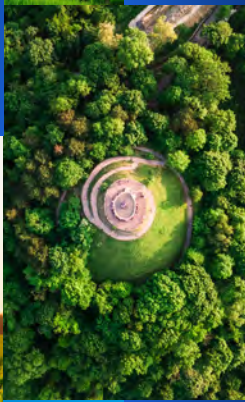
TATA COMMUNICATIONS

TATA

Climate Action Report

Commitment to action

2025



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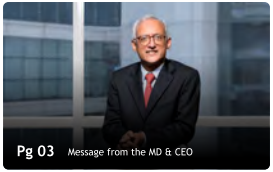

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For more information, visit our sustainability webpage
https://sustainability.tatacommunications.com/

About the report

At **Tata Communications**, climate action has been one of the focal points of our purpose-led transformation to create long-term value for our stakeholders and empower them. At the core of this transformation is our aspiration to lead with transparency and build partnerships wherever we can. With this motto, we have published our maiden **Climate Action Report in FY 2025.**

With this first report, we aim to provide insights into our climate change strategy along with the progress towards goals and our actions to achieve them. It will also provide a glance at the transition journey we are going to undertake for our Net Zero goal by FY 2035. Amidst the growing climate-related risks, we have also provided a snapshot of our climate scenario analysis and the associated climate risks and opportunities, along with the adaptation and mitigation plans that we have implemented and intend to implement in the future.

The report is aligned with the principles contained in the IFRS S2 'Climate-related disclosures', issued by the International Sustainability Standards Board (ISSB) and CDP Technical Note: Reporting on Climate Transition Plans. It covers our global operations for Tata Communications and its subsidiaries. The report also serves the information required by climate reporting regulations across the globe. The report also provides country-specific data for countries where we have our operations, including India, US, UK, Canada, Spain, Portugal, France, Hungary, Romania, Sweden, Norway, Italy, Ireland, Poland, Belgium, Malaysia, Japan, Guam, and Australia.

We are committed to reporting on our progress in the climate transition journey, as part of our annual reporting, from the FY 2025 (1st April 2024 to 31st March 2025). This report will be supported by the information provided in the Annual Integrated Report and ESG Addendum.

Message from the MD & CEO

Leading with purpose

Our commitment to climate action

It gives me great pride to share with you our very first **Climate Action Report**, a big step in our journey towards building a more sustainable and resilient future. Climate change remains one of the most urgent and far-reaching challenges of our time. Its impacts are unfolding in real-time - disrupting economies, displacing communities, and challenging the resilience of global value chains. The role of business is no longer limited to merely responding and minimising harm, but to lead with intent, accountability, and above all, commitment to action towards regeneration and resilience.

At Tata Communications, we understand that climate action is no longer optional, it is imperative. This maiden **Climate Action Report 2025** reflects our accountability and ambition. It captures our journey so far towards minimising our environmental footprints, integrating climate risk into our strategic decisions and drive innovation that aligns with a low-carbon, sustainable economy. It also gives a blueprint for the road ahead – where we need to do more - and commits us to concrete, time-bound goals. It captures the transition we are undertaking as we move decisively towards our Net Zero goal by FY 2035. Our strategy is shaped by purpose, grounded in science, and fueled by innovation.

We have aligned our climate action approach with the Tata Group Sustainability Strategy and its Project Aalingana goals, which guide our efforts across decarbonisation, circular economy, and resource stewardship. Our commitment was further strengthened in FY 2024, when we got our near-term emissions reduction targets validated by the Science Based Targets initiative (SBTi), a major milestone in our climate journey.

This report offers a snapshot of how we are turning our climate commitments into action. We have reduced our scope 1 and 2 emissions by 21% from the baseline in FY 2022 and significantly improved our energy intensity. Over 34% of our energy now comes from renewable sources, with several sites in India, the U.S., Portugal, and Spain operating fully on renewable energy. We continue to extend our impact across the value chain through supplier engagement and energy efficiency initiatives. I am proud that our company has been rated with an A - Leadership band in CDP FY 2024.

Our low-carbon digital solutions helped customers avoid 3.5 million tCO_2e in FY 2024 - 14x our operational footprint - underscoring the vital role of technology in driving global decarbonisation.

This report also introduces our climate scenario analysis, providing insights into the physical and transition risks facing our operations worldwide. Alongside this, we have outlined the adaptation and mitigation strategies we have implemented - and those we intend to accelerate –as part of our commitment to build resilience in an increasingly climate-volatile world.

We acknowledge that challenges like regulatory uncertainties, renewable energy access limitations, and value chain complexities may constrain progress in some regions. But we see these not as barriers, but as opportunities to lead – to innovate, collaborate, and influence systemic change.

Our commitment to action extends to all our stakeholders. Whether it's enabling our employees to be climate champions, collaborating with suppliers on decarbonisation, engaging transparently with investors, or co-creating solutions with our customers, we believe in shared responsibility and progress.

This first **Climate Action Report** marks not just a milestone, but a mindset that reflects our deep-rooted belief that digital transformation and climate leadership must move forward together. And this is just the beginning.

True climate action requires each of us to challenge the status quo, rethink legacy systems, and lead with integrity and courage. As we are moving forward in this journey, I invite you to be part of the transformation.

Let us renew our commitment and move forward with purpose, urgency, and integrity towards a greener, more resilient future.

Warm regards,

A.S. Lakshminarayanan
MD & CEO

Key highlights FY 2025

CDP A - rating
Recognised for climate transparency in CDP FY 2024

100% RE sites
8 offices in India & 6 offices in Portugal, Spain & the US

21% emissions cut
Scope 1 & 2 emissions reduced from FY 2022 baseline

Customer impact
3.5 million tCO_2e avoided in FY 2024 – 14x our footprint

Monetary savings
USD 1.2 million through energy efficiency projects

Power usage effectiveness
('PUE')" 1.53 in India

34% RE share
Over one-third of total energy from renewables

Energy saved
9.8 million kWh saved via efficiency projects

~21 million units (MU) of RE
Added this year at Chennai, Mumbai, Pune, and Cochin

Our climate journey

2016 - 2017
- Implementation of Environmental Management System as per ISO 14001
- Formulation and roll out of sustainability framework

2018 - 2019
- Formulation of Sustainable Development Committee
- Release of maiden Sustainable Development Report based on GRI standard
- First CDP submitted

2020 - 2021
- A- band CDP score awarded
- Energy saving and renewable energy audit for key facilities completed
- Materiality assessment revalidated

2022 - 2023
- BRSR report published
- A - grade CDP score awarded
- Targets set: Net Zero by FY 2035 & carbon neutrality by FY 2030
- Implemented community-based carbon offset projects
- Full disclosure on scope 3 emissions

2024 - 2025
- Climate risk assessment (scenario analysis) of all business operations
- SBTi near term targets validated
- A - Score for CDP FY 2024 response
- Sustainable Aviation Fuel (SAF) partnership with Air France - KLM and Lufthansa, to become the first indian corporate to collaborate on SAF procurement
- Sustainability-linked loan framework established
- First climate transition report published
- Rolled out Supply Chain Climate Action Framework

Net Zero transition roadmap and achievements

Goals on climate action

FY 2030

- SBTI (Near term targets)
  - Reduce absolute scope 1 and 2 emissions by 42% from FY 2022 baseline
  - Reduce absolute scope 3 emissions by 25% from FY 2022 baseline
- Increase RE consumption to 49% by FY 2030
- 10% year-on-year energy saving
- Achieve carbon neutrality in all three scope emissions by FY 2030

FY 2035

- Achieve Net Zero in all three scope emissions by FY 2035

2022-2025

- Scope 1 & 2 reduction: 21% reduced in FY 2025 against FY 2022 baseline
- GHG intensity reduction: 29% reduction
- CDP score: A - score leadership band

Enabled customers to reduce their GHG emissions 14x in FY 2024

- 11% Energy saving achieved
- 34% energy achieved from RE sources in FY 2025

14 offices - across India and abroad, become 100% RE operated

Avoidance of 67% emissions due to use of EV for business travel

Conducting a thorough climate risk assessment for all our business operations

- ICP Deployment
- Sustainability-linked loan framework

Developed a "climate action in supply chain" strategy to improve collaboration with suppliers on sustainability

Initiation of smart cookware program and climate horticulture through climate sustainability

Sustainable Aviation Fuel (SAF) partnership with Air France - KLM and Lufthansa, becoming the first Indian corporate to do so

2026-2030

- To offset 95,000 MT of community - based carbon credits by FY 2030
- To reduce 17% water usage by FY 2027 from FY 2020

Advocacy and RE expansion

Focus on exploring energy-efficient, emission-free alternatives like battery energy storage systems

Reach the target of zero waste to landfill by FY 2027

Engage with suppliers on climate action to reduce value chain based emissions

2031-2035

Focus on exploring energy-efficient, emission-free alternatives like battery energy storage systems

Seek Renewable Energy Certificates (REC) purchase to transition the minimal energy requirements

Achieve Net Zero ambition

- Scope 1 & 2: Set a target for a further significant reduction in absolute emissions beyond the FY 2030 baseline
- Scope 3: Focus on more reduction across the supply chain and other category emissions

Assess and address the gaps for all the levers implemented in the previous years

SDG 6 | 7 | 11 | 12 | 13

Phase 1 | Phase 2 | Phase 3

Governance

Tata Communications is committed to proactively addressing climate-related risks and opportunities as a core component of its strategic and operational priorities.
In an evolving global landscape where climate change presents both challenges and possibilities, we recognise that long-term business resilience depends on integrating environmental stewardship into every facet of decision-making.

In line with stakeholder expectations and our pursuit of sustainable, inclusive growth, we have embedded climate considerations into our governance structure—ensuring that accountability, oversight, and cross-functional alignment drive our climate actions. Through this structure, we aim not only to meet compliance standards, but to lead by example in building a low-carbon, future-ready enterprise.

