A person in a dark blue suit and tie is holding a scale of justice. The background is a dark blue gradient with a white network overlay of interconnected nodes and lines. A pink horizontal bar is positioned above the text.

STAKEHOLDER ENGAGEMENT & MATERIALITY ASSESSMENT



Mphasis
The Next Applied

Stakeholder Engagement and Materiality Assessment

Engaging our stakeholders and fostering long-term relations

Over the years, we have created organization-level practices to facilitate open and constructive dialogues with our stakeholders. It reinforces our understanding of relevant matters and helps us identify those attributes of stakeholders that make them important to our business and necessitate meaningful engagement. The feedback we receive from these stakeholders also helps us prioritize issues effectively and closely align our strategic approach with their expectations.

Priority stakeholder groups are identified by understanding their relative importance and their ability to provide value to our business. The stakeholder identification and prioritization process has been conducted during the materiality assessment in FY 2020-2021. By considering the parameters and stakeholder attributes defined by global standards such as GRI Sustainability Reporting Guidelines and National Guideline for Responsible Business Conduct (NGBRC) we have mapped our stakeholders. To finalize the list of key stakeholders, we looked into the parameters such as stakeholder impact, diversity, influence, urgency and legitimacy.

The table below details the various stakeholder groups that engage directly or indirectly as well as highlights our ways of engagement to address their key concerns/ requirement:



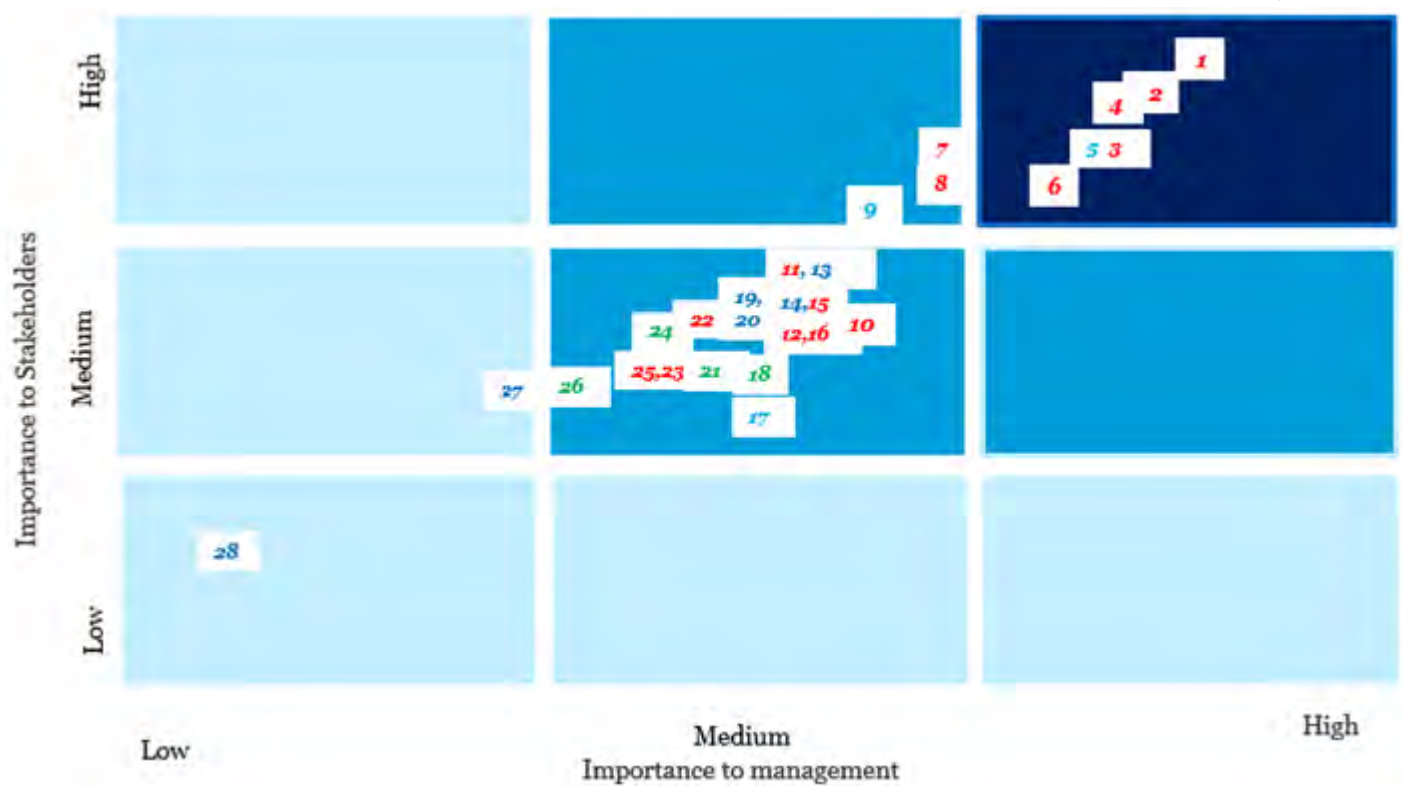
Stakeholder group	Expectations	Modes of engagement
Customers	<ul style="list-style-type: none"> - Innovative products and services - Intellectual property protection - Customer data protection and privacy - Quality service - Competitive pricing - Regular engagement 	<ul style="list-style-type: none"> - Satisfaction surveys - Project quality assurance processes - Conferences and events - Dedicated Relationship Managers
Shareholders and Investors	<ul style="list-style-type: none"> - Business growth/ profitability - Newer opportunities - Risk management - Strong governance framework and ethical practices - Transparency in required company data - Shareholder's payout 	<ul style="list-style-type: none"> - Annual General Meeting - Annual Report - Quarterly earnings calls - Investor and analyst conferences - Responses to investor questionnaires (e.g. Dow Jones Sustainability Index), Investor Relations team outreach - Media releases - Website - SE filings and disclosures
Government institutions and Regulators	<ul style="list-style-type: none"> - Compliance with statutory and legal guidelines - Contribute to national development 	<ul style="list-style-type: none"> - Industry-level consultations - Participation in forums - Discussions via our Government Relations team
Business Partners and Vendors	<ul style="list-style-type: none"> - Fulfil contractual obligations - Ensure ease of doing business - Long-term business sustainability - Transparent practices 	<ul style="list-style-type: none"> - Contract agreements - Direct interactions - Supplier meets - Industry associations - Regular operational reviews - Vendor survey
Employees	<ul style="list-style-type: none"> - Fair reward and recognition - Merit-based career development and opportunities - Enabling work environment - Workplace safety - Employee benefits, well-being and other facilities - Diversity at workplace - Leadership connect sessions - Work-life balance - Training and enhancement of skills 	<ul style="list-style-type: none"> - Meetings/ Town hall briefings - Employee engagement surveys - Team building workshops - Capacity building and training - Annual appraisals (360-degree feedback) - Employee newsletters - Rewards and recognitions - Volunteering opportunities - HR sessions - Talent Next
Communities	<ul style="list-style-type: none"> - Community development - Livelihood creation - Other social benefits - Managing conflict 	<ul style="list-style-type: none"> - Direct engagement - Dedicated CSR team - CSR projects and initiatives - Visits - Needs assessments - Employee volunteering

