

ESG REPORT 2021-22

# ENGINEERING SUSTAINABILITY

A shared purpose of responsible progress



# ABOUT THIS REPORT

This is Mphasis' second year of Environmental, Social and Governance (ESG) reporting. The report is our commitment to disclosing the progress of our company's ESG agenda annually and is a compendium of our efforts undertaken in FY 2022 to build a responsible business. We have applied the principle of materiality in determining the nature of the information presented in this ESG report. Therefore, this report will prominently focus on the material aspects that are relevant to us and our stakeholders.

## DEFINING THE REPORT

The report has been developed in accordance with the Global Reporting Initiative (GRI) Standards "Core" reporting requirements. Our ESG efforts are mapped against the United Nations (UN) Global Compact Principles and made available in the GRI index presented in the report. These alignments will provide credibility to the disclosures, inspire accountability and improve comparability while meeting stakeholder expectations and priorities.

We have systematically used the GRI Standards as the underlying structure of the report and disclosed relevant financial and non-financial information as required. Relevant historical figures are disclosed, and the data reported in this ESG report supplements the information published in the Annual Report and the Business Responsibility and Sustainability Report (BRSR) of the company.

The scope of the report includes Mphasis' ESG strategy, policies, goals and performance data for the 7 Indian and 20 international locations. The ESG data relevant to all the business units across the Company's operations are provided as per the availability of the data. For certain ESG data parameters, we have provided data limited to Indian operations. Such values are specifically highlighted throughout the report and the ESG Databook FY 2022.



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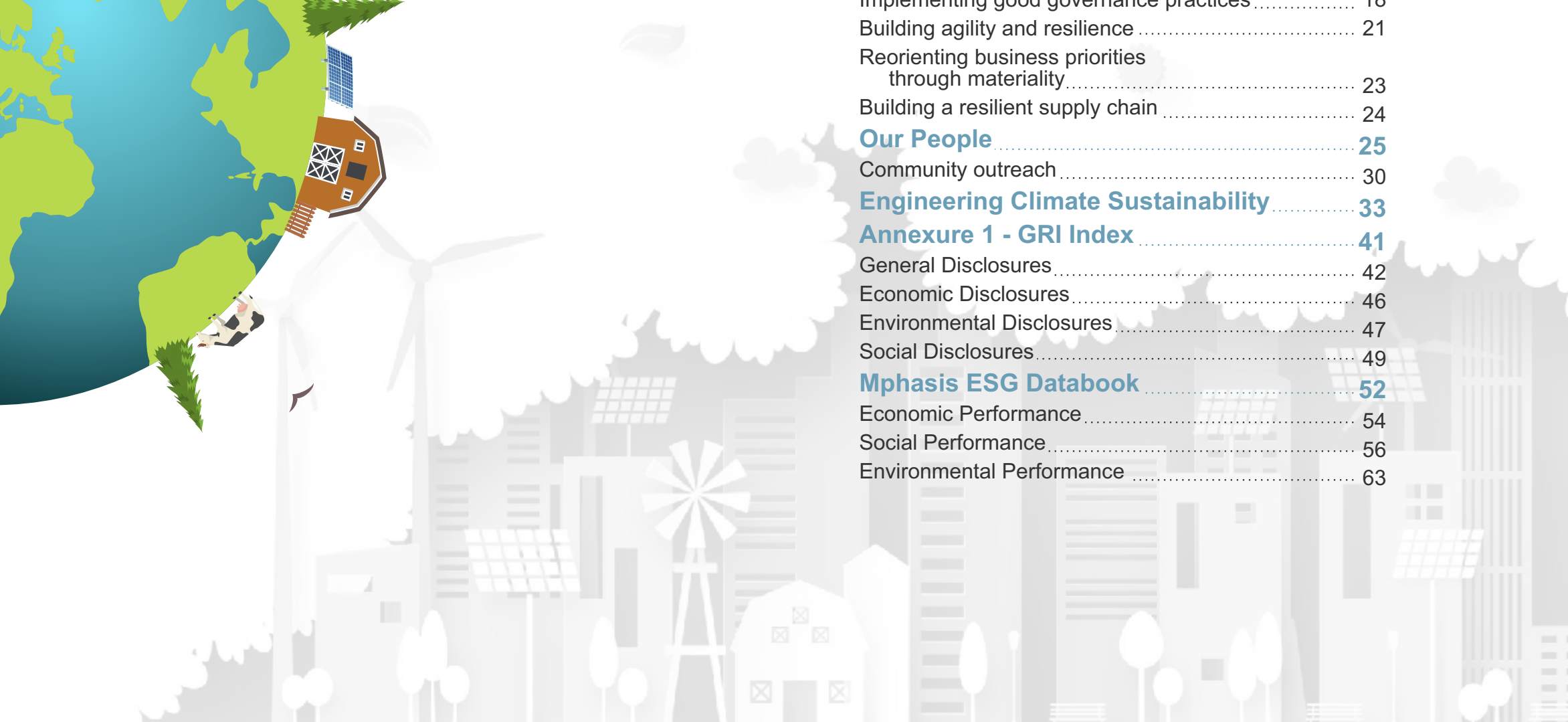
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**MESSAGE  
FROM OUR CEO**





As part of the global community, the last couple of years have tested us in many ways. The one silver lining that has emerged is our collective understanding of sustainability and the impact it can have on our future. As a responsible and conscious corporate citizen, we at Mphasis, are committed to integrating sustainability across our operations and demonstrating what it means to be a leader in the industry by setting exceptional standards driven by a purpose-led approach to solving challenges.

Everything we do aligns to our commitment to sustain and accelerate stakeholder value. We are a purpose-driven company with an exceptional vision to create a conscious, ethical, and inclusive business. We translate our ESG vision to reality by committing to meaningful goals. This is Mphasis' second year of Environmental, Social and Governance (ESG) reporting. The report is our commitment to disclosing the progress of our company's ESG agenda annually and is a compendium of our efforts undertaken in 2021-22 to build a responsible business. I am extremely pleased to present the impact of our concerted ESG efforts on sustainability this year.

We are striving to accelerate our commitment to tackling climate change by investing in renewable energy, efficient waste and water management, and other green initiatives. To have a long-term influence on the planet and all our stakeholders, we have integrated environmental goals into our business strategy, risks, and procedures. As an organization that is fueled by innovation, we place great value on our people to grow as a company and maximize positive outcomes by focusing on certain key areas - diversity, equity, and inclusion, learning and development and employee well-being.

With good governance practices, coupled with innovative solutions, we are creating a thriving environment for our stakeholders to accelerate positive change. These ethical practices are delineated by our company's strong governance frameworks. They guide us in becoming agile, engendering stakeholder trust, and fostering ethical decision-making in a tech-driven world. Mphasis' ESG policies create a unified approach to promoting responsible practices across our operational geographies. Sustainability is central to our business, to drive profitability as well as to attract, retain and develop the best talent.

At the core of every sustainable business, the will and ability to continuously chase improvements, every single day, is crucial. The criticality of delivering on sustainability targets is becoming more and more important each day. I am heartened to see the collective effort of our employees, management, investors, and clients rallying towards achieving our ESG goals.

In our effort to improve the future outlook, we will continue to build the foundations needed today and do the work that needs to be done to deliver on our commitments.

Regards,

**Nitin Rakesh**  
CEO & Managing Director



# MISSION POSSIBLE

## SUSTAINABLE ↔ PROFITABLE

**ECONOMIC**

 **\$8.37 Bn\***  
MARKET CAPITALIZATION  
(\* As of 31st March 2022)

 **\$1,593 Mn**  
IN REVENUE

### SOCIAL



**34%**  
OF WOMEN IN THE WORKFORCE



**₹282.08Mn**  
INVESTMENT IN 16 COMMUNITY AND SOCIAL PROJECTS



**92%**  
OF OUR PROCUREMENTS ARE  
SOURCED FROM LOCAL VENDORS



**800**  
EMPLOYEES VOLUNTEERED FOR A TOTAL OF  
1500 HOURS TO MENTOR AND EDUCATE  
UNDERPRIVILEGED CHILDREN



**Tech**  
EXTENDED OUR EFFORTS TO HELP CLIENTS  
MIGRATE TO GREENER TECH, THUS PROPAGATING  
A MORE RESPONSIBLE VALUE CHAIN



### ENVIRONMENT



**54%**  
OF RENEWABLE ENERGY  
IS USED ACROSS THE OPERATIONS



**Green**  
MPHASIS HAS A GREEN ENERGY  
FACILITY IN PUNE



**100%**  
RECYCLED 100% OF WASTEWATER  
ACROSS ALL OUR CAMPUSES IN INDIA



**Solar**  
INVESTED IN SOLAR PLANTS TO  
REDUCE OUR CARBON FOOTPRINT

### GOVERNANCE



**25%**  
ARE WOMEN DIRECTORS ON THE BOARD



**Zero**  
CASES OF UNETHICAL  
BUSINESS PRACTICES AGAINST THE COMPANY



**100%**  
OF THE WORKFORCE RECEIVED TRAINING  
IN BUSINESS CONDUCT, POSH (PREVENTION OF  
SEXUAL HARASSMENT) AND IP (INTELLECTUAL PROPERTY)



**ISO 27001**  
CERTIFIED CYBER SECURITY STRATEGY



**Consent**  
FORMALIZED FIRM-WIDE ANTI-  
DISCRIMINATION POLICY




# VISION EXTRAORDINARY CONSCIOUS, ETHICAL AND INCLUSIVE BUSINESS

Our unwavering efforts on sustainability have enabled us to transition towards a strong and resilient business aimed at delivering long-term value to all our stakeholders. The initiatives, described in this report, are reflective of our commitment to integrate ESG into the heart of our processes and operating philosophy.

## Environment

- Reduce carbon footprint value year on year to manage negative implications related to climate change
- Lower electricity consumption by 5% year on year to improve operational eco-efficiency and lessen fossil-fuel dependency
- Accelerate efforts on improving energy efficiency and phasing out ozone-depleting substances

 Read more about our environmental commitments: **Engineering Climate Sustainability**




## Governance

- Stretches beyond statutory requirements
- Focuses on enhancement of long-term interest of stakeholders
- Governance practices are based on accountability, transparency and ethics
- Reduce the risk of liability for improper conduct such as bribery and corruption at all levels within our company
- Proactively assess vulnerabilities, strengthen IT infrastructure and deploy plans to minimise cyber security incidents
- Co-create a responsible supply chain with diverse and high-quality suppliers globally

 Read more about our social commitments: **Applying Good Governance**

## Social

- Strengthen our business environment by protecting, preserving and respecting the rights of all our stakeholders
- Recruit and empower women, veterans, LGBTQ+ and people with disabilities across the organization
- Build an inclusive and diverse workplace that attracts, develops, and retains the best talent in an environment that fosters high performance
- Invest and uplift communities and drive positive outcomes in the areas of education, livelihood creation, environmental sustainability, and equitable development

 Read more about our social commitments: **Incorporating Inclusion**





# ACTION ACCOMPLISHED

## ACCOUNTABLE OWNERSHIP

Over the years, our efforts towards understanding and delivering on customer needs have enabled us to become the preferred vendor for transformative projects. We strive to deliver the highest quality service, maintain long-term customer relations and differentiate our offerings by scaling with clients' expectations.

**We enable our clients and our business to be responsible in diverse ways through our four key pillars on ESG**

### Architecting Stakeholder Value

We apply a 'Tech for Good' approach to both business and society in delivering stakeholder value

### Incorporating Inclusion

We provide our people with a safe and empowering professional experience by driving equity, diversity and inclusivity, knowledge and learning, innovation, agility and wellness and care



### Applying Good Governance

We demonstrate sound culture and ethical business practices with robust governance structures

### Engineering Climate Sustainability

We leverage our technology capabilities to catalyze positive actions on climate change, invest in exceptional tech-enabled practices and provide end-to-end sustainability services



# COMMITMENTS ACHIEVED PERFORMANCE RECOGNISED

## 458/1002 Sustainalytics

Sustainalytics' ESG Risk Ratings help investors identify and understand financially material ESG risks in their portfolio companies and how these risks might affect performance. Mphasis Limited received an ESG risk rating of 22.6 ('medium') as of October 19, 2021. We ranked 458 out of 1002 in the sub-industry group of Software and Services



## 'A' ↑ MSCI

Morgan Stanley Capital International's ESG Rating is designed to measure a company's resilience to long-term, industry-material ESG risks. Our efforts towards ESG integration and implementation have led to a stark improvement in our score from B to A in a period of four years



## 59 CRISIL ESG Ratings

Mphasis secured an overall ESG score of 59 in the CRISIL ESG Gauge ranking and is among the 11 IT companies that made it to the ranking based on their Environment, Social and Governance performance. Mphasis scored 73 on Governance, 54 on Social and 46 on Environmental parameters.