Leadership oversight

At Tata Communications, governance of climate-related risks and opportunities is embedded at both the board and management levels. The board provides strategic oversight through its CSR, Safety and Sustainability (CSRSS) Committee, while senior leadership, including the MD & CEO and its Global Management Committee (GMC), drive implementation across business units. A cross-functional sustainability council chaired by MD & CEO regularly reviews climate performance, guides decarbonisation efforts, and ensures alignment with regulatory expectations and stakeholder priorities. In addition, Tata Communications has implemented ISO 14001 across its major facilities. This environmental management system acts as a site-level governance mechanism, helping us systematically address climate-related risks, regulatory compliance, and continual improvement in environmental performance. This integrated approach enables proactive management of climate risks and identification of emerging opportunities.

Roles and responsibilities

Our governance structure is multi-tiered and includes the Board Committees, the MD & CEO, the Global Management Committee (GMC), and the Management Review Committee.

Board Committee: The board through its CSR, Safety, and Sustainability (CSRSS) Committee, is deeply committed to climate action and energy-efficient operations in various business strategies, investment decisions, the company's long-term targets, and its resilience towards all anticipated business risks.

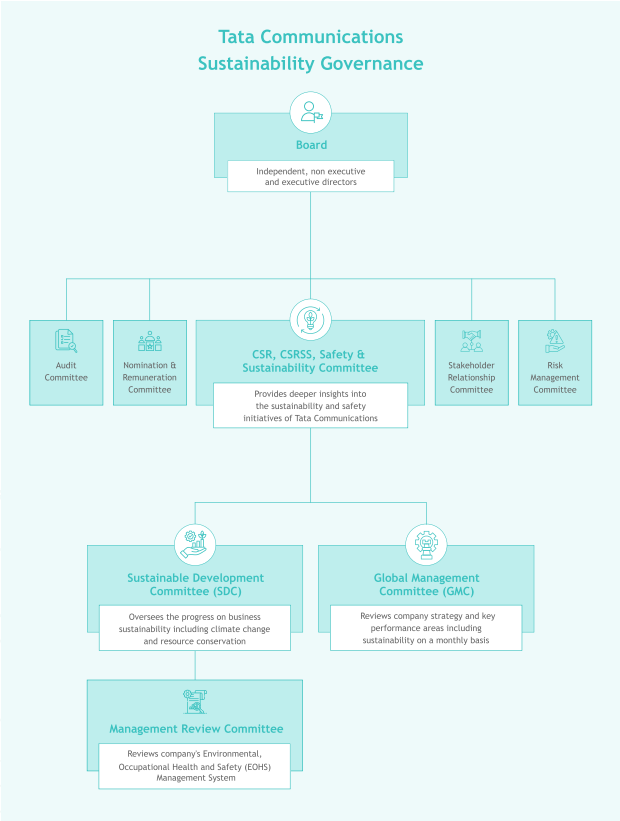
To enable this, CSRSS meets on a biannual basis to oversee and monitor the effectiveness of Tata Communications' sustainability strategy, including climate change and its implementation. In keeping with the principle of single-point accountability, the board has mandated that the MD & CEO holds ultimate responsibility for addressing climate change-related issues on CSR, Safety, and Sustainability. It is authorised to carry out the responsibilities related to climate-related aspects, which include:

- Review of proposed short-term and long-term sustainability goals and initiatives (including climate change) by sub-committees like SDC and MRC, with final review at the board level.
- Guidance on integrating sustainability priorities with business strategy, risks, and opportunities.

Global Management Committee: This committee provides input and recommendations to support the MD & CEO in exercising their authority delegated by the board to run the business of the group day to day. Every quarter, sustainability deck and corporate ESG scorecards are presented to the committee to show the progress against the company's ongoing initiatives and commitments. The committee assesses the progress and provides guidance and recommended initiatives with clear commitments for effective sustainable development for Tata Communications. Being from diverse backgrounds, the committee members also guide the scenario analysis by providing guidance in terms of current megatrends and anticipated future trends and providing the recommendations for integrating them in the scenario analysis. In addition, the committee also periodically reviews and monitors business risks and opportunities with reference to sustainability. Furthermore, climate-related risks included in the Enterprise Risk Management process are reviewed by the committee.

Sustainable Development Committee: Additionally, our MD & CEO chairs the Sustainable Development Committee (SDC), which meets quarterly with its sub-committee members from cross-functional team representatives representing employees, SCM, customer, community, and the environment. The SDC oversees the progress on business sustainability and aspects related to community development, health & safety, environment - climate change and resource conservation, employee engagement & development, supply chain management, customer requirement & compliances, and human rights, including the associated risks and opportunities. The committee meets on a quarterly basis. The Committee also reviews the initiatives under the Corporate Scorecard, which includes climate-related indicators.

Management Review Committee: As part of our Environmental, Occupational Health and Safety (EOHS) Management System, we have a Management Review Committee chaired by the EOHS & Sustainability Head. The committee involves a management representative and cross-functional representatives. The committee meets annually to review the company's EOHS Management System at planned intervals to ensure its continuing suitability, adequacy, and effectiveness.



Key decisions in FY 2025

The following table outlines key decisions, strategic agreements, and performance highlights driven by our governance teams to climate change. These actions reflect the company's commitment to embedding climate considerations across enterprise-level decision-making, integrating sustainability into core business operations, and ensuring accountability through structured oversight and progress tracking.

Board level

- RE transition roadmap through FY30 was reviewed and 20.69 million units (MU) of RE capacity for FY 2025 was approved
- Reviewed 100% RE capability assessment for all operations to refine the company's RE transition strategy further
- Endorsed a comprehensive climate risk assessment for all global operations
- The CEO approved our commitment to the SBTi to lead the global shift towards sustainability
- Recommended to budget and implement more nature-based community projects to further ensure climate-related commitments of carbon neutrality and Net Zero.
  The following climate-related corporate goals for FY 2025 was set:

  1. Achieve a 10% year-on-year reduction in energy use
  2. Increase the percentage of renewable energy from 27% to 41%
  3. Review and obtain third-party assurance for the low-carbon product framework
  4. Conduct a biodiversity baseline assessment for the Dighi, Pune campus by Q1 FY 2026
  5. Complete the first verification of smart cookstoves and issue 33,600 carbon credits for community-based carbon offsets

- The board approved the expansion of carbon offset project involving improved cookstoves, with an additional 2,750 cookstoves to be distributed in FY 2025

GMC level

- Approved the sustainability-linked loan framework built upon the Environmental, Social, and Governance (ESG) framework, stakeholder engagement, and a materiality process closely aligned with the United Nations Sustainable Development Goals (UNSDG) to drive significant global impact. The company plans to utilise this framework for long-term debt financing and to refinance existing debts
- Approved an increase in the energy efficiency savings target from 7% to 10%
- Customer engagement: Supporting climate action through low-carbon products & services

SDC level

- Approved continuing our Sustainable Aviation Fuel (SAF) partnership with the Air France - KLM group and Lufthansa to advance green business travel
- The CEO approved the supply chain climate action framework and an engagement action plan to address supplier-based scope 3 emissions
- It was advised to engage with industry bodies and regulatory authorities for enhancement of RE procurement via Green Open Access Regulations
- Authorised reassessing scope 4 emissions through low-carbon products and services and recommended third-party assurance with public results

Incentives and performance related to climate change goals

Tata Communications recognises that achieving meaningful progress on climate action requires alignment across all levels of the organisation—from leadership to operations and value chain partners. To embed accountability and drive climate ambition, it has integrated climate-related goals into its core performance and governance frameworks.

Our MD & CEO and members of the Group Management Committee (GMC) are incentivised through the annual corporate scorecard, which outlines strategic goals across key business dimensions. For FY 2025, the scorecard includes 15 corporate goals and 31 Key Performance Indicators (KPIs) covering financial outcomes, customer and product excellence, internal processes, sustainability, and organisational culture. Climate-related KPIs—falling under the sustainability pillar—account for approximately 16% of the total KPIs (5 out of 31), emphasising the strategic relevance of climate action in leadership performance evaluation.

Beyond executive management, the sustainability, EOHS, and operations teams are directly impacted by these goals, as they are responsible for implementing decarbonisation, energy efficiency, and climate adaptation initiatives. Progress is routinely monitored and influences individual and departmental evaluations. Suppliers and business partners are also affected through enhanced ESG due diligence, including assessments on climate practices, which influences their engagement, development plans, and long-term relationship with the company.

Through this performance-linked incentivisation structure, Tata Communications fosters a culture of shared responsibility and ensures that climate-related goals are not only set at the top but are meaningfully cascaded and acted upon across the organisation and its ecosystem.

Strategy

At Tata Communications, we are committed to safeguarding our business and stakeholders from external threats and shocks by building resilience. In line with evolving global expectations and regulatory developments, we continue to enhance our climate strategy to protect our business and stakeholders from physical and transition risks of climate change. We have undertaken strategic assessments to understand the implications of climate change on our operations, supply chain, and broader ecosystem.

Consistent with the IFRS Sustainability Disclosure Standards (S2), we have conducted a comprehensive climate scenario analysis to evaluate both physical and transition risks. These efforts are further supported by our participation in the CDP and are grounded in robust GHG inventory, climate risk mapping, and the continuous strengthening of internal governance and frameworks. Our approach ensures that climate considerations are embedded across decision-making processes and aligned with our long-term Net Zero ambition.

Scenario analysis

Climate change can lead to physical risks through both immediate events (acute) and ongoing shifts (chronic) in climate patterns. These risks can have financial consequences for organisations, including damage to assets (direct impact) and interruptions in the supply chain (indirect impact). Tata Communications is recognised as a highly dependable and forward-looking service provider. Our extensive network ensures connectivity even in remote areas, which leads to elevated customer expectations, particularly during emergencies such as floods and cyclones. As a result, managing the physical risks associated with climate change is a top priority for us. The climate-related risks have the potential to affect our network reliability or performance, as well as our ability to provide services to our customers, communities, and shareholders.

As part of this study, physical risks and transition risks to our business in India and nine international locations were assessed. The assessment has helped in identifying measures to reduce climate impacts on our business. The results of the study are discussed in the subsequent sections.

