

Supercharging progress, sustainably and responsibly

"Supercharging progress" is our commitment to accelerating growth in a targeted, purposeful and transformative manner, while moving forward unwaveringly toward success.

"Supercharging progress, sustainably and responsibly" conveys our commitment to driving rapid and meaningful long term sustainable growth, while adopting a responsible and mindful approach in an accountable and transparent way.

Our goal is to demonstrate our dedication to creating a positive impact on the economy, society and the environment. Our Sustainability Report showcases our efforts both inside and outside of our organization. Internally, we continuously seek innovative ways to improve our operations, reduce our environmental impact and prioritize the well-being of our employees. Externally, we promote sustainable practices throughout our value chain and collaborate with communities, clients, partners and stakeholders. By promoting a culture of sustainability and responsibility, we strive to inspire and motivate our stakeholders to support our efforts. By engaging with like-minded entities, we aim to amplify our impact and work towards a shared vision of a sustainable future, responsibly.

As part of our efforts to support the Sustainable Development Goals (SDGs) and transition to a net zero economy while leaving no one behind, we are pleased to share our progress, lessons learned and areas of attention. Through transparent disclosure, we aim to demonstrate our commitment to sustainability and inspire others to collaborate for greater impact.

The six key focus areas of this report



Unlocking our people potential

Learning, well-being
and career opportunities



Empowering communities

Our social responsibility



Progress for a better planet

Environmental sustainability



Sustainable supply chain

Shared values



Integrating digital technology and sustainability

Responsible innovation
and sustainable growth

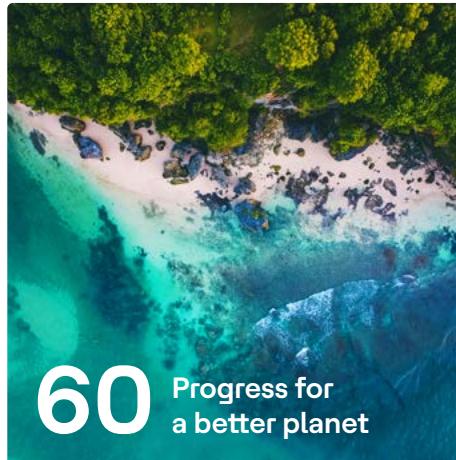


Data with purpose

Responsible data management

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Message from the CEO & Managing Director



In a world propelled by digital innovation, HCLTech has a steadfast commitment to operating sustainably and responsibly. Our efforts are fully aligned with our purpose. "To bring together the best of technology and our people to supercharge progress."

Our adherence to our Code of Business Conduct and Ethics (COBEC), guides us towards a transparent and accountable future that strengthens the very foundation of our sustainability journey.

United by a common purpose, we champion the well-being of local communities where we operate, recognizing their profound importance in shaping a better future. Inspired by the potential of technology and driven by our empowered people, we collaborate closely with communities, enabling them to thrive and amplifying their voices.

Our commitment to the environment is paramount, as is our commitment to one another. Aligned with the 1.5°C pathway, our net zero strategy embraces the transformative potential of technology. We continue to foster an inclusive work environment and strive to provide our people with a fair and equal world-class workplace.

26X

We replenished 26x more water than we consumed in India

10,500+

10,500 hours of training have been completed in our sustainability school

15,500+

innovative ideas have been generated through our value creation portal and 7,300+ have been implemented, creating positive outputs for our clients

22%

Reduced Scope 1 and 2 emissions by 22% compared to base year (FY20)

By leveraging our collective expertise, we are developing innovative solutions and technologies that empower our clients and partners to fulfil their climate change commitments. We are also working with our ecosystem to develop collaborative approaches to help our clients reduce waste, improve physical workspaces and extend product life-cycles.

During FY23, we received three strong endorsements of our efforts:

MSCI rated HCLTech "AA" an ESG "Leader" in the software and services industry. The MSCI ESG ratings evaluated 8,500 companies on their exposure to industry-material ESG risks and their ability to manage those risks relative to peers.

The coveted S&P Global Sustainability Yearbook 2023 has recognized HCLTech as an "Industry Mover". The Yearbook lists leading companies that have demonstrated sustainable business practices in their operations. The assessment, which included 7,800 companies, is based on S&P's rigorous Corporate Sustainability Assessment framework.

HCLTech has also been included in Sustainalytics' 2023 Top-Rated ESG Companies list in the Software and Services Industry segment and in the Asia Pacific Region.

HCLTech has been placed in the "low-risk" category by Sustainalytics in an assessment of 15,000+ companies globally.

It is the culmination of the choices we make, both big and small, that shape our future and pave the way for a sustainable and responsible tomorrow. Together, we have the power to make a significant and lasting impact. By harnessing the power of innovation, collaboration and collective action, we can create a world where progress is not only measured by financial growth, but by the positive change we bring to the economy, society and the environment.

I am deeply grateful for the unwavering support and partnership of our people, clients, partners and communities on this transformative journey. Your collective contributions inspire us to push boundaries and shape a future where sustainability and responsibility are ingrained in every aspect of our operations. Thank you for joining us on this journey.



C Vijayakumar



Key highlights

Our goals



Environment

- Achieve net zero by 2040
- Reduce absolute Scope 1 and 2 emissions by 50% by 2030
- Transition 80% of electricity usage to renewable energy by 2030
- Achieve zero waste to landfill at all owned facilities by 2025



Social

- Improve the environmental, social and governance (ESG) knowledge and skills of our employees
- Improve gender diversity in the workforce with 40% Women by 2030
- Increase gender representation in senior leadership levels to 30% by 2030
- Be recognized among the best employers in our key operating geographies



Governance

- Strengthen the sustainable supply chain process
- Integrate ESG with risk management and internal audit processes
- Be recognized among industry leaders for our information security practices and data privacy standards

Achievements - environment

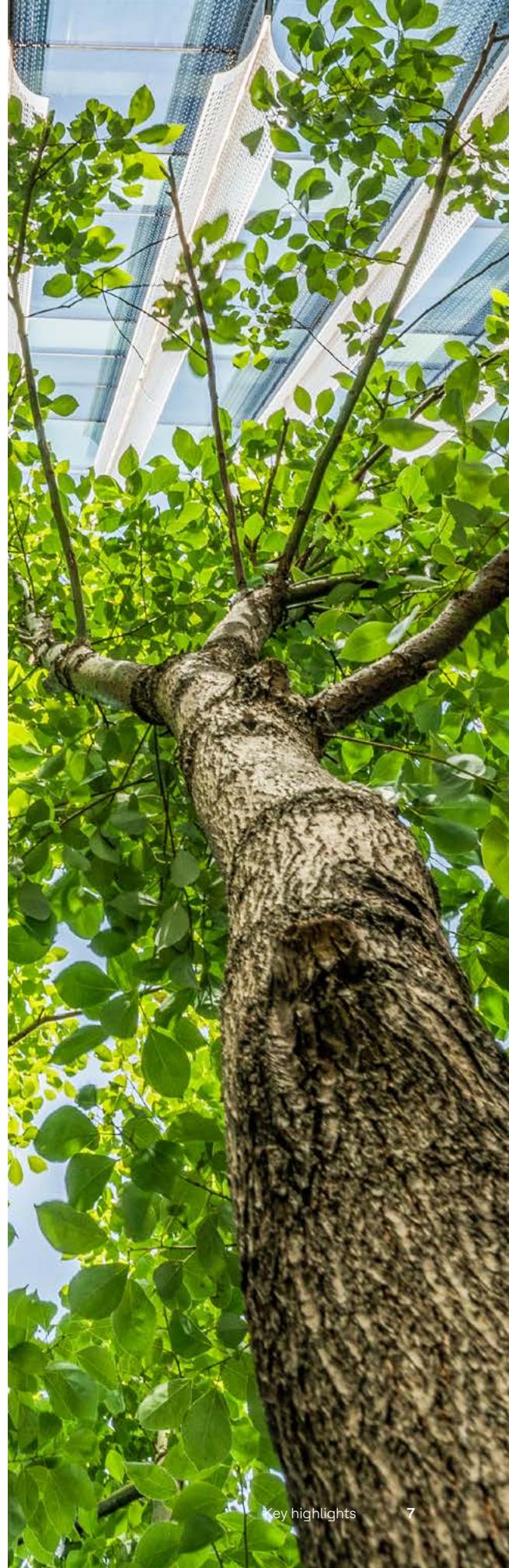
- 12% increase in renewable energy consumption compared to last year
- Reduced Scope 1 and 2 emissions by 22% compared to base year (FY20)
- Became the first company headquartered in India to join the Water Resilience Coalition and endorse the CEO Water Mandate
- Replenished 26x more water than we consumed in India
- 98% of our owned buildings are "Platinum" rated by the Green Building Councils

Achievements - social

- 10,500+ hours of training completed by employees through our Sustainability School
- Positively impacted over 5.5 million lives in India through our HCLFoundation and helped over 12,000 people with disabilities
- Certified as a Global Top Employer
- Continued to be part of the Bloomberg's Gender-Equality Index
- Gender diversity increased by 9% compared to baseline year (FY20)

Achievements - governance

- Recognized by leading ESG rating agencies, MSCI, Sustainalytics and S&P as a leader based on our progress and performance
- Out of the 15,500+ innovative ideas generated by our employees on the value portal, 7,300+ have been implemented and are generating positive outputs for our clients
- Accredited for the ABMS and ISO 37001:2016 international standards for anti-bribery and anti-corruption
- Internal Audit function conducted a comprehensive review of the effectiveness of ESG-related processes
- No substantial or material breaches occurred that involved leaks, thefts, or loss of client data



Introduction to the report

Reporting principles

This report is aligned to the Global Reporting Initiative (GRI) standards issued by the Sustainability Standard Board (GSSB), Sustainability Accounting Standard Board (SASB), Business Responsibility and Sustainability Reporting (BRSR) as mandated by the Security and Exchange Board of India (SEBI) and the United Nations Sustainable Development Goals (UNSDGs). By using a combination of the above-mentioned frameworks, we aim to provide a comprehensive and consistent statement of the organization's sustainability performance, commitments and goals.

Reporting content

1. **Reporting period:** April 2022 to March 2023

2. **Restatements:** Yes. This Sustainability Report has undergone a comprehensive review process to ensure accuracy and transparency. During our assessment, we identified specific areas that necessitated restatement, primarily due to updates in measurement methodologies, revised data collection processes and refined reporting boundaries. These restatements have been implemented to provide stakeholders with the most current and reliable information available. The reasons for the restatements have been meticulously documented and the impact on relevant indicators and metrics has been quantified. The revised values are presented alongside the original figures for clear comparison. Narrative explanations accompany the restatements to provide context and underscore the implications of these changes. We firmly believe that these restatements enhance the integrity and reliability of our Sustainability Report and we remain dedicated to delivering accurate and meaningful information to our stakeholders.

*See pg 112 for more detail

3. **Date of most recent report:** August 2022

4. **Reporting cycle:** Annual

5. **Reporting scope and boundary:** Unless otherwise mentioned, the scope of this report includes the operations of HCLTech across all locations. Since we are an IT company, our supply chain is confined to the procurement of goods and services for our operations.

Our material topics

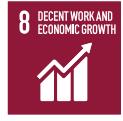
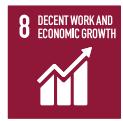
We believe that sustainability is an ongoing journey that requires continuous improvement and adaptation. As part of our commitment to transparency and stakeholder engagement, we regularly review our material topics to ensure they remain relevant and responsive to the evolving needs and expectations of our stakeholders.

In line with our commitment to sustainability and responsibility, we conducted stakeholder engagement procedures to identify the 12 most material ESG topics for FY21-22. These topics were selected based on their significant impact on our business operations and the feedback we received from our stakeholders. During the finalization of the material topics, we conducted a diligent examination, employing a comprehensive bifocal lens that encompassed both risk and responsibility. This approach ensured that the process adhered to the principle of double materiality, considering the significance of these topics from multiple perspectives, both internal and external. This approach ensured comprehensive coverage of both financial and extra-financial aspects.

We embraced a holistic approach to assessing the material topics, considering ESG perspectives alongside financial implications.

Through the examination of double materiality, HCLTech aimed to proactively address risks and responsibilities, enhancing overall performance and creating value for stakeholders. Throughout the past year, we focused our sustainability efforts on addressing these material issues, recognizing their importance in driving long-term sustainable progress.

ESG material topic	Mapping of SDGs
Environment	
Eco efficiency: At HCLTech, we focus on resource optimization and efficiency while reducing the negative environmental impacts of our operations.	  
Climate change: Addressing, mitigating and adapting to climate-related risks while capitalizing on opportunities presented by climate action.	

ESG material topic	Mapping of SDGs
Social	
<p>Human capital: Employees are our most valuable asset. Rapid change is a constant in the technology sector and we need to upskill and reskill our employees to deliver cutting edge solutions to our clients.</p>	 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>
<p>Local hiring: It is our responsibility to be part of the communities in which we operate. To address this, we invest in local talent and work with local academic partners.</p>	 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>  <p>10 REDUCED INEQUALITIES</p>
<p>Diversity, equity, and inclusion (DEI): Our DEI strategy has been designed to ensure that every employee feels included and valued. By fostering a climate free of bias, where equity and mutual respect are intrinsic, we are a result-oriented and caring organization that nurtures intellectual strength and produces innovative solutions from the synergy of our people.</p>	 <p>5 GENDER EQUALITY</p>  <p>10 REDUCED INEQUALITIES</p>
<p>Talent acquisition and retention: Our talent management plans don't just focus on attracting and retaining our skilled workforce, they develop the workforce, manage performance, transition talent to new leadership roles and make our workplace culture a competitive advantage.</p>	 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>
<p>Work environment: We ensure that our employees have the best-in-class facilities. We have also created robust systems to make sure that our employees work in a safe and healthy environment.</p>	 <p>3 GOOD HEALTH AND WELL BEING</p>  <p>8 DECENT WORK AND ECONOMIC GROWTH</p>
<p>Corporate citizenship: We engage our employees in integrated community development projects, which creates transformative change among different communities and stakeholders.</p>	 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>  <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>
Governance	
<p>Sustainable procurement: To drive sustainability across our value chain, we have developed a procurement strategy that evaluates suppliers on specific ESG dimensions and conducts programs that improve suppliers' knowledge of sustainability.</p>	 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>  <p>17 PARTNERSHIPS FOR THE GOALS</p>
<p>Sustainable impact on clients: As there is a growing recognition of the interdependence of digitalization and sustainability, we are ready to help our clients through our sustainable solutions.</p>	 <p>9 INDUSTRY INNOVATION AND INFRASTRUCTURE</p>  <p>17 PARTNERSHIPS FOR THE GOALS</p>
<p>Governance and ethics: We have established policies, mechanisms and processes that follow the highest standard of ethics. This has played a pivotal role in the credibility that the organization has generated over many years.</p>	 <p>16 PEACE JUSTICE AND STRONG INSTITUTIONS</p>  <p>17 PARTNERSHIPS FOR THE GOALS</p>
<p>Cybersecurity, data protection and system availability: As cyber threats and security breaches become more advanced it is critical for us to have superior security systems and management plans.</p>	 <p>9 INDUSTRY INNOVATION AND INFRASTRUCTURE</p>



Commitment to transparency, stakeholder engagement and ongoing improvement

We retained the same 12 material topics for FY22–23 that we had identified in the previous year. This decision was made after a comprehensive review of our sustainability strategy, stakeholder feedback and the impact of external trends and developments.

We believe that the current list of material topics is still relevant and aligned with our business priorities and sustainability goals. By maintaining consistency in our material topics, we can track our progress and demonstrate our ongoing commitment to these key sustainability issues in a more profound manner.

This year, we engaged frequently with our external stakeholders and conducted internal stakeholder dialogues with senior leadership and board members. By leveraging the evidence and information gathered from these engagements, we hope to bring about meaningful change while maintaining the substantive topics, albeit with some adjustments.

We will continue to monitor and evaluate our material topics on an ongoing basis and make changes as necessary to ensure they remain aligned with our sustainability strategy and stakeholder expectations.

Stakeholder engagement

Engagement with our stakeholders is the main way we identify our material issues and the process helps us gather relevant feedback, data and opinions. Our stakeholder interactions enable us to choose the most pertinent material issues and identify measures to optimize our ESG strategies.

This year we re-examined stakeholders' feedback received through surveys, engagement sessions and other channels to identify emerging trends, business issues, or risks that could impact our organization.

This report incorporates financial and extra-financial information to help stakeholders understand how we create long term value. We devise appropriate strategies based on material information and integrate them into comprehensive business plans. In our stakeholder engagement process from the previous year, we considered various groups of stakeholders:

Stakeholder group	Channels of communication (Email, SMS, newspapers, pamphlets, advertisement, community meetings, notice board, website, other)	Frequency of engagement (Annually/ half yearly/ quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors/ Shareholders	Online surveys, focus group discussions, one-on-one interviews, non-deal roadshows, investor events (one-on-one and in groups) and reverse roadshows. Geo-based management-level meetings post quarterly results. Webinars (one-on-one and in groups).	Quarterly	<p>Purpose To maximize shareholder value, attract investment and provide transparent communication.</p> <p>Scope: Regular financial reporting, investor conferences, analyst interactions and timely updates on business performance, strategy and corporate governance.</p> <p>Aspects discussed: Clarification on ESG parameters, 3-to-5-year ESG Roadmap, delivery model, hybrid work environment, supply-side pressures like attrition rate and hiring rate, sustainability of demand.</p>
Employees	Surveys, focus group discussions and online modes of communication. Emailers, newsletters, volunteering calendars, rewards and recognitions. Employee passion clubs. Festivals and other celebrations. Wellness sessions. Family sessions. Employee resource groups like Women Connect. Employees connect portal 360-feedback. Client and HCLTech leader sessions.	Weekly, monthly, quarterly, annually	<p>Purpose To nurture a talented workforce, enhance employee satisfaction and foster a positive work environment.</p> <p>Scope: Skill development programs, employee engagement activities, recognition and rewards, health and wellness initiatives, career growth opportunities and open communication channels.</p> <ul style="list-style-type: none"> • Feedback and grievance redressal. • Employee engagement (fun at work/motivation/happiness/passion/wellbeing). • Engagement for self-performance improvement and team productivity improvement. • DEI. • Career support programs. • Employee assistance program. • Employee feedback on policies. • Training programs and learning nuggets – functional and cultural (E.g., Inclusion lab). • Maternity/paternity support. <p>Aspects discussed: Work environment, opportunities for growth, wellbeing, mentorship programs and accessing idea-sharing platforms. Impact and recognitions listed here</p>

Vendors and suppliers	Supplier escalation mailbox system, online surveys and a dedicated vendor helpdesk.	Quarterly (depends on engagement). Internal surveys for supplier performance assessment quarterly. Due diligence during onboarding of the vendor.	<p>Purpose</p> <p>To establish mutually beneficial relationships, ensure the supply chain efficiency and drive business growth.</p> <p>Scope: Supplier diversity programs, fair and transparent procurement processes, collaboration on innovation, timely payments and building long-term partnerships based on trust and shared value.</p> <ul style="list-style-type: none"> • Query resolution and grievance redressal. • Supplier performance assessment. • Vendor due diligence. • Risk assessment for high-risk vendors. • Addressing non-compliance issues. • Breach of contract. <p>Aspects discussed: Inquiries pertaining to sales, the point of contact and payment-related queries.</p>
Clients	Client experience engagement	Annually	<p>Purpose</p> <p>To deliver exceptional client experiences, build long-term relationships and meet client expectations.</p> <p>Scope: Quality products and services, personalized solutions, prompt client support, feedback mechanisms, client satisfaction surveys and continuous improvement based on client insights.</p> <ul style="list-style-type: none"> • Resolution of any delivery challenges. • Feedback on technology and services being implemented. • Discovery of adjacent net new opportunities. • Grow footprint and upsell. • ABM marketing plans. • QBR process. <p>Aspects discussed</p> <ul style="list-style-type: none"> • Contract compliance. • Resource management. • Payment queries. • Delivery challenges or delays.

Communities in which we operate	Surveys, focus group discussions and one-on-one interviews. Stakeholder meetings, discussion, information sharing and capacity building, co-planning, creation of collectives and role models.	Bi-annually	<p>Purpose</p> <p>To contribute to local development, social well-being and sustainable practices in the communities.</p> <p>Scope: Community development initiatives, education and skill-building programs, environmental sustainability projects, healthcare support and volunteering activities.</p> <p>Assessment undertaken for Corporate Social Responsibility (CSR) projects and grievance redressal.</p> <p>Aspects discussed: Education, water, sanitation and hygiene (WASH), malnutrition, environmental sustainability, skill development and employability.</p>
Industry Associations (FICCI, CII, NASSCOM, WEF etc.)	Conferences, convergence meetings, focus group discussions and one-on-one interviews.	Bi-annually and dependent on the requirement.	<p>Purpose</p> <p>To collaborate with industry peers, discuss industry trends and contribute to the growth and development of the sector.</p> <p>Scope: Policy advocacy, thought leadership and discussion of collective initiatives to address industry challenges and drive innovation.</p> <p>Aspects discussed: Technology development, regulatory landscape, ESG Trends and emerging best practices.</p>
Academia	Based on requirements.	Monthly, quarterly, annual	<p>Purpose</p> <p>To bridge the gap between industry requirements and academic education, foster research and innovation and attract top talent.</p> <p>Scope: Collaborative research projects, industry-academia partnerships, guest lectures, internships, campus recruitment and skill development programs.</p> <ul style="list-style-type: none"> • Strengthen leadership and governance of academic engagement with business schools. • Developing future leaders for HCLTech and clients with specific leadership programs. • Research and development. <p>Aspects discussed: Future skill trends, new skill development, Industry ready coaching.</p>

Prioritization of our 12 material issues

Our 12 material topics have been categorized based on the risks and opportunities they present to the company. Looking at material topics through a risk and opportunity lens has enabled HCLTech to understand our growth opportunities in certain areas, while also identifying areas which may present risk. This allows us to prioritize our actions and allocate resources accordingly.

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate change	Risk and opportunity	Climate change poses both a physical and a transition risk to HCLTech's business operations. There is a growing requirement from clients, partners and investors to disclose, commit and work towards reduced emissions. The potential carbon taxes in the future either directly or indirectly are also considered as a risk. However, there is a clear opportunity for HCLTech through climate action. Although the initial investment required to transition to a low carbon economy is high, the transition guarantees a return on investment in many geographies. HCLTech's IT services that can help clients reduce their carbon footprint, represent another opportunity. HCLTech treats any opportunity lost as a risk.	As a part of our net- zero strategy, HCLTech is committed to limiting greenhouse gas emissions aligned to the 1.5°C pathway by 2030 and to achieving net zero by 2040. A clear road map is planned towards this commitment. HCLTech is also investing and developing services that help clients and partners meet their commitments on climate change. HCLTech has also identified projects to work with communities to move towards a climate resilient future.	The financial implication of this risk and opportunity can be classified as increased operation cost due to climate change and lost opportunity cost from a business environment. This is detailed in the TCFD disclosures.

