

CARBON REDUCTION PLAN GUIDANCE

Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier¹ and must meet the reporting requirements set out in supporting guidance and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a Carbon Reduction Plan covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard² and Guidance³, and all of the following criteria are met:

- The bidding entity is wholly owned by the parent;
- The commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity;
- The environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract; and
- The CRP is published on the bidding entity's website.

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure under this selection criterion.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

¹ Bidding supplier or 'bidding entity' means the organisation with whom the contracting authority will enter into a contract if it is successful.

² Technical Standard can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991625/PPN_0621_Technic al_standard_for_the_Completion_of_Carbon_Reduction_Plans_2_.pdf

³ Guidance can be found at:

 $https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991623/Guidance_on_adopting_and_applying_PPN_06_21__Selection_Criteria__3_.pdf$

Carbon Reduction Plan Template

Supplier name: Tech Mahindra Limited

Publication date: April 2023

Commitment to achieving Net Zero

TECH MAHINDRA is committed to achieving Net Zero emissions by 2035.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2016		
EMISSIONS	TOTAL (tCO ₂ e)	
Scope 1	6,257	
Scope 2	108,052	
Scope 3 (Included Sources)	47,227	
Total Emissions	161,536	

Current Emissions Reporting

Reporting Year: 2022		
EMISSIONS	TOTAL (tCO ₂ e)	
Scope 1	8,995.81	
Scope 2	57,851.87	
Scope 3	22,212.92	
(Included Sources)		

Emissions reduction targets

Tech Mahindra has taken target to become carbon neutral by FY 2030 and net zero by 2035. We are a signatory to Business Ambition of 1.5°C and the Climate Pledge. We have taken targets to increase our renewables to 50% by FY 2050 and 90% by FY 2030.

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

We project that carbon emissions will decrease over the next five years to **69,729** tCO2e by **2025-26**. This is a reduction of **39%**

We are transitioning towards new technologies to accelerate our carbon neutrality by 2030 and Net Zero plans much before 2035. We have implemented internal carbon prices to fund initiatives like installing energy-efficient devices, low emission technology procurement and implementing green initiatives. We are also leveraging TCFD-defined Opportunities under "Energy Source: Use of New Technologies & Resource Efficiency" that emerge from Climate change We are implementing an eco-design approach to reduce environmental impacts by installing solar modules, PPAs phased installation of LEDs, using motion sensors, eco-efficient efficient equipment, etc., We are implementing circular economy principles in waste management (Reduce, Recover, Recycle and Reuse waste). Resource efficiency is central to our efforts as it not only reduces emissions but also operational costs.

Our road to Net Zero will include actions that are focused on three key pillars viz. energy efficiency, switching to renewable and carbon offsetting.

Energy Efficiency				
Challenge	Action	Result		
Energy Efficiency has emerged as one of the highest priorities besides the conservation of energy. Better efficiency, lower consumption and better utilisation of new equipment attract a high capital cost besides the	We have adopted several measures to reduce our energy consumption and emissions.	 18% of energy savings for green buildings campuses compared to baseline as per ASHRAE standards 		
	+ Deploying efficient transportation	+ Installation of LEDs saved		
	 Enabling virtual conferencing technologies 	6.42 Mn units of power and 5,000+ MTCO2e till FY22		
	 Achieving Green Building certification with a "Gold" rating 	 The use of motion sensors saved 1.82 Mn units of power and 1,501 MTCO2e till FY22 		
cost of replacement of existing infrastructure.	 Installing LEDs, motion sensors for ACs and lighting 	 This retrofit also complies with green building norms 		
	 Installing energy-efficient cables and instruments 			

Carbon Offsetting (Tree F		
Issue	Action	Results
Planting trees helps reduce ambient CO2 which helps negate the impact of emissions thereby addressing the climate crisis, besides promoting biodiversity	We have collaborated with NGOs and hosted multiple initiatives through Green Marshals to plant trees in and around our campus. In addition to preserving biodiversity, the carbon sequestration will help us offset 5% of our emissions in the long run	 + 80,463+ trees were planted till FY22 which in turn helped us save ~2,000 MTCO2e (estimated savings of USD 5,300). + The tree plantation has had a positive impact on biodiversity conservation

Switching to Renewable				
Issue	Action	Result		
Direct and indirect energy generation is the leading cause of industrial air pollution. Increased Renewable Energy ensures slower consumption of fossil fuels and reduces emissions. There are likely to be regulatory requirements for renewable energy sources to align with the Paris Agreement.	 Tech Mahindra has actively increased the contribution of renewable sources of energy year on year. We aim to reduce our carbon footprint by increasing our renewable energy consumption to 50% by 2025 and 70% by 2030 We are installing solar panels and adopting PPAs across our facilities wherever feasible We are investing in solar energy for more locations and reducing the higher cost impact of the clean energy tax 	 We have increased our Renewable Energy from 1.77% (in baseline year FY16) to 22.93% (in FY22) More than 95% of our energy consumption in the Bengaluru location is from the Renewable Energy mix. In Bengaluru, we have saved 16.69 Mn units of electricity reducing 13,184 MTCO2e of Scope 1 and 2 emissions and have annual savings of grid cost of USD 672,028 Through renewable energy, we have saved 22,994,671 kWh and reduced 17,964.92 MTCO2e of emissions 		

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the **2016** baseline. The carbon emission reduction achieved by these schemes equate to **47,462** tCO2e, a **41.52%** reduction against the **2016** baseline and the measures will be in effect when performing the contract.

We have saved 17965 MTCO2e through renewable energy, 5068 MTCO2e through LEED installations and 14345 MTCO2e through motion sensors in FY 22. We have implemented green building certifications guidelines and saved a minimum of 1014 MTCO2e. Thus, we have reduced emission by 25482 MTCO2e.

Below table indicates our carbon reduction target & achievement -

Aspect	Mahindra Sustainability Framework	Target	Baseline year 2015-16	Achieved	Target year 2020-2021
GHG Emissions	Achieve Carbon Neutrality	Reduction in Scope 1 -2 GHG emissions in MTCO2	114309	74348.90	97162.65**

** We surpassed these targets significantly owing to the work from home imposed due to COVID-19.

Few completed carbon reduction projects are as follows -

Tech Mahindra Ltd. is certified for ISO 14001:2015, ISO 45001:2018 and Green Building guidelines are implemented across the other facilities. We have also obtained LEED and Green Building Certification for some of our facilities covering more than 3.7 Mn sq. ft. and we consider Green building guidelines while upgrading or adding to our facilities. Some of our facilities our ZWL certified.

In the future we hope to implement further measures such as:

We aspire to be pioneers in developing solutions for addressing environmental protection and other corporate sustainability priorities for our customers. We are developing solutions and platforms to assist Customers in Energy Management, Climate Action, Resource Efficiency, and modular energy-efficient equipment for Data Centre Design, Cloud service, and server virtualization among others. We conserved energy through data centres consolidation, adopting air flow management techniques, server virtualization and use of modular energy efficient equipment for data centre designs. Natural and adiabatic cooling methods used to increase energy efficiency. We have implemented internal carbon mechanism to boost green investment. We aim to increase our carbon price of \$ 14 to reduce of GHG emissions.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standards for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard⁴ and use the appropriate Government emission conversion factors for greenhouse gas company reporting⁵.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard⁶.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:

Sandeep Chandna

(Chief Sustainability Officer)

Tech Mahindra

Date: 09 Jan 2022

⁴ <u>https://ghgprotocol.org/corporate-standard</u>

⁵ <u>https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting</u> ⁶ https://ghgprotocol.org/standards/scope-3-standard