## 47/100 Dow Jones Sustainability Index:

This index serves as a benchmark for investors who integrate ESG considerations into their investment decisions. Mphasis Limited was included in the Dow Jones World Sustainability Index. We ranked 47 in 2020, with a score of 47/100 in the IT services sector. Mphasis scored significantly higher than the industry mean scores in all four aspects (environmental, social, governance and economic) based on which a company's ESG performance is evaluated



## 'High' Neo Group Survey

Mphasis has been ranked 'high' in the twin-track assessment model – 'Operational-Performative Alignment and Cultural-Attitudinal Alignment' by Neo Group in their ESG Adoption Survey Report

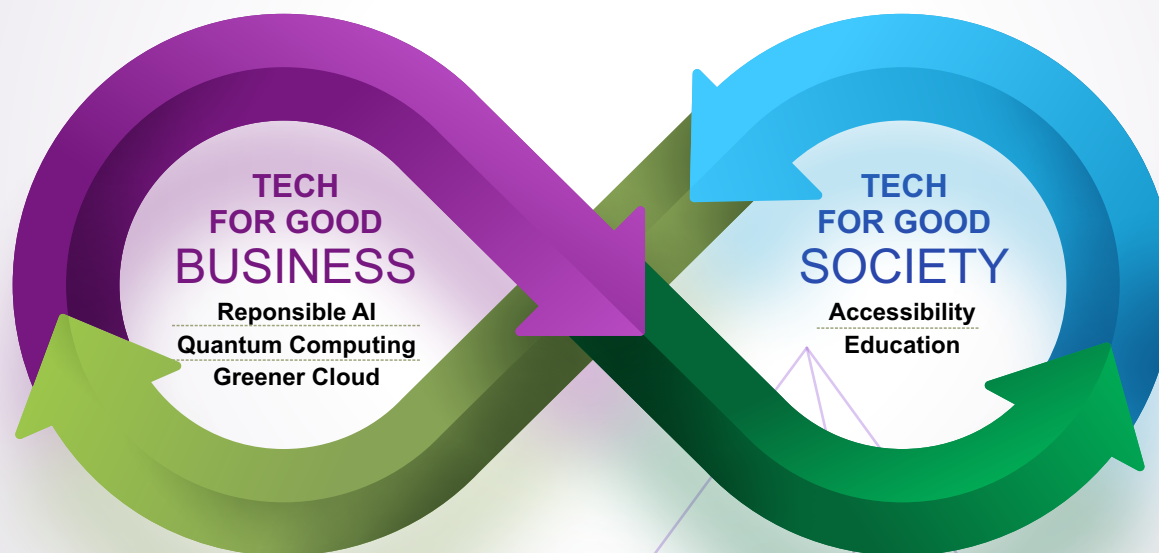




# ARCHITECTING **STAKEHOLDER VALUE**



Mphasis is committed to building a future on the promise of technology and progress for all. We believe that a digital transformation is a way toward creating a tangible impact. Our brand purpose of 'Engineering is in our DNA' drives our approach to addressing our clients' and society's complex problems through our 2-pronged approach of 'Tech for Good - Business' and 'Tech for Good - Society'. By applying the power of technology, our tools and resources offer disruptive, scalable and sustainable solutions which can play a transformational role in delivering value to all our stakeholders.





# TECH FOR GOOD - BUSINESS

As an environmentally conscious, socially responsible, corporate citizen of the world, sustaining and enhancing stakeholder value is the cornerstone of our business model. Our 'Tech for Good - Business' offerings provide clients with next-generation technologies and services, including digital, cloud, engineering, and cybersecurity, to create new possibilities and fuel growth.

## Enhancing sustainability through emerging technologies

Using blockchain technology and quantum computing, we have expanded our services to assist our clients to improve their sustainable business models. Our ESG and sustainability-focused technology initiatives have helped our clients boost efficiency, dramatically reduce energy consumption and lower carbon emissions from their operations.

Over the past year, we have worked with several clients to improve their ESG integration across their operational model, measure and manage their ESG performance, develop a compelling narrative around ESG themes and improve investor dialogue. Two notable engagements are our work with an ESG-focused FinTech start-up working on affordable housing for financially and socially disadvantaged minority communities, and one of Canada's largest Class I freight railways. Our technologies enabled our clients to expand their service offerings as well as achieve operational and resource efficiencies, via automation and innovation-led advancements.

## Strategic partnerships to build Cloud Guild

We are working closely with several technology and cloud partners, with a focus on expanding our Cloud business, which will allow our clients to accelerate their digital transformation and migrate towards agile, secure and collaborative business processes. Our services are being used across various industry sectors, including Banking, Insurance, Healthcare, travel and transportation and other sectors which require Cloud and AI/ML services.

Our Cloud Partners, who are supporting us in our journey to stretch our technological capabilities, include Amazon Web Services (AWS), Microsoft Cloud, Google Cloud Platform, Snowflake and VMWare Tanzu.

## AWS Marketplace to expand our machine learning reach

Leveraging our partnership with AWS, we provide our clients with an end-to-end cloud and cognitive portfolio of services. As a leader in machine learning services, we continue to expand our portfolio through the AWS Marketplace, thereby facilitating the expansion of our global AI footprint.

Our ready-to-use offerings on the Marketplace allow developers to get hands-on experience in AI-based solutions in enterprise applications. By simplifying data experimentation and extracting deeper insights from data estates, our subscribers can gain unique insights into their business and improve their productivity, while reducing costs and associated risk.

These offerings spread across 7 industry areas and 5 Machine learning categories. They cover a range of data types (tabular/numerical, text, images), business functions (marketing, human resources, finance, etc.) and industry verticals (including banking, pharmaceuticals, healthcare, airlines, etc.). More details on our offerings can be found on our [website](#).



Mphasis has expanded its footprint in Germany with the launch of a new delivery centre located at Hansaallee, Germany.



### Process innovations to improve our service delivery

We are constantly innovating to make our operations more efficient and resilient (or as we see it, 'Tech for Good' for our business). Notable interventions during the past year include our Delivery Transformation and Digitization upgrades, which add value in terms of adoption of NextGen delivery practices, program management, engagement operations rigour and making remote working models robust and effective. Our home-grown iPG tool, a Project and Program Governance tool which helps manage our contractual commitments to clients in terms of deliverables, milestones and process compliance, has reached a mature stage of completion this year. Our new start-up rigour process has been set up to ensure proper planning and resourcing for new projects, based on best practices from past projects. A separate Transformation Programs Management Group (TPMG) has been formed within the Company to ensure the successful execution of delivery transformation programs within Mphasis.

## TECH FOR GOOD - SOCIETY

We are also committed to exploring opportunities where our resources can create long-lasting systemic change. Our 'Tech for Good - Society' projects are aimed at nudging applied research, education and technological innovations to enable accessibility and education, which in turn lead to a more inclusive and equitable society.

### Enabling Change through Social Innovation

#### Establishing Centres of Excellence

In alignment with our aim to use technology-based solutions to create social impact, we partnered with the Institute of Information Technology, Bangalore (IIITB) to set up the Mphasis – IIIT-B Centre of Excellence (CoE) for Cognitive Computing. The objective of CoE is to initiate research projects that leverage cognitive computing technology to find solutions in areas of education, accessibility, healthcare, and enterprise. The projects were implemented in a phased manner, starting with the 'Indian Sign Language Synthesis' (ISL) project which sought to improve the accessibility of people with hearing disabilities, and the 'Navigated Learning' project aimed at improving pedagogic learning processes and addressing distance/online learning challenges. The on-ground implementation of the ISL project was made possible through our partner, Friends For Inclusion.



Signer.ai, our digital sign language translator which converts any content (including speech/text input) input into ISL, has been recognised under the 'Smart City Challenge & Inclusive Cities Awards' organized by the United Nations in India and the National Institute of Urban Affairs (NIUA) – Government of India.

Male and female avatars  
developed for the ISL project



Phase II projects were set up to address the unique challenges faced due to the onset of COVID-19. The 'BeYo' (converting physical clinical and vaccination data into digital format to enable safe access to third parties for verification) and the 'Clinical Decision Support System' (CDSS) (assisting frontline workers access protocols for COVID-19 management) projects have both achieved execution milestones since their completion. BeYo will be used by the Red Cross Society of Kenya for the management of health data at the IFO2 hospital Dadaab, Garissa County, the CDSS platform was used to screen patients during the 2nd COVID-19 wave in Jharkhand by the Partnering Hope Into Action, Professional Assistance for Development Action and Transform Rural India.

Phase III projects further expanded the scope of our research to include healthcare and agriculture research. Key projects include the 'Community Discourse Model' project which aims to convert Kannada speech to text using semantic processing models, and the 'Medical Image Segmentation' project aimed at developing self-supervised medical image segmentation techniques with the ability to identify 'super-pixels' from CT scans and MRI reports.

Our CSR arm, Mphasis F1 Foundation, has partnered with the Indian Institute of Technology, Madras, to jointly set up a similar 'Mphasis Centre for Quantum Information, Communication and Computing' which will further explore the foundation's focus on supporting social initiatives via research in quantum sciences and related applied technologies.



## Educating the Technology Leaders of Tomorrow

### Plaksha University

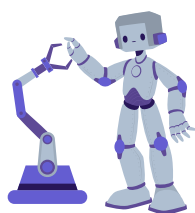
Our support for our partner Plaksha University's 'Technology Leaders Program (TLP)' program, aimed at interweaving technology with real-world applications, saw its second set of students graduate in FY 22, 25 % of whom were women. The batch secured 100% placement in high-quality industry roles, with a 96% increase in average compensation offered to the graduates. Mphasis scholarships, based on academic performance, have been awarded to 60% of the deserving TLP students over the past 2 years, comprising diverse socio-economic, social and gender backgrounds.

In addition to the program, we are also continuing to support the University in its endeavour to develop a tech-enabled campus which will ensure accessibility and inclusivity for all students.

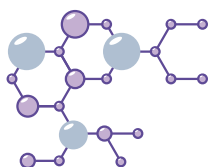


## Ashoka University Partnership

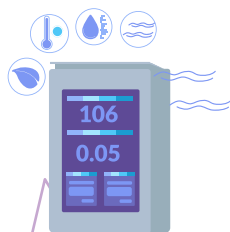
We have jointly established the Mphasis Laboratory of Machine Learning and Computational Laboratory at the University, which serves as a critical part of their Computer Science Program. The laboratory is intended to provide students with the required tools to apply computational thinking approaches to solve real-world issues. There are 8 applied research projects currently underway at the laboratory in the areas of explainable AI, rational drug design, a scalable one-stop system for air quality monitoring with integrated decision support abilities, Privacy-preserving machine learning and Bharatsim.



**Explainable AI:** There is a lot of uncertainty surrounding intelligent machines making critical decisions that impact human lives. In order to ensure that there is no accidental harm caused by these machines, it is imperative to sanity check and validates machine behaviour and decisions. Explainable AI is an establishment of linguistic understanding between machines and humans, based on a 3 pillar approach of 'Measuring explainability', 'Better understanding' and 'Common sense knowledge'. The outcome of these approaches allow humans to better understand machine decisions and ensure responsible adoption of AI.



**Rational drug design:** This area of research dwells on the discovery of novel chemical structures and drugs to combat diseases found primarily in India and neighbouring countries. Computationally aided research methods significantly reduce the attrition rate of drugs developed as an outcome of such methods. The process starts with 'Screening' to identify molecules that are conducive to the generation of drugs through optimization. In the case of 'Rational drug design', this process is carried out virtually through machine learning, exponentially cutting down the time required to manually test each molecule. These techniques have led to the discovery of several valid molecules which maximise specific properties required for the generation of certain drugs.



**Air quality monitoring and decision support:** The existing air quality monitoring tools, such as NTIT Aatog's SDG India Dashboard and the MOSPI, measure and report levels at a national level. Ashoka University along with its partner, Mphasis, propose a one-stop-shop platform which provides real-time, local information about outdoor air quality and can also assist in decision-making by local administrators on potential interventions. The tool will source information from various sources including, satellite-based sensors, monitoring stations and mobile crowdsensing. It will then harmonise the data and integrate it with multiple other factors such as ambient temperature and land-use/land-cover to deliver information across a range of geographic scales.



**Privacy-preserving machine learning (PPML):** PPML has emerged as an area of interest following a rise in the need for data security. Privacy-preserving allows server-client interaction without either entity learning anything besides the client's input and the corresponding data set. A potential solution to this is 'Secure Outsourced Computation' or SOC which allows clients to outsource Machine learning tasks to a set of powerful cloud servers on a pay-per-view basis while ensuring the privacy of the client data against malicious servers.



**Bharatsim:** Bharatsim is India's first ultra-large-scale simulation which predicts the probability of infectious diseases using synthetic population modelling. Based on the outcomes of the simulations, it is possible for governments to take proactive action through targeted interventions in the healthcare sector to stop the spread of such diseases. These simulations have currently been run for several districts and cities, with the potential of being scaled to the entire country.





# APPLYING **GOOD GOVERNANCE**

# IMPLEMENTING GOOD GOVERNANCE PRACTICES

Our industry and the world around us have undergone transformational change over the last few years. New technologies are emerging, customer expectations are advanced, and our people's choices are nuanced. With enhanced governance practices, coupled with innovative solutions, we are creating a thriving environment for our stakeholders to accelerate positive change and create a long-term value for them and support and promote accountability, transparency and ethics. They guide us in becoming agile, engendering stakeholder trust and fostering ethical decision-making in a tech-driven world. As a conscious corporate citizen, our actions are driven by our purpose and the impacts they create echo our core governance values.

## Our approach to good governance

Strategic decisions aligned to our company's vision and purpose are led and guided by the Board of Directors (BoD), who are in turn strongly guided by the philosophy of corporate governance at Mphasis. Their commitments and transformative vision cascade through our business, ensuring all employees are oriented in the direction of positive change that we envision. Our Board of Directors provides crucial oversight and governance practices to guide the company in formally integrating ESG into its business strategy. Our management entrusts them to make the right decisions by assessing and reviewing matters of relevance including company policies, and business plans and operations. The Chief Executive Officer and Managing Director along with the Executive Committee is directly consulted by the senior management as they lead the firm from the front.

## Board structure

Decisions of fundamental significance for the company are supervised by the BoD. A meritocratic approach is taken for the selection/appointment, performance/effectiveness assessment and remuneration of the board members as they set the tone of our firm culture. The current Board comprises twelve Directors (with 25 percent being women directors), four of whom are Independent Directors (including two women Independent Directors). All Independent Directors fulfil the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management. One of the Independent Directors presides as the Chairperson of the Board of Directors. The composition and tenure of the Board comply with the requirement as per the Companies Act, 2013 and SEBI Regulations, 2015.