2	Eco - efficiency	Risk and opportunity	<p>Eco-efficiency is an opportunity for HCLTech to improve process efficiency while minimizing environmental damage. HCLTech has implemented various energy efficiency initiatives to reduce energy consumption, water consumption and waste minimization. Water and waste can also be linked to social license to operate in the communities we operate.</p>	<p>HCLTech has defined monitoring and governance systems covering all eco-efficiency parameters. These are reviewed and budgets are allocated for performance improvement.</p>	<p>The financial opportunity is the cost saved for operations. The financial risk is any disruption to operations.</p>
3	Human capital	Risk and opportunity	<p>HCLTech defines human capital as skills, knowledge and experience possessed by an employee or a team, that can be valuable to the organization.</p> <p>We require constant upskilling and reskilling of our employees to ensure we deliver top services to our clients. As the digital technology space is expanding there is a war for talent and improving our existing human capital will be critical.</p>	<p>HCLTech has a clear institutional mechanism to map future skillset requirements and has programs for upskilling and reskilling employees. There are measurements used to gauge the performance of the initiative, which are reviewed periodically.</p>	<p>The financial implication is the risk related to quality of deliverables and loss of opportunity.</p>
4	Local hiring	Opportunity	<p>Hiring local talent is not just the right thing to do, but an effective strategy to improve talent retention. It also signals to the community that we are invested in that location.</p>	<p>As a strategy HCLTech has expanded its offices to smaller cities (New Vistas) and provided a hybrid workspace to further enable people prospects. Across the globe, in the countries where we operate, we are investing in local talent.</p>	<p>Financially, the opportunity can be seen as a result of improved talent retention and better relations with the community and clients.</p>

5	Diversity, equity and inclusion (DEI)	Risk and opportunity	<p>The risk is that without strong policies around DEI we may struggle to attract talented individuals. To maintain our innovative culture, we recognize the importance of diversity in thought, ideas and perspectives. There is ample evidence to showcase that DEI creates stronger bonds among individuals and has a positive impact on creativity, problem-solving and overall organizational success and hence forming a stronger organization.</p>	<p>HCLTech has clear policies, processes and governance structures to monitor the performance of our DEI strategy. We have a DEI and ESG Committee set up in our Board to ensure a strategic focus. Goals and targets are identified and integrated into the performance evaluation of leaders. A separate team works on various initiatives to further our commitment.</p>	<p>The opportunity can be evaluated in terms of the outcomes of a more diverse and inclusive workplace. It can be in terms of productivity, innovation or retention of talent.</p>
6	Talent attraction and retention	Risk and opportunity	<p>Meeting the increasing demand for new talent poses a significant risk and a unique opportunity. The increasing shifts globally towards the adoption of digital solutions have further increased the skilled labor imbalance. However, we view it as an opportunity to align our work culture with global trends, thereby enhancing employee loyalty while also increasing their efficiency.</p>	<p>HCLTech's strategy is to focus on building the workplace of tomorrow—one which promotes equality, a collaborative and transparent culture and deploys a robust training strategy designed to meet the development needs of employees at all levels. The company provides employees with progressive career paths through internal opportunities.</p>	<p>Failing to effectively attract and retain talented individuals can result in missed opportunities for growth and innovation, leading to decreased productivity and competitiveness. Additionally, the costs associated with recruiting, onboarding and training new employees are significant.</p>

7	Work environment	Risk and opportunity	<p>HCLTech identified the work environment as a material topic considering both the emotional and physical aspects of our employees.</p> <p>Good work spaces, wellness spaces, creches, gyms, etc., are integral parts of our offices. It is also important to create an environment that is safe where employees have the confidence and trust to report on any kind of discrimination or harassment.</p>	<p>We ensure that our offices are designed and planned to ensure the comfort of our employees.</p> <p>We have clear policies and processes to prevent any discrimination and harassment in our workplaces. These are communicated regularly and employees are encouraged to report on any incidences.</p> <p>We have tracking mechanisms to ensure we take preventive steps. Independent investigation of incidents is also ensured.</p>	<p>The comfort and trust of the employee in a good work environment result in dedicated employees. Hence the financial impact is a result of a healthy and safe employee performing to their potential. An incident can also result in a reputation loss of the organization and this can result in potential loss of opportunities.</p>
8	Citizenship	Opportunity	<p>Corporate citizenship is not just an opportunity for HCLTech but rather it is the backbone of the organization. It is our responsibility to the community in which we operate.</p>	<p>The HCLFoundation in India and the various employee councils around the world highlight our focus. Apart from the positive impact on the beneficiaries, our initiatives demonstrate that we are a credible organization with which to be associated.</p>	<p>Outcomes resulting from improved trust and credibility in the community can be a potential financial implication for HCLTech.</p>
9	Sustainable impact on clients	Opportunity	<p>As a leader in IT services, HCLTech is uniquely positioned to assist its clients to innovate through advanced technology and digitalization while being responsible and respectful in its usage. HCLTech already works with clients on several sustainable solutions.</p>	<p>HCLTech believes that any opportunity not capitalized is a risk. Therefore, we created a dedicated team which works with various sector heads to identify opportunities related to sustainability and create the appropriate sustainability-related solution for our clients.</p>	<p>The direct financial implication will stem from the number of new projects with clients. Indirectly, the impact can be the benefit of environmental and social capital.</p>

10	Cyber security, data protection and system availability	Risk and opportunity	<p>Security and privacy: Remote working coupled with an expansion of the company's operations increases the risk of data breaches and non-compliance with data privacy, protection and regulations. Clients will be looking for enhanced privacy and security, something that we can provide based on our solution-oriented business model.</p> <p>Business continuity: Given the complex and expanding network of services offered and spread of operations, there is a potential that our business may be affected due to disruptions materializing in our environment which could impact the availability or continuity of operations.</p> <p>System availability: This has a direct correlation with our productivity and impact on services offered to our clients.</p>	<p>HCLTech ensures a globally interconnected oversight framework involving governance, policies, procedures, training and awareness programs, global privacy impact assessments, privacy by design, data mapping, third-party contractual oversight, incident management and a mechanism for monitoring regulatory compliance for every geography. Our Crisis & Resilience program showcases our focus on integrating resilience as an intrinsic part of our business operating model and seeks to embed "resilience by design" across the dimensions of work, workforce, workplace, business operations, technology, supply chain and leadership.</p> <p>Our Information and cybersecurity program ensures a strong security posture for HCLTech and our clients. Our security posture has been validated by independent, industry recognized certifications and attestation standards, including quarterly oversight by the Board. We also have cyber insurance that covers different types of breaches and cyber events.</p>	<p>Any incident has a direct impact on that specific project with the client or on HCLTech as an organization. It may lead to regulatory implications, reputational challenges and financial implications.</p>
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11	Sustainable procurement	Risk and opportunity	<p>Sustainable procurement helps us understand and evaluate our ESG footprint across our value chain. Through sustainable procurement, HCLTech capitalizes on value creating opportunities like responsible sourcing, collaboration with upstream and downstream partners and improving supply chain governance. A sustainable supply chain also helps de-risk the supply chain because some of the ESG-related risks can create business continuity issues.</p>	<p>HCLTech has integrated sustainability into its procurement process. The procurement policy is integrated with sustainability requirements. We have incorporated an ESG due-diligence process for onboarding new vendors. HCLTech has also conducted an ESG risk evaluation of the supply chain and identified categories and vendors who will be audited. The audit requirements are integrated into the Vendor Risk Management program.</p>	<p>The financial implications can be a result of any business continuity issues of ESG non-compliance in the supply chain or reputation challenges resulting in such a scenario.</p>
12	Governance and ethics	Risk and opportunity	<p>Governance and Ethics are the foundations of HCLTech culture. We structure our governance to permeate ethical conduct throughout the organization. Our strong governance and ethical culture help our viability over the long term. The regulation around governance is tightening as more requirements around accountability, transparency and fairness are becoming commonplace. We are focused on both current and future regulation to ensure we are fully prepared for any change.</p>	<p>HCLTech has stipulated policies, processes and systems to ensure ethical conduct and strong governance. The Code of Business Ethics and Conduct (COBEC) is our principal document that outlines the way HCLTech employees should conduct business. The whistle-blowing policy and various other reporting channels help to identify any challenges that need to be corrected. The Board also reviews this periodically through the Audit Committee.</p>	<p>Non-compliance with corporate governance regulations can have several financial implications and reputational consequences. Regulatory actions taken against the company can lead to penalties, fines and legal expenses, negatively impacting its financial performance. Moreover, there is a risk associated with incidents that may not be regulatory in nature but still raise questions about the ethical conduct of the business.</p>

Corporate governance



Corporate governance forms the core of supercharging progress, sustainably and responsibly. HCLTech has a strong commitment to good governance and adheres to internationally accepted regulations and best practices. This includes complying with corporate governance requirements in each area of our operations.

To ensure good governance, HCLTech has implemented various policies and procedures, including a code of conduct for employees, a whistle-blower policy and an anti-bribery and corruption policy. We have a strong focus on sustainability and environmental responsibility and we have established a DEI and ESG committee at board level to oversee our efforts in this area.

Our commitment to good governance is a key component of our corporate strategy and is essential to achieving our goals of sustainable progress, operational excellence and long-term value for stakeholders.



HCLTech's commitment to good governance is a key component of its corporate strategy and is essential to achieving its goals of sustainable progress, operational excellence and long-term value for stakeholders."

The principles of our governance

Our corporate governance structure incorporates values of the highest standards. The framework is guided by detailed corporate principles and our code of conduct. These principles and codes are highlighted below:



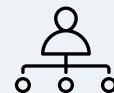
Compliance

Follow the spirit and not just the letter of the law. Corporate governance standards should go beyond the law.



Transparency

Be transparent and maintain a high degree of disclosure levels. When in doubt, disclose.



Simplicity

Have a simple and transparent corporate structure driven solely by business needs.



Distinction

Make a clear distinction between personal convenience and corporate resources.



Stewardship

Management is the trustee of shareholders' capital and not the owner.



Fair disclosure

Communicate externally, in a truthful manner, about how the company runs internally.

Board committees

The Board committees at HCLTech were established to handle issues and activities that the company is concerned about and that require closer examination. They play a critical role in the governance structure of the company. They have been established to fulfil distinctly defined tasks with the formal consent of the Board. The Board is accountable for the committees' deeds and oversees how they carry out their duties.

The company has the following Board committees



Audit committee



Risk management committee



Stakeholders' relationship committee



Nomination & remuneration committee



Corporate social responsibility committee



Finance committee



ESG and DEI committee

Adhering to the requirements of the Companies Act, 2013 ("Act") as well as the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the Board has approved the terms of reference of the various committees which set forth the purposes, goals and responsibilities of the Committees.

Frequency of Board meetings

Details of the board meetings and the attendance can be referred to in the Annual Report (Corporate Governance Report; Section 09 "Board Meetings and Attendance").

Board evaluation

The Board, pursuant to the provisions of the Act and Listing Regulations, carries out an Annual Evaluation of its own performance, performance of the Board Committees and of the individual Directors (including the Independent Directors) on various parameters. The criteria for the evaluation of the performance of the Board, the Committees of the Board and the individual Directors, including the Chairperson of the Board has been approved by the Nomination and Remuneration Committee ("NRC") of the company.

The Board considers the aforesaid evaluation done by the independent Directors in their meeting and undertook the annual performance evaluation that included review of the board evaluation framework, review the performance of the Board as a whole, review the performance of the Board Committees, review the performance of individual Directors including independent Directors and review the fulfillment of the independence criteria and their independence from the management.

The Board evaluates the performance of the Board as a whole after seeking inputs from all the directors on the basis of criteria such as board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the individual directors (including the independent Directors) was reviewed by the Board on the basis of criteria such as contribution of individual Director to the Board and committee meetings, preparedness on the issue to be discussed, meaningful and constructive contribution and inputs in the meetings etc. The performance of the Board Committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as composition of committees, effectiveness of committees, etc. In addition, the Chairperson of the Board was also evaluated on the key aspects of her role.

The performance of the Non-Independent Directors, the performance of the Board and the performance of the Chairperson are assessed in a separate meeting of the Independent Directors. The Board evaluation parameters also include ESG performance. Following the meeting of the Independent Directors, the same topic is covered in the board meeting.

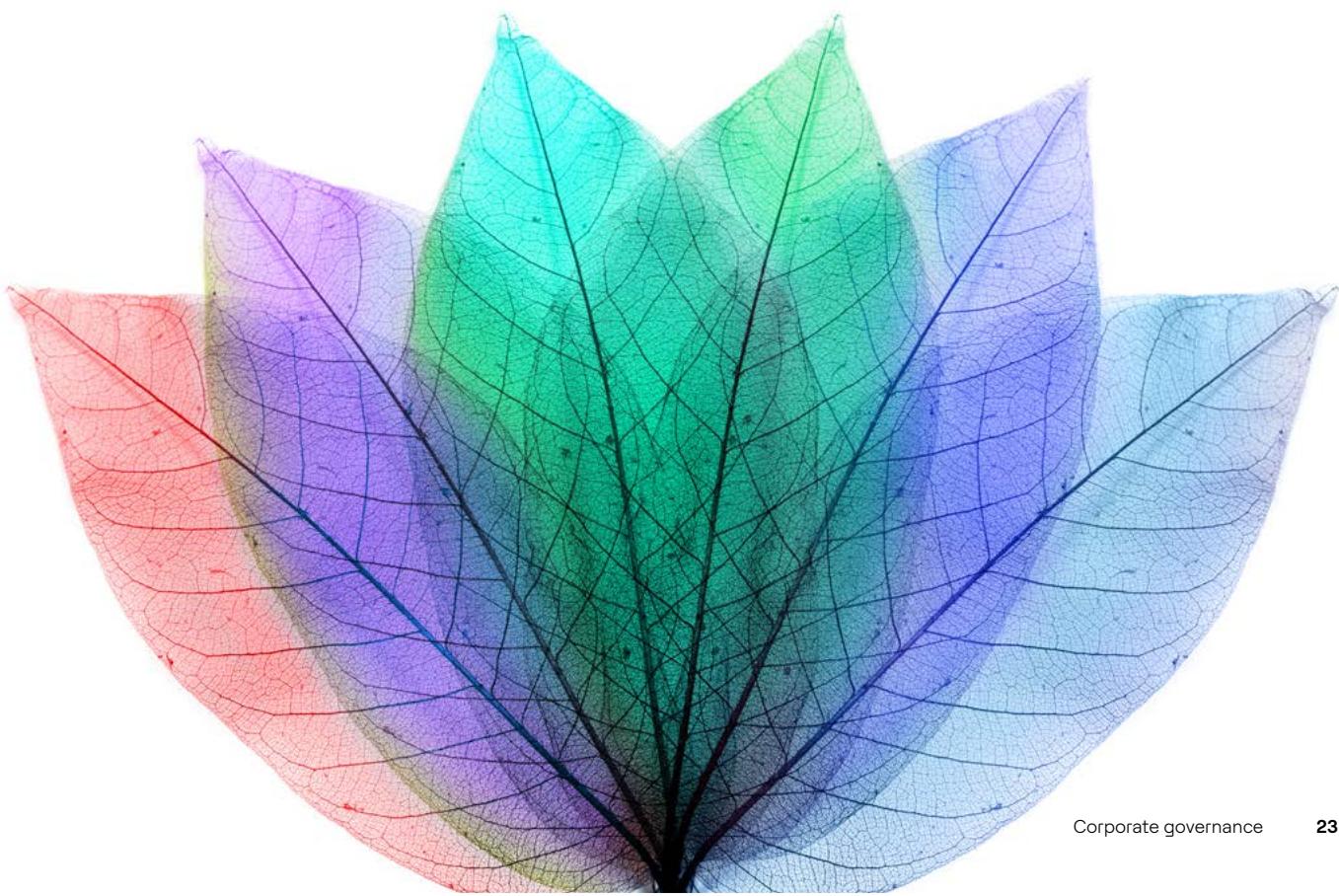
Avoiding conflict of interest

The roles of Chairperson and CEO are held by different people. By having different individuals in these roles, the company ensures a more effective system of checks and balances, reducing the risk of unchecked power and decision-making. It promotes greater accountability, independent oversight and transparency, enabling the Board to better serve the interests of shareholders and stakeholders.

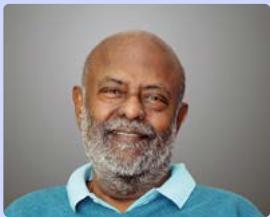
The Chairperson of the Board and the company is Ms. Roshni Nadar Malhotra, a Non-Executive Non-Independent Director and the CEO & MD of the company is Mr. C. Vijayakumar.

Non-Executive Directors are expected not to serve on the boards of competing companies. Other than this, there is no limitation on the directorships except those imposed by law and good corporate governance practices.

It is possible for Executive Directors to serve on other corporate boards or government bodies whose interest is germane to the future of software business or on the board of key economic institutions or those organizations whose primary objective is benefiting the society.



Founder



Shiv Nadar

Founder, HCL Group;
Chairman Emeritus and
Strategic Advisor to
the Board

Board of Directors



Roshni Nadar Malhotra

Chairperson,
Non-Executive,
Non-Independent



C Vijayakumar

CEO & Managing Director



Shikhar Malhotra

Director,
Non-Executive,
Non-Independent



Non-Executive, Independent Directors



Deepak Kapoor

Director



S Madhavan

Director



Dr. Mohan Chellappa

Director



Nishi Vasudeva

Director



Robin Ann Abrams

Director



Dr. S Shankara Sastry

Director



Simon John England

Director



R Srinivasan

Director



Thomas Sieber

Director



Vanitha Narayanan

Director



Key to Board committee membership

- Audit Committee
- Corporate Social Responsibility Committee
- Nomination and Remuneration Committee
- Finance Committee
- Stakeholders' Relationship Committee
- Risk Management Committee
- ESG and Diversity Equity Inclusion Committee
- Respective Chair of each Committee

*As of July 2023

Board size and composition

The Board is at the heart of the HCLTech's corporate governance practices, oversee how management serves and protects all stakeholders' long-term interests. The company believes that an engaged, well-informed and diverse board of directors is key to achieving the highest levels of corporate governance and supercharging progress sustainably and responsibly.

The Board of the company has an optimum combination of Executive Director, Non-Executive Non-Independent Directors, Independent Directors. The composition of the Board of Directors is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("Listing Regulations") and with Section 149 and 152 of the Companies Act, 2013 ("Act").

The Directors of the Board come from different backgrounds and geographies and belong to four different nationalities: India, USA, UK and Switzerland. As on March 31, 2023, the Board of Directors of the company consists of thirteen directors of which one is a Managing Director (designated as CEO & Managing Director), two are Non-Executive Non-Independent Directors and ten are Independent Directors.

Further in line with the Board's Diversity Policy there are four women directors serving on the board as on March 31, 2023.

The Board of Directors forms the core of the company's governance structure and oversees how the management protects the interests of all our stakeholders. The Board of the company has an optimum combination of Executive Directors, Non-Executive Non-Independent Directors, Independent Directors and Women Directors who have an in-depth knowledge of business, in addition to expertise in

their areas of specialization. Independent Directors play a critical role in imparting balance to the board processes by bringing independent judgements on issues of strategy, performance, resources, conduct etc. The average tenure of directors on the company's board is 7+ years. Although, the requirement under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is to have at least half of the Board of directors as independent directors. However, the company's endeavor is to have an optimum combination of Executive, Non-Executive and Independent Directors. Currently, more than 75% of the directors on the company's board comprise of independent directors.

Succession planning

Succession planning aids the company in identifying and developing internal people with the potential to fill certain key positions in the company namely: Chief Executive Officer, Chief Operating Officer, Chief Financial Officer and Senior Management. It increases the availability of experienced and capable employees that are prepared to assume these roles as they become available. Succession Planning is a part of the charter of the NRC of the company. The Committee shall identify, screen and review candidates, inside or outside the company and provide its recommendations to the board.

Directors' responsibilities

See Section: 'Director's Responsibilities' in the Corporate Governance Report published as part of Annual Report (FY23).

Summary of directors' skills and expertise

To effectively discharge their duties, it is necessary that collectively the directors hold the appropriate balance of skills, experience and expertise. **See Section:** "Summary of Director's Skills/Expertise" in the Corporate Governance Report published as part of the Annual Report (FY23).

Business continuity plans: keeping disruption risk at arm's length

Technological, geopolitical, societal, economic and environmental risks are all coming together to create an intrinsically complex and fast-changing global risk landscape. Our reputation as a 21st century enterprise is measured by our resilience to threats and how efficiently we respond and manage business disruptions. We are committed to our employees, clients and interested parties to ensure that necessary efforts are made to safeguard the life and safety of personnel, protect property and resume critical services in the event of any untoward incident.

To meet the organizational continuity objective, we have made significant efforts towards crisis management and resilience planning to ensure effective response, prioritized recovery of our time-sensitive operations and mitigation of potential business continuity risks.

The Crisis and Resilience (C&R) Program falls under the purview of our Risk and Compliance function headed by the Head of Risk and Compliance of HCLTech. The C&R Program is guided by the Board, led by subject matter experts and is based on ISO 22301 standard and global best practices. We undertake active engagement with ecosystem partners for real-time horizon scanning of risks and early warning signals. We have embedded a "resilience by design" philosophy in the firm across different dimensions of the "new normal" including resilience in work, workforce, workplace, technology, supply chain and leadership. We have started integrating climate change risks into each of these dimensions and their business continuity/contingency planning solutions.

Being an IT/ITeS provider, there is a potential that our operations may be affected due to core, technical risks materializing in our environment like technology failures, programming errors and cyberattacks. In order to mitigate these risks, we have embedded "resilience by design" across our organization through:

- Battle hardened business continuity and disaster recovery plans including cyber incident readiness
- Geographically dispersed data centers
- Robust multi-vendor MPLS and internet network
- Scalable work from home (WFH) computing capability with stringent security controls

HCLTech's Exercising and Testing Framework provides a comprehensive approach to validate the effectiveness of the business continuity strategies implemented across the organization. We conduct exercises at the facility, city and country level(s) based on the nature, scale and complexity of our operations. Types of business continuity exercises include Call tree, Tabletop and Simulation. Furthermore, our Crisis Management Framework provides an agile response, timely communication with internal and external stakeholders and recovery and restoration based on the rapidly evolving global threat landscape, which includes climate threats.

Role of the Risk Management Committee in addressing potential risks

The Risk Management Committee plays a crucial role in addressing potential risks faced by our organization. Taking into consideration the evolving external business environment, the committee provides valuable advice to the Board. Further, the Board has entrusted the Risk Management Committee to assist the Board in framing ERM policy, guiding implementation and monitoring and reviewing the effectiveness of the policy and framework. The Committee acts as a forum to discuss and manage key risks. It reviews the policies and standard operating procedures annually.

Roles and responsibilities of the Risk Management Committee include:

- Oversight responsibility for the major risks inherent to HCLTech's business activities, including operational, market, reputation, technology and business continuity, including ESG
- Oversight responsibility for HCLTech's ERM framework, including policies, procedures, governance committee charters and risk appetite.
- Assisting the Board in framing, implementing and monitoring the ERM strategic plan for the company and reviewing the ERM policy on a periodic basis.

Risk and Compliance Apex Committee: Sound risk management practice is best achieved by firmly embedding it within the company's operations. Thus, to have better focus on ERM governance and implementation, HCLTech has constituted the Risk and Compliance Apex Committee (RCAC) which reports to the Risk Management Committee.

The RCAC has the primary responsibility of implementing the ERM policy of the company and achieving its stated objectives.

Roles and responsibilities of RCAC include:

- Leading the risk management initiative within the company
- Reviewing and analyzing risk exposure related to key risks, reviewing progress of ERM plan and process and ensuring that risk assessment and implementation are carried out as per the defined policies, procedures and plans
- Furnishing reports to the Board and Risk Management Committee on effective working of risk management
- Setting standards for risk documentation and monitoring
- Ensuring key risk exposures are brought down to acceptable levels and suggesting newer approaches and methodologies for managing risks
- Reviewing and approving the risk assessment report, including selection of critical risks to be presented to the Board and the Risk Management Committee

Our tax strategy

HCLTech has a robust and up-to-date tax strategy which sets out the company's approach to tax and defines the principles governing tax management. The strategy is applicable to all of HCLTech's entities. The strategy reflects our commitment towards maintaining high standards of corporate governance and supplements the company's internal Anti-Bribery and Anti-Corruption Policy and Code of Business Conduct policy. The policy is further aligned to our value system and the enterprise risk management framework.

Our tax strategy is based on the following principles



Consistency



Accountability



Transparency



Risk mitigation



Integrity and mutual trust

Our tax strategy aims to ensure that the company aligns with all applicable tax laws and regulations, to ensure payment of taxes in accordance with relevant laws. This ensures mutual trust with tax authorities through active communication and ensures that necessary safeguards are in place to mitigate any risks associated with tax.

The tax governance framework of HCLTech comprises of the Board of Directors and the Audit Committee which perform the overall supervisory functions. The Audit Committee reports to the Board on a regular basis on their operations, including serious issues that occur regarding the company's compliance with legal or regulatory obligations. The Board and its committees are constantly monitoring and seeking input to identify, evaluate and mitigate strategic, operational, legal and compliance risks.

A quarterly compliance certificate is presented to the Board and relevant committees to certify the tax compliance of the group. These certificates are audited by HCLTech's internal teams as well as external consultants.

The Chief Financial Officer (CFO) oversees the tax strategy, the supporting governance framework and tax risk management. The day-to-day management of global tax matters is taken care of by a designated in-house team within the tax department. Additionally, we also engage external consultants and tax advisors for assistance on compliance matters. All global compliances are tracked using compliance tracker systems.

The tax strategy also aims to enable the company to conduct tax affairs to the letter and in the spirit of the law, ensure that commercial considerations are a key driver in any decision, avoid any aggressive tax planning mechanisms, maintain consistency in tax treatments, maintain transparent communication with tax authorities and engage in proactive disclosures. The company does not tolerate tax evasion nor the facilitation of tax evasion by people acting on behalf of the company.