Physical risks

Climate change poses a significant risk to the business, manifesting either as acute risks (such as extreme weather events like floods, cyclones, and heatwaves) or chronic risks (such as long-term shifts in temperature, precipitation patterns, and sea level rise). These risks can lead to direct financial impacts, including damage to physical infrastructure, and indirect impacts, such as supply chain disruptions, increased insurance costs, or reduced employee productivity. For a digital infrastructure company like Tata Communications, these effects can compromise not only physical assets but also service continuity and customer trust.

Figure 3.1. Physical risk impact by time horizon and climate scenario

Indicators	Risk	Scenario	Baseline	Short and medium-term (FY 2020-2039)	Long-term (FY 2040-2059)
India					
High temperatures	High heat	SSP 2 SSP 5	Low Low	Low Medium	Low Low
Very hot days	Heatwave risk	SSP 2 SSP 5	Low Low	Medium Low	Medium Medium
Largest 5-day cumulative precipitat	Flooding	SSP 2 SSP 5	Low Low	Medium Medium	Medium Medium
Relative humidity	Health/comfort	SSP 2 SSP 5	Low Low	Medium Medium	Medium Medium
Change in wind speed	Heavy winds	SSP 2 SSP 5	Low Low	Medium Medium	Medium High
Sea level	Sea level rise	SSP 2 SSP 5	Low Low	High High	High High
Overall		SSP 2 SSP 5	Low Low	Medium Medium	Medium Medium

- Low — No direct impact on business operations and financial performance
- Medium — Moderate/indirect impact on business operations and financial performance
- High — Significant impact on business operations and financial performance of the company

For our Indian operations, we assessed physical risk for a total of 378 locations across India (data centers, offices, cable landing stations, warehouses, residential houses, etc.). All these locations were mapped and aggregated to the respective city/town level for detailed analysis on six climate indicators derived from the IPCC's Climatic Impact-Driver (CID) framework: Avg maximum temperatures, flooding, precipitation, sea level rise, and wind velocity. SSP 2[1] (RCP 4.5) and SSP 5[2] (RCP 8.5) were used to articulate the key risks between the period (FY 2020-2039, FY 2049-2059) by the company. These periods are highly relevant for operational planning and investment, especially as climate change impacts are no longer hypothetical but already being observed across many regions.

Indicators	Risk	Scenario	Baseline	Short and medium-term (FY 2020-2039)	Long-term (FY 2040-2059)
International locations					
High temperatures	High heat	SSP 2 SSP 5	Low Low	Medium Medium	High High
Very hot days	Heatwave risk	SSP 2 SSP 5	Low Low	Medium Medium	High High
Largest 5-day cumulative precipitat	Flooding	SSP 2 SSP 5	Low Low	Medium Medium	Medium High
Relative humidity	Health/comfort	SSP 2 SSP 5	High High	Medium Low	Medium Low
Change in wind speed	Heavy winds	SSP 2 SSP 5	High High	Medium Medium	Low Low
Sea level	Sea level rise	SSP 2 SSP 5	Low Low	Medium Medium	High High

For our international operations, the locations were selected based on the number of telecommunication racks present in each country. A total of nine countries were analysed: France, Spain, the United States, Portugal, Guam, the UK, Japan, Singapore, and Canada. The assessment leveraged globally recognised climate models and datasets to evaluate risks related to extreme temperatures, intense precipitation, flooding, and wind velocity, providing a consistent basis for cross-country comparison, considered for climate risk assessment based on the number of telecommunication racks available per country.

[1] SSP 2: Middle of the road. In this scenario the world follows a path in which social, economic, and technological trends do not shift markedly from historical patterns. Global temperature rise is between 2-3°C.

[2] SSP 5: Taking the highway. Current GHG emissions levels roughly double by FY 2050. The world does not take any additional measures to reduce emissions and move away from fossil fuels. By FY 2100, the average global temperature is a scorching above 4°C.

Conclusion

Risk and impact

India

Tata Communications' climate risk assessment highlights that physical risks escalate significantly under SSP5, a high-emission scenario where global warming exceeds 4°C, leading to more frequent and severe weather events. However, even under the moderate SSP2 scenario (1.7°C-2.4°C warming), notable impacts are observed, particularly in heat- and flood-prone regions. All Indian coastal locations are at some level of risk due to sea level rise. Units of Tata Communications in cities near the coast pose a high risk, especially in Mumbai, but the units further away from the coast do not pose a major risk to their infrastructure in cities such as Chennai, Visakhapatnam, and Kozikhode.

The scenario analysis enables us to identify vulnerable locations across our operations, guiding targeted resilience planning and investments. Risk levels vary by climate indicator and geography, underscoring the need for location-specific adaptation strategies. By factoring in both best- and worst-case climate outcomes, Tata Communications is strengthening its ability to protect infrastructure, ensure business continuity, and embed climate resilience into long-term planning.

International

Countries like USA, UK, France, Spain, Portugal, Japan, Singapore, Canada, Guam were evaluated at the national level:.

- **Heat risk**: USA and Canada show a significant increase in average maximum temperatures and the number of hot days, particularly under the SSP5 scenario, exposing data centers and racks to thermal stress.
- **Heavy rainfall and flooding**: Guam emerges as the most vulnerable to extreme precipitation and flood risks. USA, Spain, and Canada are also projected to experience notable increases in flood exposure.
- **Humidity**: Guam, Singapore, and the UK show increasing trends in relative humidity, risking condensation-related infrastructure failures.
- **Wind and cyclonic activity**: Guam and Canada face rising wind speed threats, increasing potential for outages and tower damage.

Composite Hazard Scores prioritise Guam as the most at-risk country globally, followed by the USA, Spain, and Canada, guiding future investment in adaptive infrastructure.

Transition risks

As the world accelerates toward a low-carbon future, organisations like Tata Communications face evolving policy, legal, technology, and market dynamics that present transition risks. These risks arise from the need to comply with climate-related regulations, adopt emerging low-carbon technologies, meet changing stakeholder expectations, and manage potential reputational impacts. For Tata Communications—given its global footprint and energy-intensive operations—transition risks are especially relevant. Regulatory developments such as carbon pricing, mandatory emissions reporting, and renewable energy mandates may increase compliance costs. Simultaneously, rapid innovation could render existing technologies obsolete, while market and reputation pressures continue to grow.

We conducted a scenario analysis using the Network for Greening the Financial System (NGFS) scenarios for all our operations, namely, "Nationally Determined Contributions (NDCs)", "Below 2°C Scenario", "Net Zero 2050 Scenario", "Delayed Transition Scenario" and "Divergent Net Zero Scenarios"[3]. Emission pathways were derived for the different NGFS scenarios, resulting in policy, legal, technology, and market risks ranging from low to high levels.

[3] "Nationally Determined Contributions (NDCs) Scenario"

This scenario foresees India's NDC is implemented fully and aligns the business' emissions as per the NDC trajectory.

"Below 2°C Scenario"

Scenario gradually increases the stringency of climate policies, giving a 67% chance of limiting global warming to below 2°C.

"Net Zero 2050 Scenario"

Scenario limits global warming to 1.5°C through stringent climate policies and innovation, reaching global Net Zero by 2050.

"Delayed Transition Scenario"

This assumes a disorderly transition where emissions until FY 2030 will follow business as usual (BAU) and then it will suddenly start declining with an aim to restrict global warming below 2°C.

"Divergent Net Zero Scenario"

The world reaches Net Zero around 2050 but with higher costs due to divergent policies introduced across sectors that leads to a quicker phase out of oil use.

Based on the scenario analysis, we have identified Indian facilities posing lower transition risks due to fewer climate action regulations and the current reporting practices already being implemented by the company. On the other hand, stringent regulations in international regions pose medium levels of risks. Additionally, the scale of operations and asset ownership in countries such as Spain, France, UK, Canada, US, Singapore, and Hong Kong also pose a medium level of market and technology risks. In countries such as Portugal, Japan, and Guam, the risks are lower owing to fewer operations and assets located in these countries. In terms of transition risks, no high-impact risks have been identified due to the company's proactive climate initiatives and risk management in its global operations.

Figure 3.2. Transition risk impact

Country	Policy and legal risk	Market	Technology	Reputational	Overall risk
	Compliance costs; restrictions and limitations on carbon intensive assets	Increase in energy costs	Investment in renewables and low-carbon solutions	Damage to brand value or reputation, resulting in lost revenue and additional expenditures	
India	Low	Low	Low	Low	Low
Spain	Medium	Medium	Medium	Medium	Medium
France	Medium	Medium	Medium	Medium	Medium
Portugal	Low	Low	Low	Low	Low
UK	Medium	Medium	Medium	Medium	Medium
Canada	Medium	Medium	Medium	Medium	Medium
USA	Medium	Medium	Medium	Medium	Medium
Singapore	Medium	Medium	Medium	Medium	Medium
Hong Kong	Medium	Medium	Medium	Medium	Medium
Japan	Low	Low	Low	Low	Low
Guam	Low	Low	Low	Low	Low

Low	No direct impact on business operations or financial performance. No significant regulatory changes or market shifts are anticipated by the company.
Medium	Moderate/indirect impact on business operations or financial performance. Such companies may be subjected to regulatory changes or market shifts, but they are not significant and can be managed through strategic planning and moderate investments.
High	Significant impact on business operations or financial performance of the company. Such companies are subject to substantial regulatory changes and market shifts, which may lead to high costs.

Opportunities

We acknowledge the urgency of the climate crisis, and we are committed to reducing its impact. To address climate change, we have developed a thorough climate action strategy. This strategy combines industry's best practices with a deep understanding of our specific business risks and opportunities. These opportunities could be identified through the launch of new innovative products, water-waste-emission saving activities, GHG emission reduction throughout the supply chain, increased customer attraction, etc.