## Performance assessment and remuneration

Over the years, with effective leadership, Mphasis Board has helped us set exceptional standards of duty and business growth. An annual review with a structured questionnaire is used to assess their competencies, calibre and skills, to enhance their capabilities to steer the business in a positive direction. The Directors appointed are drawn from diverse backgrounds and possess special skills, competence and expertise depending on the Industries/field they are associated with. Their skills are mapped against the skill-set matrix that includes aspects such as Technology, Global/Domain experience, Leadership, Functional and Managerial experience etc.

A Director's Orientation Program is conducted to aid and equip the Directors with the necessary information required to make thoughtful decisions relating to all ESG aspects of the business. The orientation program is a continuous process. The newly joined Directors are familiarized with business practices, charters of board committees, board agenda etc. through an induction kit hosted on a digital platform.

The company strives to ensure that the remuneration is fair, transparent and aligned with the performance and the expectations of the company. The Directors have ultimate accountability and responsibility for the performance and affairs of our company. The Nomination and Remuneration Committee considers remuneration arrangements for the Directors in compliance with the Remuneration Policy approved by the shareholders. The ratio of the remuneration of the highest-paid individual to the median remuneration of the employees is 1:27 (offshore-specific).



## Board Committees and Ethical Practices

The business, associated risks and corporate landscape are changing rapidly. Our stakeholders trust us to be ethical and thoughtful in the work we do. There are nine committees which report to the Board. These include the Audit Committee, Risk Governance and Management Committee, Strategy Committee, Share Transfer Committee, Corporate Social Responsibility (CSR) Committee, ESOP Compensation Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Treasury and Operations Committee. The committee's oversight are critical in advancing their functional scope and promoting ethical practices within our company.

**We are committed to conducting our business ethically and transparently. Mphasis' ESG policies create a unified approach to promoting responsible practices across our operational geographies.**

The appointed Committees ensure adherence to the highest standards of corporate governance by setting internal policies on responsible business conduct which have been consistently effective.

### Code of Business Conduct

We uphold high ethical standards while doing business and we expect our stakeholders to comply with our publicly available Code of Business Conduct (CoBC). The CoBC is a comprehensive guideline on conducting business while maintaining exceptional standards on the rights of people including working hours, child labour, modern slavery, prevention of fraudulent and corrupt practices, insider trading, avoidance of interest and other human rights-related issues.

We have received no complaints regarding the violation of our Code of Conduct by our employees during the reporting period.

### Prevention of Sexual Harassment (POSH)

Providing a safe and secure work environment for all the people whom we engage with creates an enabling environment. Mphasis has developed a Global POSH Policy which protects and ensures that no one is harassed or discriminated against at the workplace and its mandate complies with the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. The policy applies to all employees except the women employees in India, who are covered under a separate 'India POSH policy'.

### Anti-bribery and Corruption

Our company prohibits all forms of bribery and corruption, and we have a zero-tolerance approach toward this. We operate in complex markets with high levels of perceived corruption and employee awareness is a key to mitigating potential bribery and corruption-related risks. Our people are trained and equipped with the appropriate information to address such issues. The company's whistle-blower mechanism provides them with the opportunity to lodge complaints and concerns related to this matter. During FY 21-22, we received no complaints pertaining to bribery and corruption.

## Whistle-blower Policy

We are dedicated to nurturing an environment where our employees can raise concerns and report potential misconduct without any retaliation. Our whistle-blower mechanism enables all our stakeholders to report any suspicious eventualities that come to their attention, by writing to **whistleblower@mphasis.com**. Written complaints can also be dropped into the whistle-blower drop box present at the company's location. The complainer can utilise the company's anonymous whistle-blower hotline number to lodge their complaint. Once a complaint has been received, an investigation will be carried out as per the whistle-blower mechanism in line with the applicable laws and regulations.

## Data protection, Management and Privacy

Extensive controls and reviews are conducted to maintain the efficiency of IT infrastructure and data and ensure data privacy of the personal information provided to us. The company's data privacy practices are governed by our **Data Privacy Policy** which highlights our commitment to implement proper physical, technical and administrative security measures to protect personal information from loss, misuse, alteration or destruction. This Policy complies with the global and regional data privacy laws and regulations, and it applies to all of our stakeholders. Additionally, our information/data management processes are ISO 27001 - certified Information Security Management System (ISMS). We have received zero data privacy-related complaints in the last two years.

Globally, the IT services sector is highly vulnerable to cybercrimes and building resilience to proactively manage and mitigate risks is critical. The Mphasis Cybercrime Combating Policy provides effective forms of preventing premeditated cybercrimes, detects related evidence, and reduces the likelihood and impacts of cybercrimes. We have also appointed a dedicated Data Privacy Officer (DPO) to focus on and resolve these matters.

There were no complaints received concerning breaches of customer privacy from outside parties and regulatory authorities during this reporting year.

## Learning the right practices to do better

We understand the importance of continuous education and training on ethical business practices. During this year, we have provided trainings to all our key managerial personnel, employees and workers on topics including the Code of Business Conduct (CoBC), Prevention of Sexual Harassment (POSH), Intellectual Property (IP), Information Security Management System (ISMS), Data Privacy, and Business Continuity Management System (BCMS). Additional training is provided to the Directors on strategies, statutory duties and responsibilities and compliance.



Find more about our ESG policies at **Mphasis ESG Policies**  
For more information or to contact us, visit our website <https://www.mphasis.com>



# BUILDING AGILITY AND RESILIENCE

## Risk governance and management

We are a responsible business that takes an active role in dealing with the ESG risks that can have an impact on our value creation capabilities. Material ESG risks, including climate change, social and environmental impact, strategic risks, ethics and compliance associated risks, are integrated into Mphasis's Enterprise Risk Management (ERM) framework. This framework provides our company with systematic risk identification and management approach, the outputs of which are reported to the Risk Governance and Management Committee (RGMC). The RGMC comprises the board members and senior executives. The Mphasis Risk Management Council (MRMC) assists the RGMC and the Board in its oversight responsibilities relating to the identification of risks and risk mitigation strategies.

Collectively, both the RGMC and MRMC, along with the leadership of the Chief Risk Officer (CRO), manage risks that can adversely impact our business.

## Nurturing an ethical culture

We are committed to promoting responsible and ethical behaviour across our value chain. A Fraud Risk Management Program has been implemented to develop an ethical business climate devoid of misconduct at all levels. This program consists of policies and procedures to enhance our anti-fraud mechanisms. We comply with all applicable regulations including the Foreign Corrupt Practices Act of the USA and the UK Bribery Act. We have established appropriate mechanisms to ensure compliance with these laws, including company-wide training requirements.

Additionally, in our effort to minimize any fraudulent and/or unethical activities, we have established robust governance structures, including, internal audits, whistle-blower mechanisms and an independent investigation team. To further protect our people, assets and reputation, we conduct periodic fraud risk awareness sessions. This ensures that the company's workforce is aware of the right conduct and can prevent and detect fraud. This year, we have conducted two risk-based training sessions with ~95% of our employees. Additionally, all new hires undergo mandatory risk-based training within thirty days of joining the company.

Mphasis fosters an entrepreneurial environment where risk awareness and risk mitigation are an integral part of our decision-making process. The company does not deter from taking new risks and proactively finds a way to mitigate them, enabling the organization to grow at the intended pace. The company has a risk-aware leadership workforce which is cognizant of risks and strives diligently for mitigating them.

– **Eric Winston**, Executive Vice-President, General Counsel and Chief Ethics & Compliance Officer



## Risk identification

Some risks emerge faster than others in a world disrupted by geostrategic, macroeconomic, and societal forces. The ERM annual risk refresh helps us identify emerging risks and threats. Additionally, the 'Risk Intelligence' program undertaken by the CRO is designed to make Mphasis a 'Risk Intelligent Organization'. This program is aimed at evaluating and assessing the impact of macro risks using the Global, Regional, Industry and Client (GRIC) model. The program utilizes the inputs from the Political, Economic, Social, Technological (PESTLE) model through the GRIC lens.

## Overview of key macro ESG risks

The list of risks is periodically reviewed and updated as per the emerging global and sectoral trends. Extensive environmental analysis has been conducted to identify macro risks and determine mitigation measures. For example, an assessment of the risk of technological obsolescence, the impact of Russia – the Ukraine war on our global operations, risks posed by a hybrid working model and other externalities impacting Mphasis were presented and discussed in the RGMC and MRMC. By implementing mitigation and adaptation plans, we protect our business, tackle pressing challenges, and ensure resilience across our operations.




Key risk categories are identified and published annually in the Annual Report. Access the **Annual Report 2022** [here](#)



# REORIENTING BUSINESS PRIORITIES THROUGH MATERIALITY

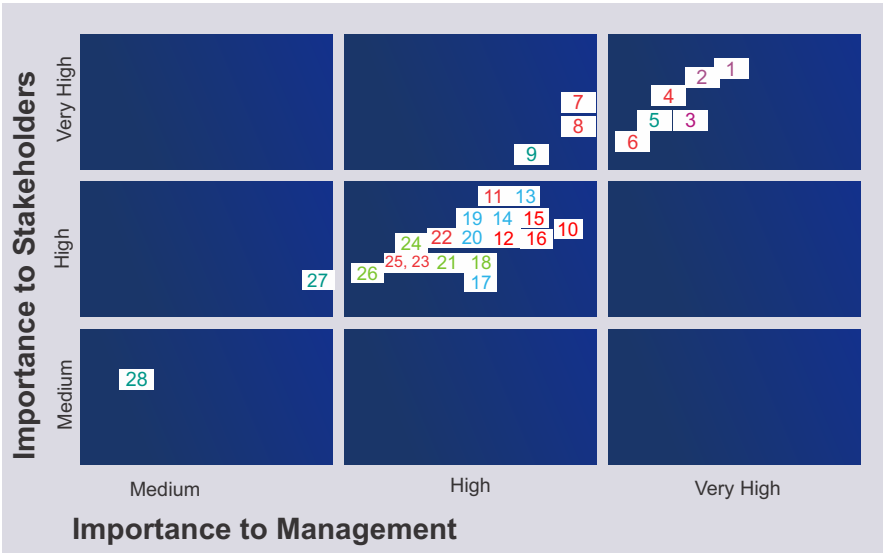
We amplify our business impact and value creation to cater to our stakeholders' needs. We have built an organization that welcomes open dialogue and collaboration with both internal and external stakeholders. Engaging with our stakeholders is critical to prioritising relevant business matters to progress toward our ESG ambitions and reorient our strategies to do better.

A wide range of stakeholder groups are involved in our business operations globally. Based on the level of impact and their ability to create value for our business, we have identified six priority stakeholder groups which include our customers, shareholders and investors, government institutions and regulators, business partners and vendors, employees, and communities.

 Our approach to stakeholder engagement is presented in the Business Responsibility and Sustainability Report under Principle 04. Access the **BRSR 2022** [here](#).

## Revisiting material matters

The periodic materiality determination process enables us to identify important ESG aspects that impact our business performance. A total of twenty-eight material aspects were selected based on our first materiality assessment conducted in FY 21. These issues enable us to identify potential opportunities and risks and align our business strategies to create long, medium and short-term value. Over a hundred responses were received from our stakeholders during this assessment. The aspects were mapped on a scale of low to high importance to both internal and external stakeholders and the outcome of the responses was represented on a matrix.



## Key ESG priorities

Environment

18 Energy Management  
21 Reduction in GHG Emissions  
24 Water Management  
26 Waste Management

Social

5 Protection of Human Rights  
9 Diversity at Workplace  
17 Community Involvement  
19 Talent Recruitment  
6 Efficient Customer Service  
20 Employee Development  
27 CSR Investments  
28 Employee Volunteering

Governance

1 Data Privacy  
2 Business Ethics  
3 Regulatory Compliance  
4 Customer Satisfaction  
6 IT System Security and Resilience  
7 Intellectual Property Rights  
8 Transparency and Disclosures  
10 ESG in Risk Management  
11 Grievance Management  
12 ESG Governance  
13 Occupational Health and Safety  
14 Employee Engagement and Satisfaction  
15 Responsible Technology  
16 Responsible Marketing

# BUILDING A RESILIENT SUPPLY CHAIN

Over the years, we have made sustainability integral to the foundation of our supply chain. We encourage good governance practices and ethical management of environmental, social and economic impacts by our suppliers across the value chain.

We ensure that all our vendors are onboarded on our digital vendor empanelment master platform where we securely collect and analyse their information on ESG performance. As part of the onboarding process, all vendors are made aware of our requirements and expectations from them. To further strengthen and evaluate supplier performance, we are in the process of including ESG-based KPIs. Our suppliers are expected to have ISO 14001 certification for their Environment Management System, adhere to the Mphasis Code of Conduct while doing business and promote ethical and rightful practices throughout their own company operations. Legal and ethical requirements are communicated periodically to our suppliers covering aspects such as POSH, ethical and legal dealings and the company's Whistle-blower Policy.

Our suppliers are evaluated annually on various accounts including non-price criteria and multiple performance aspects. This protects the long-term viability of our business and secures a social license to operate. There are no cases of human rights (child labour, forced/compulsory and slave labour) violations across our supply chain. We encourage our suppliers to actively communicate and report any potential violations of the COBC, including human rights violations appropriately.

