

Business Responsibility and Sustainability Reporting Policy



Table of contents

1. BACKGROUND.....	3
2. OBJECTIVE.....	3
3. SCOPE AND APPLICABILITY	4
4. POLICY STATEMENTS	4
5. REFERNCES	8
6. ACRONYMNS.....	9

1. BACKGROUND

The Ministry of Corporate Affairs (MCA), Government of India, released a set of guidelines in 2011 called the National Voluntary Guidelines on the Social, Environmental and Economic Responsibilities of Business (NVGs). This was expected to provide guidance to businesses on what constitutes responsible business conduct. The revision of NVGs was initiated in 2015 to align the guidelines with the Sustainable Development Goals (SDGs) and the 'Respect' pillar of the United Nations Guiding Principles (UNGP), after revision and updating, the new principles are called the National Guidelines on Responsible Business Conduct (NGRBC) 2018.

The primary rationale for the update is to capture key national and international developments in the sustainable development agenda and business responsibility field that have occurred since the release of the NVGs in 2011. Some of the key drivers of the NGRBC are given below:

1. The UN Guiding Principles for Business and Human Rights (UNGPs)
2. UN Sustainable Development Goals (SDGs)
3. Paris Agreement on Climate Change (2015)
4. Core Conventions 138 and 182 on Child Labour by the International Labour Organization (ILO)
5. Annual Business Responsibility Reports (ABRRs)
6. The Companies Act, 2013

Further, the Securities and Exchange Board of India (SEBI), vide Circular dated May 10, 2021, has made the Business Responsibility & Sustainability Report (BRSR) mandatory for the Top 1000 listed entities by market capitalization with effect from 2022-23. The BRSR is a notable departure from the existing Business Responsibility Report ("BRR") and a significant step towards bringing sustainability reporting at par with financial reporting. The SEBI Circular further states that the BRSR is an initiative towards ensuring that investors have access to standardized disclosures on Environment, Social, and Governance (ESG) parameters. Access to relevant and comparable information will enable investors to identify and assess ESG risks and opportunities of organizations and make better investment decisions.

Further, SEBI vide circular dated July 12, 2023, introduced the BRSR Core for assurance by listed entities and further introduced disclosures and assurance for the value chain of listed entities as a part of its Annual Report, as per the BRSR Core.

2. OBJECTIVE

The objective of this policy is to:

1. Establish a policy on BRSR to meet SEBI requirements.

2. Use the BRSR to link financial results with ESG performance.
3. Aid regulators, investors, and stakeholders in assessing business stability.
4. Adopt BRSR principles and guidelines on ESG, and Economic responsibilities.
5. Ensure a unified and common approach to the dimensions of Business Responsibility across Tech Mahindra.
6. Act as a strategic driver that will help Tech Mahindra respond to complexities and challenges of the evolving business environment.
7. Align with global principles of ethical business conduct. 8. Stay updated with regulatory reporting requirements.

3. SCOPE AND APPLICABILITY

This specifies the responsible business conduct of Tech Mahindra, its subsidiaries, and joint ventures (hereinafter referred to as “Tech Mahindra”/” Company”). This policy is designed to ensure a standardized approach across Tech Mahindra and shall be applicable to all employees of Tech Mahindra. The NGRBC is to be used across Tech Mahindra and provide a useful framework for guiding our overseas operations, in addition to aligning with applicable localized national standards and norms for governing responsible business conduct. Furthermore, the NGRBC encourages us to ensure that we are not limited to following these guidelines in business operations directly within our control or influence, but also encourage and support our suppliers, vendors, distributors, partners, and other collaborators to follow them.

4. POLICY STATEMENTS

The NGRBC comprises nine thematic pillars of business responsibility that are known as Principles. These principles are interdependent, interrelated, and non-divisible, and all business are urged to address them holistically.

In line with the NGRBC, the company shall adhere to the following 9 principles as a part of its BRSR reporting:

Principle 1: Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable.