Eight pillars of action: Our approach is based on eight key climate action levers aimed at both operational and value-chain decarbonisation. As a part of this strategy, we plan to implement various planning tools, including an internal carbon pricing mechanism. This will guide our decision-making, encourage low-carbon choices, and support transparent reporting through regular disclosures.

The eight pillars of action are divided into immediate focus, near-term focus, medium-term focus, and long-term focus.

Evaluating current and emerging climate-related risks and opportunities and implementing an internal carbon pricing mechanism as part of broader climate action strategies

01 Step	Immediate action items	• Enhance energy efficiency • Transition to renewable energy
02 Step	Near term priorities	• Avoidance of emissions through various products and services • Development and implementation of community-based carbon offset programmes
03 Step	Medium term priorities	• Focus on the value chain and reduce the associated emissions • Introduction of EVs, hybrid vehicles as well as cleaner fuels in existing vehicles
04 Step	Long-term priorities	• Decarbonisation of scope 1 emissions • Leverage collaboration to drive climate action

SDG

Technological innovations

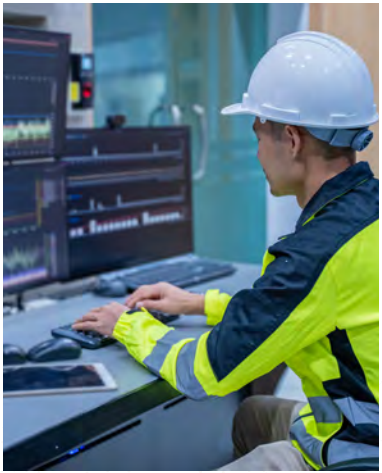
Tata Communications has undertaken various technological initiatives to reduce down its carbon consumption and is moving towards increasing revenue.

- **Minimising emissions through products and services**: We are creating environment friendly products and solutions that align our business with environmental and societal goals. To ensure a robust tracking mechanism, we undertook a comprehensive reassessment of our low-carbon products methodology to prepare it under the GHG Protocol, the avoided emissions framework by Net Zero climate innovation initiative, and with references from the Global Enabling Sustainability Initiatives resources. Through our portfolio, we estimated avoided emissions of 3,457,749 $MTCO_2e$ at the customer level in FY 2024, equivalent to 14x our operational footprint (x-times).

  With methodology and estimated results, Grant Thornton Bharat LLP assured. Examples of our low-carbon products and services include:

Smart utility meters	Smart energy monitoring	Cisco Video as a Service (VaaS)	Remote working solutions
Voice solutions	Cisco-powered Unified Communications as a Service (UCaaS)	Managed cloud services	

- **Adopting EVs and cleaner fuel options:** We are actively investigating ways to shift towards sustainable practices for business travel and employee commuting. The use of EVs for business travel has resulted in a 67% reduction in emissions. Additionally, by encouraging rail travel instead of short-haul flights, 21% of emissions were avoided in FY 2025. We have partnered with Air France - KLM, and Lufthansa to use Sustainable Aviation Fuel (SAF), making us the first Indian corporate to engage in SAF procurement.



Resource efficiency and cost savings

In the face of growing climate challenges, resource efficiency has become a critical strategy for reducing emissions, conserving natural resources, and achieving cost savings. By using resources more effectively, businesses, governments, and individuals can lower their environmental impact while simultaneously improving their bottom line. Therefore, resource efficiency plays a key role in climate action plans, helping to both mitigate climate change and adapt to its inevitable impacts.

- **Energy efficiency** is a crucial lever for decarbonisation, helping us to reduce and optimise our energy consumption while meeting increasing business demands. To support this, we invest significantly in energy efficiency projects aimed at enhancing the operations of our offices, network centers, and Point of Presence (PoP) locations, while addressing any infrastructure gaps.

In FY 2025, 169 energy efficiency projects were implemented. This led to total cumulative energy savings of 9.76 million kWh with cost savings of USD 1.2 million.

Power usage effectiveness (PUE) in our network centers has improved to 1.53 in India.

Our energy intensity has been enhanced to 80.9 MWh per million USD in revenue from 83.6 MWh per million USD in revenue.

- **Transition to renewable energy:** Recognising the vital role of RE in cutting carbon emissions, we are actively pursuing opportunities to increase the share of renewables in its energy mix. Our focus is mainly on cost-effective RE portfolio with stable pricing that can compete with conventional electricity rates.

Eight of our offices in India, including Ambattur, Equinox, BKC, Vashi, Mahape, Arvi, SDF Kolkata, and VSB Chennai, are now operated entirely on RE.

Additionally, six of our offices in Portugal, Spain, and the US have also transitioned to 100% RE operations.

Our global RE capacity has reached ~63 million units.

34% of our total energy consumption comes from renewable sources.

We have added 20.69 MU of renewable energy capacity at our major office locations. These projects include VSB Chennai : 4.2 MU, LVSB Mumbai :11.6 MU, VSB Mumbai: 3 MU, Dighi Pune: 1.8 MU, and VSB Cochin: 0.09 MU through a mix of on-site installations and third-party purchases.

- **Decarbonising scope 1 emissions:** To lessen the impact of our backup power sources, specifically diesel generators that contribute to scope 1 emissions, we are investigating alternative fuel systems and emission control technologies.

We have launched projects to deploy dual fuel kits and retro emission control devices (ECDs) for backup electricity generators to replace the use of high-speed diesel (HSD) with piped natural gas (PNG).

With the introduction of PNG, we have avoided scope 1 emissions by 21% in India.

34%
energy from renewables

9.76 million kWh
energy saved

100% RE
at 14 offices (India + global)

21%
cut in scope 1 and 2 emissions

USD 1.2 million
cost savings with energy efficiency projects

3.5 million
tCO_2e avoided at customer's end

Decarbonisation strategy through value chain partners

In recent years, our value chain partners have increasingly shown interest in decarbonising and committing to greenhouse gas (GHG) emission reduction targets. Acknowledging that a substantial part of our carbon footprint is associated with our suppliers, we have adopted a strategic approach to lower emissions across our value chain as part of our thorough scope 3 emissions assessment.

A carbon mitigation plan has been incorporated into our supplier code of conduct

A supply chain climate action framework has been implemented throughout the supply chain

- **Supply chain climate action framework**: We remain resolute in our commitment to reducing value chain-based emissions to achieve Net Zero emissions by FY 2035 and contribute towards the global goals to minimise and eliminate GHG emissions from our operations.

  1. The framework aims to support Tata Communications in its ambition to work with responsible suppliers and contribute positively to its climate action goal of Net Zero by FY 2035. The intended result of this framework is for the suppliers of the company to complete their GHG inventory, respond to CDP and formulate science-based emission reduction targets.
  2. The scope of the framework encompasses our top carbon-intensive suppliers, which contribute 70% of the total SCM managed procurement spend. The contributing suppliers are assessed, and classified based on GHG maturity as:

★★★ High maturity	Suppliers with complete GHG inventory, responding to CDP and have SBTi validated targets. Currently, 17% of the suppliers are classified as high-maturity suppliers.
★★☆ Medium maturity	Suppliers with complete GHG inventory and responding to CDP annually. Currently, 7% of the suppliers are classified as medium-maturity suppliers.
★☆☆ Low maturity	Suppliers with no GHG inventory. Currently, 76% of the suppliers are classified as low-maturity suppliers.

This classification shall further help to choose the type of engagement to proceed with each of the suppliers from below pathway:

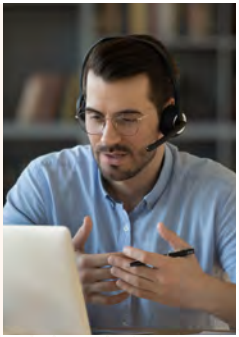
- One-on-one connection to understand the supplier behavior and their value chain emissions, encouraging the suppliers to reduce their emissions and set up emission reduction targets.
- Collection of relevant emissions data to enhance our GHG emissions inventory.
- Mandating suppliers to have the Climate Action Targets and follow up on their action plan. Capacity building and training in GHG inventory and target setting.
- Incentives for suppliers meeting our climate requirements and demonstrating improved climate performance.

In FY 2025, we have engaged with our suppliers through webinar sessions to bring awareness on the Tata Communications supplier code of conduct and the supply chain climate action framework.
The webinar sessions focus on the principles of the supplier code of conduct and the expectations of the company from its suppliers on climate action. With these engagements, we have seen progress in the maturity levels of the suppliers.

FY 2025 supplier engagement

Progress achieved

- **364** suppliers evaluated under the framework
- **57%** growth in high maturity suppliers
- **32** suppliers advanced in maturity levels



Climate mitigation beyond the value chain

- **Community-based carbon offset programs**: We remain resolute in our commitment to addressing climate change risks and driving positive change in the communities where we operate. We have conducted a thorough baseline, and the community needs assessment to identify viable carbon offset projects.

We have introduced a smart cookstoves program for communities in Jharkhand, Orissa, and Meghalaya, which has been registered under Verra's VCS program.

We distributed 16,600 cookstoves and covered 500 acres of land with tree plantations in FY 2025.

We are promoting climate sustainability through a horticulture project and afforestation initiatives in Maharashtra.

With these programs, the company aims to offset its GHG footprint to meet its Net Zero target

- **Leveraging collaboration to drive climate action**: Being a global leader in digital ecosystems, we understand the role of collaboration in addressing the challenges of climate change. We take part in policy engagements across forums and are one of the signatories of UNGC. We have a public commitment to climate reduction goals through SBTi, which is in line with the Paris Agreement.

Financial planning

Sustainability-linked loan framework

In FY 2024, we developed our sustainability-linked loan framework to further integrate sustainability into its corporate strategy to deliver an inclusive and hyperconnected model that extends environmental and social sustainability. By establishing the sustainability-linked loan framework, we intend to link funding with key objectives that are core and material for our long-term sustainability performance.
This sustainability-linked loan framework has been developed per the five core components of sustainability-linked loan principles (February FY 2023) as jointly published by the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications and Trading Association. Under this framework, sustainability-linked loan issuances may be undertaken by Tata Communications Ltd or by any wholly owned subsidiary of Tata Communications Ltd.