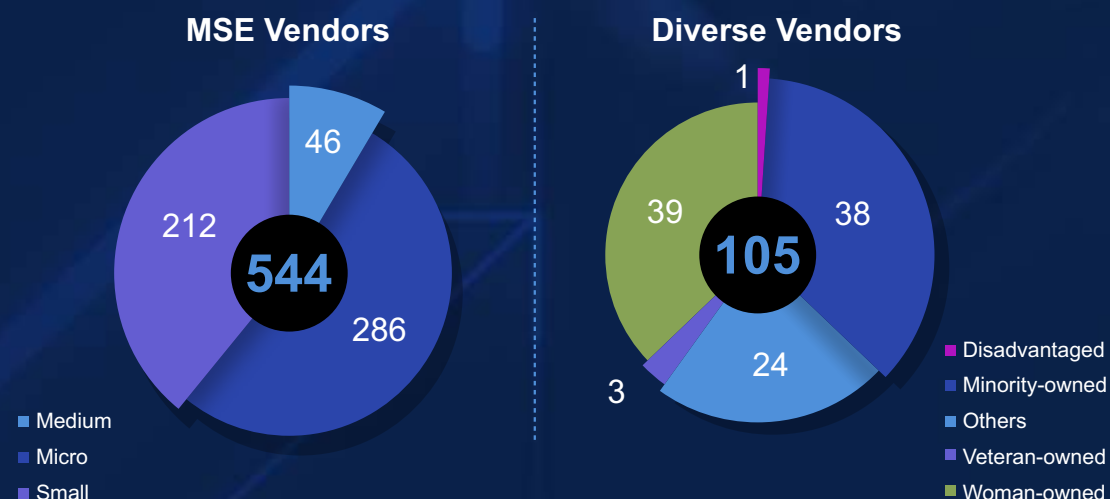
## **We have partnered with ~7300 active vendors in FY 22** **92% of our procurements are sourced from local\* vendors**

We hold ourselves accountable to meet and go beyond the same standards that we set for our vendors. Mphasis is listed as a Gold Diversity Supplier by JP Morgan Chase & Co. for setting out varieties of supplier diversity programs and committing to inclusive/diverse procurement.

### **Inclusive procurement**

Our company is a firm proponent of creating a supplier mix that is hyperlocal, newer, smaller and innovative. We consider these aspects when performing a procurement case. It has enabled us to diversify our suppliers, providing opportunities to minority-owned, women-owned, veteran-owned, local, LGBT-owned, disabled-owned businesses and SMEs.

As a global business, our inclusive and diverse procurement approach has helped us enhance our supplier pool and build a supply chain with positive economic, social, and environmental impacts.



\*Here local means - local to Mphasis operational sites

**Note:** The 105 diverse vendors are a part of the MSE vendor ecosystem.





# OUR **PEOPLE**

As an organisation that is fuelled by innovation, we place great value on our people to grow as a company and maximise positive outcomes. Our people have shown commitment, professionalism and solidarity through the challenging times, and we are committed to providing an empowering workplace for them by focusing on certain key areas - diversity, equity and inclusion, learning and development and employee well-being. Sustainability is central to our business, to drive profitability as well as to attract, retain and develop the best talent.

#### OVERSEAS TOTAL WORKFORCE

9,096 →

#### INDIA TOTAL WORKFORCE

27,814 →

#### GLOBAL WORKFORCE

36,910 →



**Nomenclature changed from I&D to DEI:** As a Hi-Touch organisation, our belief in empathy and inclusiveness is deep-rooted. Thus, this nomenclature change was necessary to ensure our employee-centric vision is aligned with our actions. We strive toward making Mphasis stronger, vibrant, and resilient by accepting differences, equalizing opportunities, and ensuring every individual is valued.



## Empowering people

We believe that in the modern business world, empowerment of the workforce gives organizations an edge over their competitors. We understand that the process of empowering our people for greater success is an ongoing and evolving process which cannot be left on autopilot. It requires constant innovation and concerted efforts. We take great pride in the fact that this year, our employee engagement – Net Promotion score improved from 7.91/10 to 7.99/10.

## Equity and empowerment

Creating equity in the workplace is important to ensure that every employee within an organization works has a level playing field, regardless of their ethnic background, country of origin, physical or mental ability, or gender or sexual orientation. Over the past year, we have taken several steps and initiatives which reflect our resolve to create a space where people are respected and treated equally.

**Our new formalized Anti-Discrimination Policy published across the organization this year secures the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits unlawful discriminatory practices, including harassment.**



## Rights of people

Our publicly available CoBC highlights our commitment towards upholding the human rights of internal and external stakeholders, across our value chain. Training on human rights is conducted on an annual basis. We also conduct regular assessments of our value chain partners and emphasise zero tolerance for human rights violations. Mphasis also has in place a grievance redressal mechanism to address stakeholders' grievances related to human rights issues.



## Diversity and Inclusion (D&I)

A diverse and inclusive workplace is essential to creating a vibrant environment that promotes innovation and allows our employees to perform in an environment where they feel that they belong and can thrive. One of the biggest achievements in our effort to improve our diversity performance has been the improvement of our gender ratio (M:F) from 70:30 in FY 21 to 65:35 in FY 22. Further, we have a target of increasing the ratio of women in the company to 40% by 2025.

We have conducted several events to promote a culture of inclusion and celebrate diversity in the organization. Some of these initiatives include hosting LGBTQ+ sensitization workshops, the #REALME campaign and Integrated Circuit, an exclusive interactive platform for the women leadership within Mphasis to share their journey and motivate others. During this year we constituted the ALLY group, which intended to create an environment of comfort and inclusion for all members of our community. We have also established a “Mother’s Forum” at Mphasis to build a community that supports the hard work and talent of mothers across the organization. It is worth mentioning that the return rate of our women employees after the parental leave has increased from 93% in FY 21 to 95% in FY 22.

### Other prominent DEI initiatives are:

**Womentoring:** This program focuses on monitoring and training women employees in the organization to take on leadership roles. It offers our women employees the opportunity to define their career objectives by pairing them with a mentor who has an established career in the participant’s chosen field.

**LEADHER:** As an equal opportunity employer, Mphasis identifies and nurtures women employees to advance in leadership roles by motivating them to break the stereotypes and challenge the curveballs. As a part of the LEADHER program, the participants are exposed to aspects of self-discovery, communication dynamics, and networking skills to create an integrated approach to all aspects of life.

**Leapvantage:** A peer-to-peer coaching program to sharpen leadership skills for women through a reflective learning initiative. This program has been specifically created for high-potential women professionals, over six months as an experiential learning journey with sessions hosted by senior professionals, collaborative learning circles and coaching sessions.

“Diversity, inclusion, and equity are essential to our company. We are creating an inclusive workplace that removes the obstacles standing in the way of a vibrant and inclusive workforce. This year, we have committed to increasing the ratio of women workforce up to 40% by 2025 and improving our focus on hiring diverse candidates. We have made significant progress in achieving our DEI goals and will continue to strive to do better.”  
– Srikant Karra, CHRO

### Inclusive hiring

We ensure that the internal stakeholder team that is responsible for potential hires, including women and people with disabilities, are appropriately trained/taught on the value of diversity. To further our stance on equity, we organised recruiter and manager sensitisation sessions to impart guidance on diversity hiring. We recently concluded multiple drives to hire people from the LGBTQ+ community, resulting in the hiring of 20+ candidates from the LGBTQ+ community. We also engage with NGOs and other organizations that provide dedicated support for diverse workforce hiring.

## Learning and Development

Providing our team members access to development opportunities allows them to learn new skills which add value to their careers and in turn to the organization. Through learning and development programs, we aim to empower our workforces to access information and resources and leverage technology systems to facilitate both formal and informal learning. We have also established a continuous feedback loop to evaluate the effectiveness of our offerings, boost performance results and increase innovation, impacting overall reskilling and rehiring costs.

### Our vision is to foster an environment that enables high learnability for business success and individual growth.

We recognise learning and career growth as the driving factors for business success and individual fulfilment. To this effect, we extensively leverage learning to improve individual performance and change behaviours to address current business realities and future possibilities for employees.

Our learning and development initiatives/programs can be classified into four categories:



#### Continuous Development

Continuous learning is about the expansion of knowledge and skills in response to the emergence of NextGen technologies

#### Leadership Learning

The Leadership development framework enables people managers and leaders to acquire knowledge and skills to drive high performance while promoting our culture and values



#### Responsive Learning

This approach to learning and talent transformation is driven by strategy

#### Personalized Learning

We have harnessed adaptive learning technologies to tailor solutions that provide personalized learning experiences





## Talent Next

Since its inception in 2018, the Talent Next platform has become the foundation of global talent development initiatives at Mphasis. In the last 4 years, the platform has evolved into a cognitive automation tool and houses resources for over 750 skills and 12,000 courses. In FY 22, the average number of training hours per FTE was 10.4.

We have implemented many advanced digital learning opportunities for our employees and have also developed creative processes for hiring people with unique skills. Our talent management systems, such as compensation models and career advancement, are aimed at promoting meritocracy and the growth of skills that keeps our talent flow active.

## Employee performance recognition

We have launched a new Rewards and Recognition (R & R) platform called 'Accolade'. The new platform is fast, easy and simple to use thereby enhancing the overall rewarding experience for managers and employees. Two such R&R programs at Mphasis are described below:

**Pillars:** Pillars is a Mphasis longevity program which was instituted to celebrate the commitment and hard work of Mphasians who have been with the company for more than a decade.

**Ace awards:** Ace awards in our annual R & R program where we celebrate the individuals and teams who have outperformed in the previous year.

## Employee wellness and safety

We believe in building a positive working atmosphere for all our employees where the physical and mental health of our employees are safeguarded. Workplace safety and health measures are essential for the well-being of employees, and we have a number of strategies/systems in place to manage and improve our employees' wellbeing.

All our efforts in this respect are governed by the company's EHS Policy, which aims to ensure that in the course of our business activities we not only minimize our impact on the environment but also look after the health and safety interest of our employees. This policy is applicable to all Mphasis entities globally and is constantly updated to better implement, monitor and assess occupational health and safety risks across our operations. It is a testament to the efficiency of our health and safety systems that we have incurred no work-related injuries or ill health cases in FY 22.

Regular medical check-ups, health and accidental insurance, and maternity and paternity benefits are some other offerings extended to our employees. We have also conducted several awareness programs, webinars and workshops covering women and children's health, elder health and most importantly mental health issues.

## Impact of COVID-19

The onset of COVID-19 made it imperative to provide timely resources and maximum protection to all of our colleagues and their families. To do this, several financial and non-financial benefits were offered to employees to help them through the tough times. Medical insurance policies were extended to employees and dependents, which also covered COVID treatment. Employees were given the option of taking a month's salary in advance, which would be repayable in six months.

In terms of non-monetary benefits, a 24X7 COVID war-room was set up to provide emergency services and assistance to employees. Facilities like access to grief counsellors, remote medical assistance and periodic RT PCR testing were extended to all employees. The pandemic has undoubtedly brought about irreversible changes in the ways we think and work, but we believe that we will emerge from this crisis stronger.



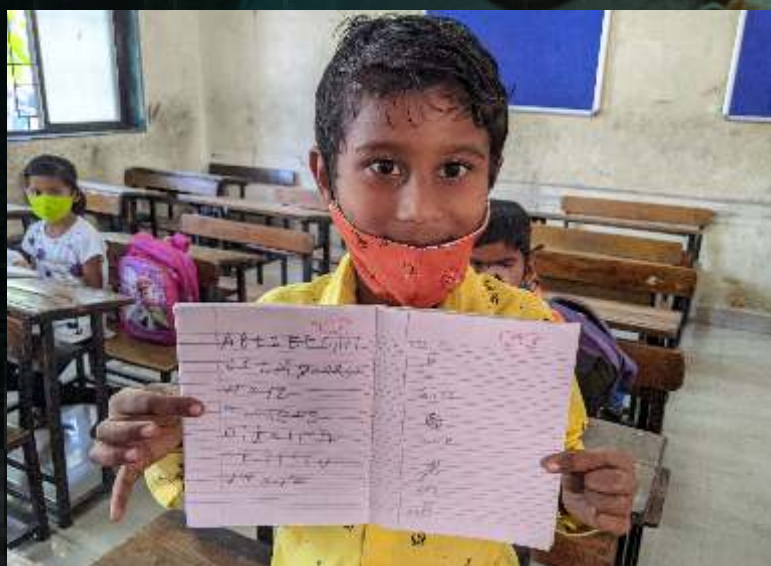
# COMMUNITY OUTREACH

Mphasis strongly believes that the execution of social objectives is a key element of its success and constantly endeavours to promote its development. We are committed to effecting social change through the application of the power of technology and disruptive solutions.

Our community outreach initiatives align with the objectives of the UN Sustainability Goals, specifically SDG 1 (No Poverty), 3 (Good Health and Well-being), 4 (Quality Education), 8 (Decent Work and Economic Growth) and 10 (Reduced Inequalities). Amidst one of the worst humanitarian and economic crises, we have doubled down on our efforts to create a positive impact in and around the communities in which we operate, with the goal of uplifting members of marginalized communities through strategic interventions.

Carrying out business in a socially responsible manner is becoming more and more important to a company's stakeholders. The benefits of doing so are manifold - improving customer perception of the brand, a sign of accountability to investors and the upliftment of vulnerable communities. The programs we support through our F1 Foundation reflect our commitment to support socially excluded and economically disadvantaged groups, with a focus on inclusion, livelihoods, and education.

– **Ravi Vasantraj**, Global Delivery Head



Mphasis F1 Foundation is an independent registered public trust and non-profit organization which has the charter to support innovative programs that work towards inclusive development of society and the underprivileged. It seeks to support secular, non-profit and non-political organizations. Its focus has been on three key areas – Inclusion, Education and Livelihood.

In the past year, 264 Mphasis employees volunteered for a total of 460 hours towards remote mentoring and Scratch translation initiatives (Scratch is an educational tool for children to learn coding through visual programming).



# DRIVING EQUITABLE DEVELOPMENT

## The Nudge Institute

The Nudge Institute is an action development institute that works toward a poverty-free India. Mphasis Ltd. has set out to support The Nudge Institute as a “Founder and Patron” over a period of 4 years to run the following programs under its Centre for Social Innovation - Incubator, Accelerator and Indian Administrative Fellowship (IAF). Between January 2021 and December 2025, the company aims to divert funds amounting to INR 12 crore and INR 4.86 crore towards the Incubator/Accelerator and the Indian Administrative Fellowship (IAF) respectively.

