees
- **Environment management:**
 - Written environment policy

Focus Areas

- Tracking GHG emissions (Scope 1 & 2) for operation
- Reporting the emission on global platform
- Establish the environmental targets & objectives to improve environment performance
- Set up sustainability target & goal in order to minimize impact on environment.
- Should have a written BCP policy



Risk Management at Tech Mahindra

Which Risks	Strategic, Business, Operational, Climate Change Risks
Who Manages	Enterprise Risk management Team (Risk officers & Heads of Business Units) headed by CRO and Risk Management Committee
How Manages	<p>Approach: Bottom Up approach Through: Risk Register Internal Process: Critical risks prioritized reviewed with Feedback and guidance from Senior Leaders assessment report is updated. Mitigation Strategies and Business Contingency Plans developed Monitored by: Corporate Auditing team</p> <p>Chief Risk Officer and the Chief Sustainability Officer are engaged through a structured process to deliberate on possible risks and opportunities from Technology-Economic-Media-Political-Legal-Environmental-Social perspective</p>



Sustainable Development Goals

SDG prioritized and identified	Project implemented and impacts of action
SDG 3 Good Health and Well Being	<ul style="list-style-type: none"> Relief work during COVID 19 by graduates from Tech Mahindra Foundation (TMF) 'Healthcare Academies' Makers Labs (R&D centers) developed an AI enabled Chatbot & a healthcare App to assist government & citizens during Covid-19 Tele-health services for 'ArogyaSetu', a mobile application developed by Government of India during COVID-19 'Health ATM', a digital health kiosk, developed by Tech Mahindra to enable affordable healthcare for all 'Your Dost'-online wellness platform to support for emotional difficulties
SDG 4 Quality Education	<ul style="list-style-type: none"> Education for Skilling and School Education at Tech Mahindra Foundation ensure quality education to youth and children from urban marginalized sections of society Shikshaantar, our teacher capacity building program ensures quality education for children to constantly evaluate and introduce new teaching and learning methods and have better learning outcomes among children in primary schools.
SDG 5 Gender Equality	<ul style="list-style-type: none"> Inclusivity, pillar of TMF's CSR programs is a cross-cutting theme across our skilling and school education programs 50% of the beneficiaries of the CSR interventions are female. This is part of commitment to gender equality and empowerment of women & girls.
SDG 6 Clean Water and Sanitation	<ul style="list-style-type: none"> We are constantly working with our suppliers on effective water management through predictive AI model and development of New product and services that help reduce operational water consumption, predict water availability and prepare better for water related impacts
SDG 7 Affordable and clean energy	<ul style="list-style-type: none"> By enabling technologies like AI, IoT, 5G etc, we are bringing efficiency in the use of energy Renewable energy efficient solutions are removing inefficiency & enabling reliable energy 'Microgrid as a Solution' enables easy access to sustainable energy for communities IoT-based solution 'Connected Solar Plants' can connect solar plants globally, and helps in forecasting production, monitoring substations, analyzing real-time trends and graphs, auditing and reporting energy production. The plug-and-play device support sends timely alerts and notifications during critical events to avoid any inadvertent incidents.
SDG 8 Decent Work and Economic Growth	<p>SMART Academies of TMF are catalysts to furthering the principle of assuring a dignified living to young beneficiaries. Youths are trained from socio-economic less privileged backgrounds in various specialized skill courses and assisting them with job opportunities</p>
SDG 9 Industry, Innovation and Infrastructure	<p>GAiA, is our open source AI platform to solve business and environmental problems IoT based Micro grid As A Service to promote Sustainable living integrated with Smart Grid CAPE - Renewable energy projects for improving community housing, lowering CO2 emissions, reducing energy poverty, generating savings for communities, and developing the local economy through employment generation</p>

Sustainable Development Goals

SDG prioritized and identified	Project implemented and impacts of action
SDG 10 Inequalities	<ul style="list-style-type: none"> Equal access to opportunities is critical to reduce inequalities. TMF facilitates the employment of the youth after providing them training in specialized vocational courses. This enables the Foundation to remain committed to achieving the greater good for the communities while alleviating economic inequalities
SDG 11 Sustainable Cities & communities	<ul style="list-style-type: none"> In-house Smart Solutions like Smart Street Light, Smart Waste Management Systems, Smart Meter, and Smart Parking can be managed remotely through a smart city portal using Unified Monitoring and Command Centre (UMACC) Smart Building Management solutions help in managing energy, efficiently within buildings and also help in reducing energy
SDG 13 Climate Action	<ul style="list-style-type: none"> Developed by Tech Mahindra, #AI4Action, global collaborative community of thinkers, tinkerers, innovators and researchers from educational institutes and corporations focused on solutions to tackle climate change. AI-powered ACUMOS platform helps addresses environmental challenges impacting the world. It provides access to, participants to access, build, share and deploy AI-powered applications to tackle climate changes. We are signatory to Caring for Climate and are supporters of TCFD Our commitment to reduce our Scope 1 and 2 emissions by 22% until 2030 and 50% until 2050 is approved by SBT Our employees are advocating the use of eco-friendly products to protect the environment and ensure a sustainable future. Our organization wide initiatives like '3-4-3 for Individual Social Responsibility', 'Ride for Pride' etc., and the current 'work from home' are ensuring carbon neutral future
Partnerships for Goals	<ul style="list-style-type: none"> Our Collaborative approach to address some of the global challenges like health care, climate change, inequality etc. is accelerated by partnering with government, NITI Aayog and global organization like UNGC, CDP etc. (as evidenced during the Covid-19 Crisis), industry, academia and thinkers (as in the case of climate action) Our Innovation across the globe is facilitated through Makers Labs (our R&D centers), and powered through partnership and collaboration ecosystem to develop sustainable and inclusive solutions for the future. We have partnered with University of Sydney where students are working on projects across areas like community development, sustainability, law, technology, farming, banking and health. Our Partnerships work on the foundation of trust and is based on models that are scalable and sustainable in the long run. TMF works in partnership with 139 NGOs to create an atmosphere and ecosystem of collaboration, cross-learning, mutual benefit of partners and communities alike.

Making Sustainability Personal

We have increased our volunteer hours participation by 93% from **8581 hours** in FY 2019 to **16633 hours** in FY 2020.



Promote Biodiversity

- Tech Mahindra is committed to protecting the natural resources spread across its campuses.
- We protect 81 birds including lovebirds, fantails and swans in our Hyderabad campus with objective to increase awareness of the associates on Biodiversity
- There are no IUCN Red List species or national conservation list species in the vicinity of our locations.
- Conducted painting contest to raise awareness on Biodiversity
- Conducted awareness session on plastic pollution disturbing aquatic life
- Conducted green quiz on biodiversity theme in order to aware associates
- We target to plant 165000 trees in next 5 years
- To promote bio diversity we have increased our tree plantation by 16% from 22197 in FY 2018-19 to 25934 in FY 2019-20

Biodiversity Policy





Tech Mahindra



www.youtube.com/user/techmahindra09
www.facebook.com/techmahindra
www.twitter.com/tech_mahindra
www.linkedin.com/company/tech-mahindra
www.techmahindra.com