Business ethics

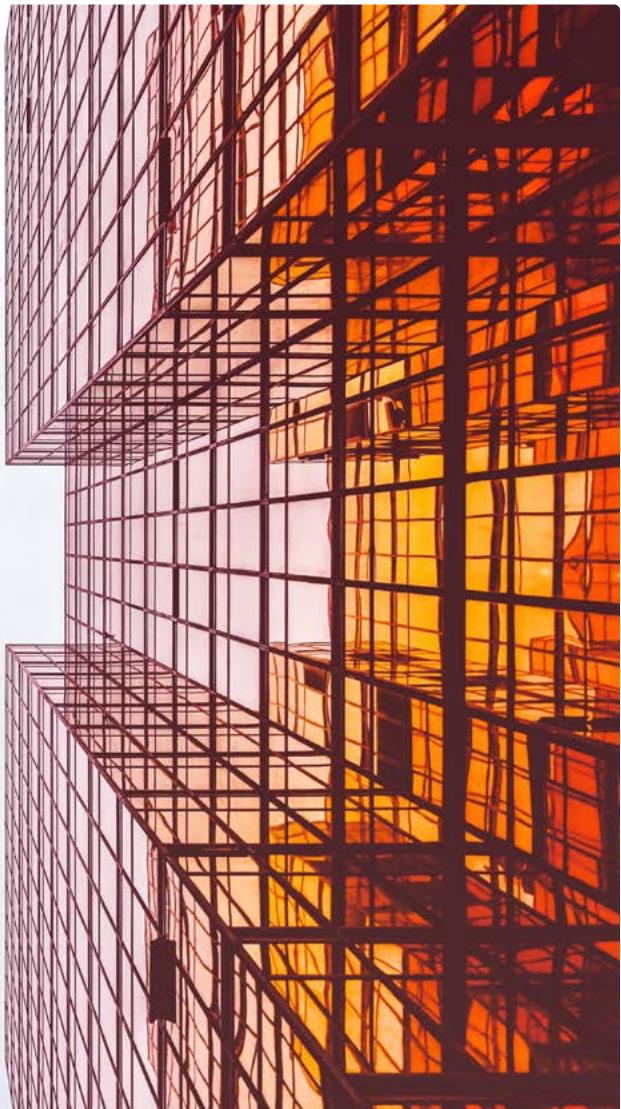
Meeting constantly changing consumer demands are a vital deliverable for every service provider. One such criterion is for the organization to be certified in accordance with international standards and to have proper procedures and controls that abide by all existing laws, particularly those relating to bribery and corruption. One of HCLTech's basic values is customer satisfaction, which was also stated by Tone from the Top.

ABMS & ISO 37001

HCLTech has been accredited for the ABMS and ISO 37001:2016 international standards for anti-bribery and anti corruption.

Supercharging progress necessitates an engaged reflection. Peers and others across industries, geographies and other boundaries must be evaluated and analyzed. Supercharging progress has inspired us to collaborate with Ethisphere, a global business that promotes ethical culture in organizations and nations, to compare HCLTech to other organizations recognized as the most ethical in the world. By identifying areas of strength and opportunity, the benchmarking process promotes change at the corporate level to improve ethical behaviors.

By becoming a Business Ethics Leadership Alliance (BELA) member of Ethisphere, the HCLTech Ethics & Trade Compliance office has gained access to a worldwide leadership alliance and opportunities for collaboration with other compliance experts working in different industries.



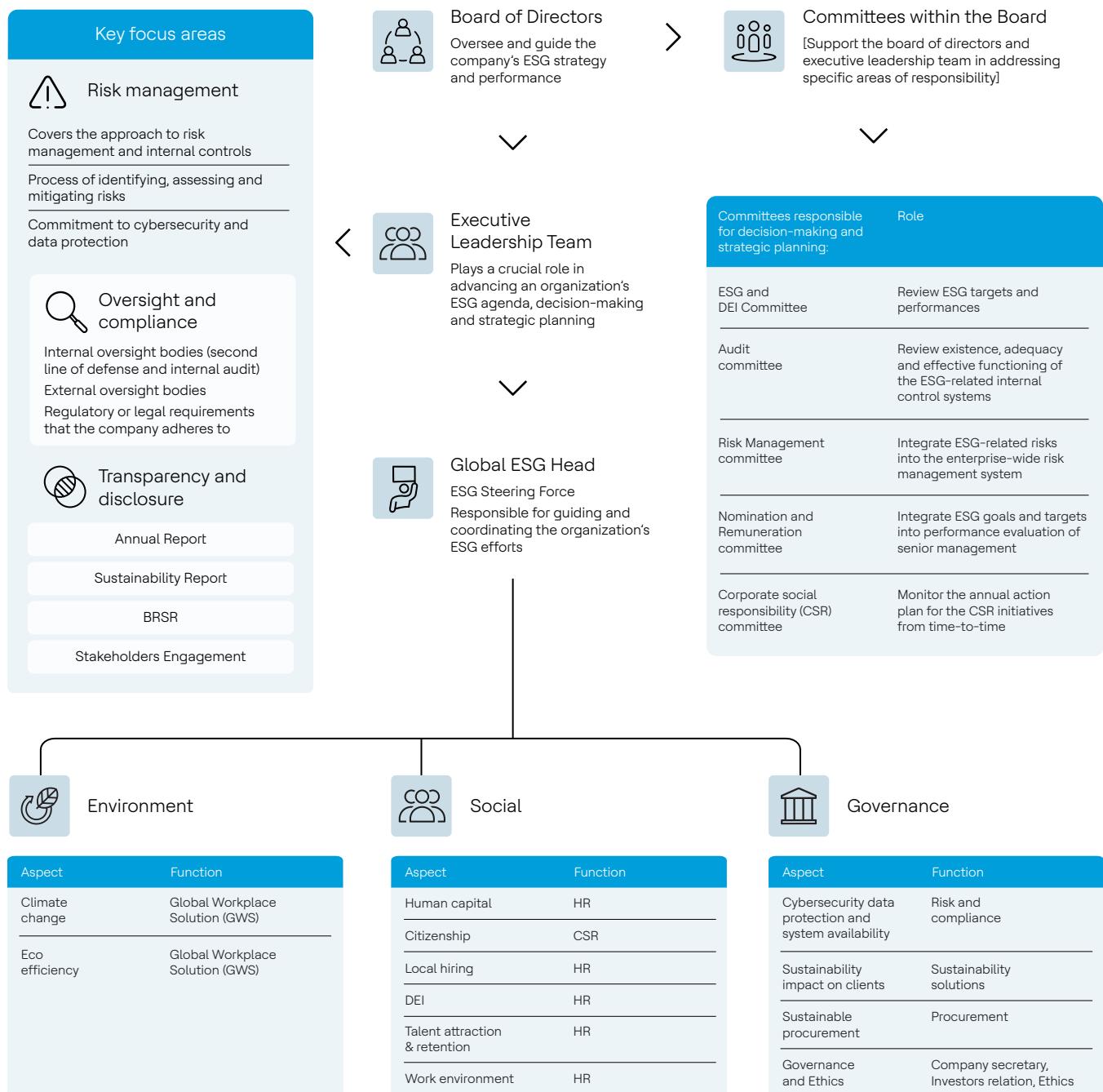
Policy positions and guidelines

Ethical business conduct is the responsibility of the board of directors and respective stakeholders. We take pride in our workforce which delivers high performance results and ethical working standards. We have worked hard to build a foundation of integrity, transparency, trust, and good governance. At HCLTech, we have numerous policies and mechanisms to ensure ethical business conduct by our employees and everyone involved in our supply chain. Some of the key policies are highlighted below:

Policy framework	Principles and values covered that guide our approach to public policy
Code of Business Ethics and Conduct	<p>HCLTech's Code of Business Ethics and Conduct (COBEC) enables the organization to be transparent and accountable by clarifying the rules and regulations of interactions with our stakeholders along with methods to ensure honesty and feedback. These values form the core of COBEC and further elaborate upon the concept of zero-tolerance towards issues like bribery, corruption and dishonesty.</p> <p>All our full-time employees, contractual employees, third-party workers and other employees are covered under COBEC. Aligned to the principles described in the COBEC, HCLTech does not make any direct contributions towards political campaigns, political organizations or lobbying parties.</p>
Anti-bribery and Anti-corruption policy	<p>Our commitment to avoiding corruption, fraud, bribery and all other corrupt business practices is highlighted in our Anti-bribery and Anti-corruption policy (ABAC). This policy elaborates on how HCLTech conducts its operations with integrity and transparency. We enforce this policy across all our facilities and across all geographies and have a zero-tolerance policy pertaining to bribery and corruption.</p> <p>We maintain deep relationships with our third parties across all business verticals because of our reputation. Additionally, we hold certification for our anti-bribery management system.</p>
Human Rights Policy	<p>HCLTech respects diversity and upholds a long-standing commitment to promoting equality of opportunity. We are committed to upholding a work environment that is free from harassment and discrimination based on race, religion, sex (including pregnancy, childbirth and conditions related to those events), color, age, nation of origin, sexual orientation, medical condition, disability, etc.</p> <p>Our organization and all our employees continue to respect, support and promote human rights. We conduct business in a manner that is legal and respects the dignity of all involved, including stakeholders. We respect and follow internationally recognized human rights and our human rights policy is linked with the UN Declaration of Human Rights, ILO's Declaration of Fundamental Principles and Rights at Work and the UN's Guiding Principles on Business and Human Rights and Global Compact.</p> <p>The following human rights are granted to each employee to ensure a safe and secure work environment:</p> <ul style="list-style-type: none">• The right to safety• The right to be heard• The right to be informed• The right to be redressed• We further ensure that we are not using any child labor in our supply chain and that our employees and contractors have the freedom of association and the right to organize and collective bargaining.
Related Party Transaction Policy	This policy covers any transaction carried out between two individuals who are related to each other. If one of the individuals is from the workforce and the other from the party with whom HCLTech is conducting business, then the rules governing the engagement along with verifying the legality of the engagement will be found under this policy.
Fair Disclosure Code	The Fair Disclosure Code is responsible for the prevention of insider trading by implementing practices and procedures and conduct to oversee the fair disclosure of unpublished price-sensitive information. Additionally, we have a stringent anti-money laundering policy that outlines a process to screen and identify all entities with whom we have business relations with, to ensure transparency in all our business transactions.
Directors' Appointment and Remuneration policy	In accordance with its charter, the Nomination and Remuneration Committee (NRC) develops the standards for judging the credentials, desirable traits and independence of directors. The committee considers factors like a candidate's educational and professional background, general knowledge of the business dynamics of the company, professional standing, personal and professional ethics, integrity and values, as well as their willingness to invest the necessary time and effort in effectively carrying out their duties and responsibilities.
	The committee also evaluates the independence of directors at the time of their appointment or reappointment in accordance with the standards established by applicable laws.

ESG governance

At HCLTech, we have established a robust ESG governance structure that integrates ESG considerations into the decision-making process and operations of the organization, ensuring accountability and transparency in addressing ESG risks and opportunities. We firmly believe in upholding the highest standards of ethical conduct and governance. Central to our commitment is the Code of Business Conduct and Ethics (COBEC), which serves as a guiding compass for our actions and decisions.

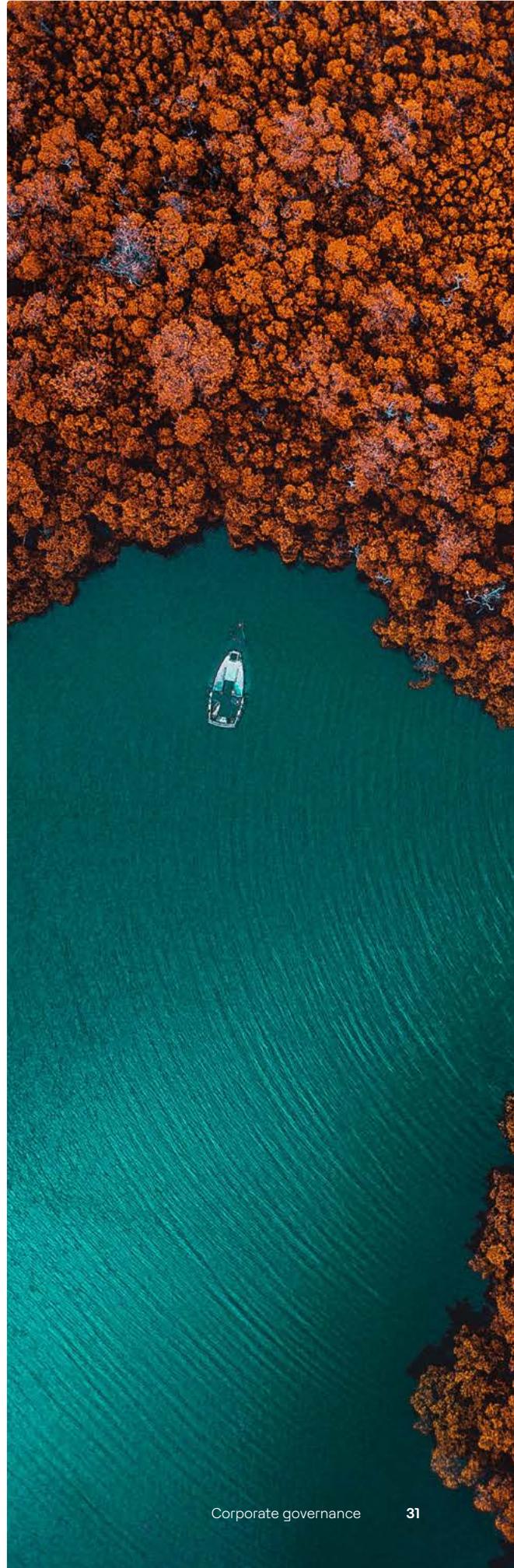


The COBEC outlines the principles and values that shape our business practices. It establishes the expectations for responsible conduct for both the organization as a whole and everyone within it, demonstrating our unwavering commitment to integrity, transparency and accountability in all aspects of our operations.

To ensure the effective implementation and enforcement of our ESG strategy, we have established a specialized ESG core team within the CEO & Managing Director's office. This dedicated team diligently integrates ESG principles into our overall strategy and operations. They proactively monitor and assess our policies, processes and mechanisms to ensure their alignment with ethical standards and industry best practices. The ESG core team also tracks the performance of ESG metrics and regularly reports to the ESG Committee and the CEO & Managing Director, fostering transparency and accountability.

Through the combined efforts of our ESG and DEI Committee, Executive Leadership Team and the sustainability core team, we strive to cultivate a culture of responsible business conduct throughout our organization by upholding the principles outlined in the COBEC, we reinforce our commitment to ethical governance, foster trust with our stakeholders and contribute to sustainable progress.

Our ESG governance strategy is rooted in our Act, Pact and Impact philosophy, which guides us to act in the most responsible manner. We create a collaborative pact with our clients, societies, communities and partners to foster long-lasting impact through our focused initiatives and activities. By embracing these principles, we establish a solid foundation for a sustainable future, prioritizing ethical business practices and responsible decision-making. We are committed to creating a positive impact on society and contributing to a more sustainable and prosperous world. By adhering to these principles, we pave the way for a sustainable future where ethical business practices and responsible decision-making thrive.



ESG and DEI Committee

To reinforce HCLTech's unwavering commitment towards ESG practices and to foster a diverse, equitable and inclusive work culture, the company has established the ESG and DEI Committee. The Committee comprises of three esteemed members, two of whom are Independent Directors. Ms. Robin Ann Abrams (independent director) is Chair of the committee, while Ms. Roshni Nadar Malhotra (Chairperson of HCLTech) and Mr. Simon John England (independent director) bring their valuable expertise as dedicated committee members. Our CEO & Managing director, Mr. C. Vijaykumar, is an invitee to all the meetings of the committee.

The primary objective of this committee is to address crucial matters pertaining to gender diversity, culture and ethnicity, disability inclusion and various facets of ESG. By focusing on these significant aspects, the Committee aims to cultivate an awareness of and interest in key environmental challenges, such as climate change and plastic pollution, while creating an environment that encourages equal opportunities, respects diverse perspectives and fosters an inclusive workplace culture within HCLTech. Through the collective efforts of the Committee members and the organization, HCLTech strives to create a work environment that celebrates diversity, fosters inclusivity and contributes positively to society and the environment.

Under the guidance of the ESG and DEI Committee, a wide range of topics are diligently examined and acted upon. These topics include but are not limited to:

Gender diversity

- Supporting the progression of women into senior and leadership roles
- Ensuring fair representation of women candidates in hiring processes
- Ensuring fairness in promotion, compensation, rewards and leadership development
- Building a balanced gender ratio across all levels of leadership
- Managing bias in talent review and succession planning

Culture and ethnicity

- Measuring cultural diversity by setting indicators across all locations
- Promoting inter-cultural competence
- Ensuring high-impact leadership transitions
- Creating a culturally balanced and diverse workforce and empowering people across diverse ethnicities and backgrounds
- Ensuring non-discrimination and adequately recognizing people with disabilities

Disability inclusion

- Ensuring that job opportunity postings contain adequate language that emphasizes hiring for individuals with disabilities according to the open positions
- Implementing inclusive global policies
- Ensuring that specific training is provided to all employees to create an accessible workplace
- Tracking and monitoring employment of people with disabilities on a quarterly basis

Aside from the diversity, equity and inclusivity responsibilities of the Committee, the handling of ESG matters is also an important responsibility. The various aspects related to the ESG responsibilities of the Committee are detailed below:

Reviewing risks and opportunities

The Committee assesses various risks and opportunities associated with ESG issues which have the potential to impact the business performance of HCLTech. The risks and opportunities include the following parameters, among many others:

- **Environment:** Nature of core business and influence of business on environment, emissions/waste disposals/effluents discharge, climate change, the energy transition, emissions, including Greenhouse Gases and emissions reductions technology.
- **Social:** Impact of the company's products and services on society, maintaining employee satisfaction, assessing social impacts such as human rights etc.
- **Governance:** Track record towards minority stakeholders, capital allocation, Board performance and other metrics, auditor related metrics, disclosures, regulator compliances, policy proposals, etc.

Implementing strategy for ESG

The Committee approves the short and long-term plans, as well as the sustainability/ESG strategy and ensures that such initiatives are incorporated into the company's strategic plan. The Committee shall also approve the company's annual sustainability/ESG goals, measurements and targets, as well as periodically monitor performance against the targets, standards, metrics, or methodologies.

Guidance for public disclosures

The Committee advises on the management of the company's public ESG disclosures, including any ESG disclosures for inclusion in the company's Annual Report, website and other documents intended to be disclosed to the public and/or the company's shareholders, as well as the company's engagement with stakeholders, including any proposals, concerns and other ESG issues that shareholders wish to bring to the company.

Institutionalizing ESG as part of internal audits

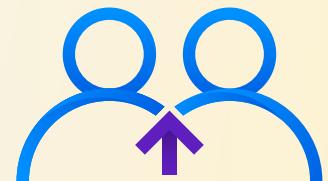
During the FY22–23, the Internal Audit function conducted a comprehensive review of the effectiveness of ESG-related processes. The Internal Audit function operates independently and directly reports to the Audit Committee of the Board of Directors. The ESG audit yielded valuable insights, leading to the identification of improvement opportunities, which were shared with the respective process owners. Collaboratively, remedial actions were agreed upon based on the audit recommendations.

The internal audit report was subsequently presented to the functional heads and members of the Executive Committee, including the CEO & Managing Director, COO (Corporate Functions) and CFO. The findings and recommendations were thoroughly discussed to ensure a comprehensive understanding across the organization. Finally, the audit report was presented to the Audit Committee of the board, providing a transparent and accountable assessment of our ESG practices and progress.

With a dedicated sustainability core team and the ESG and DEI committee, we foster a diverse, equitable and inclusive work culture, while the Internal Audit function conducts comprehensive reviews of ESG-related processes to identify improvement opportunities. By institutionalizing ESG as part of our internal audit and embracing the principles outlined in our ESG governance framework, we have solidified our commitment to ethical governance and sustainable progress.



Unlocking our people potential



Our long and rich history of giving back to our communities—under the guidance of our founder, Shiv Nadar—was built on the values of innovation, entrepreneurship, humanity and a people-centric culture.

We are dedicated to creating a positive impact on the world that benefits all stakeholders by leveraging our most important and precious asset – our people. We continuously seek innovative ways to improve our operations, reduce our environmental impact and prioritize the well-being of our employees. Embedded within HCLTech's DNA is the profound belief that our people are the true catalysts driving the company's success and enabling the delivery of cutting-edge solutions to our customers. With their unwavering dedication, expertise and innovative spirit, our people are the solid foundation upon which HCLTech's achievements are built, supercharging the company forward on its sustainability journey.

We strive to foster the culture of DEI to continually create a positive working environment that promotes social performance improvement. We firmly believe that in the pursuit of supercharging progress sustainably and responsibly, the unwavering dedication of our people serves as the foundation for our successes.

Our people possess exceptional talents and provide invaluable contributions. HCLTech's unwavering commitment to its workforce is exemplified through a range of comprehensive policies, programs and initiatives.

By promoting employee development, retention and overall well-being, HCLTech harnesses the full potential of its people, fueling unparalleled success and propelling the company to new heights of innovation and customer-centric excellence.

DEI initiatives and strategy

HCLTech takes great pride in its efforts to create an inclusive environment where every individual feels valued and respected. We firmly believe that diverse perspectives, experiences and backgrounds lead to innovation and better decision-making. This is reflected in our efforts to make all our workplaces and facilities inclusive.

60 nations

We operate in 60 countries and have more than 225,000+ employees representing 165 nationalities globally.

Owing to this global scale of our operations, DEI remains an important part of our organization and processes. To make sure that all our facilities remain diverse, inclusive and equitable, we have set up clear policies, mechanisms and governance structures.

In 2016, we established an independent committee to oversee and guide our DEI strategy. Leveraging the diversity within our workforce is one of the key ways in which we achieve growth, because we believe that every individual within our ecosystem has the potential to contribute to our innovation and creativity. This potential can only be realized if our employees are treated in an equitable and fair manner and have equal access to the various opportunities and channels offered by us. HCLTech is proud to have achieved several milestones in this area.

Key diversity indicators

Total employees

225,000+

Male

159,000+

Female

65,000+

Others

195

Women make up over 29% of HCLTech's workforce.

At HCLTech, we are committed to achieving 40% women representation by FY30 through strategic initiatives. Our strong retention and promotion policy supports women's career growth. We employ AI technology in the interview process to remove bias and we also sensitize recruiters which enable us to improve our gender diversity. With fair and inclusive hiring practices, we ensure candidates are evaluated solely on their skills. By providing equal opportunities, mentorship and leadership development, we empower women within our organization. Through these efforts, we aim to create an inclusive workplace culture that values diversity, fosters innovation and drives our success. Together, we can achieve our goal for a more equitable future.

Breakdown of employees by geography and gender

Category/ Financial Year	FY22–23	FY21–22	FY20–21	FY19–20
Global Total	225,944	208,877	168,977	150,423
Males	159,842	150,281	122,990	110,027
Females	65,907	58,525	45,931	40,318
Other	195	71	56	78
Geography 1 - India, Sri Lanka, Vietnam (Total)	174,941	161,703	126,700	108,804
Males	122,944	116,281	92,275	80,010
Females	51,997	45,422	34,425	28,794
Other	0	0	0	0
Geography 2 - APAC & ROW (Total)	9,553	8,219	7,976	7,082
Males	6,539	5,646	5,599	5,012
Females	3,011	2,573	2,377	2,070
Other	3	0	0	0
Geography 3 - Europe (Total)	13,746	13,015	12,088	12,441
Males	9,880	9,437	8,795	9,161
Females	3,754	3,577	3,291	3,277
Other	112	1	2	3
Geography 4 - Americas (Total)	27,704	25,940	22,213	22,096
Males	20,479	18,917	16,321	15,844
Females	7,145	6,953	5,838	6,177
Other	80	70	54	75

HCLTech has experienced significant growth, resulting in an increase in the total number of employees. In FY22–23, the total workforce expanded to 225,000+ employees. This growth represents an increase of 50% in the number of employees since FY19–20, reflecting the organization's commitment to expansion and development.