## The Nudge: Future Perfect Skilling

The objective of this program is to train women to improve their employability through building their proficiency in English language communication and 21st-century life skills. The program aims to train ~4,000 students over 3 years. 556 women students in the program graduated by end of FY 22, securing 100% placements for opt-ins with an average salary of INR 14,000/month.

## Ashoka Young Changemakers (AYC)

The objective of AYC is to identify and assist youth changemakers grow their community initiatives, thereby advancing the ‘Everyone a Changemaker’ movement across the country. In FY 22, over 10 initiatives, comprising 50 youth changemakers, were undertaken by the AYC. Of them, 50% were women and 74% were from rural/underrepresented communities. 5 Ashoka Young Changemakers won the Diana Award for their humanitarian work in improving the lives of others.



Through our partnership with Mphasis, we have been able to demonstrate that one of the most powerful ways of empowering our younger generation is to help them experience becoming changemakers as early as in their teen years. Our efforts to find young people who are already changemakers in their communities not only accelerated the impact of their initiatives but also amplified the causes they stood for. These young changemakers became role models for thousands of other young people and helped society around them appreciate the need of every young person to grow as a changemaker.

Our partnership also coincided with the pandemic and during this phase, the understanding and patience the Mphasis team demonstrated in supporting the implementation of the program were very helpful. I hope other companies could learn from the CSR efforts of Mphasis.

– **Yashveer Singh**, Co-founder & Director, Ashoka Young Changemakers





## Akanksha Foundation

Through this project, Mphasis has partnered with two 'Akanksha Schools' to provide operational support. The partnership aims to impart critical thinking, creativity, and communication skills among children from low-income communities and improvement in well-being and health of students to reduce absenteeism in schools. The schools continued to operate at full capacity despite the pandemic.

**The impact: 1500 students from 2 Schools were supported with a 100% retention and passing rate.**

## Research Chair on Digital Accessibility

Another ongoing initiative is the Mphasis Research Chair on Digital Accessibility, set up in 2016 at the Indian Institute of Management, Bangalore. The objective of the project is to create thought leadership around the role of technology in helping people with disabilities over accessibility barriers. From the time of initiation till 2022, the Research Chair studied publications on industry trends and best practices around the world, made significant contributions to policy development, and conducted several workshops and round table discussions to further fuel the discourse on disability research.

Dr. Mukta Kulkarni, who served as the Research Chair incumbent from July 1st 2016 till June 30th 2021, has attracted the attention of corporates, civil society organizations, policymakers and research scholars on urgent issues of disability. Her publications have also been referred to by the newly formed Department of Empowerment of Persons with Disabilities, constituted under the Ministry of Social Justice & Empowerment.

## A problem worth solving, impact worth mentioning: Mphasis partnership with the Saarthi Foundation

We partnered with the Saarthi Foundation to provide a channel of continuous feedback to parents of students to keep them abreast with the latest education practices. The worksheets employed by the foundation follow an 'incremental advancement theory', which ensures children learn with minimal instructions. Further, we empowered parents to feel confident in their children's development by motivating personal coaching. Currently, we have enrolled over 9500 children via various partnerships. 85% of the children enrolled as part of this initiative have shown progress on their learning assessment.







# ENGINEERING **CLIMATE SUSTAINABILITY**



Driven by the ambition to create a significant and tangible difference for the stakeholders through business operations, we are integrating ESG at the core of our transformation journey. As a company with an extensive footprint across the globe, our operations have an impact on the natural world. Our unwavering efforts are fruitful in creating a better environment while reducing the environmental effects of our operations.

In the last few years, climate change has become one of the most defining issues of our age. Significant efforts are required to tackle this global challenge. At Mphasis, we are striving to accelerate our commitment to tackling climate change by investing in renewable energy, efficient waste and water management, and other green initiatives. Our efforts also extend to our services and offerings to our clients. To enable a more responsible value chain, we assist clients in transitioning to greener IT, cloud, and software.

To have a long-term influence on the planet and all of our stakeholders, we have integrated environmental goals into our business strategy, risks, and procedures. All these strategic actions have facilitated the development of an environmental agenda aimed at fostering a low-carbon economy by reducing our use of natural resources such as waste, water, and energy.

Sustainability and social responsibility have always been the cornerstone of our business. With the global pandemic enhancing our role as a leading technology partner, our responsibility of being a committed corporate citizen, required us to kickstart our formal ESG journey. All our efforts are underpinned by our commitment to the community, and building a sustainable business remains fundamental to our strategy; enabled by the power of technology and disruptive solutions.

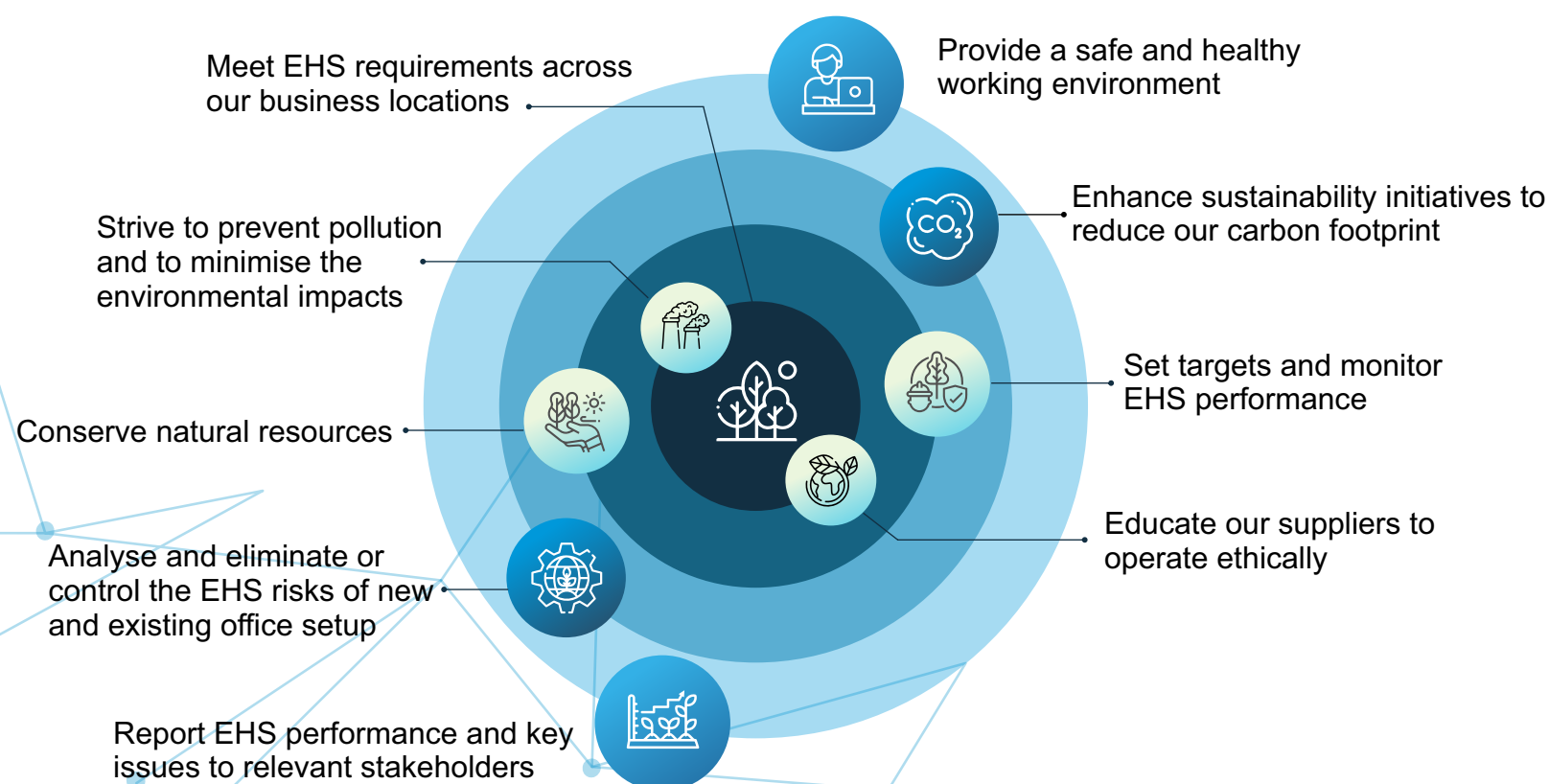
– **Mr Nitin Rakesh**, CEO & MD



## OUR MANAGEMENT APPROACH

Responsible governance and accountability remain key in tackling challenging material issues. We recognize that greenhouse gas emissions through the consumption of fuel and energy at our offices and data centres can have potential negative impacts on the environment and necessary actions shall be taken to resolve this issue. To address this, we are undertaking various energy efficiency and emission reduction initiatives to reduce our carbon footprint. A dedicated ESG team reporting to C-level executives is spearheading the ESG initiatives of our company.

We have developed an Environmental Policy that guides our strategy and execution of everyday operations. The Policy includes a systematic strategy to reduce carbon emissions and initiatives toward energy and water management as well as waste reduction, reuse, and recycling. We have adopted a holistic approach to environmental management with a focus on the following elements:



The building where Mphasis is headquartered is the Leadership in Energy and Environmental Design (LEED) Gold standard and ISO 14001:15 certified to strengthen our commitment to reducing the environmental impact within the operations.

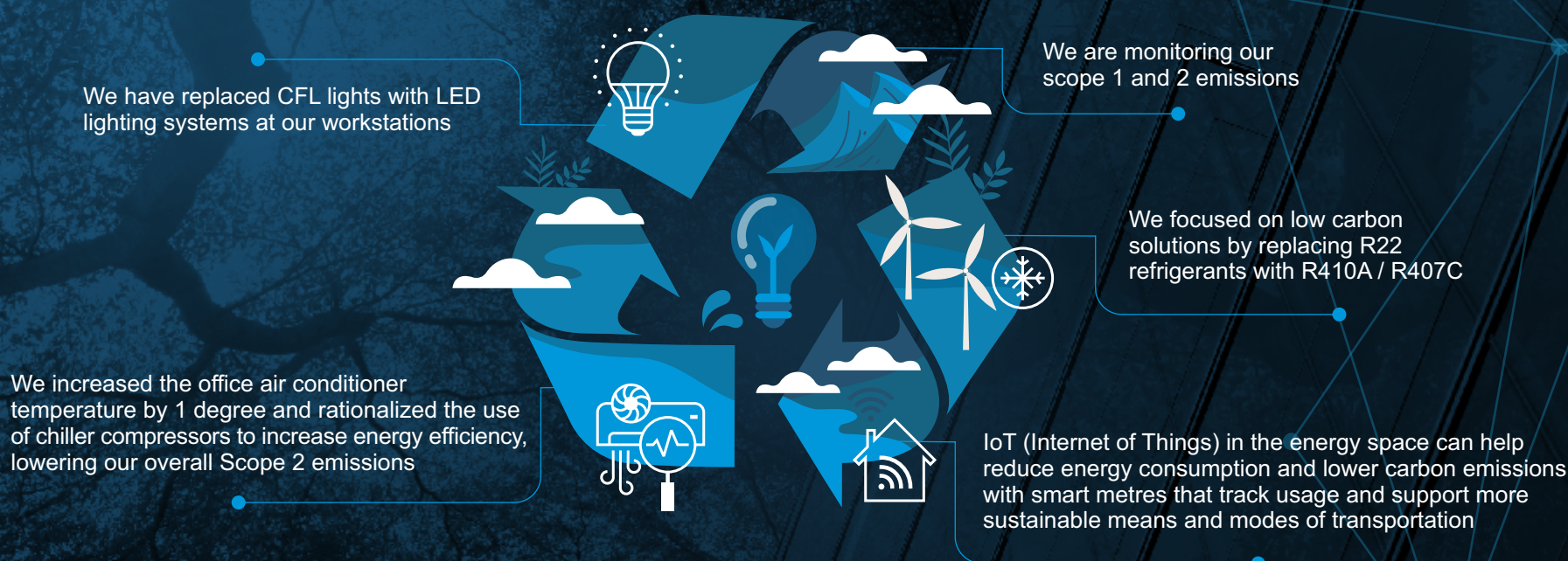
We also conduct general awareness sessions for our employees by sending EHS mailers across the operations on specific days such as National Energy Conservation Day, Environment Day, World Water Day, International Day of Forests, and Earth Day.



# ENERGY EFFICIENCY

We have implemented a well-defined energy management plan to minimize our energy consumption, integrate renewable energy sources and embrace energy-efficient practices. We have set a year-on-year target for the reduction of electricity consumption by 5% and carbon footprint by 1%. We are also focusing on accelerating efforts on improving energy efficiency, phasing out ozone-depleting substances and procuring green energy through PPAs (Power Purchase Agreements).

Considering the nature of business operations at Mphasis, the important environmental footprint we create is greenhouse gas emissions through the consumption of fuel and energy at our offices and networking labs. Hence, we are undertaking various energy efficiency and emission reduction initiatives to reduce our carbon footprint:



In our Indian operations, we have replaced old Precision Air Conditioning (PAC) systems for the more energy-efficient HP labs with new PAC and refrigerant R410A, which does not impact ozone-depleting substances. Similar replacements have also taken place in our UPS rooms.

We have created and executed an effective Energy Management System (EMS) that helps us in identifying critical areas for improvement as well as setting energy reduction goals. In addition, we undertake regular internal audits to track our energy consumption and adopt energy-saving initiatives such as replacing conventional technologies with new ones. Our EHS dashboard, aligned with the EMS, monitors our environmental performance annually.

We are committed to expanding our renewable energy capacity to power our everyday activities to meet our emission reduction goals. 54% of the total energy that we used in FY 22 came from renewable sources. We have also invested in a 20-kilowatt onsite rooftop solar power plant in Mangalore, India, which Mphasis manages completely. We are collaborating with building management and others to boost our renewable electricity mix by pursuing off-site renewable energy projects in situations where energy is purchased on our behalf or where space is limited. This is in keeping with our objective to reduce emissions by using renewable energy to power our workplaces.