- Tech Mahindra recognizes that ethical behaviour in all our operations, functions, and processes is the cornerstone of our business, guiding our governance of economic, social, and environmental responsibilities.
- We emphasize that disclosures on business decisions and actions that impact stakeholders form the fundamental basis of operationalizing responsible business conduct and should be accessible to all relevant stakeholders.

- Tech Mahindra acknowledges that our role as an integral part of society and we hold ourselves accountable for the effective adoption, implementation, and disclosures of our performance with respect to the core elements of these guidelines.
- The governance structure of Tech Mahindra ensures alignment with these principles, in line with SDG 16 which aims to promote peaceful, inclusive societies and build effective, accountable, and inclusive institutions at all levels.
- We are committed to upholding the highest standards of ethics across all aspects of our business activities, ensuring that employees adhere to the company's periodically updated code of conduct. Any breach of this code will be taken seriously and may result in disciplinary action.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.

- Tech Mahindra upholds the values of honesty, fairness, and partnership in our relationships with stakeholders.
- We recognize the proposition of SDG 12 (Responsible Consumption and Production Ensure Sustainable Consumption and Production patterns), that sustainable production and consumption are interrelated and, contribute to enhancing the quality of life and contribute towards protecting and preserving earth's natural resources.
- We further emphasize a focus on safety and resource-efficiency in the design and manufacture of our products/services, creating value while minimizing and mitigating adverse impacts on the environment and society through all stages of its life cycle, embracing the idea of circularity in all our operations.
- Our Green Procurement Policy communicates our expectations and positions regarding the sustainable sourcing of input materials. This policy evaluates partnerships and enhances communication with our vendors.
- To achieve this, we encourage businesses to understand all material sustainability issues across their product life cycle and value chain.

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

- Tech Mahindra prioritizes equity, dignity, and well-being of all employees, aligned with SDG 8 (Decent Work and Economic Growth).
- We promote sustained economic growth, full employment, and decent work conditions across our business and value chain.

- Our commitment to diversity ensures a workplace free from discrimination, supporting not only our employees but also their families' well-being.
- We attract and retain talent through comprehensive employee engagement, mentoring, training, career development, and competitive perquisites.
- Tech Mahindra provides a safe working environment, promptly addressing any harassment incidents with sensitivity and confidentiality.
- Our focus on learning and development equips employees with the knowledge and skills needed to navigate challenges and achieve personal and professional growth.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.

- Tech Mahindra protects the interests of all stakeholders, including vulnerable and marginalized groups. This commitment drives us to embed sustainability practices throughout our business operations.
- We are committed to maximizing the positive impact and minimizing any adverse effects of our products/services, operations, and practices for all stakeholders. This reflects our dedication to sustainable development and responsible corporate citizenship.
- Through our CSR arm, Tech Mahindra Foundation (TMF), and in collaboration with partners, we prioritize sustainable development initiatives. These efforts focus on empowering local communities near our operational sites, aiming to foster inclusive growth and socio-economic upliftment.
- Tech Mahindra is dedicated to enhancing stakeholder value by addressing the diverse interests of shareholders, consumers, customers, employees, business partners, local communities, government entities, and the public. This commitment underscores our pursuit of mutual benefit and sustainable relationships across all stakeholders involved in our operations.

Principle 5: Businesses should respect and promote human rights.

- Tech Mahindra upholds human rights inherent to every individual as outlined in the Constitution of India and the International Bill of Rights. We acknowledge these rights as inalienable, interrelated, interdependent, and indivisible.
- Aligning with the UN Guiding Principles on Business and Human Rights, we recognize our duty to respect human rights. This entails avoiding any contribution to adverse BRSR Policy Page 6 of 8 human rights impacts and addressing such impacts promptly when they occur. We are particularly attentive to individuals or groups most vulnerable to such impacts.