Employee distribution by gender



Employees by age				
Under 30 years old		FY22-23	FY21-22	FY20-21
Male		55,717	50,103	38,658
Female		36,951	32,239	24,849
Others		18	12	4
30-50 years old		FY22-23	FY21-22	FY20-21
Male		93,972	91,375	76,820
Female		26,433	23,910	19,020
Others		38	36	26
Over 50 years old		FY22-23	FY21-22	FY20-21
Male		8,995	7,703	6,433
Female		2,126	2,002	1,716
Others		22	23	25
Data not available		FY22-23	FY21-22	FY20-21
Male		1,158	1,100	1,079
Female		397	374	346
Others		117	0	1

Age not disclosed or data not available

This table reflects the gender representation across different geographies. There has been a constant hiring trend with a high level of focus on our diversity goals, as HCLTech aims to create a more inclusive workplace. Our efforts in reducing bias in hiring processes have resulted in improved diversity.

Gender diversity in leadership

At HCLTech we are constantly evolving our efforts to increase the number of women in leadership positions. The share of women in top management positions across HCLTech is over 9%. We have created a mandate to ensure that each area of our business has a woman in a senior leadership or strategic decision-making position. Moreover, the performance-linked bonus of business heads is linked to achieving gender leadership targets. To achieve our goal of increasing diversity in our workforce, we have initiated several strategies in the recruitment, development, progression and retention of women at HCLTech. An overview of our progress is provided below:

Recruitment	Development
<ul style="list-style-type: none">Lateral hiring: We have achieved a YoY increase of 1.5% in our gender ratio.Freshers hiring: We have maintained a 50% gender ratio, offering equal opportunities to both men and women.Improved sourcing percentage for women: Our efforts have resulted in an increased percentage of women sourcing for open positions, expanding our talent pool.Specialized women-only recruitment partner: We have successfully leveraged the expertise of a dedicated women-only recruitment partner, further enhancing our commitment to diversity.Alumni activation: Our alumni network has been successfully activated as a valuable talent pool, contributing to a diverse and inclusive hiring process.Women-first leadership hiring: We prioritize hiring women for leadership positions, promoting gender balance and fostering a culture of equality.Women replacement: As part of our commitment to gender balance, we ensure that when a woman exits the company, we hire another woman to maintain representation.Women representation in interviews: We have implemented measures to ensure women's representation on interview panels, fostering inclusivity and diverse perspectives.Women return-to-work programs: We have successfully implemented programs to support women in returning to the workforce after a career break, providing them with valuable opportunities for professional growth.	<ul style="list-style-type: none">Curated learning interventions: We have successfully implemented targeted learning interventions to increase the representation of women in influential roles, empowering them with the necessary skills and knowledge.Identification of women leaders: We have identified high-potential women leaders who have shown exceptional performance and provided them with opportunities for elevation and fast-tracking within their respective leadership spans.Participation in development programs: We actively encourage and nominate high-potential women employees to participate in development programs, preparing them for their desired roles and fostering their career growth.
Progression	Retention
<ul style="list-style-type: none">Promotion lists: We have successfully implemented promotion lists for E3.2 and E5.2 positions, ensuring equal opportunities for women to advance in their careers.Increased number of women in senior roles: Through our dedicated efforts, we have significantly increased the number of women in senior leadership positions, driving greater gender diversity and representation.Women in influential roles: We have successfully elevated and empowered women to take on influential roles within the organization, enabling them to make a substantial impact in shaping our future.	<ul style="list-style-type: none">Reduced women attrition: We have successfully reduced women attrition by 1% compared to the previous fiscal year, demonstrating our efforts to create a supportive and inclusive workplace.Insightful stay interviews: We conduct Insightful Stay Interviews, engaging in meaningful conversations with our employees to better understand their concerns and improve retention strategies.Networking and advocacy: We actively promote networking and advocacy, providing role model stories and facilitating interactions that inspire and empower women within the organization.Facilitating work life balance: We ensure provision of telecommuting, day care and maternity/paternity policy

DEI Initiatives

HCLTech has implemented various DEI initiatives as listed below:

ASCEND: ASCEND is a flagship program offered to high-potential mid-management-level women. The program is aimed to help these high-potential employees expand their horizons and make progress towards their dream roles in the organization. A key aspect of this program includes mentoring and coaching by HCLTech's senior leadership. In FY22-23, 75 women were certified under the ASCEND program and over 79% of the women were retained. Out of the 75 women who were certified, 84% women received role enhancements.

Testimonials for ASCEND



Overall, I really enjoyed the ASCEND program. The learning pathways were insightful. The mentoring sessions challenged me to think about my current role and my future goals. The team activities helped to open my eyes to the network available at HCLTech and all of the resources we have to excel here.”

Alexandria



The program was very helpful. The best aspect is Mentor connect. My mentor helped me clear my thought process and identify my career path.”

Tanzim

Feminispiration: A networking initiative in which women leaders from our reputed clients are invited to interact with and address HCLTech employees. This forum is aimed at providing our employees an insight into leadership issues and help them understand the gender issues that are prevalent globally.

iMotivate: Designed to connect women employees at HCLTech with women leaders at HCLTech through the channels of formal sessions. These sessions are aimed at enabling women employees to understand their priorities and develop necessary leadership and networking capabilities to help them grow in their careers.

Women Connect: A group of enthusiastic women advocating for a gender-neutral work environment. This group counsels and coaches young women employees at HCLTech and educates them about various policies that they can make use of during their time at HCLTech.

Stepping Stones

Stepping Stones is aimed at mid-level women managers to help them progress into senior leadership positions. We encourage and develop leadership capabilities in these driven individuals. 260+ individuals were certified under the Stepping Stones program in FY22-23.



Testimonials for Stepping Stones



I have thoroughly enjoyed participating in the Stepping Stones program. It is relevant to any employee or consultant that works with customers. Working collaboratively with people has created its own challenges since COVID-19 restrictions forced remote work. It's great to have a personal touch once again.”

Kelly



I liked that the sessions are very interactive and there are various topics. The presenters engage with the participants and the discussions are very light as they make it relatable to the attendees.”

Analyn



Prelude: Prelude is a special initiative for E4+ female leaders. To develop a talented pool of female leaders for the open jobs, the goal is to mentor them for their future roles.

Momtastic

HCLTech is extremely proud of its Momtastic policy. Under this initiative, mothers and mothers-to-be are helped with a smooth transition and decision-making process when returning to work after maternity leave. Support is extended to women in three different phases:

1

Pre-natal/post-partum support: Before our employees take their maternity leave, we provide yoga sessions, footrests at work, in-house counselling sessions and access to an in-house clinic. In the postnatal stage, we have a buddy program to help employees feel connected to the organization and the work. We also provide a guide to managers to help them understand how to better communicate with employees on maternity leave. When the employee returns to work, they always have access to a life coach.

2

Pre-conceptual support: Momtastic also provides IVF facilities to employees through fertility clinic tie-ups. Through these tie-ups, we aim to provide treatment at discounted prices and provide financial support through tie-ups with financial institutions, since IVF is an expensive procedure.

3

Support for returning mothers: We have opened onsite day-care centers for mothers with children within the age range of 6 months to 6 years. The day-care centers follow strict guidelines and safety measures and provide best-in-class services to children enrolled in them.

Second Career Return Program

This program is provided through HCLTech's return program in which 56 women from various backgrounds are trained and hired for entry level jobs.

ShePowersProgress – celebrating women in tech and the women of HCLTech

HCLTech is on a journey to supercharge progress and presents a unique opportunity to recognize the achievements of women who have driven progress throughout history, to throw light on various issues and confront bias, inequity, challenge stereotypes and promote inclusivity. HCLTech supports and promotes women in tech since it is a good practice not just for the company, but for all the people and women associated with us.

Under the theme of #ShePowersProgress, the following initiatives were implemented:

- Opportunities to celebrate female colleagues and male allies
- Leadership panels addressing uncomfortable conversations
- Amplifying the diversity narrative at HCLTech through a multi-channel partnership
- Showcasing the stories of next-gen women and role models in tech
- Placing the spotlight on the root causes for the existing divide in STEM areas and how to bridge the gap.

HCLTech's commitment to HeForShe

HCLTech has embraced the transformative power of the HeForShe movement, a United Nations solidarity initiative aimed at eliminating gender inequality by 2030. With a clear objective of enlisting male coworkers as change-agents and activists in the fight for equality, this movement aligns with HCLTech's values and commitment to DEI.

Created by UN Women, the United Nations Entity for Gender Equality and the Empowerment of Women, HeForShe is a solidarity movement for gender equality that invites men and boys to act for a more equal world. The movement invites people around the world to stand together as equal partners to craft a shared vision of a gender-equal world and implement specific, locally relevant solutions.

We proudly joined a group of ambitious leaders from government, business, non-profit and academia and our CEO & Managing Director, Mr. C Vijayakumar, is our HeForShe Champion. This strategic partnership has enabled us to embark on a remarkable five-year journey, beginning in 2021, to accelerate progress towards gender equality.

Through our active participation in the HeForShe movement, HCLTech demonstrates its unwavering dedication to breaking down gender barriers and fostering a more inclusive and equitable society. By engaging male colleagues as allies and advocates, we are driving real change and addressing the systemic challenges that perpetuate gender inequality.

We firmly believe that achieving gender equality is not only a moral imperative but also essential for social progress and sustainable development. By leveraging our collective influence and collaborating across sectors, HCLTech aims to implement tangible actions and initiatives that promote gender parity and empower individuals of all genders.

Our commitment to HeForShe serves as a cornerstone of our sustainability efforts, reinforcing HCLTech's position as a responsible corporate citizen. By integrating gender equality principles into our organizational culture and practices, we are fostering an environment that embraces diversity and provides equal opportunities for all.

Gender pay parity: HCLTech is committed to keeping remuneration structures fair and equitable. We routinely monitor parities in pay across different employee bands. Across 11 employee bands at HCLTech, in six of the bands, the average salaries of women are marginally higher than the average salaries of men.

Our initiatives to improve the gender representation across all levels will help the course. We further aim to maintain this fairness in remuneration through our well-structured remuneration policy. For further details regarding median remuneration refer to Annexure 3 within the Director's Report in Annual Report.



LGBTQIA+ inclusion

HCLTech aims to foster a safe, inclusive and supportive work environment for all our employees under the LGBTQIA+ umbrella. We have started several initiatives and platforms to make our workplace more inclusive and open. An overview of all these initiatives is provided below:

- 1. Pride@HCLTech:** To diversify our reach and purpose of creating a more inclusive workplace, we leverage our Pride@HCLTech employee resource group to spread its operations in all the countries where HCLTech is currently present. Currently, the resource group exists in 15 countries and we aim for global coverage soon.
- 2. Forward Everyday (Pride month celebration):** Our theme for Pride Month 2022 was Forward Everyday. Our celebration of Pride is a step to move **#ForwardEveryday** as we promote diversity and equity to foster an inclusive and supportive culture for members of the LGBTQIA+ community and their allies. We aim to promote and celebrate, to live as our authentic selves, to rejoice in our progress and to partner with our allies. To show solidarity with the community, our organization adopts a rainbow themed logo each year. To mark this month, we also organized a panel discussion in which meaningful insights were shared about how organizations can work towards the upliftment of the LGBTQIA+ community and the best practices that can be adapted.
- 3. Reverse mentoring session for HR partners:** In collaboration with Pride@HCLTech, we organized a reverse mentoring session for HR partners to give them insights on how to foster an inclusive workplace for the LGBTQIA+ community.

- 4. Global Coffee Hour:** To encourage meaningful conversations and gain insights from all HCLTech employees, the DEI and Pride Steering Committee organized a Global Coffee Hour. This session enabled sharing of experiences from our employees belonging to the LGBTQIA+ community.

Disability inclusion

People with disabilities (PwD) form an integral part of our workforce and we strive to provide them with an inclusive and accessible workplace. Our PwD charter was drawn up to successfully integrate people with disabilities into our existing workforce, by providing them with an accessible and inclusive workplace.

HCLTech employs 550+ employees with disabilities who make an important contribution to supercharging progress sustainably and responsibly.

We emphasize fostering inclusion through four key tenets: employ, enable, engage and empower.

Employ: To promote hiring people with disabilities, we have identified suitable roles, partnered with vendors, NGOs and NPOs to access skilled talent pools and participate in job fairs to reach out to a large audience.

Enable: A majority of our premises are equipped with ramps, voice enabled lifts, PwD friendly washrooms, reserved parking spaces, emergency warning systems with both audio and visual alarms etc. We have also undertaken a detailed assessment by a third party to look at the effectiveness of our accessible features. We are working towards making all our applications and portals accessible.

Amplifying accessibility at HCLTech:

We are actively eliminating barriers to accessibility through the power of data, technology and partnerships. We are also running a "Be Accessible" campaign, fostering a culture of inclusiveness through road shows, digital campaigns and sessions with industry experts. We also partnered with Empauwer – AI for Autism to enhance machine learning and natural language processing capabilities in artificial intelligence, to better adapt for users with autism.



Engage: The Ability Connect Network employee resource group was formed for employees with disabilities and their allies to connect, network and raise awareness on disability inclusion. There is a focus on promoting awareness and advocating positive change through sensitization and accessibility training sessions and workshops for managers, peers, HR, recruiters, hiring managers, admin and support staff on disability inclusion and promoting inclusive behavior in the workplace.

Empower: Through various programs and initiatives, HCLTech empowers people with disabilities to contribute to our creativity and innovation. An overview of the programs for people with disabilities at HCLTech can be found below.

Voluntary Self Identification: We encourage and enable opportunities for employees to self-identify any disabilities.

Self-identification is voluntary and employees can do it at any time.

Ability Connect: Ability Connect is an employee resource group conceived to facilitate an environment that promotes awareness and equality and helps employees grow by making suggestions on policy and programs to support inclusive growth and address disability-related topics in the workplace.

Other Events: Throughout the year, we hosted a range of events like a disability awareness kiosk, a quiz on disability inclusion, hosting guest speakers to share their insights, doodling workshops for raising awareness on neurodiversity hosted by an artist with autism and several campus events in partnership with NGOs.

Facilities provided to people with disabilities

Accessible infrastructure

- A third-party assessment was conducted with the objective to assess workplace accessibility in all our India premises for users with disabilities. The assessment also focused on building capacity of our employees to understand accessibility needs and provide solutions as per applicable standards. The assessment was done against the standard "Harmonized Guidelines and Space Standard for Barrier Free Built Environment for Persons with disability and Elderly people – 2016" published by the Ministry of Urban Development, Government of India. The assessment reconfirmed our commitment of inclusion across our workforce. Most areas were observed to be accessible with employees having an inclusive mindset.
- Barrier free infrastructure: All our office spaces and premises are equipped with ramps, voice enabled lifts, PwD friendly washrooms, reserved parking space, emergency warning system with both audio and visual alarms etc.

- Technological Accessibility: HCLTech is cognizant about the need of assistive technologies. Windows10 Narrator and NVDA are some of the assistive tools enabled for our visually impaired workforce.
- Accessibility compliance of HCLTech's website and internal portals are always in line with WCAG guidelines and we are constantly monitoring and updating our portals to increase accessibility.

Support policies

- Our Equal Employment Opportunity policy commits to non-discrimination and protects the rights of people with disabilities
- HCLTech provides benefits like reimbursements for assistive aids and this is included in the Mediclaim policy of Indian offices. For global offices, we follow guidelines as per the laws of the country
- We have implemented safe evacuation guidelines called Personal Emergency Evacuation Plan (PEEP). This provides extra assistance to people with disabilities in the event of an emergency

Cultural and ethnic diversity

Cultural inclusion at HCLTech help ensure that every individual is respected regardless of their backgrounds, cultures, nationalities, ways of working or lifestyles. Cultural inclusion refers to differences among people because of their racial or ethnic backgrounds, language, dress and traditions. It represents the variety of the makeup or the multiculturalism of a group or organization or region. It is also called multiculturalism.

At HCLTech, we promote multiculturalism through the following programs

1

Culturati

Culturati is a forum which facilitates cross-collaboration. Leaders who have worked with different nationalities and multiple geographies are invited to share their experience and learning on culture, styles of working and nuances across different countries, so that our employees can learn about different cultures and incorporate them in their daily professional lives

2

Globesmart

GlobeSmart is a web-based, scientific tool that helps employees work across borders with ease and leverage opportunities that arise from cultural differences and similarities. It gives quick and easy access to extensive knowledge on how to conduct business effectively with people from different countries around the world

3

Culture scrolls

Culture Scrolls is an online initiative to promote better cultural understanding among different geographies. Cultural nuances of different countries and geographies are sent over every month to our employees in the form of mailers. This helps our employees understand the different cultures within our global workforce

4

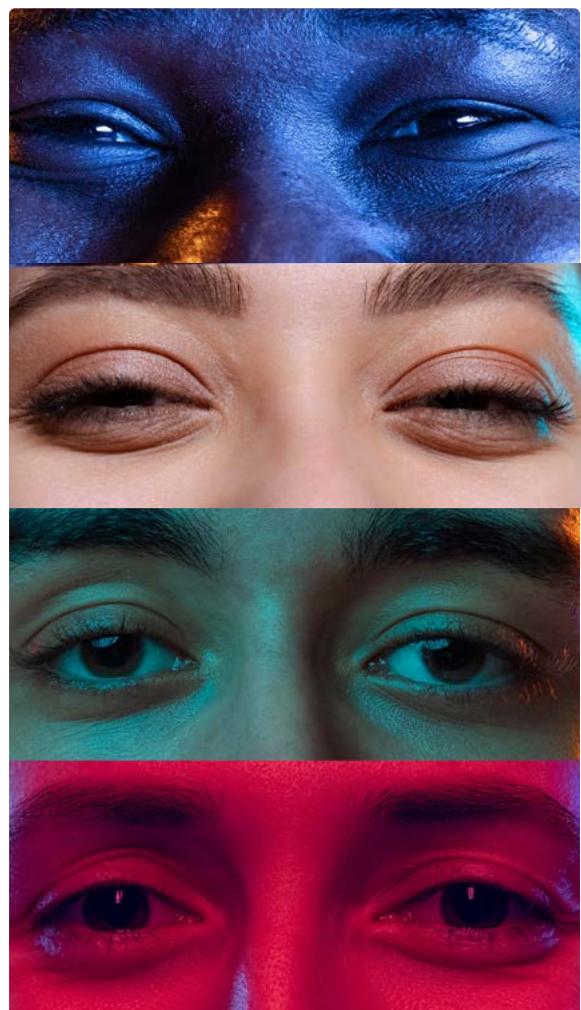
Cultural competence training

This training provides our employees with key cultural insights and in-depth knowledge about the social and business protocols of other geographies

Celebrating Black History month

Black History Month gives HCLTech the chance to show that we respect DEI and that we are putting our new employee value proposition into practice. We will use Black History Month to honor the accomplishments and history of the Black community through our new EVP while amplifying and highlighting the views and experiences of our own Black employees and Black Employee Resource Group (BERG).

Celebration and awareness: HCLTech will honor Black trailblazers who have significantly improved the lives of the Black community both inside and outside of HCLTech.



Scarf Elements

S	C	A	R	F
Status Feel respected and valued	Certainty Feel fully informed	Autonomy Have a perception of choice and control	Relatedness Feel belonging	Fairness Get the same credit and access to opportunities that others do

Find Common Ground	Lift People Up™	Help Create Clarity™
Help people feel that they belong	Make people feel valued and respected	Share information and help people choose
Be warm, curious and interested in others	Make it safe	Share information & keep people in loop
Uncover shared experiences	Ask for contributions from everyone	Explain your choices
Develop shared goals	Share opportunities and credit	Give people a feeling of control

Inspiring inclusivity and transforming diversity and Inclusion at Scale

The Inclusion and Diversity Centre of Excellence has established an inspiring and transformational program, Inclusion at Scale, to educate people on various aspects of inclusion. Inclusion at Scale training aims to foster an inclusive culture through ongoing education, awareness and application. It aids in the development of a common language of inclusion across teams and organizations.

Inclusion lab

We have built a virtual Inclusion Lab with the motivating goal of developing inclusive leadership competencies and promoting a culture of inclusion throughout workplace interactions. The strategy is to develop a single learning experience for all leaders and managers to demonstrate and quantify total impact. The program explains why inclusive leadership is important for corporate success and clearly lays out micro strategies to make it a reality.

HCLTech has collaborated with the NeuroLeadership Institute (NLI) on a program called INCLUDE: The Neuroscience of Smarter Teams, which leverages neuroscience to substantially increase inclusion throughout the whole organization. NLI's INCLUDE Program is based on the SCARF Model. It is a brain-based model for working with and inspiring others. The SCARF acronym stands for important domains that guide social behavior.

Recognitions for DEI initiatives	
Recognizing Institution	Award or Recognition
Ask Insights & Tol	Diverse Company of The Year (2022)
Avtar and Seramount	100 Best Companies for Women in India (2022)
	Exemplar of Inclusion in Most Inclusive Companies Index (2022)
Seramount	Global Inclusion Index (2022)
McKinsey	Women in Workplace (2022)
Bloomberg	Gender Equality Index (2023)
IWEI	India Workplace Equality Index (2022)
Microsoft	Supplier Prestige Awards in "Amplifying Accessibility" Category (2022)
Economic Times	Best Workplace for Women (2022)
WEF's Global Parity Alliance on DE&l	Founding Member

Talent acquisition, retention and development

HCLTech defines human capital as the skills, knowledge and experience possessed by an employee or a team that can add value to the organization as well as the individual. The company recognizes this as the core component to its success and constantly aims to build on this human capital. We aim to create a top-rated workplace by creating a diverse, equitable and inclusive atmosphere. This ensures that all employees and staff are treated fairly and equally and can contribute to a sustainable future, to the best of their capabilities. Ideas and innovations are created and discussed freely, without any barriers or hurdles. This also ensures collective creativity, which forms an important part of our work culture.

Owing to the efforts made by our organization, we have received several prestigious awards related to employee satisfaction and equity. These awards are:



Recognized by Great Place to Work Institute: The prestigious award is based entirely on what current employees say about their experience working at HCLTech America. This year, 78 percent of our U.S. employees said HCLTech was a great place to work – 19 points higher than the average U.S. company.



Certified as a Global Top Employer: HCLTech has been placed as a top regional employer over the past few years, but this year, we have been certified as a "Global Top Employer" by the Top Employers Institute.



Included in the Bloomberg Gender-Equality Index (GEI): HCLTech is one of the 484 companies included in Bloomberg's GEI. This comes from our increased attention to equality measures in all of our workplaces and organizational structures.



Achieved gold in the Brandon Hall Excellence Awards: Brandon Hall Excellence Awards recognize organizations which have successfully created programs and strategies that have achieved favorable results. HCLTech performed exceptionally well and achieved a gold award in many of the areas measured. Some of the key areas include Best Advance in Leadership Development for Women, Best Learning Program for Unconscious Bias Awareness, Best Benefits, Wellness and Well-Being Program, Best Advance in Creating a Learning Strategy and Best Advance in Performance Management.

Employee turnover

Particulars	FY22-23			FY21-22			FY20-21		
Category	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent	19.83%	18.60%	19.50%	21.87%	22.05%	21.92%	9.81%	10.16%	9.90%

*Note: This data is voluntary attrition % (LTM – IT Services)

This positive trend signifies the effectiveness of the company's strategic initiatives and the proactive measures taken to navigate the challenges posed by the post-COVID-19 landscape. By carefully analyzing the evolving needs of employees and implementing targeted solutions, HCLTech has successfully fostered a work environment that promotes stability, engagement and overall job satisfaction.

HCLTech's emphasis on maintaining open lines of communication and fostering a culture of transparency has played a crucial role in building trust and strengthening the employee-employer relationship. By actively soliciting

feedback, addressing concerns and recognizing the contributions of its employees, HCLTech has nurtured a sense of belonging and loyalty within its workforce.

The reduction in turnover rates not only reflects HCLTech's dedication to its employees' well-being but also underscores the organization's ability to adapt and respond to the unique challenges presented by the post-pandemic era. It is a testament to HCLTech's resilience and agility as well as its commitment to creating a supportive and rewarding work environment that enables employees to thrive and excel in their roles.

Case study

Adoption of AI in recruitment

HCLTech actively makes use of the iTap EDGE Recruit tool. To prevent recruiter prejudice and ensure fair representation of women candidates in the hiring process, the company uses a two-round interview procedure, an automated resume screening process and other measures. The procedure uses a maker-checker approach, which means that several decision-makers assess and approve the hiring process rather than just one person.

The automated resume screening procedure evaluates the applicant's qualifications, skills and experience using AI and machine learning algorithms.