Exploring our material matters

We conducted our first comprehensive materiality assessment exercise in FY 2021 to identify ESG-related topics that have a material impact on our operations as well as our stakeholders. We intend to conduct the materiality assessment every two-three years by involving external and internal stakeholders. In FY 2023, after revisiting the materiality results, we have identified and assigned KPIs against the high-priority material aspects to enhance our business operations/performance, and stakeholder engagement and further strengthened our ESG strategy.

In FY 2021, through this exercise, 28 material topics were selected. The idea behind determining 'materiality' is that it helps an organization to understand issues that are relevant to its stakeholders over the short, medium and long term. This understanding, in turn, makes ESG strategy and action more in tune with stakeholder priorities, and more robust in terms of creating impact and navigating risk. To navigate identified risks materiality assessment outcomes are integrated into the company's ERM process. As part of the exercise, we reached out to 100+ internal and external stakeholders.

The materiality matrix provides a holistic overview of our organization's sustainability approach and its performance. The materiality matrix depicts our material aspects based on the importance of Mphasis' management and significance to stakeholders. The issues depicted in the matrix have been plotted on a scale of high to low importance to both external and internal stakeholders. The materiality assessment has been reviewed and signed off/approved by the Senior Management of the Company.



Legend	
Dark Blue	High
Medium Blue	Medium
Light Blue	Low
Green	Environmental
Blue	Social
Red	Governance

- | | |
|--|---------------------------------|
| 1. Data Privacy | 15. Responsible technology |
| 2. Business Ethics | 16. Responsible marketing |
| 3. Regulatory Compliance | 17. Community Involvement |
| 4. Customer Satisfaction | 18. Energy Management |
| 5. Protection of Human Rights | 19. Talent Recruitment |
| 6. IT system security and resilience | 20. Employee Development |
| 7. Intellectual Property rights | 21. Reduction in GHG |
| 8. Transparency and Disclosures | 22. Research & development |
| 9. Diversity at workplace | 23. Responsible procurement |
| 10. ESG in risk management | 24. Water management |
| 11. Grievance management | 25. Responsible policy advocacy |
| 12. ESG governance | 26. Waste management |
| 13. Occupational Health and Safety | 27. CSR Investments |
| 14. Employee Engagement and Satisfaction | 28. Employee Volunteering |

ABOUT MPHASIS

Mphasis' purpose is to be the "Driver in the Driverless Car" for Global Enterprises by applying next-generation design, architecture and engineering services, to deliver scalable and sustainable software and technology solutions. Customer centricity is foundational to Mphasis, and is reflected in the Mphasis' Front2Back™ Transformation approach. Front2Back™ uses the exponential power of cloud and cognitive to provide hyper-personalized (C = X2C™ = 1) digital experience to clients and their end customers. Mphasis' Service Transformation approach helps 'shrink the core' through the application of digital technologies across legacy environments within an enterprise, enabling businesses to stay ahead in a changing world. Mphasis' core reference architectures and tools, speed and innovation with domain expertise and specialization, combined with an sustainability and purpose-led approach across its operations and solutions are key to building strong relationships with marquee clients. [Click here](#) to know more. (BSE: 526299; NSE: MPHASIS)