- At Tech Mahindra, we prioritize the protection and fulfillment of human rights, guided by these principles, and are committed to upholding our responsibilities as a corporate entity. Principle 6: Businesses should respect and make efforts to protect and restore the environment.
- Tech Mahindra is committed to assessing the environmental impact of its products or services and operations, implementing measures to reduce and mitigate these impacts where feasible.
- We identify and evaluate environmental and climate impacts across all our activities, developing a comprehensive mitigation strategy and setting clear environmental goals.
- Tech Mahindra strives to adopt environmentally responsible practices and innovative methods to minimize or eliminate negative impacts on our operations and supply chain.
- Tech Mahindra aims to significantly increase the use of renewable energy in the global energy mix and promote sustainable practices for managing and conserving natural resources efficiently.
- We enhance our resilience and adaptive capabilities to mitigate risks associated with climate-related hazards and natural disasters.
- We engage with internal and external stakeholders—including employees, customers, partners across the value chain, and communities—through ongoing training and awareness programs focused on environmental management policies and impacts.
- Tech Mahindra sets both long-term and short-term goals for managing greenhouse gas emissions, establishing ambitious targets for emission reductions, and rigorously assessing our performance against these targets.
- We conduct independent assessments and evaluations by external agencies to ensure compliance with the principles of BRSR, demonstrating our commitment to transparency and accountability in environmental stewardship.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

- Tech Mahindra acknowledges the importance of operating within national and international legislative and policy frameworks that facilitate growth while establishing necessary boundaries and regulations.
- We recognize the legitimate role of businesses in engaging with governments to address grievances and influence public policy positively.
- Tech Mahindra emphasizes that our advocacy efforts in public policy must prioritize and promote the broader public good, aligning with our commitment to responsible corporate citizenship. Principle 8: Businesses should promote inclusive growth and equitable development.
- Tech Mahindra recognizes the socio-economic development challenges faced by India, aligning our efforts with national and local development agendas outlined in government policies and

priorities. This commitment is especially critical in regions affected by social discord and low human development indices.

- We acknowledge the pivotal role of business energy and innovation in contributing to India's development, particularly focusing on disadvantaged, vulnerable, and marginalized communities as mandated by Section 135 of the Companies Act, 2013.
- Tech Mahindra emphasizes collaboration among businesses, government agencies, and civil society to advance this development agenda, in line with SDG 17, fostering inclusive growth and equitable development.
- We firmly believe that business success is intricately linked to promoting inclusive growth and ensuring equitable development, reinforcing our commitment to responsible corporate citizenship and sustainable business practices.

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner.

- Tech Mahindra is committed to the fundamental objective of providing goods and services that are safe for consumers, while creating value for both the business and its customers.
- We recognize that customers have the freedom to choose and use goods and services, and we strive to offer products or services that are safe, competitively priced, easy to use, and environmentally responsible.
- Tech Mahindra acknowledges its responsibility, alongside other relevant stakeholders, to mitigate the adverse impacts of our products or services. We are committed to promoting the well-being of individuals, society, and our planet, in alignment with SDG 12 (Responsible Consumption and Production).

5. REFERENCES

- Principles of the National Guidelines on Responsible Business Conduct, 2018 (NGRBC) here- https://www.mca.gov.in/Ministry/pdf/NationalGuideline_15032019.pdf
- The UN Guiding Principles for Business and Human Rights (UNGPs) https://www.ohchr.org/documents/publications/guidingprinciplesbusinessshr_en.pdf
- UN Sustainable Development Goals (SDGs) <https://sdgs.un.org/goals>
- Paris Agreement on Climate Change (2015) <https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement>
- Core Conventions 138 and 182 on Child Labour by the International Labour Organization (ILO) <https://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/child-labour/lang--en/index.htm>

- Annual Business Responsibility Reports (ABRRs)
http://www.mca.gov.in/Ministry/pdf/Draft_Disclosure_Framework_Committee_Report.pdf
- Companies' Act 2013 <https://www.mca.gov.in/Ministry/pdf/CompaniesAct2013.pdf>

6. ACRONYMS

ACRONYM	EXPLANATION
NGRBC	National Guidelines on Responsible Business Conduct
UNGP	UN Guiding Principles for Business and Human Rights
SDGs	Sustainable Development Goals
ILO	International Labour Organization
BRR	Business Responsibility Report