This aids in eliminating any unconscious prejudice that can develop from human recruiters who might unintentionally favor particular individuals based on their background, gender, race, or other personal

characteristics. Different levels of decision-makers participate in the two rounds of interviews, which often begin with a business-level interview to assess the candidate's technical and business aptitude. Senior managers or executives typically conduct the second interview to evaluate the candidate's potential for leadership and cultural fit.

This strategy aids in ensuring that the hiring choice is based on a thorough analysis of the candidate's credentials and suitability for the position. The interview panel is also taught best practices for interviews, such as avoiding biased questions and being aware of unconscious bias.

The fairness and objectivity of the interview process are enhanced by this training. Additionally, we offer Panel Certification Trainings which comprises of three, interlinked learning modules.



In response to its continuous growth and global ambitions, HCLTech remains committed to attracting top talent from around the world. Despite the challenges posed by the COVID-19 pandemic, the company has successfully intensified its hiring efforts, resulting in a significant increase in recruitment numbers.”

Despite the disruptive impact of the pandemic on the job market, HCLTech's determination to grow and thrive has propelled it to actively seek out exceptional candidates. By embracing innovative approaches to remote hiring and virtual onboarding, the company has adapted to the changing landscape, ensuring that it continues to attract the best talent, irrespective of geographical limitations.

Local Hiring

We have invested in 20 countries with 22,000 people as near-shore delivery locations, leveraging the same time zone advantage—which is important for collaborative working—language and cultural affiliations and risk mitigation. In the coming years, the company plans to more than double its nearshore workforce. The company can service its clients more cost-effectively thanks to these nearshore delivery locations.

Our New Vistas initiative started in 2015 with the aim of creating jobs in the cities where our employees are based. Our hiring philosophy was to onboard talent with local affinity. "#StayRooted" and "#ComeBackHome" was our campaign and message to the prospects. This enabled us to grow to 24,000+ HCLTechies across the four New Vistas Campuses in Lucknow, Madurai, Nagpur and Vijayawada from where we are servicing 300+ customers.

To attract fresher talent through our "#StayRooted" campaign, in association with local academia we organized industry meets, inter-college competitions—

namely a Hackathon and HCL Grand Quest—in HCLTech Campuses. College alumni were hired to support our campaigns as brand ambassadors.

For lateral and experienced talent, via the "#ComeBackHome" campaign we ran the "#FindYourSpark" campaign for onboarding talent on a journey of self-growth and supercharging progress, even before formal onboarding. Under "#TheNextYou" program, we conduct sessions with pre-joining candidates, where experts share their knowledge and guidance on a wide range of topics for career enrichment. A dedicated session by our talent acquisition team on "HCL benefit box" offerings helps talent understand the benefits of moving to the New Vistas locations before they join. Localization in the U.S. stands at over 73%, Europe stands at around 80% and APAC and rest of the world (excluding India) stands at over 87%.

Our TechBee program, which began in India in 2017 to hire the best talent and provide them with financial independence, has been running successfully in India, Australia and Sri Lanka. The program is designed exclusively for high school graduates and prepares students technically and professionally for global IT careers in HCLTech. Candidates undergo an extensive 12-month training program to become successful IT professionals and to work for world-class global companies. More than 3,000 students have completed the TechBee program and are now employed by HCLTech for Global clients.

HCLTech has demonstrated positive hiring trends over the past four years, highlighting its commitment to talent acquisition and development. The company has also prioritized internal promotions with a significant number of open positions filled by internal candidates. This showcases HCLTech's focus on nurturing and advancing its existing talent pool.

Overall, these positive trends in hiring reflect HCLTech's ability to attract new talent, foster internal growth and efficiently manage recruitment expenses. The company's dedication to talent acquisition and development positions it as a forward-thinking organization focused on sustainable and effective hiring practices.

Performance evaluation

Performance reviews provide employees with much needed feedback on their work and employees are made aware of their areas of strengths and the areas that require improvement on. Additionally, performance evaluation is an important part of an employee's professional journey, since the exercise enables an employee to set realistic goals and advance their career in a methodical manner. HCLTech routinely conducts performance evaluations and career development reviews for all its employees.

100% of eligible employees underwent performance and career development reviews.

Through regular performance feedback sessions, we aim to improve employee performance, which will lead to a much more positive work environment.



Learning and development

HCLTech operates in a sector where upskilling and reskilling is vital to remain relevant with market requirements. We have a structured institutional mechanism to map the future skillset requirements of our people and we conduct relevant training and skill development programs to ensure that our people are equipped with the **best knowledge and capabilities**.

Skill trainings

Category	FY22-23			FY21-22		
	Total (A)	Training No. (B)	% (B/A)	Total (C)	Training No. (D)	% (D/C)
Male	171,096	124,462	72.74%	150,281	95,491	63.54%
Female	69,914	52,947	75.73%	58,525	34,341	58.68%
Other	342	33	9.6%	71	30	42.25%
Total	241,352	177,442	73.52%	208,877	129,862	62.17%

Skills@Scale: A revolutionary big data engine and cutting-edge digital user experience enable our merger of the pre-existing Career Link, Leap (or Internal Job Postings) and Learning and Development platforms into a single mega-platform. This cutting-edge platform will help our employees map out their careers by aiding them in identifying their goals, utilizing the opportunities that are available and planning their future career routes through learning and mentorship. The Skills@Scale Program is a specialized career management program for first-time managers and individual contributors. This program assists in identifying the abilities that need to be developed at a large scale and focuses on learning and deployment efforts accordingly.

Skills	FY22-23	FY21-22	FY20-21
Total skills	108	73	80
Skills % of all demands	78%	53%	39%
Total trained skills	190,557	132,275	62,132
Total deployed	9,661	7,275	4,369

Employee trained in more than one skill is counted more than once in total trained skill parameter

Initiatives to encourage learning and development

Collaboration with academic institutions: To provide our employees and people with up-to-date and forward-thinking online and in-person courses, we have partnered with several universities including Harvard Business School, Massachusetts Institute of Technology, Wharton Business School and Stanford University, to develop leadership and other key business skills. A few of the other learning partners are listed below.

Program name	Learning partner
Global Business Skills	Hard skills
CHAMP	Franklin Covey
Leadership Acceleration Program	Ken Blanchard and Skillsoft
Leaders in Action	Harvard: HMM Spark
Connect Through Conversations	DDI
Thrive	LinkedIn Learning
Leaders in Transition	LinkedIn Learning

HCLTech also enables employees to transition into leadership positions with the help of development courses in collaboration with many leading business schools in India and abroad. An overview of these initiatives is listed below:

iLead Program: At HCLTech, there are 450+ Next Generation Leaders who have been consistent high performers who have displayed exemplary leadership capabilities through their fast-paced career growth. They have the necessary skills, exposure and drive to become VP in the next four years. The iLead NextGen Leadership program is an initiative designed to support and prepare these leaders to become a part of the leadership rung of HCLTech. It identifies developmental agenda aligned to the needs of our organization as well as the career trajectory of these individuals.

Based on their development action plans, they are enrolled into courses in reputed business schools in India and the world to gain insights from a diverse cohort of leaders from across different geographies. These courses pertain to strategic agility, business acumen, decision quality, gaining global perspective, dealing with ambiguity, interpersonal savvy, drive for results, being inclusive and other key leadership issues.

IMPACT Program: The IMPACT learning program was designed to help HCLTech's employees gain leadership skills by providing them with relevant self-management skills, people management skills and other business

competencies. The program focuses on nurturing the following key competencies: Altruism, empathy, growth mindset, establishing regular connects, accountability, critical thinking, communication, networking and collaboration, coaching and feedback, well-being and synergy, creativity, solution-oriented thinking and customer-centric thinking.

Leadership Acceleration Program: The main organizational goal of the Leadership Acceleration Program is to expand the leadership pipeline and create high potential tenured managers to take on leadership roles. The Ken Blanchard Company and Skillsoft, two leading global learning partners, collaborated to develop the Leadership Acceleration Blended Learning Program, which is dedicated to developing core capabilities in self-management, people-management and business competencies.

The Leaders in Action program: This program has been created to enable Functional Leaders tackle problems that get more complex as one assumes larger leadership responsibilities. The program is designed to encourage active and engaging learning in a hybrid mode and gives the students the chance to investigate various leadership philosophies and tactics, improve their capacity to form effective teams, support change, take charge in a crisis and cultivate a high-performance culture.

This high potential leadership program was created in collaboration with Harvard Business Publishing using the complete HMM Spark solution, which is a vast library of learning materials compiled from many sources. It incorporates the necessary flexibility into the construction of a revolutionary leadership program that is built for impact, speed and scalability. The learning solution offers the learners access to the best digital content available, such as case studies, podcasts, videos and development tools. It also integrates the opinions and ideas of eminent authors, professors and business experts into the learning process to produce impact and a tailored learning experience that encourages learning as a habit.

CareerEdge: CareerEdge is a one-stop career development platform for all the career-related needs and guidance for HCLTech employees. We have combined the already-existing Career Connect, Leap (or Internal Job Postings) and Learning and Development platforms into a single mega-platform that is powered by a ground-breaking big data engine and digital user experience. By assisting our employees to define their goals, taking advantage of the possibilities that are accessible and planning their future carrier routes through learning and mentoring, this platform will help our employees map out their carrier.

Skills@Scale: A revolutionary big data engine and cutting-edge digital user experience enable our merger of the pre-existing Career Link, Leap (or Internal Job Postings) and Learning and Development platforms into a single mega-platform. This cutting-edge platform will help our

employees map out their careers by aiding them to identify their goals, utilizing the opportunities that are available and planning their future career routes through learning and mentorship. The Skills@Sale program is a specialized career management program for first-time managers and individual contributors. This program assists them to identify the capabilities that need to be developed on a large scale and focuses on learning and deployment efforts accordingly.

HCLTech Sustainability School

The HCLTech Sustainability School was launched to educate our 220,000+ people about various aspects of sustainability. The climate change learning series, which was the first course to be launched inside the school, seeks to promote awareness and empower employees to participate in climate action. HCLTech is committed to attaining net zero emissions by 2040 and has been recognized by the Science Based Targets project for its ambitious goals. The course addresses subjects such as biodiversity threats, resource extraction and reducing one's carbon impact. "Our people can be our biggest champions on sustainability and this learning series will provide them with practical tools so they can be agents of change within the company and their own communities," says Santhosh Jayaram, Global Head, Sustainability, HCLTech. As of March 31, 2023, we have 21 hours of training available in the school. In addition to the climate change course, there are courses on topics like water, biodiversity and green software. The Sustainability School was launched in November 2022 and as of March 31, 2023, HCLTech employees have completed 10,500 hours of training of sustainability training.

Future Outlook

Developing next-gen leaders globally – reflections from Ramachandran Sundararajan, our Chief People Officer (CPO), about how our company is developing the next generation of leaders across the world.

State of the talent market globally: It has become increasingly competitive. We'll soon have a Gen Z majority in our organization. Gen Z has very different expectations for the workplace than earlier generations did. They all place a high value on flexibility, which is why we formally adopted a virtual-first hybrid operating model. They also look for investments made by the company in ESG, CSR and culture to determine how well the values of the organization align with their own. They are less interested in material benefits because they want to be involved in decisions that will affect their work-life balance.

Addressing these changes: Instead of being driven by organizational needs or customer demands, we have redefined skilling to include employee interests. First, employees can choose which of the 15 or 20 different skill sets they want to learn, if we need people with those skills. Second, based on their overall career progression and ambition, employees can choose their next role and the kinds of projects they want to work on through a rules-based internal talent marketplace. Although there are some rules in place to prevent chaos, everyone is free to decide which roles they want to fill on each project.

Approaching talent attraction: Instead of waiting for talent to come to us, we go to where the talent is. For the past few years, we have been piloting a program called New Vistas, which we've designed to establish innovation centers in emerging cities around the world which are talent hubs. In India, that's meant looking beyond major cities to what are called tier 2 and 3 cities. And in the U.S., it's meant moving away from established technology hubs and setting up facilities in emerging cities such as Cary (North Carolina), Frisco (Texas), Horsham (Pennsylvania), Sacramento (California), and Hartford (Connecticut). The ability to recruit locally and outside of major metropolitan areas is a significant strategy to attract talent—today, 13% of our workforce in India and 14% in the U.S. are in a New Vistas location.

Creating a pipeline of STEM talent: Instead of relying on the existing pool of talent, we focus on creating talent. We do this through apprenticeship programs and work-integrated higher education. For instance, we offer a one-year apprenticeship for high school graduates who don't necessarily have all the technical skills they need yet. For instance, in the U.S., we have partnered with Purdue Global and Southern New Hampshire University so people can acquire an undergraduate degree of their choice with funding from the company. The student receives up to five years of full-time employment right after graduating high school and simultaneously gains a higher education degree to fast track their career in tech.

Embedded within HCLTech's DNA is the profound belief that our people are the true catalysts driving the

company's success and enabling the delivery of cutting-edge solutions to its customers. With their unwavering dedication, expertise and innovative spirit, the workforce stands as the solid foundation upon which HCLTech's achievements are built, propelling the company forward on its sustainable and impactful journey.

In the coming years, we envision further strengthening our employee empowerment initiatives by leveraging emerging technologies, promoting a flexible, diverse and inclusive work environment and providing tailored learning and development opportunities. By nurturing a culture of trust, collaboration and open communication, we aim to create an atmosphere where every employee feels valued, heard and inspired to reach their full potential.

Employee engagement and well-being

Health, safety and wellness

Ensuring the health and safety of our employees is of paramount importance to us. As an organization that follows an "employee first" philosophy, we are dedicated to creating a workplace that is safe and secure. To achieve occupational health and safety, HCLTech has the following practices in place:

1. Ensuring the health and safety of its people, including employees, contractors, visitors and all stakeholders
2. Adhering to all Operational Health and Safety (OH&S) requirements applicable to the company
3. Putting appropriate measures in place to prevent occupational illnesses and injuries and to provide its employees and anyone impacted by its operations a safe and healthy working environment.
4. By appropriately integrating health and safety considerations into our business choices, we can ensure that our OH&S activities are managed robustly
5. To enable each concerned employee to participate in decisions that may influence their health, safety and well-being at work, employers should consult with employees on OH&S concerns in a meaningful and effective manner
6. Providing a framework for setting and reviewing OH&S objectives and targets
7. Using the newest technologies to adopt OH&S practices that are compliant with international standards to ensure continuous improvement of OH&S performance
8. To make sure that all employees are aware of their roles and responsibilities in the case of an emergency, the organization has established guidelines for handling all forms of potential scenarios within its area of operations
9. By making our OH&S Policy available to all, including the public, on demand, we ensure that it is conveyed to all relevant individuals working for or on behalf of the organization to make them aware of the OH&S processes
10. By maintaining suitable controls, such as routinely reviewing the OH&S policy to ensure its applicability and relevance to changing circumstances and stakeholders' expectations

By implementing health and safety measures across the organization, we recorded 0 high consequence work related injuries or fatalities in FY22-23.

Details of safety related incidents, in the following format:

Safety incident/number	Category	FY22-23	FY21-22
Total recorded work-related injuries	Employees	5	1

*There have been no fatalities and no high consequence injuries for the last 2 years.

100% of our employees are covered by health insurance.

Employee well-being

HCLTech ensures employee engagement and productivity by prioritizing well-being and wellness initiatives. Through our health and wellness initiatives, we have created an environment for employees that not only cares for their well-being, but also promotes business success. HCLTech provides its employees with multiple healthcare initiatives, which are listed below:

1. Physical Well-Being Sessions: Yoga, Zumba, Pilates, gym sessions
2. Mental Well-Being Sessions: Psychological wellness, stress management, work-life balance, coping anxiety, addiction issues, parenting issues
3. Financial Wellness Sessions: Investment strategies, financial counselling, budgeting and spending
4. Doctor Sessions on Critical Diseases and Protective Measures: Diabetes, fatty liver, COVID-19, flu, influenza, oral diseases
5. Emotional Well-Being Sessions: Meditation, Yoga, mindfulness, interpersonal relations, happy minds
6. Gender Focused Wellness Sessions: Women-centric wellness sessions, men-centric wellness sessions
7. Clinical Health and Support: Annual health check, dental care, specialist doctor consultation, vaccination facility, home care services, life coach services
8. Digital Health Challenge: Digital health challenge sessions, contests

In addition to these wellness sessions, HCLTech also offers the following benefits to employees:

- **Preventive health check and dental services:** HCLTech offers customized health checks and dental services for employees and dependents, along with virtual consulting and on-site doctor visits
- **COVID-19 support:** HCLTech has a dedicated helpline for COVID-19 and trained doctors and nurses on board to assist employees with any queries. We also assist employees with any queries. We also have a dedicated helpline number and email address
- **Chronic condition management:** A care plan is an annually managed health transformation journey curated to achieve better health, leading to a healthier life.

• **Wellness Initiatives:** HCLTech conducts several initiatives to keep a check on employees' wellness quotient and allows employees to strike a balance between their personal and professional lives. These initiatives are key to creating a resilient and self-leading workforce. The following programs are included under wellness initiatives:

- Mental wellness sessions like meditation and laughter Yoga that help employees keep a relaxed mental state. Additionally, one-on-one life coach sessions are also organized
- Physical wellness sessions including gym, Tabata, Zumba, ergonomics and Pilates that enable employees maintain physical well-being
- Gamified challenges like the HCLTech Health Challenge 2.0
- These initiatives saw a participation of 50,000+ employees on average in more than 235 programs conducted in FY22-23

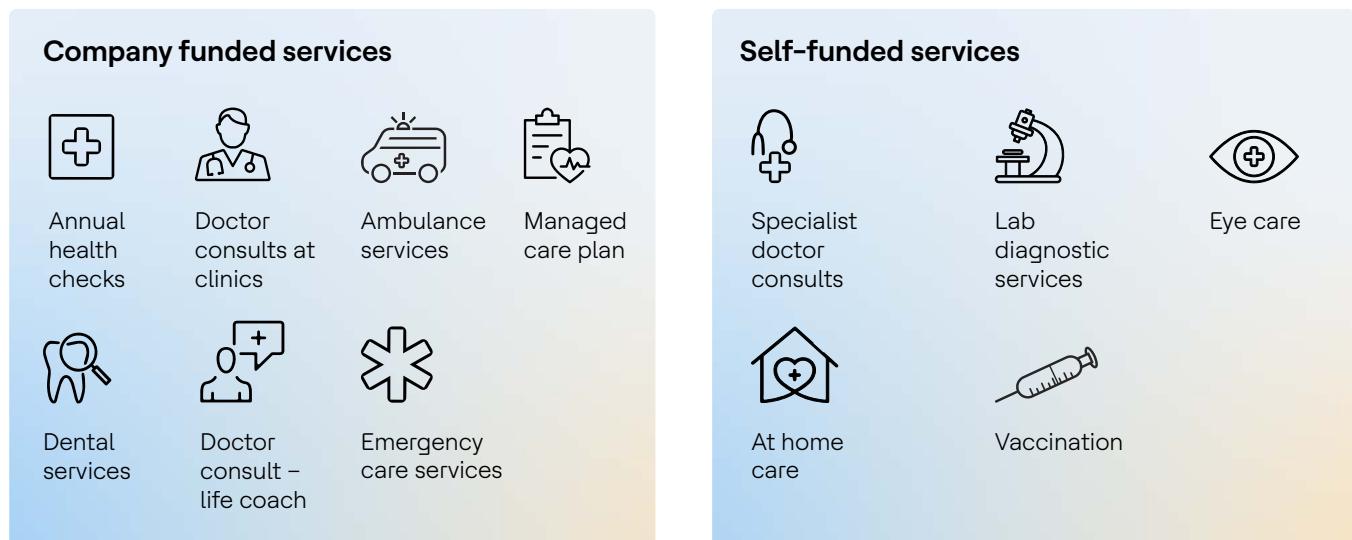
We also offer our employees flexible working hours, work-from-home arrangements and part-time working options.

HCLTech's commitment to fostering a healthy and thriving work environment has been recognized with the prestigious Healthy Workplace 2022 Award presented by Arogya World.



HCL Healthcare: For employees and their families

We believe that healthy employees contribute to a positive and productive work environment. With this vision in mind, HCLTech has collaborated with HCL Healthcare since 2017 to improve the overall health and wellness of its pan-India workforce. We hope to make corporate India a healthier place by providing end-to-end healthcare solutions through HCL Healthcare. It provides our employees with personalized, sustainable and managed health care solutions. Today, HCL Healthcare employs over 400 highly qualified clinicians across nine on-site clinics, which use cutting-edge technology to provide health care solutions to our employees and their families. Through a variety of onsite and online solutions, we provide a world-class healthcare and wellness experience. Among the numerous solutions available are the following:



Executive Health Checks are part of an annual preventive health check-up for employees, which includes lab tests and procedures available at HCL Healthcare clinics. For employees and their family members, the health check-up is cashless and insured. A list of beneficiaries of HCLTech is provided in the table below:

Initiative	Beneficiaries
Ambulance Usage Across Locations*	120
Critical lab alerts captured and managed – 439	439
Seminal events captured – 463 (employees – 260, dependents – 203)	463
Mental and emotional wellbeing – psychological counselling sessions taken	1,100
Chronic care management (employees – 20,692, dependent – 21,703)	42,395
Covid Helpline data	3,571 enquires and 2,400 doctor consults
Health Check (Employee 57,239, Dependent-72,402)	129,641
In-clinic – 31,394 + HSC – 25,845 (Employees)	
In-clinic – 26,097 + HSC – 46,305 (Dependents)	
Overall consult	75,000+
Emp consult	43,000
Overall dental consult	40,000+
Employee dental consult	26,000+
Wellbeing- number of sessions	1,447
Unique participation	33,000

*Ambulances are available on call on large HCLTech campuses and can be used in case of emergencies by employees and support staff.

Parental benefits

HCLTech adheres to all local laws across all geographies pertaining to maternity and paternity benefits. We have family-friendly programs which provide certain benefits to employees, for example a gift amount of Rs. 2,000 on the birth of a child, on-site day-care centers, near-site day care centers, etc. For mothers, the company also provides a maternity leave arrangement. We are aware of the fact that new mothers experience a tremendous deal of physical and emotional stress and that returning to work before six months after giving birth increases the risk of postpartum depression.

On the other hand, mothers who take longer maternity leave tend to be in better physical and mental condition and children breastfeed for longer periods of time. Healthy results depend on mothers' wellbeing and good maternity leave is essential to protecting women's mental health without compromising their financial security. Whether

taken before or after childbirth, all working women are entitled to the full 26 weeks of paid maternity leave. In order to continue work and join the mainstream workforce, it is also ensured that women who return to the workforce after giving birth are properly assimilated to the changes that may have occurred during their postpartum time. In the event of illness related to pregnancy, labor or delivery, premature delivery, etc., a woman employee is allowed to take an additional one month of paid extended maternity leave.

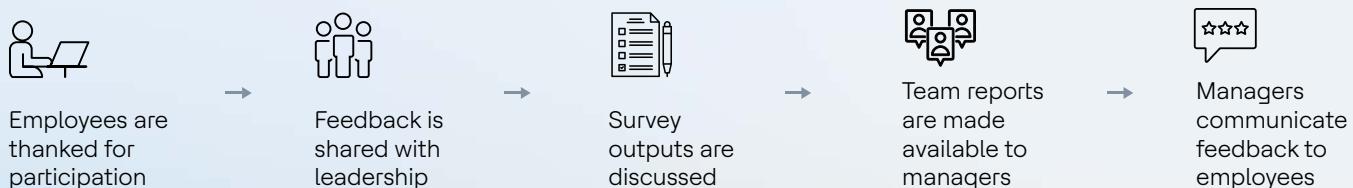
For the birth of his child or children, a male employee is entitled to five working days of paid paternity leave. This leave may also be used to care for a child born through surrogacy.

Surrogate mothers are eligible for 26 weeks of continuous leave. In cases of adoption, depending on the child's age, the employee who identifies themselves to be the primary carer, is eligible to ongoing paid leave.

Employee experience

The goal of the employee experience team is to improve the employee experience during their whole career. The team supports projects with action plans that are in line with industry best practices. At HCLTech, we use a detailed methodology that focuses on the most important employee engagement factors to measure employee engagement. This methodology consists of four kinds of surveys:

1	2	3	4
360-degree and EPIC survey HCLTech's 360-degree feedback is based on C-DEX competency model which maps each employee in the organization to a particular role.	Dipstick survey Conducted for new joiners to create a better onboarding experience and understand expectations. Captures employee feedback.	Perspective survey Based on engagement drivers, deep dive into issues and suggest focused solutions and action plans.	Trigger-based survey Trigger-based feedback aims to capture the employees' engagement at important milestones and changes in the employee life cycle.