We raised USD 450 million with its sustainability-linked loan (SLL) framework. The interest rate margin of the loan will be adjusted up or down under the progress that the company will achieve on its carbon emission reduction targets. Such short-term targets, creating a link between the cost of banking facilities and progress achieved on key environmental milestones, are consistent with the company's longer-term ambition to be Net Zero across its global operations by FY 2035. The loan also won the best sustainability-linked loan - Telecom, India at The Asset Triple A Awards for Sustainable Finance, FY 2025.

Internal carbon pricing

We are committed to further developing financial planning practices and making climate-positive decisions to drive energy efficiency and low-carbon investment along with the identification of low-carbon opportunities. To enable this, we have implemented an internal carbon pricing mechanism in the form of a shadow fee. We derived the current carbon pricing of USD 56.3 per tonnes of CO_2e based on the evaluation of energy efficiency projects implemented. The calculations factored in capital-intensive projects and their energy savings over an assumed 15-year lifetime. A weighted average of the overall abatement cost and annual emission reduction for all these projects was used to arrive at the first internal carbon price (ICP) value. Our research consisted of peer comparison with similar organisations and ICP across Emissions Trading Schemes (ETS) such as the EU-ETS. Upon trend analysis, we see that carbon pricing has increased in the past 5 years, due to increased carbon abatement costs and increasing stringency on emissions reduction commitments. With our climate scenario analysis, we further assessed the impact of the derived price on the emissions trajectory for all the scenarios used. With this price, we have observed a low impact on the transition risk, considering we are also going to drive investment in low-carbon sources of energy.

The pricing approach is monitored on an annual basis. For monitoring, the financial impact of ICP is evaluated on all the projects that have undergone the ICP application. The current ICP is set at USD 56.3 per tonne of CO_2 based on abatement costs derived from energy efficiency and RE projects for the past 3 years. In FY 2025, the evaluation mechanism was finalised and deployed for two key practices: Assessment of carbon cost savings for sustenance projects by the Finance Capex Committee and RE capex projects. One of the key criteria for sustenance projects evaluation is to result in energy savings.

With this criterion, the committee assesses the carbon cost savings along with energy and operational savings for each of the projects. In FY 2025, 11 cases were evaluated by the team, mainly for sustenance projects. The carbon cost savings from these projects amounted to USD 9,810. Capex-intensive RE projects have higher payback periods and therefore, result in shelving of projects.
To realise additional savings and sustainability benefits, the our team assessed 3 on site solar projects, increasing the average cost savings from 9 lakhs to 13 lakhs after application of ICP, while revising the average payback period of these projects from 4 years to 3 years.

We will further revisit the evaluation of our energy efficiency projects, available investments and the market scenario and make adjustments in the future accordingly.

Mitigation planning

We primarily receive our power supply (70%) from the national grid, while the remaining 30% comes from conventional and renewable energy sources sourced from third parties. We understand that our main impact on carbon or other greenhouse gas emissions comes from using indirect energy, hence our primary focus area is to reduce these indirect emissions. To reduce such emissions and operational costs, there is an on-going move to use renewable energy at key locations of Tata Communications. We feel that we have an opportunity to reduce our operating costs by sourcing more renewable power, as it is cheaper than conventional sources of grid electricity in certain states of India. Overall, renewable energy is 30% cheaper per unit price than the grid energy in Indian operations. We have also observed a steady decrease in renewable energy prices of 2% over the years. As our business growth for all the operations is expected to grow, the energy demand is also expected to increase linearly over the years, thus increasing our indirect operating costs. To reduce the energy costs, the company needs to transition to low-carbon sources of energy.

With the reduction in renewable energy prices over the years, we have achieved cost savings with the renewable energy procurement as an alternative to traditional grid energy. In FY 2025, we increased our renewable energy footprint to 34% globally with five projects, which added RE capacity of 20.69 MU to the current capacity with total investment of USD 0.4 million.

To support our emission reduction target, we have developed our internal GHG reduction scenario considering anticipated energy growth, RE demand and year-on-year savings. Investment in RE sources is a key pillar of our climate action strategy to achieve our SBTi emission reduction targets. We have further utilised scenario analysis to accelerate Net Zero strategy and is heavily focused on increasing its RE investments.

SDG

Risk management

At Tata Communications, our strong risk management framework enables us to identify, evaluate, and mitigate both current and emerging risks. This approach helps us safeguard our business while also bolstering our competitive advantage. We understand the importance of agility and vigilance in a constantly evolving business environment.

Our strong risk management framework detects potential threats and formulates effective strategies to ensure efficient operations, promote inclusivity, and sustain our leadership in the industry.

The Risk Management Committee (RMC) monitors significant threats, establishing controls and strategies to address them. The board's enterprise risk management approach identifies early risks, allowing for proactive mitigation. Comprehensive internal control assessments guarantee effective management and ensure the accuracy of financial reporting. It offers guidance on all aspects of risk management, including the risk governance structure, risk identification, risk assessment, risk prioritisation, risk mitigation, risk monitoring, and continuous improvement. This framework also includes the essential organisational rules and procedures for early risk identification and proactive management of risks associated with commercial activities. Our risk management framework is aligned with COSO and ISO 31000.

Climate risk management process

Step 1: Risk identification

- Recognise any climate-related threats or vulnerabilities that could adversely affect the company's vision, mission, or financial results.
- Climate-related risks are identified and classified into several categories: strategic, operational, financial, Sectoral (market/competition), legal and regulatory, technological (information, cybersecurity), sustainability/ESG, and other industry-specific risks. Both bottom-up and top-down approaches are used during this stage.

Step 2: Risk assessment

- Risk assessment refers to the process followed to understand the nature and level of risk by evaluating its qualitative or qualitative value.
- It is done on a 3-point scale (High, Medium, Low) to determine inherent and residual risk exposure based on: Likelihood of risk events, and potential impact of identified scenarios.
- Two stages of assessment is done:
  1. Inherent risk ratings: Evaluate the impact and likelihood of risks without mitigation actions.
  2. Residual Risk Ratings: Assess the impact and likelihood of risks after implementing existing controls mitigation measures.
- Risk rating formula: Risk rating = Likelihood X impact.

Step 3: Risk mitigation

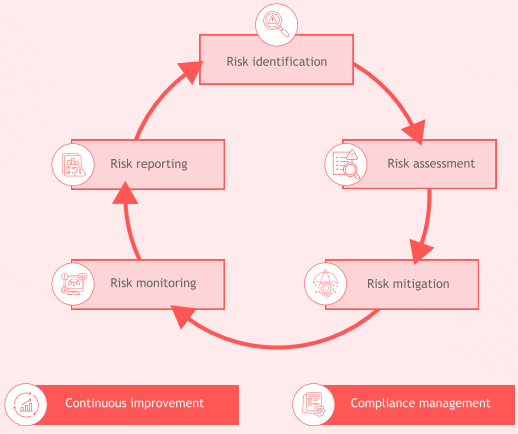
- Risk mitigation involves addressing risks after assessment and prioritisation. Reponses can be categorised into the following four types:

  1. Tolerate: Accepting the risk without any action, evaluating the costs and whether it aligns with the organisation's risk appetite, considering the past experiences.
  2. Treat: Implementing actions to reduce the likelihood or impact of the risk before it occurs.
  3. Transfer: Shifting the risk to a third party through methods like insurance or outsourcing, useful for mitigating financial risks or risks to assets.
  4. Terminate: Eliminate the risk by changing or removing the risky process or practice to remove the risk.

Step 4: Risk monitoring and reporting

- Risk monitoring is carried out periodically to track the status of response plans and update risk profiles as needed.
- Risk owners will regularly provide updates to the ERM team, which will then consult with GMC members about risk relevant to their business areas.
- The Chief Risk Officer is responsible for reporting key risks to the Risk Management Committee (RMC) for evaluation.
- The RMC assesses the risk in terms of response sufficiency, implementation, and effectiveness.
- Finally major risks are reported to the board of directors on periodic basis, while medium and low-level risks are reviewed half-yearly at meetings with the GMC and the board.

Risk management cycle



Climate resilience strategy

As the impacts of climate change intensify, building climate resilience has become a strategic priority for Tata Communications. Our global operations, digital infrastructure, and people are increasingly exposed to climate-related disruptions, from heatwaves and floods to cyclones and sea level rise. These events pose risks not only to service continuity and asset integrity but also to employee health, workplace safety, and customer experience.

This section outlines key physical climate risks identified through our climate scenario analysis, their potential impacts, and the adaptation measures we have implemented, or plan to deploy, to strengthen resilience across our operations.

Element of risk	Impact	Adaptation measures identified	SDGs alignment
High temperature	• Increased load and failure risk in HVAC and cooling systems at exchanges and base stations • Reduced staff productivity and comfort • Elevated health risks from heatwaves	• Install heat-resistant roofing and tiles • Upgrade HVAC systems • Conduct staff surveys and assess energy implications	3 GOOD HEALTH AND WELL-BEING, 8 DECENT WORK AND ECONOMIC GROWTH, 13 CLIMATE ACTION
Heavy rainfall and flooding	• Flood damage to assets and infrastructure • Power and signal disruption • Reduced equipment lifespan	• Early warning systems • Floodproofing of technical infrastructure, lower walls and basements	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 11 SUSTAINABLE CITIES AND COMMUNITIES, 13 CLIMATE ACTION
Wind/cyclone	• Structural stress on telecom towers and cables • Risk of power failure and service disruption	• Retrofit buildings to IS:875 standards • Identify cyclone-vulnerable sites • Establish shelter and assembly areas	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 11 SUSTAINABLE CITIES AND COMMUNITIES, 13 CLIMATE ACTION
Sea level rise	• Flooding of coastal infrastructure • Business interruption and relocation risk	• Avoid new buildings in low-lying zones • Strengthen flood defenses • Secure additional insurance coverage	1 NO POVERTY, 11 SUSTAINABLE CITIES AND COMMUNITIES, 13 CLIMATE ACTION

Policy and legal risk

Risk description

Compliance costs, restrictions and limitations on carbon intensive assets.