# ACCELERATING A LOW-CARBON JOURNEY

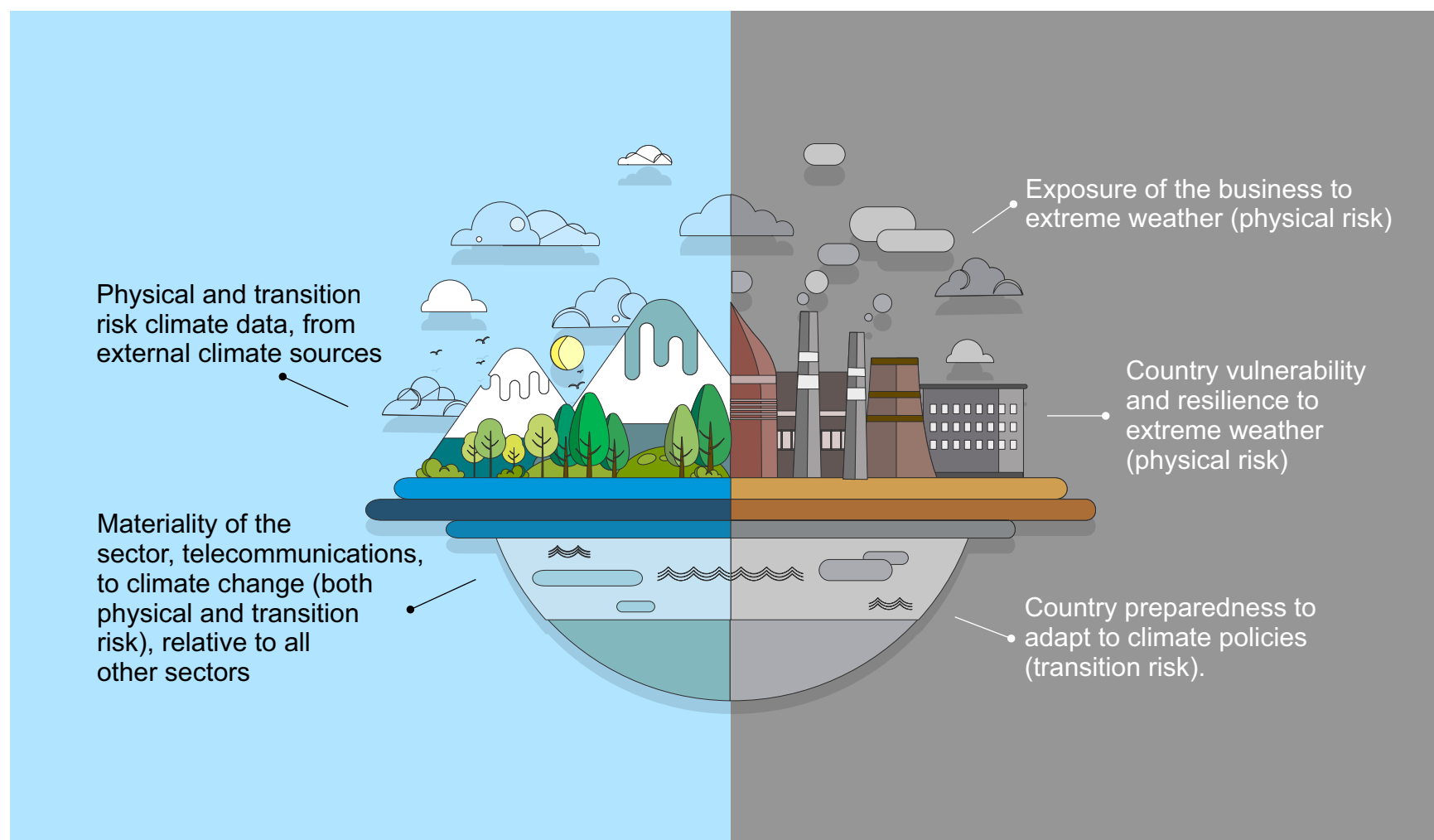
Using a climate risk tool, we have undertaken a high-level assessment across our Indian operations, to assess the potential impact of climate risk (both transition and physical risk) on our business and our supply chain in 2030, under two climate scenarios:

**2-degree scenario:** This is representative of a scenario that aims to keep the global average temperature well below 2 degrees above pre-industrial levels by 2100. It reflects the commitments of nations under the 2015 Paris Agreement.

**4-degree scenario:** This is representative of a business-as-usual scenario, where global average temperature rises to ~4 degrees warming above pre-industrial levels by 2100. Only physical risk is considered under a 4-degree scenario as little/no action to transitioning to a low carbon economy is expected.

The third-party climate risk assessment tool provides a Low, Medium or High-risk rating, for both physical and transition risk, under these two climate scenarios in 2030. This risk is provided as an overall score, as well as split by business area, which indicates which area of the business is driving the climate risks.

The tool assesses the risk by taking into consideration the following indicators:



RESULTS :

	Under a 2-degree scenario, in 2030		Under a 4-degree scenario, in 2030
Overall / by business area	Physical risk	Transition risk	Physical risk
Portfolio business	Medium risk	Medium risk	Medium risk
Supply chain	Medium risk	Medium risk	Medium risk

OVERALL RATINGS :

Physical Risk	Transition Risk	Climate Resilience
Medium	Medium	Medium

The results from the third-party climate risk assessment tool indicate that Mphasis, overall, is exposed to medium physical and medium transition risks related to climate change due to the potential impacts of extreme weather-related events and the potential impact of climate-related policies on energy and water. At present Mphasis is moderately resilient to climate change risks but a thorough assessment of asset exposure to extreme weather events, the impact of supply chain disruptions, and climate-related market risks which can affect the business are required to be carried out at a global level.

Key observations for physical risk

Under a 2-degree scenario, the medium physical risk score is driven by sector materiality. However, at present Mphasis has limited exposure and vulnerability due to the size of the business. However, as the business grows and expands to other geographies, its risk profile may change. In this scenario, the worst physical impacts of climate change are averted. Under a 4-degree scenario, there is a greater risk, driven by the increasing severity and frequency of extreme events, such as floods and heatwaves.

Key observations for transition risk

There is a high risk of adopting more stringent climate policies, driven by carbon intensity and climate change ambitions of the country (ie. national Net Zero emissions target), and Mphasis may need to adapt to this accordingly.

“We adopt, invent, and implement smarter ways to mitigate GHG emissions, reduce energy consumption and manage our waste. We consistently introduce sustainable interventions to minimize the impact on nature. We have committed to reducing our energy consumption by 5% in the coming year, with the intention to minimize our carbon footprint. As a first step towards this goal, we have conducted a high-level climate risk assessment which will assist us in identifying critical risk points across our operations and developing mitigation strategies based on the nature of the risk.”

– Srikumar Ramanathan, Chief Solutions Officer





# WATER MANAGEMENT

We realise that managing water resource consumption is a crucial step toward environmental stewardship. Although our business operations are not water-intensive, we realise our responsibilities and work towards reducing our freshwater consumption and wastage. We are reducing our water usage by installing water-saving fixtures and sensor-based urinal flush fittings, as well as enforcing behavioural changes among our employees through regular awareness campaigns and visual reminders at the point of use. In addition, we are exploring and implementing rainwater harvesting facilities for our major offices where possible.

We are committed to safely treating and managing the wastewater generated within our premises using our in-house sewage treatment plants (STPs) to manage waste-water usage across our large workplaces. The treated water is subsequently used for landscaping, gardening, and toilet flushing. Wastewater is discharged into government STPs at our smaller rented offices, which have limited space or operational control.

## Finding effective ways to manage and minimize waste

According to the Circularity Gap Report 2021, people consume 100 billion tonnes of materials every year, yet only 8.6% of those materials were cycled back into the economy after use in 2020. For a worldwide circular economy, linear systems and existing infrastructure are insufficient to properly manage, collect, and redistribute resources.



Mphasis is continually looking for ways to decrease and eliminate waste to achieve sustainable management and effective use of natural resources. We make conscious efforts to efficiently manage the waste that is generated at all the Mphasis offices and data centres. Our waste comprises primarily food, paper, plastic, and e-waste generated at our offices. Our commercial operations do not generate production waste.

We follow waste segregation practices across all our offices. The wet waste (food waste) collected, goes to animal feeds and the solid waste is disposed of as per the Waste Management Rules, 2018. Since the onset of the pandemic, we have set up separate bins for hazardous waste disposal (facemasks, tissues, etc.) to avoid any cross-contamination. Biomedical waste such as sanitary napkins is safely collected and disposed of.

“As a company with a strong sense of social purpose, we are reducing our environmental impact by implementing measures to reduce our waste by active minimization combined with technology investment in recycling and streamlining systems and processes and further contributing to the circular economy.”

– Ajit K, Senior Vice President, Head Business Operations



## Co-creation with ITC

We have collaborated with ITC to jointly set up a paper recycling initiative, wherein all the paper waste generated at our Indian facilities is shredded and given back to ITC. Through this strategic partnership, we have recycled paper/cardboard waste to make recycled paper and notebooks.

## E-waste disposal

E-waste generated at our facilities, consisting of used computers, laptops, printers, scanners, batteries, and air conditioners, is separately disposed of by an authorised disposer. We ensure that the e-waste generated is channelized through the appropriate collection centres or dealers that are authorised by the respective pollution control board producer, or through the designated take-back service provider to the authorised dismantler or recycler.





ANNEXURE 1

# GRI Index



GENERAL DISCLOSURES

Sl.No.	GRI Standard Number	Disclosure Number	Description	UNGC Principles	UNSDGs	Section / Subsection Title	Page No. / Explanation
1	GRI 102 - General disclosures	102-1	Name of the organization				Annual Report 2022 - Page 168
2		102-2	Activities, brands, products, and services				Annual Report 2022 - Page 18
3		102-3	Location of headquarters				Bengaluru, India
4		102-4	Location of operations				Annual Report 2022 - Page 214
5		102-5	Ownership and legal form				Annual Report 2022 - Page 168
6		102-6	Markets served				Annual Report 2022 - Page 79
7		102-7	Scale of the organization				Annual Report 2022 - Page 38
8		102-8	Information on employees and other workers			Annexure 2 - ESG Databook	52-65
9		102-9	Supply chain			Responsible Supply Chain	24
10		102-10	Significant changes to the organization and its supply chain				No significant changes to the supply chain
11		102-11	Precautionary Principle or approach				Our management approach to each material ESG issue is outlined in the relevant sections
12		102-12	External initiatives				These are listed across the report
13		102-13	Membership of associations				Relevant industry partnerships and associations' names are provided throughout relevant sections of the report
14		102-14	Statement from senior decision-maker			Message from our CEO	4
15		102-15	Key impacts, risks and opportunities			Risk governance and management	21
16		102-16	Organization's values, principles, standards, and norms of behaviour	10	16	Implementing good governance practices	18



17		102-17	Mechanisms for advice and concerns about ethics	10	16	Implementing good governance practices	18
18		102-18	Governance structure			Applying good governance	17-24
19		102-19	Delegating authority			Applying good governance	17-24
20		102-20	Executive-level responsibility for economic, environmental and social topics			Implementing good governance practices	18
21		102-21	Consulting stakeholders on economic, environmental and social topics		16	Implementing good governance practices	18
22		102-22	Composition of the highest governance body and its committees		5,16	Board structure	18
23		102-23	Chair of the highest governance body		16	Applying good governance	17-24
24		102-24	Nominating and selecting the highest governance body		5,16	Board structure	18
25		102-25	Conflicts of interest		16	Code of business conduct	19
26		102-26	Role of highest governance body in setting purpose, values and strategy			Our approach to good governance	18
27		102-27	Collective knowledge of highest governance body on ESG topics			Performance assessment and remuneration	18
28		102-28	Evaluating the highest governance body's performance			Performance assessment and remuneration	18
29		102-29	Process for the highest governance body in identifying and managing economic, environmental, and social impacts		16	Risk Governance and management	21
30		102-30	Highest governing body's role in reviewing the effectiveness of risk management processes			Risk Governance and management	21
31		102-31	Review of economic, environmental, and social topics			Our approach to good governance	18
32		102-32	Highest governance body's role in sustainability reporting			Our approach to good governance	18
33		102-33	Communicating critical concerns			Risk identification	22

34		102-34	Nature and total number of critical concerns				No critical concerns
35		102-35	Remuneration policies			Performance assessment and remuneration	18
36		102-36	Process for determining remuneration			Performance assessment and remuneration	18
37		102-37	Stakeholders' involvement in remuneration		16	Performance assessment and remuneration	18
38		102-38	Annual total compensation ratio			Performance assessment and remuneration	18
39		102-39	Percentage increase in annual total compensation ratio			Performance assessment and remuneration	18
40		102-40	List of stakeholder groups			Implementing good governance practices	BRSR Report 2022 - Page 28
41		102-42	Identifying and selecting stakeholders			Implementing good governance practices	BRSR Report 2022 - Page 28
42		102-43	Approach to stakeholder engagement			Implementing good governance practices	BRSR Report 2022 - Page 29
43		102-44	Key topics and concerns raised			Implementing good governance practices	18
44		102-45	Entities included in the consolidated financial statements				Annual Report 2022 - Page 38, 39
45		102-46	Defining report content and topic boundaries			About this report	Annual Report 2022 - Page 38
46		102-47	List of material topics			Exploring our material matters	23
47		102-48	Restatements of information				No restatements of information
48		102-49	Changes in reporting				No significant changes from previous reporting periods in the list of material topics and topic boundaries
49		102-50	Reporting period			About this report	2
50		102-51	Date of most recent report				We published our first ESG Report in 2020-21 and this is our second ESG Report for the year 2021-22