Perspective Survey is HCLTech's Annual Employee Engagement Survey, which help us gain valuable insights into employees' perspectives and experiences.

Its purpose is to gather feedback from employees to understand the factors that influence employees' engagement levels and help us identify areas of improvement, implement meaningful changes and with this as an outcome, we can take strategic actions to nurture our culture, foster employee development and drive productivity. All employees who have been with the organization for at least six months are covered in this survey.

Employee engagement

Our employment engagement policy also focuses on employee passion, family and celebrations.

Employee passion

Under Employee Passion, we organize sessions which connect employees physically or virtually to pursue their passions with other like-minded employees, ensuring that our employees feel connected and creative. This enables employees to take charge of their passion and hobbies and connect with other employees in an informal manner. A few examples of employee passion:

Arclights | Sportothon | Fundoo Fridays

More than 270+ such initiatives were implemented in FY22 – 23, seeing a participation of 15,000+ employees on average.

Employees participation in sustainability initiatives

1. World Water Day

World Water Day was observed on March 22. We launched the "My Water Action Pledge" to help our HCLTech family of 220,000+ people, supercharge impact as agents of sustainable change through simple, voluntary actions that reduce our water footprint. Given the global resource constraints around water, HCLTech is actively committed to water conservation.

Over just 10 days, 140,000 employees took the Water Action Pledge to make a difference and tackle the water crisis through simple commitments.

96%+

Pledged to turn off the tap while brushing teeth

94%+

Pledged to reduce their showers by at least two minutes

95%+

Pledged to check taps, pipes and fix leaks regularly

HCLTech at the United Nations 2023 Water Conference

For the first time since 1977, the UN organized a conference dedicated to water action, which kicked off

Passion Clubs

Passion Clubs were designed to bring together groups of like-minded people with a common area of interest and expertise, who routinely come together to collaborate and share their experiences. The Passion Clubs at HCLTech are listed below:

**Click Club | Polyglots | Bikers' Club
Meditation Club | Jamming Club | Happy Feet
Sports Unlimited | Pedal Pushers | Toastmasters**

on World Water Day 2023. We were represented at this historic watershed moment by a leadership delegation from HCLTech, HCLFoundation – our CSR arm – and the HCL Group.

Our session on **The effective public-private partnership models** for water resilience was part of the official UN events agenda and we were involved in a series of programs throughout the week— including hosting 10 innovators from the Aquapreneur Innovation Initiative, alongside our partners, the World Economic Forum.

2. Earth Hour 2023

The Earth Hour was observed on March 25. We encouraged HCLTech campuses to join the big "switch off" with our offices going dark during #EarthHour2023. Over the past five years we have celebrated the Earth Hour across our offices in India by switching off lights and non-essential loads for 60 minutes, resulting in significant energy savings. This year, we expanded the switch-off to our offices in 16 countries across the globe. Impact created (India):

- **3,028 units (KWh)** of energy saved
- A total of **2.5 tons of CO2** emissions avoided

Family at HCLTech

In order to feel deeply connected with employees and their families, HCLTech has started various initiatives to enable employees and their families to participate and heighten their sense of belonging. The various sessions conducted at HCLTech are listed below:

Season of togetherness | Mother's Day | Father's Day
International Day of Families | Passion session for kids
Zumba | Art and Craft | Origami | Dance | Senior Fitness

These initiatives saw an average participation of 6,000 employees over the last year.

Social connect

Viva Engage (Yammer Communities): HCLTech has created a community called Viva Engage for all of its well-known employee engagement and employee experience programs so that like-minded people can interact and get involved in growing the organization as a whole.

MeMe: HCLTech is regarded as a forerunner in the field of modern computing and is well-known for its groundbreaking Employees First, Customers Second (EFCS) company ethos. The HCLTech team came together to discuss how to create a revolutionary B2E (Business 2 Employees) messaging platform, like the B2C (Business 2 Customer) platforms, as social media captured the attention of the globe and produced an unparalleled transformation in all facets of life.

MeMe promotes sharing within the secure confines of the company's intranet, encouraging both "personal" and "professional" collaboration. With the help of a corporate social networking tool, employees may connect with one another remotely and forge deeper relationships.

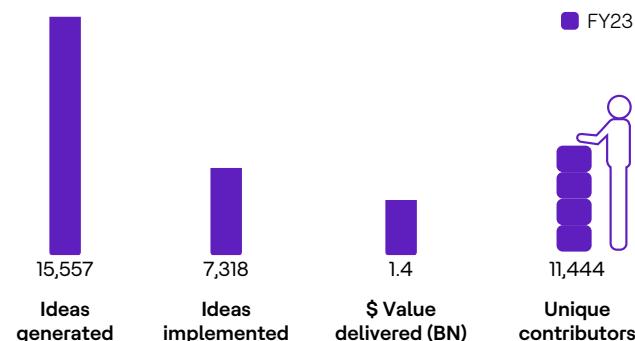
HCLTech Family Connect: With members from all over the world, HCLTech's Family Connect Facebook group has more than 18K members and its brand-new Family Connect Instagram account has more than 5K followers. It is crucial to build social media connections with employees in this technological age. The posts on HCLTech engagement activities were able to achieve 1 million+ impressions thanks to their presence across numerous social media networks like Facebook, LinkedIn and Twitter.

Empowering employees – the culture of Ideapreneurship

HCLTech's foundation is built on technology and the organization recognizes that the people who enable these technologies are the backbone of its success. As the company strives to deliver sustainable solutions to its clients, it places its people first and empowers them to think and work creatively in their own way and domain. Innovation is essential to HCLTech and it encourages and welcomes any ideas from its employees, regardless of their position or role.

HCLTech believes that creating a culture of innovation requires fostering an environment where employees can freely share their ideas and creativity. To facilitate this, HCLTech has developed various online ideation platforms that enable its employees to come forward with ideas and initiatives. These platforms provide functionalities to allow employees to share their ideas, collaborate with colleagues and receive feedback from peers and experts. The following are some of the online ideation platforms that the company has created to achieve this goal.

Value Creation Portal: This is a unique grassroots innovation platform that has been designed to encourage employees to share customer-focused innovations at HCLTech. The platform has generated 15,000+ innovative ideas from 11,000+ unique contributors. Out of the 11,000+ ideas, 7,000+ have been implemented and are generating positive outputs for our clients.



Intellectual property monetization: The platform encourages patentable ideas and enables employees to file for patents. Employees earn rewards when generating patents and when their patents get granted. Through this platform, our Ideapreneurs have had more than 600 patents filed and granted since 2015.

Employees by age	FY20-21	FY21-22	FY22-23
Patents filed	98	93	72
Patents granted	30	35	49

By fostering a culture of innovation, entrepreneurship and ideation, HCLTech has seen an increase in the percentage of patents granted over the past years.

MAD JAM: is a competitive platform that celebrates innovative ideas and the people behind them. Our employees are encouraged to find solutions for the business challenges of tomorrow. To date, MAD JAM has seen more than 6,500 outstanding innovators generate over 50,000 next-gen ideas and 2,900+ ideas implemented to solve future business challenges.

The Good Practices Conference is a forum for mining and cross-pollinating best practices from practitioners at the engagement and corporate level. This platform encourages employees across the organization to submit any new HCLTech proprietary practices that have been implemented. These get shortlisted, showcased and awarded at the conference. All selected good practices are published in the conference e-book where over 12,000 submissions and over 4,000 good practices are accessible to every employee at HCLTech.

Employee resource groups

To support our employees and enable them to network efficiently and connect with other like-minded employees, we have devised several employee resource groups (ERG). All HCLTech employees are encouraged to participate in different ERGs, which have different focus areas. The various ERGs at HCLTech are:

1

Pride@HCL

The group shares unique insights from LGBTQIA+ inclusion, helping to contribute to an inclusive workplace that welcomes and values differences. This ERG is present in 14 countries

2

Ability Connect Network

This community helps and supports all people with a disability through awareness, advocacy, resources and opportunities

3

Women Connect Network

This network provides members with opportunities to facilitate their professional development, help reach their career aspirations and have open dialogues about the barriers and misconceptions that exist for women in the workplace

4

Single Parent Network

A voluntary, employee-led group of active single parents who contribute both by improving social and emotional wellbeing for other single parents and their families and by being the catalysts to improve inclusion in the workplace

5

The Heritage Network

A network for like-minded people who feel strongly about understanding different cultures and sharing knowledge about their own

6

Multicultural Employee Resource Group

This group works to ensure that HCLTech's ethnic minorities achieve their full potential as valued employees. The group represents employees of African American, Asian, Hispanic and Latin American descent. The network offers networking opportunities, cultural events and social gatherings

7

SPARKS

Sparks are voluntary, employee-led groups that take the lead as thought leaders and look into ways to foster cutting-edge employee collaboration and encourage workplace happiness. Peers look up to them as they push the transformative mission of altering both workplaces and lifestyles

8

Wellbees

True catalysts for organization's wellness and well-being strategy and advocates of healthy lifestyle knowledge and behaviors in the organization. Their motto is "The best of health for the best of life"

Unions and worker associations

Protecting employees' rights and treatment of all employees in a fair manner is an important aspect of human capital. While HCLTech does not restrict any employee from being a member of any employee-related association, the company also ensures that it abides by the local laws present across the geographies that it operates in. As of FY22-23, 640+ male employees and 100+ female employees are a part of associations or unions.



Prevention and redressal of sexual harassment

A crucial component of the supportive environment we wish to foster for our female colleagues is their safety and security. To promote a safe and healthy workplace, the organization implements proactive, policy-driven steps to prevent and ban all forms of harassment, including sexual harassment. The steps are as follows:

- Display the penal consequences of sexual harassment at all conspicuous places
- Conduct regular workshops and employee awareness programs for gender sensitization
- Create a forum for open dialogues for creating sensitization towards gender issues and address various concerns and issues highlighted thereof

- Orientation programs to be conducted for the Internal Complaints Committee
- Conduct capacity building and skill building programs for the members of the Internal Committee

A total of 55 complaints pertaining to sexual harassment were filed in FY22-23, out of which 39 have been addressed according to the procedures set in place.

For the redressal and resolution of grievances pertaining to sexual harassment, the following mechanisms are in place:

- Monitor timely submission of the reports including Annual Report by the Internal Complaints Committee
- Timely and efficient enactment of the recommendations received from the Internal Complaints Committee
- To assist the aggrieved person in filing an official complaint with the concerned authorities.



Zero tolerance mechanism and grievance redressal

HCLTech has a zero-tolerance policy for any form of suspected discrimination or workplace harassment. We are devoted to upholding a work environment that is free from violence, harassment, intimidation and any other dangerous and disruptive conditions. We have security procedures in place that guarantee the privacy and dignity of our employees. Any employee or individual who violates our anti-discrimination and anti-harassment rules may face severe disciplinary action, up to and including termination in line with local laws.

- Easy access to communication
- Thorough investigation
- Prompt remediation and action
- Strong mitigation

The organization operates an open-door policy. Employees also have access to several forums where they can highlight matters or concerns faced at the workplace. This is achieved through a well-established and robust grievance resolution mechanism. These mechanisms adhere to the principles of natural justice, confidentiality, sensitivity, non-retaliation and fairness while addressing concerns. The concerns are handled with a lot of sensitivity, while delivering timely action and closure. A detailed investigation process ensures fairness for all involved, with an opportunity to present facts and any material evidence. The company has instituted multiple channels to address employee grievances, such as Secure (Anti-Sexual Harassment Initiative), HEAR (Hearing Employees and Resolving their concerns) platform and the Whistle-Blower Policy.

HCLTech is committed to providing a positive work environment free of discrimination and harassment. Equal opportunity and fair treatment are part of our Code of Conduct to which all employees must adhere to. the HEAR

platform provides fair, neutral and independent access for employees to voice their concerns. Employees can write to hear@hcl.com with their concerns for resolution in company related matters.

The "SECURE" initiative focuses on preventing and addressing grievances of sexual harassment in the workplace in line with HCLTech's Prevention and Redressal of Sexual Harassment at the workplace policy. The policy and processes comply with prevailing laws, specifically the "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" for India-based employees and other relevant regulations in the countries that it operates. In case any employee experiences any form of sexual harassment, they can report the incident by directly writing to secure@hcl.com.

The complaints raised via this channel, are investigated and handled with utmost fairness and confidentiality by the Internal Committee (IC). HCLTech further ensures that standard SLAs as per law are met.

For any grievances or complaints, employees can write to secure@hcl.com and report instances of harassment to either their supervisors, Internal Complaints Committee, or HR representatives (preferably) within 3 months from its occurrence. All complaints are kept confidential.

If the allegations made turn out to be genuine, the ICC recommends the employer to take commensurate action such as written apology, warning, reprimand, withholding of pay rise or increments, etc. The ICC may also recommend that the employer transfer either the complainant or respondent to a different workplace, grant leave to the complainant for a period of three months or grant any other kind of relief to the complainant.

In case of false complaints, the ICC may recommend the employer to take suitable action in the form of a written apology, warning, reprimand, withholding of promotion, withholding increments, carrying out community service, counselling, etc.

Progress for a better planet



98% of our owned buildings are 'Platinum' rated by the Green Building Councils

One of humanity's greatest challenges is climate change. It is also one of the biggest long-term threats for any business. As an environmentally responsible Company, we recognize our significant role in contributing to global environmental sustainability and responsibly. Our commitment to operating sustainably is evident in our proactive approach towards addressing critical challenges, particularly climate change. At HCLTech, we have implemented impactful 'Go Green' initiatives to protect the environment and embrace our responsibility for water and energy conservation. Through these efforts, we strive to minimize our ecological footprint and make a positive impact on the planet.

Our transformative initiatives that propel us towards a more sustainable future include active pursuit of renewable energy solutions, energy efficiency measures and optimization around water and waste management practices. At HCLTech, we understand that these changes require dedicated investments that can foster innovation and deep collaboration. We recognize that no one has the full solution but that everyone is part of the solution.

1,000,000+ GJ

Total energy consumption: 24% reduction from base year FY20

863,000+ KL

Total water consumption: 30% reduction from base year FY20

173,000+ MTCO₂e

Scope 1 & 2 emissions: 22% reduction from base year FY20

277,000+ MTCO₂e

Scope 3 emissions: 20% reduction from base year FY20

26X times

Replenished 26X times more water than we consumed in India

HCLTech's Net Zero roadmap for 2040

One of humanity's greatest challenges is climate change. It is also one of the biggest long-term threats for any business. We must all move quickly to find solutions if we are to halt the rapid rise in global temperatures. Between 2010 and

2021, we operated at an emission intensity that reduced the per-person carbon footprint by 70%. We are outlining our strategy to cut HCLTech's greenhouse gas (GHG) emissions in half by FY30 compared to our baseline year of FY20 and achieve net zero emissions by 2040.

Key goals under net zero roadmap

- 50% reduction in absolute Scope 1 and 2 emissions by FY30 from baseline year of FY20
- 80% of electricity usage to be from renewable energy by 2030
- 42% reduction in absolute Scope 3 emission by FY30 from baseline year of FY20
- Achieve zero waste to landfill at all owned facilities by FY25

Alignment with Science Based Targets Initiative (SBTi)

Our targets related to GHG emission reduction were validated by the SBTi to be aligned to a 1.5°C Pathway



Renewable energy

Transition 80% of our electricity to renewable sources by 2030



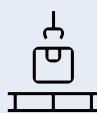
Waste management

Achieve zero waste to landfill at all owned facilities by 2025



Emission targets

50% absolute emission reduction on Scope 1 and 2 by 2030, net zero by 2040



Supply chain process

Reduce absolute Scope 3—all other indirect emissions that occur in a company's value chain—GHG emissions by 42%



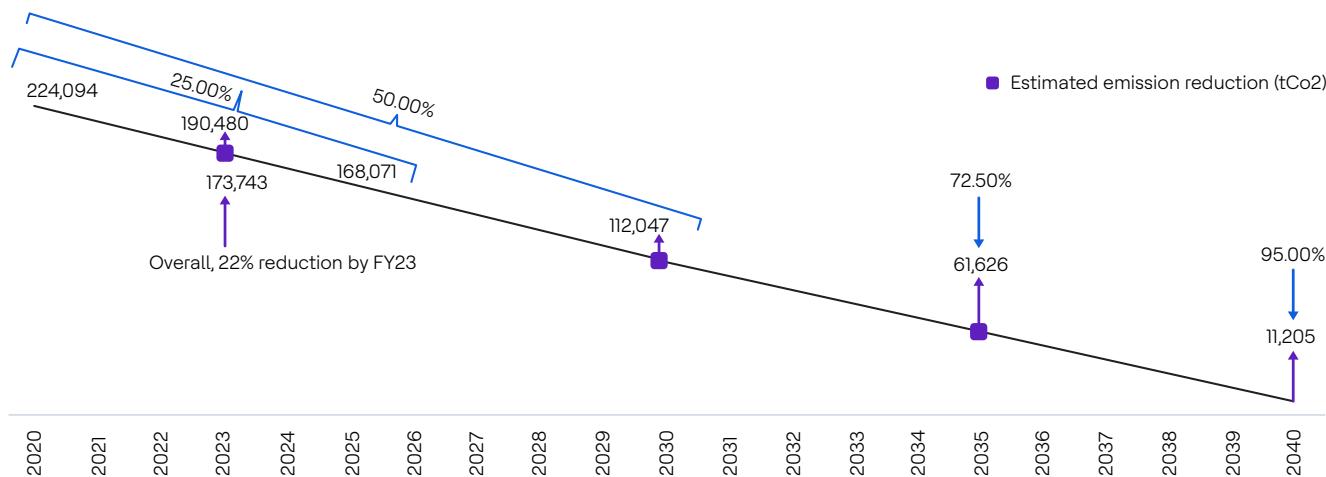
Carbon offset

Commit to afforestation, habitat restoration, water conservation and environment education

Highlights

1. Renewable energy procurement: Transition 80% of our electricity to renewable by 2030
2. Technology adoption: By adopting monitoring and integration through an Internet of Things (IoT) platform and establishing a building management command center by FY27
3. End-of-life replacement: Evaluate product performance and identify the life cycle emissions for replacement with latest technology and energy efficient year-by-year plan in place until FY30
4. Operational efficiency: Introduction of self-control or stand-alone devices for all HVAC and lighting products to achieve enhanced energy efficiency
5. Retrofit: Convert the conventional AHU system into an electronically commuted fan by FY30 Command center: Enable centralized monitoring systems for all campuses and facilities by FY30 to have better monitoring and control and make a collective decision for areas of improvements
6. Electric vehicles: Implementation of electric vehicles has been planned by FY30 with a target of 70% usage

Scope 1 and 2 emission reduction pathway



*Average emission reduction of 5% considered Year on Year by 2030 and 4.5% between 2031 to 2040.

Renewable energy procurement (FY22–23)

The green power purchase has enabled us to offset the grid power and reduce our GHG emissions by 24,000+ tCO2e, 21,000+ tCO2e in India and 2,000+ tCO2e in other geographies.

We have been able to save 17,233,000+ INR from energy conservation activities.

Technology adoption (FY22–23)

1. Electric vehicles for employees
2. Day light sensor installation for energy conservation
3. Automatic tubes cleaning system for water-cooled chillers to enhance performance
4. Sensor taps for water efficiency and conservation
5. Cool roof with Solar Reflectance Index to reduce excessive heating of buildings
6. Replacing end-of-life equipment
7. Ambient weather and air monitoring system to maintain indoor air quality
8. Critical rooms temperature monitoring to address critical gaps in HVAC to maintain optimal server temperatures
9. SMART energy meters to report and monitor all energy consumption
10. High Side Chiller Operational Performance Improvement to conserve energy and reduce emissions
11. HVAC Performance Improvement to maintain energy efficiency
12. Adopting energy efficient lighting
13. Implementing effective utilization of UPS
14. Elevator and STP optimization for energy conservation
15. Water conservation through rainwater harvesting and usage of treated water

Energy related interventions			
Intervention particulars	FY22-23 (MWh)	Carbon footprint reduction (tCO2e)	Investment (in USD)
Renewable power purchase (India)	27,049.75	21,910.38	
Renewable power purchase (GEO)	22,614.03	2,714.17	
Total	49,663.78	24,623.55	
Chiller operational performances improvement	177.47	143.75	14,537
HVAC operational performances improvement	1021.90	82773	331,020
Energy efficient lighting and controls	615.04	498.18	106,403
Effective utilization of UPS	117.17	94.91	10,456
Elevator and STP Operation optimization	26.63	21.57	
Total	1,958.21	1,586.14	462,416
Grand Total	51,621.99	26,209.69	462,416

*CO2 Baseline Database for the Indian Power Sector 2022 (V18.0). Weighted average emission factor of the Indian Grid taken in tCO2e/MWh

Water intervention details	HCLTech facility covered	FY22-23 (ML)	Investment (in USD)
Sensor-based water taps	Noida Sector 126, Bangalore Jigani, Chennai SEZ, Facilities in Rest of Chennai, ETA, Rest of NCR, Pune and Mumbai, Rest of Bangalore	2.91	21,557
Water-efficient operational control	Nagpur Campus, Bangalore Jigani Campus, Chennai Ambattur - 5 and Pune facilities	25.63	8,027
Water reuse	Bangalore Jigani Campus, Lucknow campus	7.86	3,450
Grand Total	36.40		33,034

Our approach towards addressing critical challenges, particularly climate change, is holistic, but focusing on mitigation first. At HCLTech, we have implemented several initiatives that embrace our responsibility for water and energy conservation.

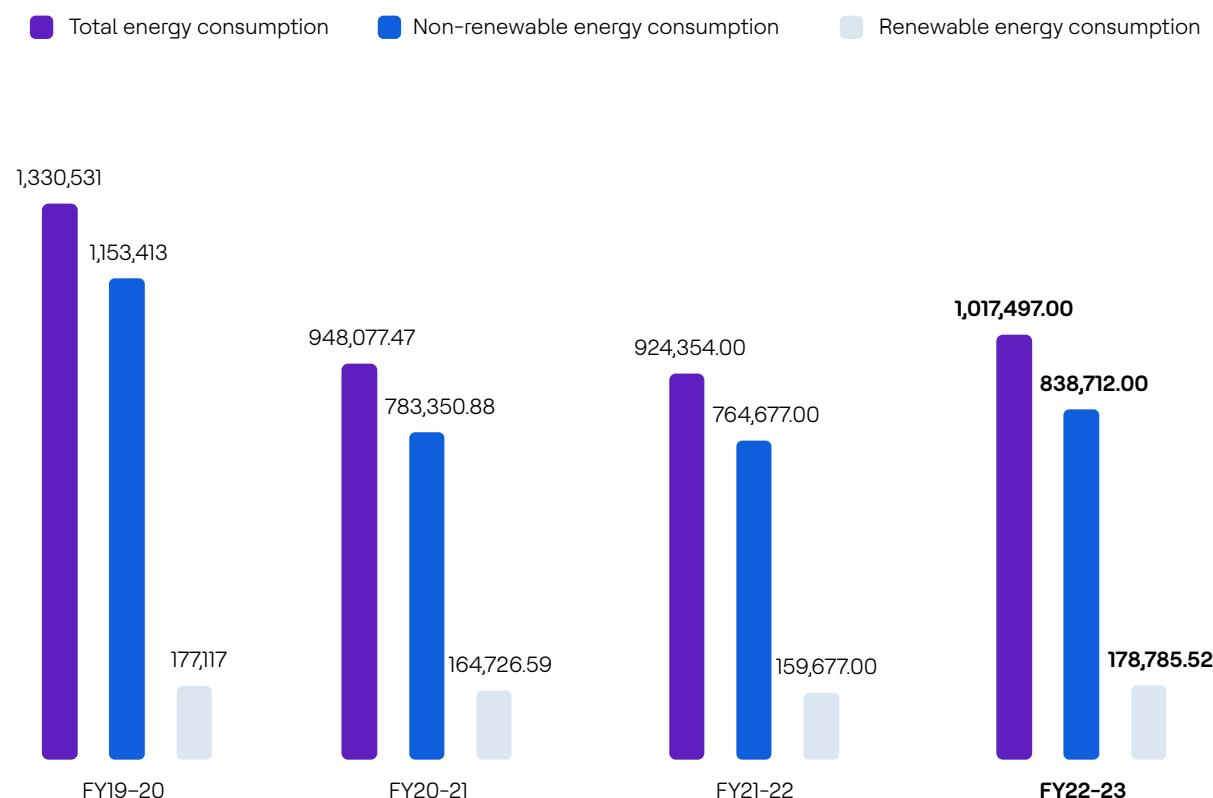
Through these efforts, we strive to minimize our ecological footprint and make a positive impact on the planet.