Mitigation measures

In countries such as Spain, France, UK, US and Hong Kong, new climate compliances on reporting and energy efficiency standards have been published. The monitoring of such compliances has been implemented and applicability of such compliances is checked on a periodic basis.

Market and technology risk

Risk description

- Increase in energy and other utility costs.
- Investment in renewables and low-carbon solutions.

Mitigation measures

In international market, 6 offices in US, Spain and Portugal have become 100% RE operated. Furthermore, we are increasingly investing in low-carbon energy sources and energy efficiency measures while also implementing internal carbon pricing mechanism to ensure the push for energy savings and transition to renewable energy sources.

Reputational risk

Risk description

Damage to brand value or reputation, resulting in lost revenue and additional expenditures.

Mitigation measures

With our proactive risk management process, we have led the climate initiatives and subsequently added financial instruments to ensure the integration in our business practices. This helps us in staying ahead of regulatory changes, reducing the risk of legal penalties and enhancing competitive edge. Furthermore, we have invested in development of a wide range of low-carbon products and services from the Network, IoT, MES, Cloud, Business Collaboration streams for the customers to help them conserve their energy and reduce their GHG emissions. These low-carbon products and services are integral part of our growth strategy and therefore, will help us in maintaining strong market presence.

NET ZERO 2035

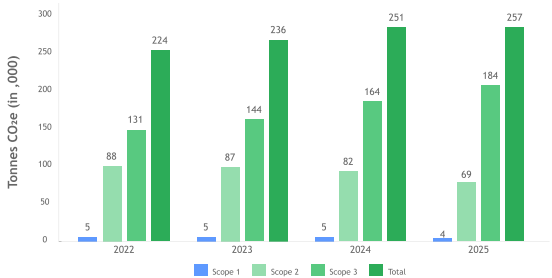
Metrics and targets

Our targets are a crucial part of our decarbonization strategy. We aim to achieve net-zero emissions across all scopes (Scope 1, 2 & 3) by 2035, along with achieving Carbon Neutrality by 2030. We continue to monitor our progress against these targets and ensure that we improve our environmental performance and consciously conduct our business responsibly.

Emission profile

The company reports its greenhouse gas (GHG) emissions following the GHG Protocol standards, including the GHG Protocol Corporate Accounting and Reporting Standard and the Corporate Value Chain (scope 3) Accounting and Reporting Standard. We use the operational control approach to account for our GHG emissions, focusing on operations we directly control. This method ensures that we account for emissions from facilities and activities under our direct oversight. Our primary data source is our internal records, which minimises uncertainty in the reported figures. For more information on our reporting methodology, please visit the ESG addendum

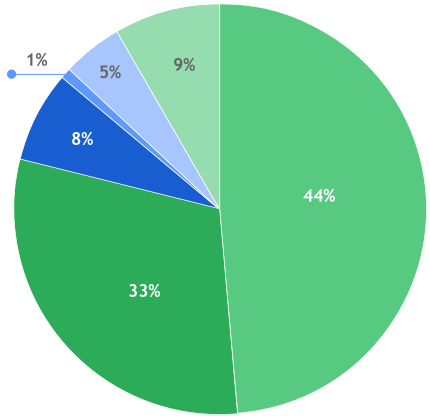
Figure 5.1 - Total scope 1, 2 and 3 GHG emissions



Overall, from FY 2022 to FY 2025, there has been an increase in the total GHG emissions across all operations, primarily because of the scope 3 emissions. Approximately, around 20,000 tonnes of CO_2e have increased from FY 2024 to FY 2025. Higher emissions from capital goods and travel commute have contributed to this increase (Figure. 5.2). However, constant effort in the reduction of GHG emissions has resulted in a reduction of emissions through scope 1 and 2 over the years by 21% from FY 2022 to FY 2025 as a direct result of reduction initiatives, detailed in opportunities section of this report.

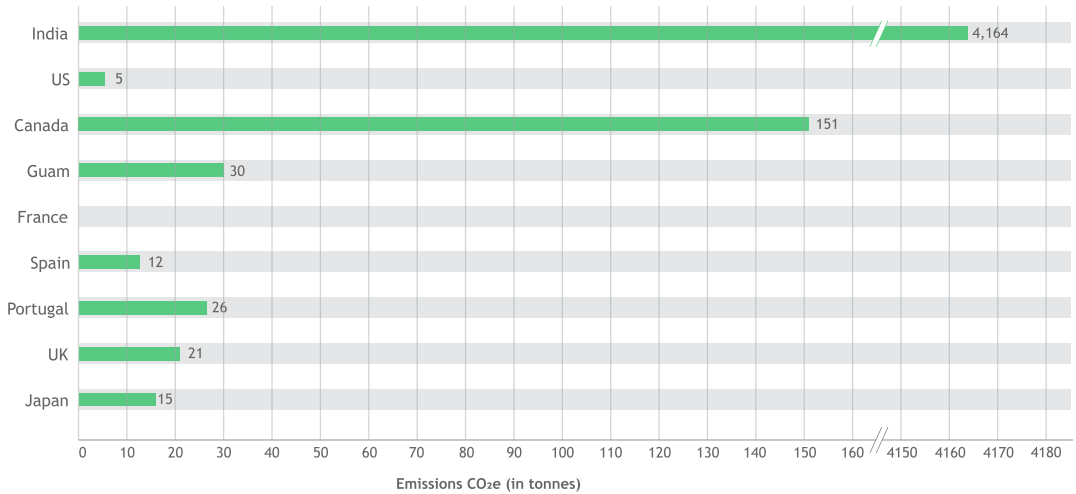
The country-wise breakup of scope 1, scope 2 and scope 3 emissions is provided below. (Figure 5.3 and Figure 5.4)

Figure 5.2 - Scope 3 emissions FY 25



- Category 1: Purchased goods & Service - **44%**
- Category 2: Capital goods - **33%**
- Category 3: Fuel- and energy-related activities (Not included in scope 1 or scope 2) - **8%**
- Category 4: Upstream transportation and distribution - **0%**
- Category 5: Waste generated in operations - **0%**
- Category 6: Business travel - **5%**
- Category 7: Employee commuting - **1%**
- Category 8: Upstream leased assets - **9%**

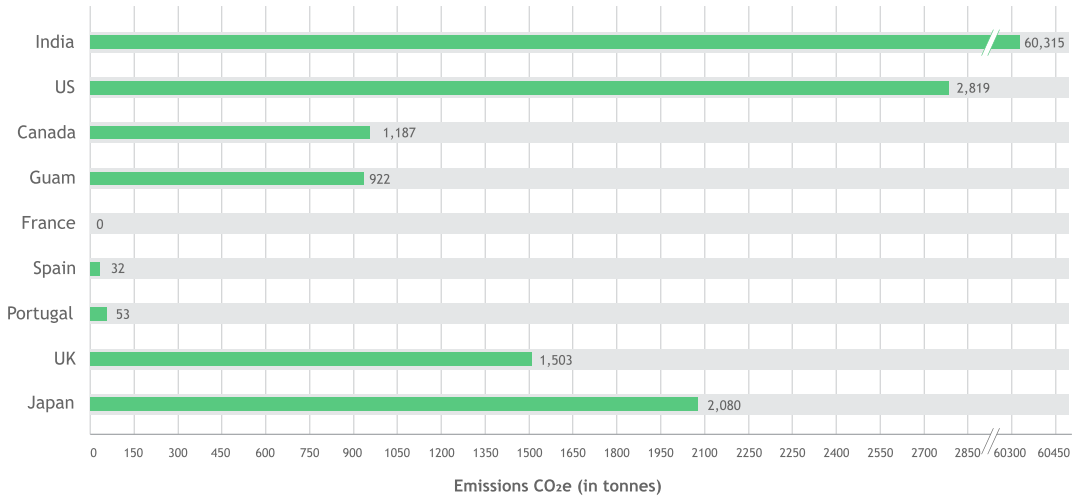
Figure 5.3 - Country-wise Scope 1 emissions for FY 2025



1. Scope 1 and 2 emissions are monitored for 9 countries where we have our own sites and energy consumption is directly monitored. Emissions for rest of the countries where we have leased facilities/operations are part of scope 3 emissions categories.
2. France is no more tracked due to closure of owned technical site.

See annexure: Table A for the list of detailed data table.

Figure 5.4 - Country-wise Scope 2 emissions for FY 2025



1. Scope 1 and 2 emissions are monitored for 9 countries where we have our own sites and energy consumption is directly monitored. Emissions for rest of the countries where we have leased facilities/operations are part of scope 3 emissions categories.
2. France is no more tracked due to closure of owned technical site.

See annexure: Table A for the list of detailed data table.

Country-wise Scope 3 emissions for FY 2025

Figure 5.5 - Category 1: Purchased goods and service

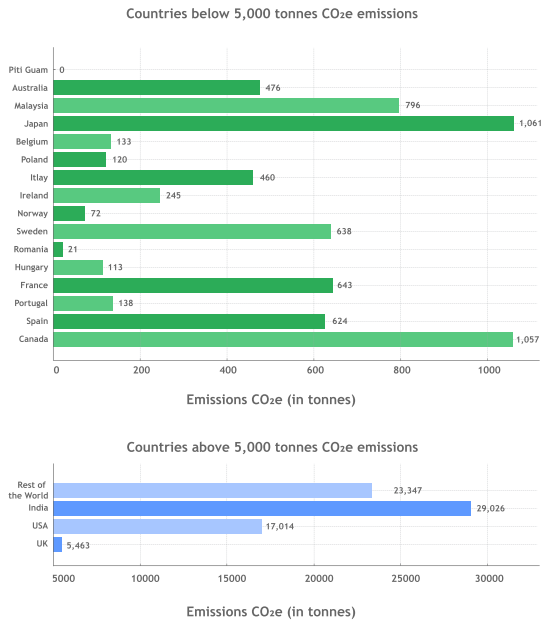
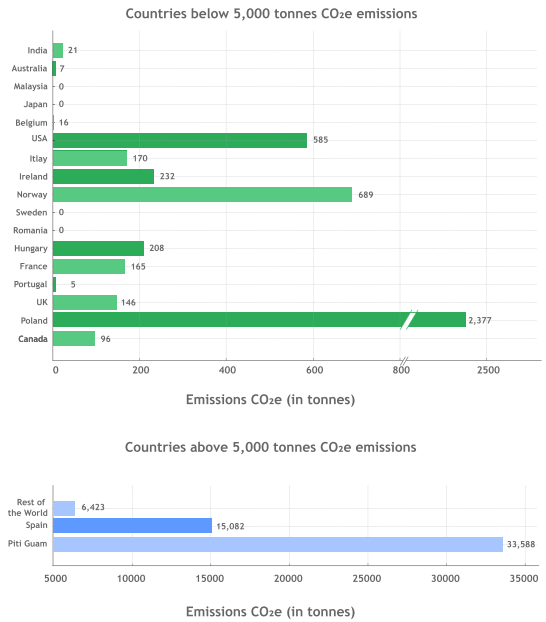


Figure 5.6 - Category 2: Capital goods



See annexure: Table B for the list of detailed data table.