51		102-52	Reporting cycle				Annual
52		102-53	Contact points for questions regarding the report			About this report	2
53		102-54	Claims of reporting in accordance with GRI Standards			Annexure 1 - GRI Index	41-51
54		102-55	GRI content index			Annexure 1 - GRI Index	41-51
55		102-56	External assurance				The report has not been externally assured. We will be exploring the possibility of assuring our forthcoming reports
56	GRI 103 - Management Approach	103-01	Explanation of the material topic and its boundary			Revisiting material matters	23
57		103-02	The management approach and its components			Message from our CEO, Our approach to good governance	4
58		103-03	Evaluation of the management approach			Our approach to good governance	18

ECONOMIC DISCLOSURES

Sl.No.	GRI Standard Number	Disclosure Number	Description	UNGC Principles	UN SDGs	Section/ Subsection Title	Page No. / Explanation
59	GRI 201 - Economic performance	201-1	Direct economic value generated and distributed		8, 9	Annexure II - ESG Databook	54
60		201-2	Financial implications and other risks and opportunities due to climate change		13	Risk governance and management	21
61	GRI 202 - Market presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage				We pay our employees above the minimum wages set up the labor laws and do not discriminate between gender in terms of compensation
62	GRI 203 - Indirect economic impacts	203-1	Infrastructure investments and services supported		5, 9, 11		Covered in respective sections throughout the report
63	GRI 204 - Procurement practices	204-1	Proportion of spending on local suppliers			Annexure II - ESG Databook	52-65
64	GRI 205 - Anti-corruption	205-1	Operations assessed for risks related to corruption	10	16	Board committee and ethical practices	19
65		205-2	Communication and training about anti-corruption policies and procedures	10	16	Nurturing an ethical culture	21
66		205-3	Confirmed incidents of corruption and actions taken	10	16	Nurturing an ethical culture	21
67	GRI 206 - Anti-competitive behaviour	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices			Nurturing an ethical culture	21



# ENVIRONMENTAL DISCLOSURES

Sl.No.	GRI Standard Number	Disclosure Number	Description	UNGC Principles	UN SDGs	Section / Subsection Title	Page No. / Explanation
68	GRI 302 - Energy	302-1	Energy consumption within the organization	7, 8	7, 8, 12, 13	Annexure II - ESG Databook	52-65
69		302-2	Energy consumption outside of the organization	8	7, 8, 12, 13	Kickstarting a low-Carbon journey	37-38
70		302-3	Energy intensity	8	7, 8, 12, 13	Kickstarting a low-Carbon journey	37-38
71		302-4	Reduction of energy consumption	8,9	7, 8, 12, 13	Kickstarting a low-Carbon journey	37-38
72	GRI 303 - Water and effluents	303-1	Interactions with water as a shared resource	8	6, 12	Annexure II - ESG Databook	52-65
73		303-2	Management of water discharge-related impacts	8	6	Annexure II - ESG Databook	52-65
74		303-5	Water consumption	8	6	Finding effective ways to manage and minimize waste	39
75	GRI 305 - Emissions	305-1	Direct (Scope 1) GHG emissions	7, 8	3, 12, 13, 14, 15	Annexure II - ESG Databook	52-65
76		305-2	Energy indirect (Scope 2) GHG emissions	7, 8	3, 12, 13, 14, 15	Annexure II - ESG Databook	52-65
77		305-3	Other Scope 3 emissions	7, 8	3, 12, 13, 14, 15	Annexure II - ESG Databook	52-65
78		305-4	GHG emissions intensity	8	13, 14,15	Annexure II - ESG Databook	52-65
79		305-5	Reduction GHG emissions	8, 9	13, 14, 15	Annexure II - ESG Databook	52-65
80		305-6	Emissions of ozone-depleting substances (ODS)	7,8	2, 12	Annexure II - ESG Databook	52-65
81		305-7	Nitrogen Oxides (NOX), Sulphur Oxides (SOX), and other significant air emissions	7, 8	3, 12, 14, 15	Annexure II - ESG Databook	52-65
82	GRI 306 - Waste	306-1	Waste generation and significant waste related impacts			Annexure II - ESG Databook	52-65
83		306-2	Waste by type and disposal method	8	3, 6, 12	Annexure II - ESG Databook	52-65

84		306-3	Significant spills during the reporting period	8	3, 6, 12, 14, 15	Annexure II - ESG Databook	52-65
85		306-4	Waste diverted from disposal			Annexure II - ESG Databook	52-65
86		306-5	Waste directed to disposal			Annexure II - ESG Databook	52-65
87	GRI 307 - Environmental compliance	307-1	Non-compliance with environmental laws and regulations	8	16		No cases of non-compliance
88	GRI 308 - Supplier environmental assessment	308-1	New suppliers that were screened using environmental criteria	8		Building a resilient supply chain	24
89		308-2	Negative environmental impacts in the supply chain and actions taken	8			No impact assessment undertaken in the supply chain



SOCIAL DISCLOSURES

Sl.No.	GRI Standard Number	Disclosure Number	Description	UNGC Principles	UN SDGs	Section / Subsection Title	Page No. / Explanation
90	GRI 401 - Employment	401-1	New employee hires and employee turnover	6	5, 8, 10	Annexure II - ESG Databook	52-65
91		401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		3, 5, 8	Annexure II - ESG Databook	52-65
92		401-3	Parental leave	6	5, 8	Annexure II - ESG Databook	52-65
93	GRI 402 - Labour/ management relations	402-1	Minimum notice periods regarding operational changes	8			Our notice period has been indicated in the employment and engagement contracts and comply with all the national regulations
94	GRI 403 - Occupational health and safety	403-1	Occupational health and safety management system	8		Employee wellness and safety	29
95		403-2	Hazard identification, risk assessment, and incident investigation	8		Employee wellness and safety	Risk & opportunities register is maintained
96		403-4	Worker participation, consultation, and communication on occupational health and safety	8, 16			Wellness initiatives around employee health are covered under section W&C
97		403-8	Workers covered by an occupational health and safety management system				Wellness initiatives around employee health are covered under section W&C
98		403-9	Work-related injuries		3, 8, 16		NIL
99		403-10	Work-related health		3, 8, 16		NIL
100	GRI 404- Training and education	404-1	Average hour of training per year per employee	6	4, 5, 8, 10		Talent Next – revolutionising on the job learning
101		404-2	Programs for upgrading employee skills and transition assistance programs	8			Developing a pipeline of empowered leaders
102		404-3	Percentage of employees receiving regular performance and career development reviews	6	5, 8, 10		All our employees receive regular Performance assessments

103	GRI 405- Diversity and equal opportunity	405-1	Diversity of governance bodies and employees	6	5, 8	Diversity and Inclusion, Board Structure	27, 18
104		405-2	Ratio of basic salaries and remuneration of women to men	6	5, 8, 10		No discrimination on salary
105	GRI 406 - Non-discrim- ination	406-1	Incidents of discrimination and corrective actions taken				No incidents of discrimination
106	GRI 407 - Freedom of association and collective bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	3	8		No operations with risk to collective bargaining
107	GRI 408 - Child labour	408-1	Operations and suppliers at significant risk for incidents of child labour	5	8, 16	Building a resilient supply chain	24
108	GRI 409 - Forced or compulsory labour	409-1	Operations and suppliers at significant risk for incidents of compulsory labour	4	8	Building a resilient supply chain	24
109	GRI 410 - Security practices	410-1	Security personnel trained in human rights policies or procedures	1	16	Building a resilient supply chain	24
110	GRI 411 - Rights of indigenous people	411-1	Incidents of violations involving right of indigenous people	1	2		There have been no violations involving rights of indigenous people during the reporting period
111	GRI 412 - Human rights assessment	412-1	Operations that have been subject to human rights reviews or impact assessments	1			No operations have been subject to HR impact assessments
112		412-2	Employee training on human rights policies or procedures	1			COBC training is provided
113	GRI 413- Local communities	413-1	Operations with local community engagement, impact assessments, and development programs	1		Message from our CEO, Tech for good-social Community Outreach	4



114		413-2	Operations with significant actual and potential negative impacts on local communities	1	1, 2		No operations with significant negative impacts on local communities
115	GRI 414- Supplier social assessment	414-1	New suppliers that were screened using social criteria	2	5, 8, 16		Suppliers are not currently screened using social criteria
116		414-2	Negative social impacts in the supply chain and actions taken	2	5, 8, 16		No negative social impacts
117	GRI 415 - Public policy	415-1	Political contributions	10	16		No political contributions
118	GRI 416 - Customer health and safety	416-2	Incidents of non-compliance concerning market communications				No incidence of non-compliance
119	GRI 417 - Marketing and labeling	417-2	Incidents of non-compliance concerning product and service information and labeling				No incidence of non-compliance
120		417-3	Incidents of non-compliance concerning marketing communications				No incidence of non-compliance
121	GRI 418 - Customer privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data				No complaints concerning breaches of customer privacy and losses of customer data
122	GRI 419 - Socio-economic compliance	419-1	Non-compliance with laws and regulations in the social and economic area		16		Mphasis is compliant with laws and regulations in the social and economic area

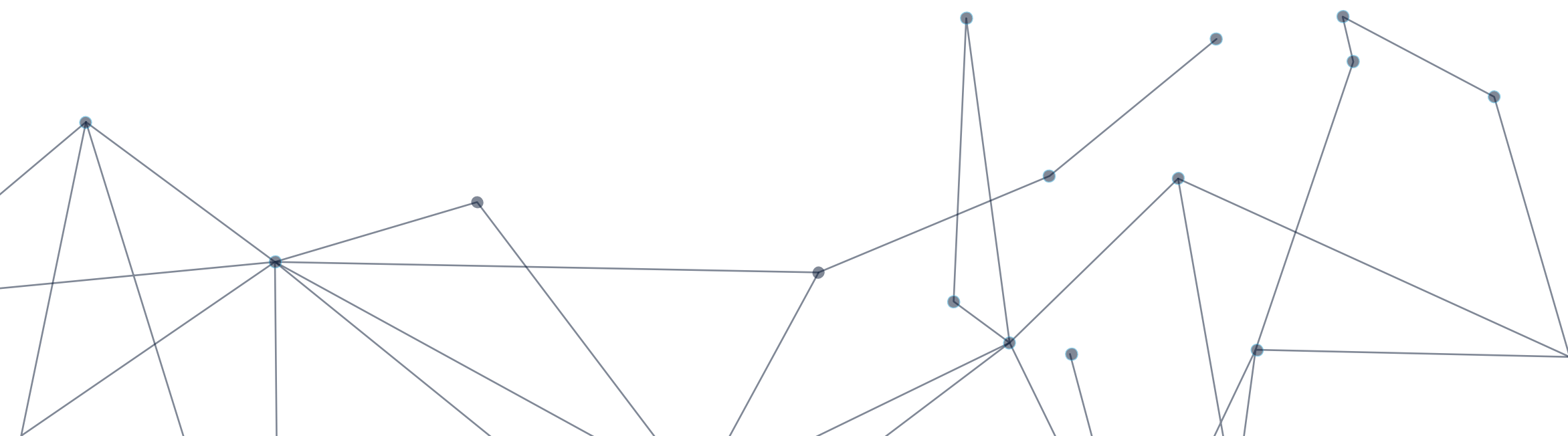


# MPHASIS **ESG** **DATABOOK**



We provide an accurate and transparent account of our Company's sustainability data that are material to our business through this Environmental, Social and Governance (ESG) Databook 2021-22. The ESG Databook contains the key performance indicators of Mphasis across material business categories and reflects our commitment to responsibly disclose the impacts of our business. In this ESG Data Book, we disclose relevant financial and non-financial information (including historical figures in some cases) that we consider to be of material significance to our stakeholders.

The reported data reflects the ESG priorities of the organization and are aligned with the Global Reporting Initiative (GRI) and Dow Jones Sustainability Index (DJSI). All reported data is as of and for the fiscal year ended March 31, 2022.