Embracing renewable energy – transitioning to a green future

We have made significant strides in embracing renewable energy sources and reducing our carbon footprint, as evidenced by the latest data from FY22–23. We demonstrated our commitment by adopting 49,000+ MWh of renewable power across the globe.

HCLTech's implementation of onsite solar power installations has yielded remarkable outcomes. Through these installations, the company successfully generated an additional 2,000+ MWh of energy, accounting for almost 10% of the total renewable energy usage in its Indian facilities.

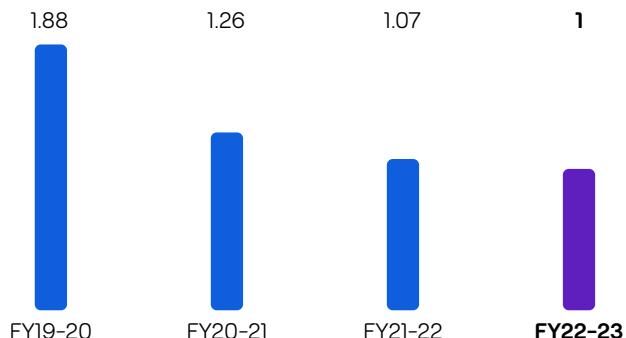
Total energy consumption in GJ



There has been a notable positive trend in energy intensity per rupee of turnover since FY19–20.

As HCLTech expands its operations and serves a broader range of clients, energy consumption has increased compared to the previous two years as employee numbers increase and we return to our office spaces. However, when compared to FY19–20, this achievement is a result of HCLTech's implementation of various energy efficiency and conservation initiatives.

Energy intensity (GJ/Million INR)



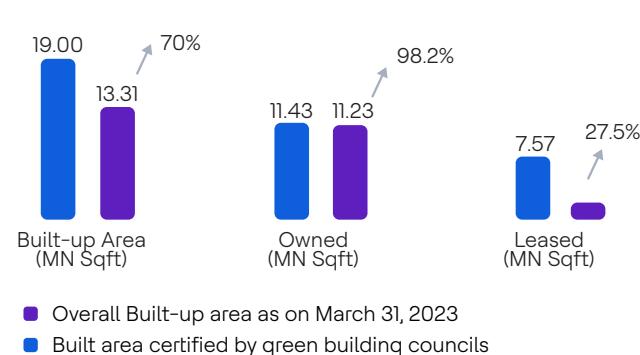
Energy efficiency initiatives

Green building certification program at HCLTech

Overall, 13+ million sq. ft of building space is certified under different "Green Building Certification" Programs globally, including US Green Building Council (USGBC), the Leadership in Energy and Environment Design (LEED), Indian Green Building Council (IGBC), Building Research Establishment Environmental Assessment Method (BREEAM) and Comprehensive Assessment System for Built Environment Efficiency (CASBEE).

96.47%, equivalent to 12+ million sq. ft, of this green building certified area is rated with "Platinum" or equivalent ratings, the remaining 3% is rated with "Gold", "Silver" or equivalent ratings. All HCLTech campuses are LEED "Platinum" certified by USGBC or IGBC. In addition to this, Chennai, Bangalore, Madurai and Noida campuses are also certified under ISO 50001: 2018 Energy Management System.

Green building certification status



Rating based green building certification



Operational performance improvement of chillers:

Cooling is an important part of HCLTech's operations. Over the last few years, we have been experimenting with various innovations to optimize the performance of chillers and other cooling mechanisms for our data centers. Chiller performance improvement mechanisms have been implemented successfully in all major facilities across the globe to optimize system efficiency by enhancing cooling tower effectiveness, chiller % load setpoint, temperature setpoints, condenser descaling and equipment performance improvements. All these measures have helped us reduce energy consumption by 177+ MWh during FY22-23. This reduction in energy consumption has resulted in cutting back 143+ tCO₂e of carbon emissions, all within an operational cost of INR 1+ million.

Heating ventilation and air conditioning (HVAC) optimization:

The innovation and optimization that were implemented for cooling were also put in place for HVAC optimization. All major HCLTech facilities implemented energy efficient unit installation for HVAC. Defective coils and filters are replaced promptly and all facilities follow heat load reduction by room partition and AHU timer-based control and temperature set point changes. These measures combined have helped HCLTech save 1,000+ MWh of energy during FY22-23 and resulted in reducing carbon emissions by 800+ tCO₂e. HCLTech accrued an operational cost of INR 5.5+ million in implementing these measures, along with the replacement of conventional units with energy efficient and sustainable products.

Energy efficient lighting: We have replaced conventional lighting across all facilities with LED lights. This includes cafeterias, pantries, walkways, restrooms, basements, parking, etc. Many of these lights also include motion sensors, which activate based on occupancy and do not remain on for longer than required. We have also implemented Daylight Harvesting which enables optimum use of light, thereby resulting in considerable energy savings. The replacement of conventional lighting with LED lighting solutions has led to savings of 600+ MWh of energy, which has in turn reduced the carbon emissions of our organization by 400+ tCO₂e. The operational costs of replacing conventional lighting with LED lights, along with making lighting solutions efficient amounted to INR. 7.9+ million.

Maximizing UPS performance: We are aiming to efficiently utilize UPS systems by replacing existing units with energy efficient units and increasing our UPS system efficiency through switching off overcapacity UPS's and activation of passive filters in the system has led to saving 100+ MWh of energy in FY22-23 and reducing carbon emissions by 90+ tCO₂e.

Elevator & STP operations optimization: We have increased the operating efficiency of elevators and revised the operation schedule of elevators on weekends, holidays and non-business hours. Also, by automating the ingress intake of dissolved oxygen, we have been able to optimize the energy consumption in the sewage treatment plants. These measures have helped us save 26+ MWh of energy during FY22-23 and have led to carbon emissions being reduced by 21+ tCO₂e.

Data center energy efficiency measures: One of the major ways that HCLTech practices energy conservation is by implementing energy efficiency and energy saving measures in data centers. As electric energy demand for powerful IT equipment in data center infrastructure keeps growing exponentially with growing business, the requirement of power also grows to maintain adequate environment in data centers to run the services 24x7x365. Sustainability plays an important role in deciding the right IT equipment we procure and the right environment we maintain in data centers to ensure we are focused on our committed sustainability goals. While supporting our own and our partners' growing businesses, we are highly focused on reducing our carbon footprint wherever we can: on-premise data centers, COLOs and cloud.

We have implemented certain technologies, such as Cold Aisle Containment for racks, and have also partitioned the volume below the raised floor to reduce overall cooling volume and thereby increasing efficiency. We have also closed off all air leakages to avoid the mixing of warm and cold air, to improve cooling efficiency. Furthermore, the ambient temperature in the data centers were raised by 1 degree, with approval of GIT leadership in December 2019, which helps us conserve energy. This was implemented in the following areas:

Existing DC temp.	Proposed DC temp.	Existing server room/hub room temp.	Proposed server room/hub room temp.
22±1 °C	23±1 °C	23±1 °C	24±1 °C

We have also deployed air filters below perforated floor tiles to isolate Air Purification Units (PACs) and their power requirement. We replaced old PACs with high efficiency new PACs. We implemented an IoT based data center temperature monitoring system to monitor and optimize cooling power. We have deployed smart Power Distribution Units (PDU) in data centers which are fitted with temperature and humidity sensors to continuously monitor data rack level power utilization, temperature and relative humidity at front and back in real time. This helps in collecting historical data and taking corrective actions to maintain the correct data center environment and available rack power for upcoming devices to deploy in racks. Along with sustainability targets, we participate in ISO 5001 (EnMS – Energy Management System) which keeps our focus on energy usage optimization, thereby reducing our carbon footprint. The PUE of our data centers at our India locations calculated on a weighted average, based on the size of a facility, is 1.57 in FY22–23.

Year	FY22–23	FY21–22	FY20–21	FY19–20
PUE	1.57	1.6	1.56	1.58

We have achieved 52% renewable energy in the energy we consume for our Major Data centers in FY22–23.

Assessment and disclosure to Task Force on Climate-Related Financial Disclosures (TCFD)

We have extended our support to the Task Force on Climate-Related Financial Disclosures (TCFD).

As we have identified climate change as one of our material issues, we strive to increase our transparency regarding climate related disclosures. The TCFD process has helped us identify the risks and impacts of climate change on our business and plan accordingly for our future. We have further strengthened our risk assessment, mitigation measures and targets.

With our continuous effort to improve our data centers' Power Usage Efficiency (PUE), we have implemented multiple measures in our existing infrastructure to ensure that we optimize the power we use for our data centers. At a technology level, we have moved from single box single service to single box multiple services via virtualization platform and have moved multiple services on different cloud platforms to shared and optimized power. We are continuously stepping towards moving our in-house physical data centers' IT infrastructure to co-locations where power is shared with other organizations, resulting in optimized utilization of power to host our own infrastructure. We focus on sustainability for the entire life cycle of IT equipment from procurement and hosting through to e-wasting post EOL.

Governance

At HCLTech, we have a robust structure in place for the governance of climate-related matters. Being a business that prioritizes our responsibility towards sustainability, climate has been integrated into our overall business and accountability has been determined, across different levels. Our governance structure ensures that directors, senior management and employees are all included and participate in our efforts towards climate. We launched our Sustainability School in November 2022 and the first course was a series of trainings on Climate Change. We have integrated a climate strategy into our decision-making framework.

The Board's oversight of climate-related issues is through the ESG & DEI committee. The details of the functioning of the committee and the frequency of meetings are disclosed in the governance section of this report. A central ESG team, within the office of the CEO, with a specialization in climate change has been created. The roles and responsibilities are established across the respective pathways to achieve our goals. Goals such as improving energy efficiency, increasing renewable energy in the energy mix, reducing emissions related to employee commutes and business travel, reducing emissions from purchased goods and service are included in the KPI's of the respective leaders.

The course on climate change launched as part of our Sustainability School has a three-step learning process. The first set of modules explains the science and the impact of climate change. The second module is designed to learn how to act. The sessions include understanding of carbon footprint, ways of mitigating and adapting to prepare a road map towards net-zero. In the third module, we launched role-based learning, which helps our employees understand how to integrate

the steps of mitigating and adapting to climate change in their professional role. There are separate modules for employees who work in IT, Finance, Risk, Marketing, Procurement etc. There is also a separate module on climate risk assessment. The complete climate change training has almost 12 hours of content and is open to all employees and Board members of HCLTech.

Risk management

Our enterprise risk management (ERM) framework uses a top-down approach to classify risks. This is integrated into our organizational strategy and helps shape our key business objectives. The framework also relies on active dialogue between the Board and the management team. This enables judicious oversight by the Board. We have conducted climate risk assessments, the outcome of which is currently being integrated into our ERM framework.

The Crisis and Resilience (C&R) Program falls under the purview of the Risk and Compliance function headed by the Head of Risk & Compliance of HCLTECH. The C&R Program is guided by the Board, led by subject matter experts and is based on ISO 22301 standards and global best practices. We engage with ecosystem partners for real-time horizon scanning of risks and early warning signals. Our Crisis Management Framework provides an agile response, timely communication with internal and external stakeholders and recovery and restoration based on the rapidly evolving global threat landscape, which includes climate threats. Moreover, we have embedded a Resilience-by-Design philosophy in the company across different dimensions of the "new normal," including resilience in work, workforce, workplace, technology, supply chain and leadership.

We have started integrating climate change risks into each of these dimensions and business continuity planning solutions:

1

Risk identification

Our risk identification process involves:

- Direct stakeholder engagement, which includes our management, employees, clients and suppliers.
- Secondary research through industry reports, global standards and trends.

2

Risk assessment and impact analysis

- We assess each risk identified through our climate scenario analysis. Determining the intensity and time horizon of effect of the identified risks allows us to prioritize the critical risks that need immediate action.
- We analyze the impact of each risk and opportunity on our business. We have further developed our impact analysis to include the financial impact of the risks on our business.

3

Risk mitigation

- We draft appropriate measures to be implemented for each identified risk, using quantifiable metrics to create accountability.
- We also set targets in relevant subjects such as energy efficiency, emissions reduction etc. as long-term goals to address the risks.
- We devise business solutions that help us capitalize on opportunities identified and would give us an edge over our competitors. We have set up processes to continuously review key metrics to measure and manage our climate-related risks and opportunities.

Strategy

Our Strategy for addressing climate-related risks and opportunities is through a detailed climate risk modeling exercise, which was carried out through a scenario analysis resulting in outcomes of physical and transition risks associated with our business.

We use ex-post measure where carbon price is estimated based on the cost associated with emissions reduction achieved by implemented initiatives. The implicit carbon price for last four years is given below:

Year	FY2020	FY2021	FY2022	FY2023
Implicit Carbon Price*	2,674	1,024	1,396	989

*INR per tCO₂ emission reduction

Our climate risk assessment process

We conducted a comprehensive climate change risk assessment covering our major operational locations – India (15 cities) and the US (42 cities). As outlined by the TCFD, risks have been categorized into: (1) transition risks, linked to the transition to a low carbon economy and (2) physical risks linked to climate change.

The scenario selection was completed based on data sources from the Intergovernmental Panel on Climate Change (IPCC), the international Energy Agency's standard scenarios and a thorough internal stakeholder engagement. We have selected one scenario for the physical and another for transition risk assessment. The selected scenarios represent the most probable baseline for the future.

The selected scenarios are as given below:

- For transition risks – IEA ETP 2 Degree Scenario – The focus of Energy Transformation Pathways (ETP) is the 2°C Scenario (2DS), which describes an energy system consistent with an emissions trajectory that recent climate science research indicates would give an 80% chance of limiting global temperature increase to 2°C. The global power sector can reach net-zero CO₂ emissions by 2060 under this scenario.
- For physical risks – IPCC defined RCP 4.5 – RCP 4.5 is described by the IPCC as an intermediate scenario. Emissions in RCP 4.5 peak around the year 2040, then decline. According to the IPCC, this is the most probable baseline scenario, considering the finite availability of non-renewable fuels. Global surface temperature change for the end of the 21st century (2081–2100) is projected to exceed 1.5°C in this scenario.

To determine the risks, we have defined short term as less than 5 years, medium term as between 5 to 15 years and long term as beyond 15 years.

Scope and boundary selection

As our headquarters are in India and the US is our next largest geographical presence, we have considered both countries with a view of material significance.

The majority of HCLTech's offices are located in India and the US, making these materially significant locations to conduct our analytical study on the potential implications of climate change, both transitional and physical.

The assessment included evaluating the intensity of physical climate risks with different criteria such as:

- Criteria-1: Assets that are owned by the organization
- Criteria-2: Community assets (infrastructure and services)
- Criteria-3: Protect and enhance the local economy
- Criteria-4: Environmental assets
- Criteria-5: Ensuring business continuity

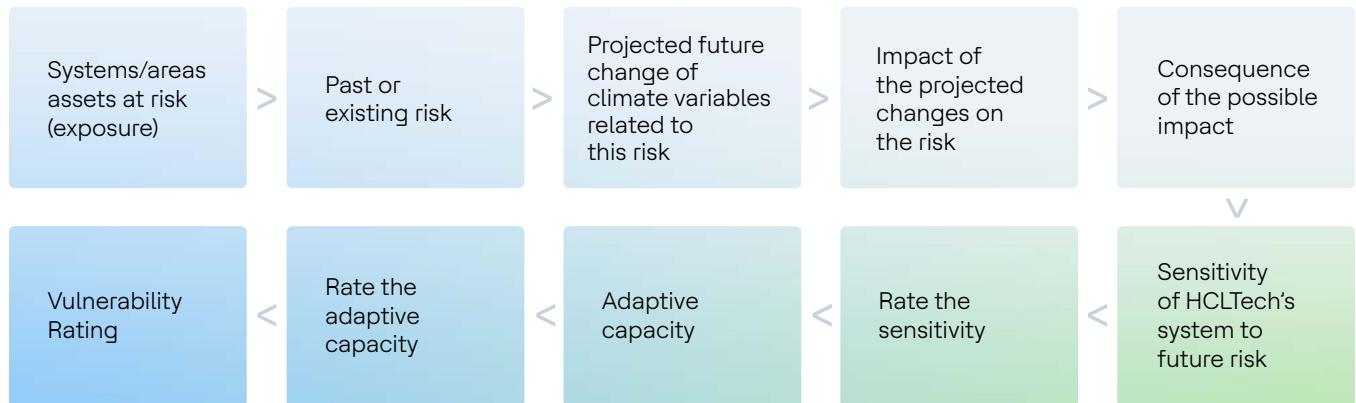
The results of the scenario analysis included a higher incidence of tropical cyclones, saltwater intrusion, coastal flooding, water stress and heat waves across cities. We reviewed our sensitivity to these hazards and adaptive capacity to mitigate these risks and identified vulnerable hotspots.



Risk assessment process

As elaborated in earlier sections we studied our existing documented risks, scenario data and external or publicly available data. To assess the vulnerability rating of HCLTech's assets we considered the sensitivity and adaptive capacity of our assets.

The process was as follows:



Physical risk - Indian locations

The top 3 locations that are potential hotspots in terms of being impacted by climate risks in India are:

- Chennai
- Lucknow
- Noida

While the risk related to heat waves is common across all 3 locations for short, medium and long time frame, the risk related to water intrusion and coastal flooding and extreme weather events were identified for Chennai for the medium to long time frame.

The potential risks identified due to heat waves include increased electricity demand from grid, as well as health and wellbeing of our employees. The operational challenges due to inundation is the identified risk for Chennai due to water intrusion and coastal flooding.

Physical risk - USA locations

The top 4 locations that are potential hotspots in terms of being impacted by climate risks like Heatwaves and Wildfires in USA are:

- California
- Kansas
- Texas
- Florida

Heatwaves and wildfires are the significant risks identified in these locations. Since none of the HCLTech facilities are close to wildfire potential locations the risk is reduced to insignificant.



Summary of impact of physical risks on business and mitigations measures

The following tables aim to elaborate the management approach and mitigation measures adopted to manage the physical and transition risks in the USA and India.

Physical risk type	Impact to business	Time horizon	Management approach
Heatwaves and wildfires	<ul style="list-style-type: none"> Employee health and wellbeing impacting productivity Higher reliance on public power grids which can be prone to frequent failures Increase in cooling loads increasing our operational costs Limited impact to assets HVAC and Chilled Water-cooling systems design limitations will require more capital investments 	Short to mid-term	<ul style="list-style-type: none"> Our Crisis and Resilience Program has been implemented to manage, respond and recover from disruptive events, including climate-related risks There are ongoing efforts with the latest and advanced monitoring systems to avoid potential server downtime Started monitoring the Power Usage Effectiveness (PUE) of our data centers and continue implementing action to improve the efficiency 12.84 Mn sq ft of our green buildings are 'Platinum' LEED (Leadership in Energy and Environment Design) certified by the USGBC (US Green Building Council)/IGBC (Indian Green Building Council) Efforts in place to increase sourcing of renewable energy Launched an exhaustive employee health care program Invested in collaborative tools to facilitate a hybrid work environment.
Saltwater intrusion, coastal flooding and water stress	<ul style="list-style-type: none"> Sea level rise will cause salinization of land, damage to building structures due to corrosion and water stress due to salinity intrusion into freshwater aquifers Damage to assets, lowering of asset prices 	Long-term	<ul style="list-style-type: none"> New assets, asset maintenance, asset upgrades etc, will start factoring in climate risk as part of the planning process A monitoring system is initiated to monitor the impact of climate change.
Storms, hurricanes and tropical cyclones	<ul style="list-style-type: none"> Some of our facilities may be at risk due to extreme rainfall, storms and tropical cyclones Potential risks may be in terms of business continuity, employee safety and health. 	Short to mid-term	<ul style="list-style-type: none"> Our business continuity and crisis management programs are upgraded to include climate-related risks Launched an exhaustive employee health care program Invested in collaborative tools to facilitate a hybrid work environment.

Transition risks

We identified the transitional risk for our global business. The surge of growing expectations from our clients and partners to help them chart their net zero journey is a risk as well as an opportunity. This stems out of the commitments they have related to reducing their scope 3 emissions. The second risk is an opportunity for climate change related digital solutions, which if not capitalized, will result in an opportunity lost and a downside risk. The third risk is a reputational risk from other stakeholders such as investors, employees etc.

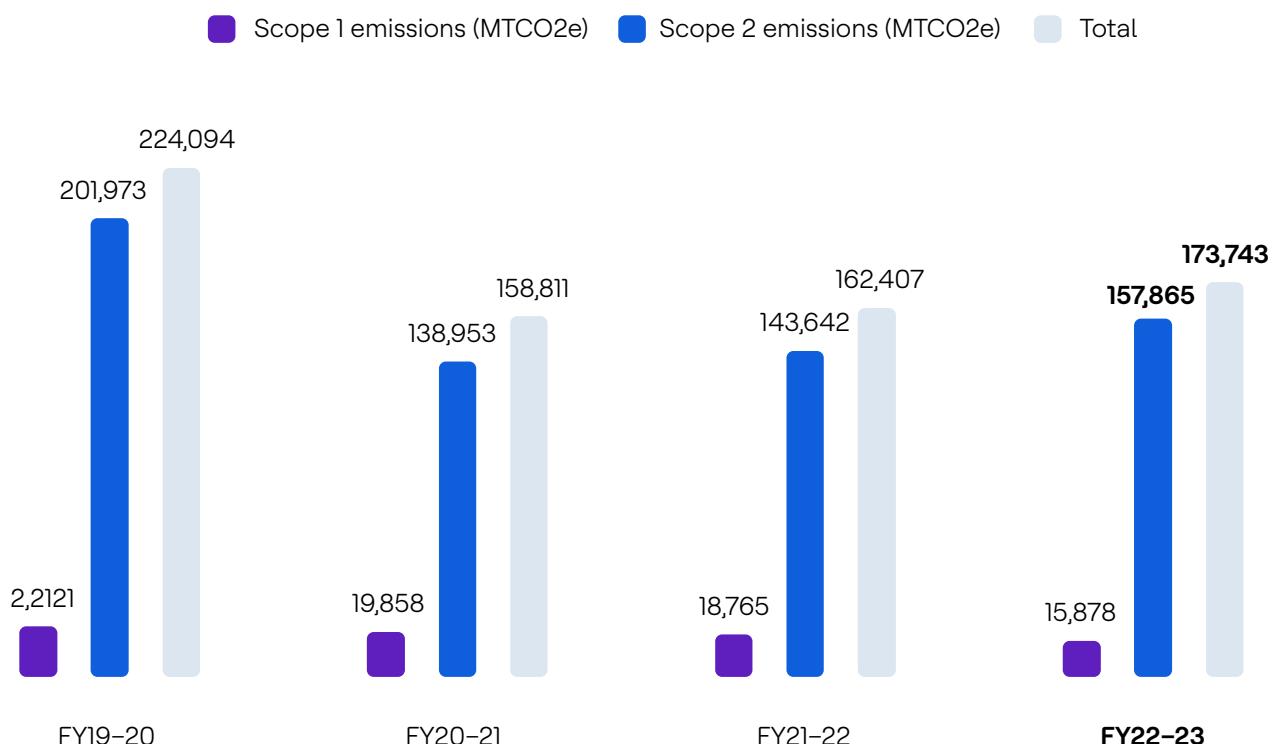
Transition risk type	Risk	Time frame	Management approach
Market risk	Clients and partners increasing expectations for environmental/ social performance which include GHG emission reduction requirements	Short-term	<ul style="list-style-type: none"> Started engaging with clients and partners to understand their expectation and communicating our efforts on a continuous basis. Transparent communication of our ESG performance, including performance in relation to GHG emissions. Collaborating with clients and partners to create a better impact. Working in a coalition towards bigger goals. Align our net zero target and 2030 targets to 1.5°C pathway (validated by SBTi, which is detailed out in the subsequent section of this report.) Training and skill development of employees on climate change. Investments planned to move our energy mix towards renewable energy. Investments for improved energy efficiency in our operations. Initiatives to reduce our Scope 3 emissions.
Market risk	Clients seeking digital solutions in the transition to a low-carbon future / Continued and growing demand for green IT	Short-term	<ul style="list-style-type: none"> Continue to diversify our offerings in terms of emission reduction, climate resilience and Green IT services. Investment into research and development of new services. Examples of services already launched are featured in the sustainability solutions section of this report. Working collaboratively with partners to evolve next-generation climate related solutions. Expanding the scope of innovation centers with clients to include climate change mitigation and adaptation pathways.
Reputation risk	The increasing scrutiny of consumers, businesses and institutional investors on a company's environmental performance poses a reputational risk	Short to mid-term	<ul style="list-style-type: none"> Ensuring effective transparency. Our commitment towards net zero, our goals and targets for 2030 as well as our performance against our targets. Regular engagement with all stakeholders to discuss our progress/ efforts in relation to climate change.