Country-wise Scope 3 emissions for FY 2025

Category 3: Fuel and energy related activities

Figure 5.7 - T&D losses emission

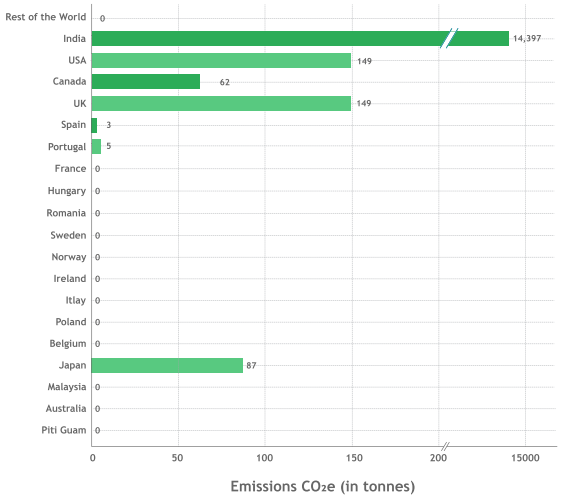
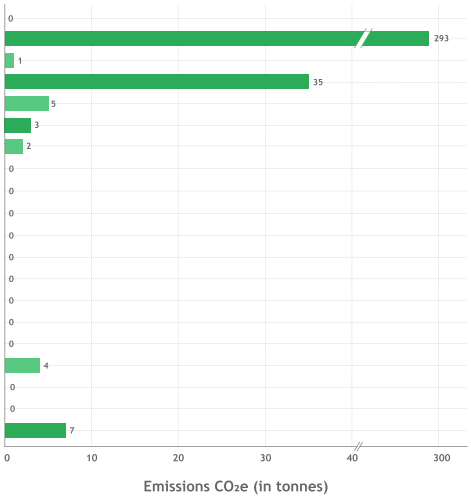


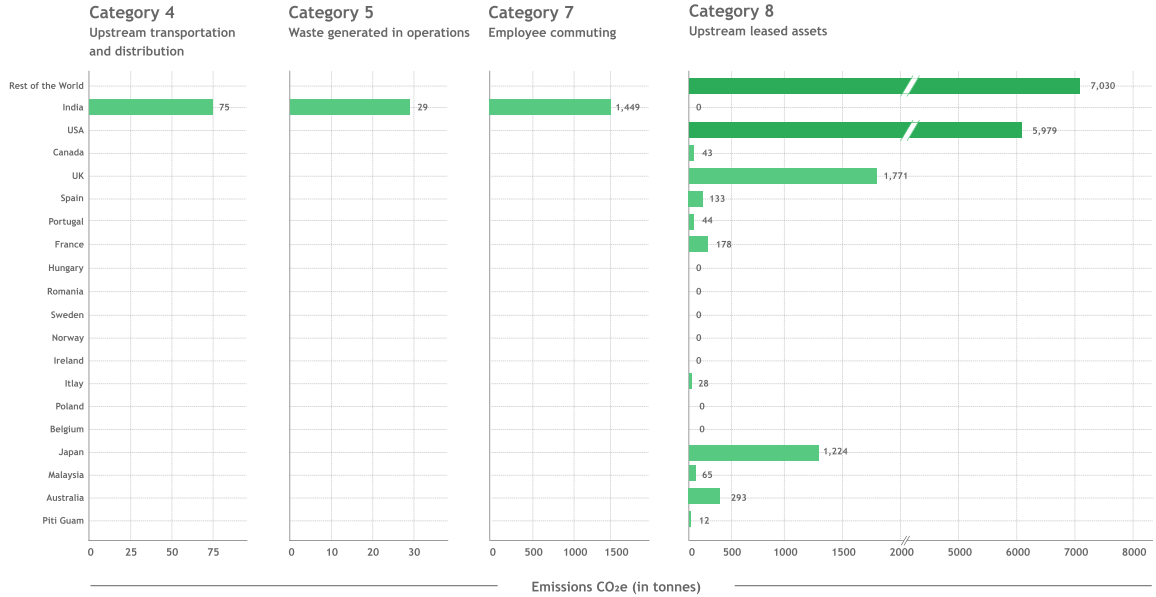
Figure 5.8 - Purchased fuel emission



Energy monitoring is being done for 9 major countries where the sites are owned and directly operated by us.
For the rest of the countries where we have leased facilities/operations, the emissions are reported in scope 3 emissions categories.

See annexure: Table B for the list of detailed data table.

Figure 5.9 - Country-wise scope 3 emissions for FY 2025

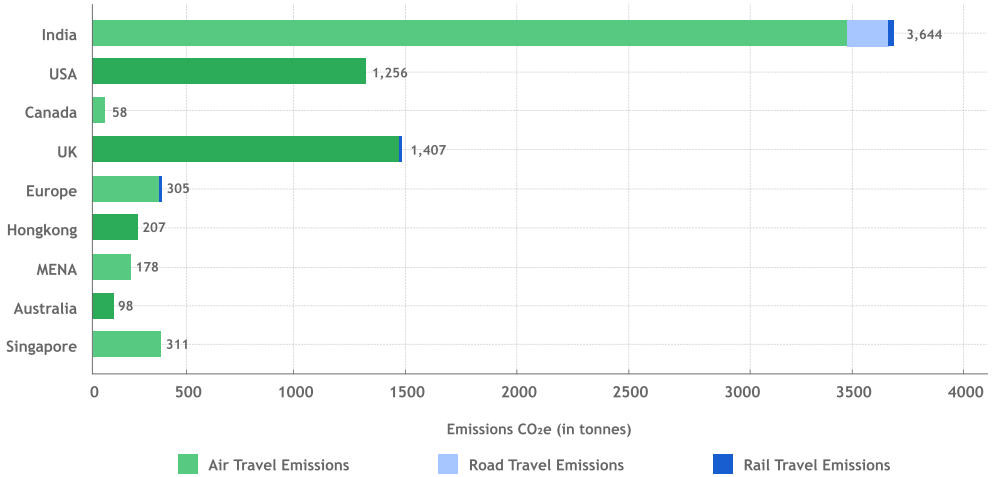


Category 4, 5 and 7 are reported for only India operations as the data pertaining to other countries is not significant.

See annexure: Table B for the list of detailed data table.

Figure 5.10 - Country-wise Scope 3 emissions for FY 2025

Category 6: Business travel



The business travel is classified in 9 regions which is facilitated by Global Travel team. In addition to the above travel emissions, self booked travel is also done. Self booked travel emissions in tonnes of CO2eq are: Airfare= 148; Car hire=480; Laundry=3; Lodging= 443; Train/ Bus= 82

See annexure: Table C for the list of detailed data table.

Energy consumption/energy profile

Energy efficiency is a crucial component of our strategy, aimed at lowering our energy consumption while meeting increasing business demands. We make substantial investments in energy efficiency initiatives to enhance the operations of our offices, networking centers, and Point of Presence (PoP) sites, and to address infrastructure gaps.

Figure 5.11 - Total energy consumption (kWh)

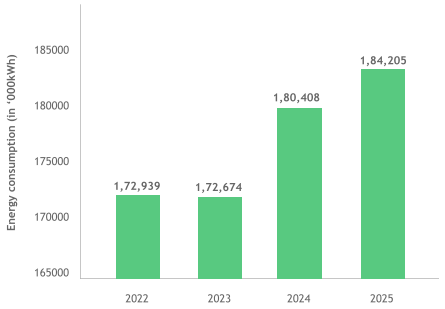
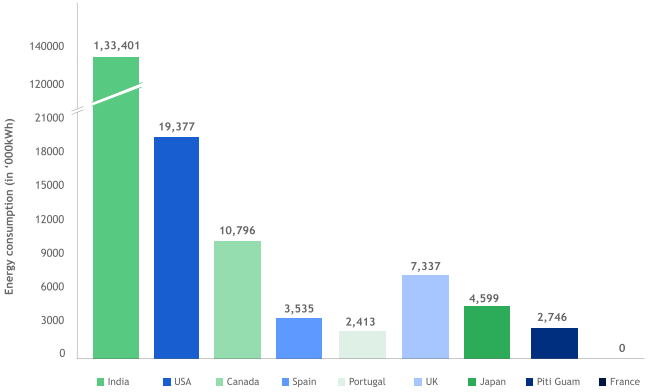


Figure 5.12 - Country-wise energy consumption FY 2025



Over the years, our energy consumption has increased by 6.5% from FY 2022 to FY 2025. With the increase, our patterns of consumption have also changed. Renewable source of energy have increased by almost 173% from FY 2022 to FY 2025 (Figure 5.14). In India, 8 of our office locations, such as Ambattur, Equinox, BKC, Vashi, Mahape, Arvi, SDF Kolkata and VSB Chennai, have become 100% RE-operated. In international operations, 6 of our office locations have become 100% RE-operated in countries such as Portugal, Spain, and the US (Figure 5.15). As a result, energy savings have also increased. Overall, 11 % energy saving has been met and 34% energy demand has been achieved from RE sources in FY 2025 (Figure 5.13). To achieve decarbonisation and reduced diesel-based scope 1 emissions, our major focus is on exploring energy-efficient, emission-free alternatives like battery energy storage systems. Understanding the vital role of renewable energy in cutting carbon emissions, we are proactively exploring ways to boost the share of renewables in our energy portfolio.