# ECONOMIC PERFORMANCE

ECONOMIC VALUE		
Category	Unit	2021-22
ECONOMIC VALUE GENERATED		
Total revenue	Million INR	121,218.94
Earnings before tax	Million INR	19,129
Taxes reported	Million INR	4,820.11
Effective tax rate	%	34.9
ECONOMIC VALUE DISTRIBUTED AND RETAINED		
Total operating costs	Million INR	28,093.38
Total employee-related expenses (salaries and benefits)	Million INR	70,345.01
Payments to providers of capital	Million INR	744.03
Payment to government	Million INR	4,859.65
Community investments	Million INR	294.59
Economic value retained	Million INR	16,882.28

PHILANTHROPIC CONTRIBUTIONS, BUSINESS ETHICS					
Category	Unit	2021-22	2020-21	2019-20	2018-19
CSR expense	Million INR	294.59			
Community investments out of total CSR expense (at the group level)	Million INR	294.59			
Political contributions	Million INR	No political contributions			
Fines/settlements/complaints category	Unit	No fines/settlements/complaints			
Fines or settlements related to anti-competitive practices	Million INR	0	0	0	0
Fines as % of total revenue	%	0	0	0	0
Ongoing investigations related to anti-competitive practices	No.	0			
Confirmed cases of corruption and bribery	No.	0	0	0	0



Current involvement in any ongoing corruption and bribery cases	No.	0			
Contributions to and spending for political campaigns, political organizations, lobbying, trade associations, tax-exempt entities	Million INR	0	0	0	0
No. of incidents of discrimination and harassment	No.	30			
No. of cases of breach of code of conduct	No.	0			
Complaints concerning breaches of customer privacy and losses of customer data	No.	0			

CUSTOMER RELATIONSHIP MANAGEMENT					
Category	Unit	2021-22	2020-21	2019-20	2018-19
Customers using the online services solutions/sales platform	%	Not applicable			
% of revenues generated online (e.g., through direct sales, advertising, etc.)	%				
Respondents satisfied by Customer Satisfaction Survey	%	91	92	90	92
Data coverage: % of customers/consumers surveyed out of the total number of customers	%	49	44	60	65

SOCIAL PERFORMANCE

WORKFORCE			
Category	Employees	Unit	2021-22
Board of directors	Male	No.	9
	Female	No.	3
	<30	No.	0
	30-50	No.	4
	>50	No.	8
Senior management	*Male	No.	63
	*Female	No.	12
	<30	No.	0
	30-50	No.	48
	>50	No.	27
Middle management	*Male	No.	610
	*Female	No.	90
	<30	No.	0
	30-50	No.	519
	>50	No.	181
Junior management	*Male	No.	1,837
	*Female	No.	433
	<30	No.	12
	30-50	No.	1,949
	>50	No.	309



Other employees	Male	No.	19,642
	Female	No.	11,737
	<30	No.	16,205
	30-50	No.	14,234
	>50	No.	940
Share of women in management positions in revenue-generating functions (e.g. sales)	as a % of all such managers	%	17.59
Share of women in STEM-related positions	as a % of total STEM positions	%	33
People with disabilities	as a % of the total workforce	%	0.1950
LGBTQI+	as a % of the total workforce	%	0.026
Contractual employees	Total	No.	2,486
Workforce global	*Male	No.	23,949
	*Female	No.	12,961
	*<30	No.	16,819
	*30-50	No.	18,440
	*>50	No.	1,650

NEW EMPLOYEE HIRES						
Category	Employees	Unit	2021-22	2020-21	2019-20	2018-19
Senior management	Male	No.	3			
	Female	No.	1			
	<30	No.	0			
	30-50	No.	2			
	>50	No.	2			

Middle management	Male	No.	98			
	Female	No.	7			
	<30	No.	0			
	30-50	No.	68			
	>50	No.	37			
Junior management	Male	No.	580			
	Female	No.	134			
	<30	No.	8			
	30-50	No.	580			
	>50	No.	126			
Other employees	Male	No.	14,689			
	Female	No.	8,840			
	<30	No.	13,548			
	30-50	No.	9,341			
	>50	No.	646			
New employee hires	Male	No.	15,370			
	Female	No.	8,982			
	<30	No.	13,556			
	30-50	No.	9,991			
	>50	No.	811			
Percentage of open positions filled by internal candidates (internal hires)		%	26.65	30	34	47
Average hiring cost/FTE		INR	65,459	65,731	43,466	36,692
New employee hires		No.	15,040	5207	4104	2478



# GENDER-PAY INDICATORS

Employee level	Unit	
Executive level (base salary only)	Million INR	No gender pay gap assessment was conducted during this reporting year
Executive level (base salary + other cash incentives)	Million INR	
Management level (base salary only)	Million INR	
Management level (base salary + other cash incentives)	Million INR	
Non-management level	Million INR	
INDICATOR	DIFFERENCE BETWEEN MEN AND WOMEN EMPLOYEES (%)	
Mean gender pay gap	No gender pay gap assessment was conducted during this reporting year	
Median gender pay gap		
Mean bonus gap		
Mean bonus gap		

# EMPLOYEE TURNOVER RATE

Category	Employees	Unit	Voluntary	Involuntary	Total (2021)
Senior management	Male	%	0.05	0	0.05
	Female	%	0.03	0	0.03
	<30	%	0	0	-0
	30-50	%	0.03	0	0.03
	>50	%	0.02	0	0.02
Middle management	Male	%	0.59	0.43	1.02
	Female	%	0.03	0.13	0.16
	<30	%	0	0	0
	30-50	%	0.45	0.33	0.75
	>50	%	0.16	0.23	0.39

Junior management	Male	%	3.78	3.09	6.79
	Female	%	0.76	1.63	2.39
	<30	%	0.02	0.03	0.05
	30-50	%	3.97	3.13	7.1
	>50	%	0.55	1.56	2.11
Other employees (non-executive)	Male	%	39.91	40.52	80.43
	Female	%	34.89	44.20	79.09
	<30	%	50.03	37.08	87.11
	30-50	%	43	48.29	91.29
	>50	%	1.77	9.34	11.11
Total employee turnover rate		%	34.39	9.78	44.17
Voluntary employee turnover rate		%	34.39		
Data coverage (as % of all FTEs globally)		%	100	100	100

TRAINING MAN HOURS		
Category	Unit	2021-22
Senior management	No. of participants	36
	Avg. hours of training	10.72
Middle management	No. of participants	142
	Avg. hours of training	17.79
Junior management	No. of participants	612
	Avg. hours of training	19.85
Other employees (non-executive)	No. of participants	11,030
	Avg. hours of training	38.06
Average hours per FTE of training and development	Avg. hours of training	9.20
Average amount spent per FTE on training and development	INR	7,707



PARENTAL LEAVE (PERMANENT EMPLOYEES)

Category	Unit	2021-22	
		Male	Female
Employees entitled to parental leave	No.	22152	12272
Employees that took parental leave	No.	644	311
Employees that returned to work in the reporting period after parental leave ended	No.	644	309
Employees that returned to work after parental leave ended that were still employed 12 months after their return to work	No.	483	280
Rate of return to work that took parental leaves	%	87.42	95.11
The retention rate of employees that took parental leave	%	62.41	57.88

SUPPLIERS AND PROCUREMENT SPEND\*

Category	Unit	2021-22
Total suppliers	No.	2,627
Total procurement spend	Million INR	2,416
Procurement spend on locally-based suppliers	Percentage of total	91
* The values correspond only to the India entities of the Mphasis group		

BENEFITS PROVIDED TO PERMANENT AND TEMPORARY EMPLOYEES

Category/types of benefits provided	Unit	Permanent employees	Temporary employees
Life insurance	Yes/No	Yes	No
Health care	Yes/No	Yes	No
Disability	Yes/No	No	No
Parental leave (maternity leave or paternity leave)	Yes/No	Yes	No
Marriage leave (additional to normal leaves allotted)	Yes/No	No	No

Bereavement leave (additional to normal leaves allotted)	Yes/No	No	No
Leave for Haj (additional to normal leaves allotted)	Yes/No	No	No
Leave for baptism (additional to normal leaves allotted)	Yes/No	No	No
Leave for circumcision ceremony (additional to normal leaves allotted)	Yes/No	No	No
Retirement provision	Yes/No	Yes (PF)	No
Stock ownership	Yes/No	No	No
Transportation	Yes/No	Yes	Yes
Housing	Yes/No	No	No
Transportation	Yes/No	Yes	No
Food allowance	Yes/No	Yes	Yes
Extra paid holidays	Yes/No	No	No
Citizen leave	Yes/No	Yes	No
Car lease	Yes/No	Yes	No
Sabbatical	Yes/No	Yes	No
Gender reassignment leave	Yes/No	Yes	No
Family treatment leave	Yes/No	No	No
Fertility treatment leave	Yes/No	Yes	No
Learn while you can	Yes/No	Yes	No

# HUMAN CAPITAL RETURN ON INVESTMENT

Indicator	Unit	2021-22
a) Total Revenue	INR Million	121,218.94
b) Total Operating Expenses	INR Million	28,093.38
c) Total employee-related expenses (salaries + benefits)	INR Million	70,345.01
Resulting HC ROI (a - (b-c)) / c		1.32
Total employees	No.	32,424



ENVIRONMENTAL PERFORMANCE

ENERGY CONSUMPTION*			
Category	Unit	2021-22	2020-21
Energy consumed (from non-renewable sources)	MWh	21,836	23,216
Captive DG power	MWh	109	175
Total renewable energy purchased or generated	MWh	7.74	5.23
Total cost of energy consumption	INR	23,85,06,035	26,34,28,429
Data coverage	%	100	100
Total energy consumption	MWh	21,945	23,391

EMISSIONS*					
Category	Unit	2021-22	2020-21	2019-20	2018-19
GHG emissions					
Scope 1: Direct emissions	tCO2eq	83	137	263	387
*Data coverage (%)	%	100	100	100	100
Scope 2: Indirect emissions	tCO2eq	18,072	18,924	31,446	29,704
*Data coverage	%	100	100	100	100
Scope 3: Employee commuting	tCO2eq	2,756			
Total GHG emissions	tCO2eq	20,911			
GHG emission intensity	tCO2eq/Revenue in Million INR	0.17			
<b>Air pollutant management</b> The main emissions from our support activities are Nitrogen Oxide (Nox), Sulfur Oxide (SOx). These are emitted primarily through the use of Diesel Generators sets at Mphasis campuses. An external agency is hired to conduct air quality testing once in 6 months within our work area after which the results are studied and verified by the EHS team. However, we do not monitor or measure air emissions other than GHG emissions.			<b>Emissions of ozone-depleting substances (ODS)</b> Heating, ventilation and air conditioning (HVAC) systems that are used at our facilities utilise refrigerants like R22 and R410A. The Ozone Depleting Potential (ODP) of each of these substances are different but a group-wide decision has been made to find minimum ODP and Global Warming Potential alternatives to replace all R22 refrigerants.		

\* The values correspond only to the India entities of the Mphasis group

Category	Unit	2021-22
HCFC-22 or R-22	Tonnes	0.371
CFC-12 or R-12	Tonnes	0
CFC-11 or R-11	Tonnes	0
HFC-134a or R-134a	Tonnes	0
R404A	Tonnes	0
R123	Tonnes	0
R417A	Tonnes	0
R410A	Tonnes	0
R407C	Tonnes	0
R32	Tonnes	0

**Water consumption:** Water is consumed within the organization only for drinking, cooking and lavatory operation. Water consumption is part of the maintenance charges of the company as all facilities are leased. Since our operations are not water-intensive, we do not track our water consumption. However, there are efforts made to ensure that water is consumed judiciously within all Mphasis facilities through the use of water aerators and sewage treatment plants. We also encourage our employees to minimize the impacts of their water consumption by raising awareness through collaboration with NGOs and internal awareness programs.

WASTE MANAGEMENT*			
Category	Unit	2021-22	Disposal method
Waste generation and disposal			
Dry paper and paper products	Tonnes	16.03	Paper wastes are often sent to mills for recycling
Plastic waste	Tonnes	0.45	Mphasis has a “Say no to plastic program” which helps to divert waste and reduce our effects on the local community and, as a result, the climate. It will necessitate a few minor adjustments to everyday routines, both at home and at work. Our leadership team, the administration SPOC’s and the CEO took the challenge to ban single-use plastic at all offices with each one of our employees to support in becoming the poster child for a plastic-free organization. All Mphasis facilities have also resorted to using 100% biodegradable plastic garbage bags to collect and dispose of wet waste, diverting thousands of disposable plastic waste in the process.
Food waste	Tonnes	24.89	We follow waste segregation practices across all our offices. The wet waste (food waste) collected, goes to animal feeds and the solid waste is disposed of as per the Waste Management Rules, 2018. Since the onset of the pandemic, we have set up separate bins for hazardous waste disposal (facemasks, tissues, etc.) to avoid any cross-contamination

\* The values correspond only to the India entities of the Mphasis group



E-waste	Tonnes		Disposed of as per E-waste Management Rules, 2016 in our Indian locations and we follow adequate methods to dispose of e-waste in other areas of operations.			
Biomedical waste (including sanitary waste)	Tonnes	2.64	Biomedical waste such as sanitary napkins is safely collected and disposed of with proper care.			
Batteries (UPS + dry)	Tonnes	0.37	Disposed of as per Batteries (Management and Handling) Amendment Rules, 2010 and we follow adequate methods to dispose batteries in other areas of operations.			
DG batteries	Tonnes	0				
DG filters	Tonnes	0				
Oil-soaked cotton waste	Tonnes	0				
Used oil	KL	0				
Paint can and residues	Tonnes	0				
Metal waste	Tonnes	0.58				
Chemical cans/containers	Tonnes	0				
General office waste	Tonnes	30.16				
Total waste generated	Tonnes	75.13				
Waste disposed	Unit		2021-22	2020-21	2019-20	2018-19
A) Total waste generated	Tonnes		75.13	79.14	104.02	230.68
B) Total waste used/recycled/sold	Tonnes		21.62	16.03	11.57	16.85
Total waste disposed (A-B)	Tonnes		53.51	64.48	92.45	213.83
*Data coverage	%		100	100	100	100

DATA CENTER EFFICIENCY*					
Average PUE	Unit	2021-22	2020-21	2019-20	2018-19
Average PUE	-	2.08	2.1	2.73	2.58
Coverage (% of total ICT population)	%	71	71	71	71
Total energy used in data centers	MWh	7241.4	8,957	8,968	8,282
*% of renewable energy (of total energy)	%	9.29	15.55	13.45	0

\* The values correspond only to the India entities of the Mphasis group

## FEEDBACK

Our company's progress and growth are propelled by the concerted efforts of all our stakeholders. As we integrate sustainability into our business operations, we actively listen and engage with them throughout the year to improve our approach to sustainability. Stakeholders across the world can access the ESG report via our company website.

We encourage everyone to share their recommendations, insights and opinions/queries regarding our ESG report to further enhance its ability to make a difference in the way we disclose sustainability information publicly.



Your feedback and recommendations may be communicated to our team through the following form:

[Mphasis ESG report feedback form](#)



**Cautionary statement:** This report contains forward-looking statements, which may be identified by their use of words like 'plans,' 'expects,' 'will,' 'anticipates,' 'intends,' 'projects,' 'estimates' or other words of similar meaning. All statements that address expectations, assumptions or projections about the future, including statements about Mphasis Limited's strategy for growth, market position, expenditures and financial results are also forward-looking statements. Mphasis Limited cannot guarantee that these assumptions and expectations are accurate or will be realized.





## ABOUT MPHASIS

Mphasis applies next-generation technology to help enterprises transform businesses globally. 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 ( $C=X2C^2=1$ ) 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 are key to building strong relationships with marquee clients.