Figure 5.13 - Energy saving achieved

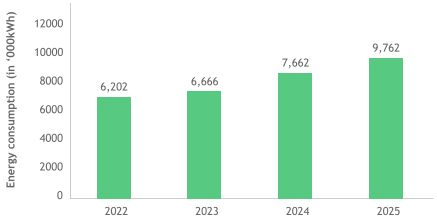


Figure 5.14 - Renewable energy

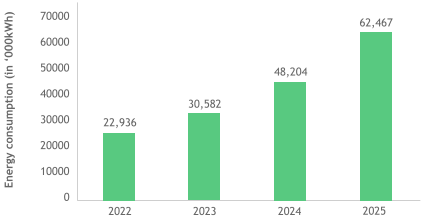
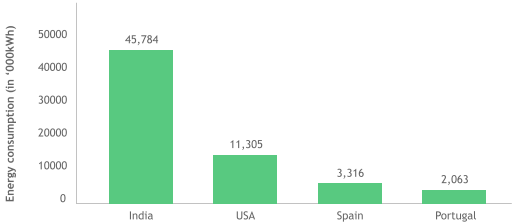


Figure 5.15 - Country-wise renewable energy consumption



Target overview

In alignment with our climate strategy and commitment to sustainable development, we have established comprehensive climate-related targets across its global operations. These targets are grounded in measurable metrics, including absolute greenhouse gas (GHG) emissions across scope 1, scope 2, and scope 3, expressed in metric tonnes of CO_2 equivalent. We also track renewable energy (RE) usage as a percentage of total energy consumption and in million units (MU), alongside energy efficiency performance.

The primary objective of these targets is climate change mitigation, with a strong emphasis on reducing our direct and indirect carbon footprint. Our GHG emissions reduction goals are aligned with the Science Based Targets initiative (SBTi). This objective is further reinforced by the Tata Group's Sustainability Policy, UN Sustainable Development Goals and insights from our materiality assessment and peer benchmarking exercises. Additionally, we have set short-term targets for FY 2024 to FY 2026, which support the long-term goals and address key aspects.

Our climate-related targets apply to our global operations in their entirety for GHG emissions (scopes 1, 2, and 3). However, our renewable energy goals are currently focused on Indian operations. The base year for both our GHG emissions and renewable energy targets is FY 2022, providing a consistent reference point for tracking progress.

All GHG-related targets are quantitative and absolute, reflecting total emissions reductions rather than intensity-based measures. This approach ensures accountability and transparency in tracking our decarbonisation progress.

GHG emissions reduction

The target period for our GHG emissions reductions spans from FY 2022 to FY 2030. We are committed to reducing absolute scope 1 and 2 emissions by 42%, and scope 3 emissions by 25% over this period. Concurrently, we aim to achieve carbon neutrality across scope 1 and 2 emissions by FY 2030 and to attain net-zero emissions across our entire value chain by FY 2035. This year, we have achieved 21% reduction in scope 1 and 2 emissions against the base year FY 2022. In our scope 3 emissions, there has been a 41% increase compared to the base year FY 2022, primarily driven by a rise in supplier-related emissions. To address this, we have introduced a sustainable supply chain framework, aimed at reducing emissions across our value chain. As part of this initiative, we are conducting awareness and capacity-building sessions to engage and support our suppliers in adopting low-carbon practices and reducing their overall environmental impact.

Energy savings

As part of our FY 2024-2026 roadmap, we set an ambitious target of achieving 10% year-on-year energy savings. Demonstrating our strong commitment to energy efficiency, we surpassed this goal by achieving an impressive 11% energy savings in FY 2024-2025.

During FY 2025, a total of 9.76 MU of energy was saved against a set target of 8.57 MU, representing 138% achievement. This performance was driven by the implementation of 169 new energy-saving initiatives, which contributed to savings of 3.03 MU. In addition, 4.40 MU of energy savings were realised through the execution of 180 carry-forward ideas from the previous year.

	Target set (%)	Target achieved (%)	Target set (in MU)	Target achieved (in MU)
2025	10	11	8.57	9.76

Renewable energy consumption

In line with our renewable energy transition goals, FY 2025 marked a significant milestone with 34% of our total energy demand being fulfilled through green energy. Against a set target of 18.28 MU from RE projects, we delivered 20.69 MU—achieving 113% of the target.

This success was enabled by the implementation of renewable energy projects at key locations:

- **LVSB Mumbai** - 11.6 MU
- **VSB Chennai** - 4.2 MU
- **VSB Mumbai** - 3.0 MU
- **Dighi Pune** - 1.8 MU
- **VSB Cochin** - 0.09 MU

Our continued investment in renewable infrastructure reaffirms our dedication to responsible energy practices and climate action.

	Target set (%)	Target achieved (%)	Target set (in MU)	Target achieved (in MU)
2025	40	34	18.28	20.69

Way forward

Our commitment to climate action

As a global digital infrastructure enabler, we remain committed to integrating climate risk considerations into our strategic planning, risk management, and capital allocation decisions.

Our scenario analysis provides early insights into the physical and transition risks we may face under multiple climate futures. Although uncertainties remain, especially in quantifying regional or sector-specific financial impacts, these exercises are helping us strengthen business resilience and long-term value creation.

Looking ahead, we view the challenges around renewable energy access, evolving regulations, and value chain emissions as opportunities for innovation, collaboration, and advocacy. Through continued engagement with our employees, partners, customers, investors, and governments, we will strive to shape a more inclusive and climate-resilient digital economy.

While the forward-looking statements in the reports are made based on the best available information and scenario assumptions, we acknowledge that uncertainties persist, and actual outcomes may differ.
Nevertheless, Tata Communications remains firmly committed to timely climate action, measurable impact, and sustained leadership in sustainability.

Together, through accountability, agility, and purpose, we are shaping a connected world that is not only digital-first but climate-smart.

For any queries or clarification on the report, you may write to eohs@tatacommunications.com

7. Annexure

Table A

Country	Scope 1	Scope 2	Total scope 1 & 2
India	4,164	60,315	64,479
US	5	2,819	2,824
Canada	151	1,187	1,338
Guam	30	922	952
France	-	-	-
Spain	12	32	44
Portugal	26	53	79
UK	21	1,503	1,524
Japan	15	2,080	2,095
Total emissions in tonnes CO_2e	**4,424**	**68,911**	**73,335**

Table C

Category 6			
Country	Air travel emissions	Road travel emissions	Rail travel emissions
India	3,462	191	11
USA	1,256	0	-
Canada	58	0	-
UK	1,406	0	1
Europe	304	0	1
Hongkong	207	0	-
MENA	178	0	-
Australia	98	0	-
Singapore	-	0	-
Total	**7,279**	**191**	**13**

The business travel is classified in 9 regions which is facilitated by Global Travel team. In addition to the above travel emissions, self booked travel is also done. Self booked travel emissions in tonnes of CO2eq are: Airfare= 148; Car hire=480; Laundry=3; Lodging= 443; Train/ Bus= 82

Table B

Emissions in tonnes CO_2e (Country-wise breakup of scope 3 categories emissions) [except category 6]

Country	Category 1	Category 2	Category 3		Category 4	Category 5	Category 7	Category 8	Total
			T&D losses emission	Purchased fuel emission					
Rest of the world	23,347	6,423	0	0	-	-	-	7,030	**36,800**
India	29,026	21	14,397	293	75	29	1,449	0	**45,290**
USA	17,014	585	149	1	-	-	-	5,979	**23,729**
Canada	1,057	96	62	35	-	-	-	43	**1,294**
UK	5,463	146	149	5	-	-	-	1,771	**7,534**
Spain	624	15,082	3	3	-	-	-	133	**15,845**
Portugal	138	5	5	2	-	-	-	44	**195**
France	643	165	0	0	-	-	-	178	**986**
Hungary	113	208	0	0	-	-	-	0	**321**
Romania	21	0	0	0	-	-	-	0	**22**
Sweden	638	0	0	0	-	-	-	0	**638**
Norway	72	689	0	0	-	-	-	0	**761**
Ireland	245	232	0	0	-	-	-	0	**477**
Itlay	460	170	0	0	-	-	-	28	**658**
Poland	120	2,377	0	0	-	-	-	0	**2,496**
Belgium	133	16	0	0	-	-	-	0	**149**
Japan	1,061	0	87	4	-	-	-	1,224	**2,376**
Malaysia	796	0	0	0	-	-	-	65	**861**
Australia	476	7	0	0	-	-	-	293	**777**
Piti Guam	0	33,588	0	7	-	-	-	12	**33,607**
Total	**81,449**	**59,812**	**14,852**	**349**	**75**	**29**	**1,449**	**16,800**	**1,74,816**

About Tata Communications

Tata Communications is a leading Commtech player that powers its customers' hyperconnected ecosystems through its digital fabric. We bring together tools, platforms, skills and expertise to help customers build agile infrastructure, enable compelling employee and customer experiences, deploy connected solutions and build cyber resilience. With our solutions-oriented approach, proven managed service capabilities and cutting-edge infrastructure, we enable a hyperconnected ecosystem powered by network, cloud, mobility, Internet of Things (IoT), collaboration and security services. Over one-third of the world's internet routes are connected to our network. We connect businesses to 80% of the world's top cloud providers and 4 out of 5 mobile subscribers. Our customers consistently rely on us for our expertise and our industry-leading NPS is a testimony to that.

For more information, visit us at **www.tatacommunications.com**

Contact us

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