Emissions profile

Our Scope 1 emissions include the emissions from the combustion of diesel fuel in generator sets, which we use to power our campuses. The fugitive emissions, such as those produced by HVAC systems at our facilities (e.g. R22, R32, R12, R134A, R410A and R407C), are also included in Scope 1 emissions.

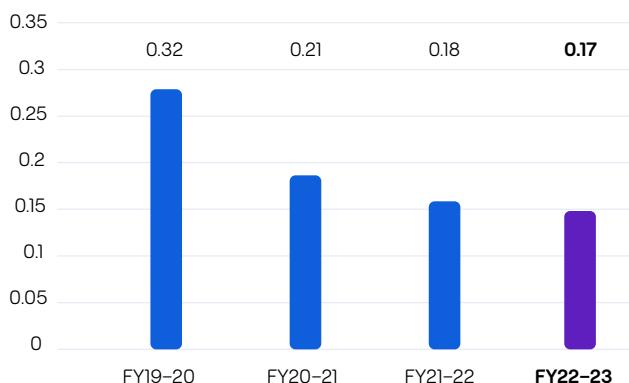
Our Scope 2 emissions include grid-purchased electricity use. Details of Scope 3 are given in the subsequent section.

Total emissions (MTCO₂e)



Scope 1 and Scope 2 emissions represent a downward trend for the current year when compared with FY19–20 and the emissions intensity per rupee of turnover represents a downward trend over the past four years. A downward trend in Scope 1 and Scope 2 emissions is a testament to HCLTech's commitment towards environmental sustainability and climate change activism. The emissions reduction target as per SBTi aligned pathway for Scope 1 and Scope 2 emissions is 15%, with a 5% linear reduction every year. HCLTech has shown exceptional progress on this front and achieved 22%.

Scope 1 and Scope 2 emissions intensity (MTCO₂e/Million INR)



Addressing Scope 3 emissions

Our target is to achieve the reduction of scope 3 emissions by 42% by the year 2030, which is validated by SBTi to be aligned to the 1.5oC pathway.

To chart our path towards this milestone, HCLTech has developed a comprehensive roadmap that encompasses a series of strategic initiatives entailing a multifaceted approach, including but not limited to:

1. Embedding sustainability into supplier
2. Supporting suppliers in decarbonization
3. Shifting to lowest emissions alternatives in transport operations
4. Focus on leased offices that are efficient
5. Adopt a life cycle approach for capital goods
6. Reduced business travel and strategies to adopt low-carbon travel
7. Reduce work-from-home emissions through education and awareness

Scope 3 emissions in MTCO2e



FY22-23	
Reduction in Scope 3 emissions (MTCO2e)	70,370
% reduction in Scope 3 emissions compared to baseline year FY19-20	20%

Scope 3 emissions break-up (tCo2e)	FY19-20 (base year)	FY22-23	Base year stake	FY22-23 Stake
Purchased goods and services	3,170	4,875	1%	2%
Capital goods	55,229	58,653	16%	21%
Fuel-and-energy-related activities (including CO2O)	42,339	33,551	12%	12%
Waste generated in operations	1,033	30	0%	0%
Business travel	109,085	68,765	31%	25%
Employee commuting	133,679	24,461	38%	9%
Investments	3,017	2,949	1%	1%
Downstream transportation and distribution	86	114	0%	0%
Work-from-home (WFH)	0	83,870	0%	30%
Scope 3 total	347,638	277,267		

Through the various emissions reduction initiatives stated in the section above, an overall positive trend is seen in Scope 3 emissions reduction. The emission reduction target aligned as per SBTi aligned pathway for Scope 3 emission is a linear reduction of 4+% annually. This accounts to a reduction of 12+% compared to base line year. HCLTech has reduced the Scope 3 emission by 20% as compared to our baseline year.

We have been honored with the prestigious Sustainability 100+ award, presented by Network 18 in collaboration with ABInBev. This esteemed recognition celebrates our unwavering dedication to water conservation and stewardship initiatives, reaffirming our commitment to supercharging progress sustainably and responsibly for the planet.



Water conservation

Water conservation is a pivotal aspect of driving sustainable and responsible progress at HCLTech. To effectively conserve water resources, we have placed a strong emphasis on enhancing operational efficiency. Our initiatives in this realm encompass various measures such as water reuse, sewage water treatment for flushing and landscaping, utilization of soft water applications, implementation of rainwater harvesting systems, employment of anti-scaling agents for water storage and the adoption of groundwater conservation practices. Through these endeavors, HCLTech successfully conserved 31,000+ kiloliters (KL) of groundwater during FY22–23. Notable steps taken by HCLTech for water conservation include the installation of sensor-based water taps and the implementation of water-efficient operational controls. It is worth noting that HCLTech operates exclusively in regions where water stress is not prevalent.

Water conservation efforts

By creating, restoring, rejuvenating and conserving 200+ water structures across India through our work at the HCLFoundation, we have collected and stored 57+ billion liters of rainwater for reuse and ground water replenishment, over the last four years.

Our community-based initiatives mean we have increased the quantity of fresh water replenished in FY22–23 by around 50% as compared to FY21–22. We have helped replenish 26x more times more water than we consumed in India. This ratio was 21x during the previous year.

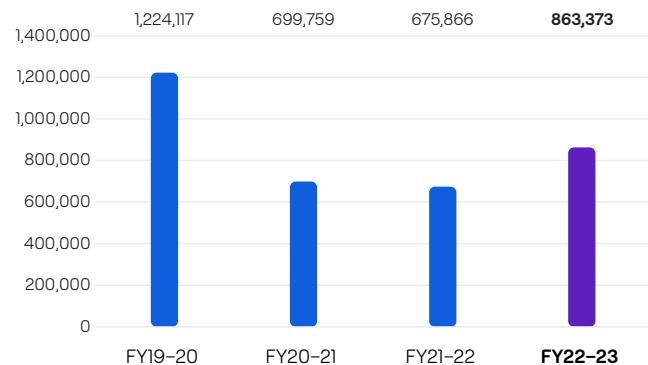
Water replenishment by state

Water replenished in cubic meter (KL)			
S.no.	State	FY21-22	FY22-23
1	Uttar Pradesh	5,805,613.00	13,091,686.00
2	Rajasthan	366,172.00	344,401.00
3	Tamil Nadu	8,226,331.00	8,249,346.00
4	Andhra Pradesh	351,591.00	313,227.00
5	Karnataka	0	6,151.00
India Total		14,749,706.00	22,004,811.00

The water replenishment data has been verified and assured for the past 4 years by DNV.

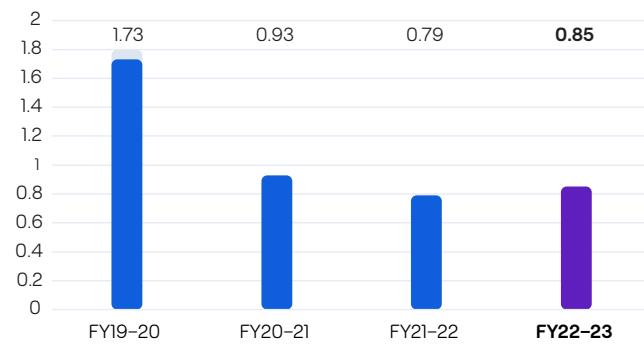
Total water consumption

(In kiloliters)



Water intensity

KL/Million Rupees



Water Intensity Per Rupee of Turnover (KL/Million Rupees)

FY22-23	
Reduction in water consumption in comparison to base year 2019-20 (KL)	360,744
Percentage reduction in water consumption in comparison to base year 2019-20	29%

There is a positive trend observed in water consumption and water intensity when compared to FY19-20. We have managed to maintain a relatively low water intensity. This accomplishment is a result of the various water conservation measures diligently implemented across our organization.

Parameter water withdrawal by source (in kiloliters)	FY22-23	FY21-22	FY20-21
Groundwater	286,101.20	311,277	323,285
Third party water (municipal water supplies)	342,432.63	231,972	281,954
Others (recycled)	244,154.00	156,070.23	124,422
Total volume of water withdrawal (in kiloliters)	872,688	699,319	730,200

Total volume of water withdrawal

HCLTech has strengthened its commitment to sustainability and water conservation by becoming the first company headquartered in India to join the Water Resilience Coalition. We also endorse the CEO Water Mandate, an original project of the UN Secretary-General, which is a collaboration between the UN Global Compact (UNG) and the Pacific Institute, aimed at promoting corporate water stewardship globally. HCLTech's support for this directive underscores its dedication to sustainable practices. The Water Resilience Coalition, which aims to alleviate water stress by 2050, has welcomed HCLTech as a member, recognizing our efforts to contribute to a more sustainable future.

Waste management

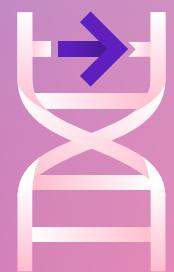
HCLTech recognizes the importance of effective waste management. Our waste profile primarily consists of e-waste and non-hazardous waste, including food and paper waste. To address waste generation and work towards achieving zero-waste to landfill at all owned facilities by 2025, HCLTech has implemented comprehensive measures.

A systematic approach is taken to measure, quantify and categorize all waste based on its origin and destination. Paper waste is actively recycled and reused, contributing to our efforts in minimizing resource consumption. Hazardous, biomedical and electronic waste are meticulously disposed of in accordance with regulatory requirements, ensuring proper handling and disposal practices. We have adopted innovative practices such as utilizing leftover food and garden waste to create organic manure, promoting a circular economy and reducing environmental impact. Furthermore, all of our campuses in India have been declared free from single use plastics. This accomplishment reflects our commitment to combatting plastic pollution and fostering a cleaner environment. We remain steadfast in our pursuit of responsible waste management, striving to minimize waste, promote recycling and embrace sustainable practices through our proactive initiatives.

Type of waste	Waste management mechanism
E-waste	Conventional lights have been replaced with LED lights. Projectors have also been replaced with LEDs, which have a longer life cycle, thus contributing significantly to power consumption reduction and simultaneously reducing waste.
Paper	Initiatives including printer pin deployment, printer on alternate floors, setting a maximum printing limit, double-sided printing and font size reduction are supported with the goal of minimizing paper usage. Paper has been significantly conserved as a result of these actions.
Plastic	With the use of alternate arrangements, HCLTech has made all of its campuses in India free from single use plastics as of 2019 in accordance with Central and State Government (India) Directives.
Other hazardous waste	Other hazardous wastes, including bio-medical waste and sanitary waste, are safely disposed of.

Total waste by category (in metric tons)			
Parameter	FY22-23	FY21-22	FY20-21
Plastic waste	28.44	14.72	18.23
E-waste	383.55	127.0	219.30
Bio-medical waste	3.97	3.90	2.40
Construction and demolition waste	29.10	-	-
Battery waste	67.60	392.08	130.61
Used Oil DG	8.51	13.16	12.23
Other hazardous waste (DG filter, DG coolant oil and oil-soaked cotton waste)	2.69	2.08	163.79
Other non-hazardous waste (Break-up by composition i.e. by materials relevant to the sector, Food waste, paper and tissue, garden waste, wooden waste, carton boxes, thermocol waste, tin waste, shredding papers, metal waste and sanitary waste)	1,468.30	521.65	519.87
Total	1,992.16	1,074.59	1,066.43

Integrating digital technology and sustainability



At HCLTech, we bring together the best of technology and our people to supercharge progress for our clients, people, communities and planet. Through innovation and technology, we strive to enable our clients to operate in a manner that is both sustainable and eco-friendly. We develop technology solutions to help our clients help our clients in their sustainability journey. We believe that the convergence of the two most powerful market influencing agendas, digitalization and sustainability, has the potential to unleash unprecedented levels of innovation. The future of digital technology needs to embrace sustainability at its core, while the journey to a sustainable future can be accelerated through digitalization.

We strongly believe that the convergence of the two most powerful market influencing topics—digitalization and sustainability—has the potential to unleash unprecedented levels of innovation. The future of digital technology needs to embrace sustainability at its core, while digitalization will accelerate the journey to a sustainable future.

We leverage technology and innovative approaches to develop tailored solutions that align with our clients' sustainability targets and empower our clients to pursue their ESG journeys.

We have expertise across ESG domains, including net zero initiatives, where we assist clients in monitoring and reducing energy consumption and carbon emissions. We also support supply chain sustainability by enabling informed sourcing decisions and proactive supplier engagement. Our emphasis on green technologies includes efficient coding practices that help decrease energy usage and carbon footprint. We provide tools to optimize data management and operational efficiency. Compliance and governance are integral to our approach, ensuring adherence to global and local regulations and maintaining secure handling of private data.

Our three tiers of sustainability solutions



Flag the sustainability impact

- Identify sustainability value in our existing services, such as cloud transformations or logistics optimization.
- Quantify and communicate the sustainability impact delivered to clients on every engagement.



Add the Sustainability Impact

- Incorporate additional tools and competencies to existing services.
- Enhance the sustainability value of existing products or services.
- Our Design for Sustainability product is a great example of this.



Multiply the sustainability impact

- Evolve new products or services in response to specific sustainability requirements.
- Lead with sustainability-first principles when developing new products or services.
- Our NIO and SF360 products are examples.

We embrace a comprehensive three-tier approach to our sustainability solutions

We “flag” the addressable sustainability impact by identifying areas within clients’ operations where our existing solutions can be proposed or implemented. Through a sustainability-first approach, we ensure that we bring in a sustainability quotient to every engagement right from the proposal design stage. This ensures that we flag the potential of sustainability impacts to the client to help them make informed decisions.

How cloud transformations provide sustainability benefits:

Compared with on-premise deployment, cloud computing is more sustainable. This is because of higher cloud server utilization rates, faster equipment refresh speed, novel methods to reduce power consumption and renewable energy resources. Research shows that a renowned hyperscaler can lower clients’ workload carbon footprints by 80% when compared to enterprise data centers and by 96% once powered with 100% renewable energy.

We “add” sustainability impact by implementing extra layers of tooling and/or competence that deliver additional sustainable impact. By keeping on top of new technological advances and innovations we are able to keep incorporating new dimensions to our service—providing additional sustainability benefits to our clients. We continually advance our existing solutions by integrating new tools and continuing to improve workplace competence.

How ‘Design for Sustainability’ can help create better products

HCLTech’s Design for Sustainability (DFS) framework and Life Cycle Assessment (LCA) address the entire product life cycle—from product design and manufacture through to end of life.

Our DFS framework helps identify sustainability hot spots in the entire value chain using the LCA approach and also helps identify more sustainable alternatives. Testing the alternatives in a digital twin environment avoids physical prototype testing, making the process faster and more efficient. Our PACKRYTE solution addresses the packaging solutions needs across industries from sourcing—for example virgin vs. recycled materials—through to end of life considerations.

We “Multiply” the sustainability impact by working with our clients and partners to solve sustainability challenges through our research capabilities. We actively collaborate with industry partners, organizations and stakeholders towards a sustainable solution for a specific problem statement. Through this, we strive to drive systemic change and create a collective momentum towards a more sustainable future.

HCLTech works on supply chain traceability, assessment and sustainability in the areas of carbon, water and waste. HCLTech’s SAP Ariba practice combines best-practice Ariba Risk configuration with EcoVadis’ sustainability scorecard to help clients make sustainable sourcing decisions and enable proactive supplier engagement. We work with partners such as Google to improve traceability across supply chains. This ecosystem of partners helps us to move at a pace, multiplying the sustainability impact.

How Net Zero Intelligent Operations helps companies to meet their net zero goals

HCLTech’s Net Zero Intelligent Operations (NIO) is an award-winning energy and GHG emission management system that helps businesses become more sustainable and energy-efficient and work towards their net zero goals. NIO utilizes IoT WoRKSTM’s digital twins and AI to monitor, analyze and minimize enterprise energy usage and carbon emissions. It provides enterprise-level functions for optimizing energy consumption in manufacturing, enabling organizations to reduce their carbon footprint and achieve net zero targets. NIO offers unique insights into energy consumption and emission indicators, compares efficiency to industry benchmarks and suggests optimization actions for GHG emission improvement.



How can financial institutions monitor financed emissions?

Financial institutions play a crucial role in allocating capital and reorienting it towards a more sustainable future in line with the United Nations’ Sustainable Development Goals (SDGs). They also play a crucial role in driving sustainability and decarbonization across global economies.

HCLTech’s Sustainable Finance 360 (SF360)—a centralized platform that handles end-to-end processing of financed emissions—helps financial institutions with this vital task by measuring, reporting and engaging with financial processes, setting goals, developing strategies and monitoring impact.

SF360 enables financial institutions to gather, correlate, standardize, quantify and aggregate emissions across asset classes, as well as to analyze and report on financed emissions. SF360 also facilitates the democratization of ESG data services through its flexible data model, integrating into risk frameworks for physical and transition risk assessments, self-service analytics, what-if scenario modeling and predictive analytics. This enables the tool to facilitate target setting and evolving decarbonization strategies.

SF360 comes with a data model framework that abstracts the variability of data from the internal processing. The tool uses a data processing framework that is highly configurable and allows for accelerated inputting, cleansing, contextualization, correlation and transformation of data from multiple and varied data sources. This means the solution is easy to integrate into other systems such as internal and external finance portfolio assessments. Reference data is internally sourced and integrated with external data such as taxonomies, standard codes or ratings by 3rd party providers like MSCI, FactSet and Refinitiv. The solution adopts the principles of modularity, flexibility, extensibility, scalability, availability and green software development by design and can be hosted on any cloud infrastructure.



Case study 1

HCLTech collaborates with global bank to build a greener future

Our client, a leading multinational bank headquartered in the UK, had made a significant move towards a more sustainable future, with HCLTech as their technology partner. The client is a sustainability pioneer, having invested significantly in sustainability assets in 2021.

The challenge

Assessing climate risk in business lending is a time-consuming process that requires a lengthy and exhaustive questionnaire for each credit application. The client wanted an efficient method for streamlining this process.

The client also sought to reduce the climate risk associated with corporate loans. To enable its vision of mitigating the associated climate risk, the client decided to implement a Climate Risk Assessment (CRA) application for corporate loans. The CRA would leverage a Climate Change Scenario model to automate the climate risk assessment process, to ensure that all in-scope credit applications were assessed for potential climate related risks before being approved.

The solution

HCLTech provided an end-to-end solution and worked with the client to develop an application that went live in 2022. The application contains approximately 50-75 industry specific multiple-choice questions which enables the client to determine the climate risk score, which then acts as an input for corporate lending teams to quantify associated climate risk.

The questions are divided into five distinct categories

with individual scores of brown, red, amber and green along with an overall score. The application has the following categories: governance and disclosures, gross physical risk adaptation, gross transition risk and transition risk mitigation. A black or red status requires a further assessment from a Climate Risk approver, while amber and green can be approved by the risk manager.

HCLTech is able to help clients to automate the workflow from corporate lending front-end systems, with improved configurability of the questionnaire. The key technology stack used for this solution includes React.js, Java Spring Boot, Postgre SQL DB, Maven and Camunda.

The impact

HCLTech created a positive impact through an improved climate risk management transformation. The CRA application is integrated with the existing bank systems. This is a major step in climate risk management, which is an equally important area for a banking institution. With global availability, the bank has now integrated it into the broader enterprise risk management frameworks and the application is now prevalent amongst 44+ countries with access to 550+ users.

As a next step, CRA applications will help to assess the historical credit applications which are still in the credit value chain. HCLTech also provided its clients with managerial dashboards including all KPIs related to application usage and performance for improved adoptability.



Case study 2

HCLTech helps reduce CO2 emissions throughout a building's lifespan

Twinaltics

HCLTech enables customers to create a data rich digital representation of real-world buildings, which can later be used for physics-based simulations to improve and optimize building performance.

The challenge

A building's entire lifecycle is estimated to be responsible—both directly and indirectly—for around 40% of global CO2 emissions.

In addition to the process-related emissions, the carbon generated throughout the building lifecycle is also a large contributor. Inefficiencies and poorly managed buildings are leading to wasted energy and higher CO2 emissions, leading to increased financial costs and reduced building occupant satisfaction.

The solution

The power of Internet of Things (IoT) has been integrated with Building Information Modeling (BIM)

to create a smart digital twin—called Twinaltics—that improves decision making by using real-time data from sensors. This enables the learning, reasoning and dynamic evolution of the tool, empowering users to compare business value with sustainability KPIs and create a viable road map towards a more sustainable future.

There are four key workspaces harnessing real-time data from sensors, each targeting a different building aspect:

- Digital Factory Space: A dynamic 3D environment that combines sensors with 3D BIM models. It contains the details of every element and sensors in the factory or building along with its location and real-time operational status e.g. machine uptime.
- Carbon Neutral Workspace: Gives the total direct and indirect CO2 footprint. For example, the zone or floor CO2 emissions. It also gives additional insights with the help of AI and ML predictions.
- Green Efficient Buildings: Helps customers to devise strategies for simultaneously enhancing productivity and improving environmental performance, thus reducing the environmental impact of an organization's activities, products and services.
- Human Centric Building Space: Enhances workforce productivity, safety and overall well-being. This is achieved through deterministic and holistic planning and implementation of the visual, emotional and biological effects of light, temperature, carbon-dioxide and ergonomics.

The impact

- Helped the user to define a decarbonization roadmap for 50% reduction of scope 1 and scope 2 emissions by 2030
- Deployed IoT sensors and cloudified the ESG data to improve the visibility of emissions
- Implemented Energy Conservation Measures and achieved around 10% energy consumption reduction at the plant level.



Case study 3

Transforming legacy applications to enable sustainability journey

The client had clear goals to create a safe and healthy workplace, meet all legal obligations and protect the environment and communities they operate within. Enablon was chosen as a next-generation Environmental, Health and Safety (EHS) platform to achieve this objective and HCLTech worked with the client to execute its multi-year journey to replace a multitude of legacy applications with the Enablon platform. The twin objective was to improve auditability and regulatory compliance and enable a reliable source of EHS data for internal reporting purposes.

The challenge

Legacy applications were becoming a roadblock to the sustainability journey. The legacy applications were tied to the organization's core business processes and were difficult to modify and upgrade, preventing the client from executing its EHS objectives. Furthermore, these legacy applications were often inefficient and resource-intensive as they were built on outdated technology.

The solution

Modernizing applications to accomplish key sustainability goals:

1. Platform integration with existing systems: HCLTech manages all modules of the Enablon platform for the client. These include audits, action plans, risk compliance, incident management, metrics, greenhouse gas emissions tracking and reporting, behavior-based safety programs, as well as corporate strategy reporting and mobile safety. HCLTech carried out multiple upgrades and configuration changes. We designed, configured and rolled out an action plan function to enable users to manage and generate action plans, track completion, receive alerts and generate reports from a centralized interface. We implemented a custom workflow for validation and approval processes. We configured authentication and authorization using single sign on (SSO) and integrated existing SAP applications with Enablon for user administration.

2. System consolidation and legacy: HCLTech provided a platform consolidation service to the client that replaced their audit, compliance and incident management applications. This enabled world-class compliance with a custom workflow and configuration engine, expedited reporting and provided the client with an intuitive interface and a customizable activity dashboard. In addition, HCLTech retired the legacy application, which had significant challenges such as complying with legal requirements regarding information management.

3. Data integration and regulatory reporting: HCLTech enabled the client to set up an organizational structure for collecting, managing and reporting data at a foundational level. In addition, we designed, configured and rolled out an audit function to manage audit associated reporting. HCLTech ensured compliance with EHS requirements related to Personal Identifiable Information (PII) data management. We built customized dashboards and reports for aggregate reporting on divisions, sites and regions and enabled downstream reporting to OSHA and EPA specific regulations in the U.S.

4. Mobile app development modernization: HCLTech developed a mobile app for iPad, iPhone and android users that provides integration capabilities with the latest cloud platforms. This application was implemented in manufacturing facilities across the globe and enabled incident management features. Additionally, the implementation of Enablon Go—the mobile version of Enablon—is planned.

The impact

HCLTech worked closely with the client as a preferred partner to simplify EHS management and regulatory compliance with Enablon. We have enabled platform rollout and integration for 75,000 users across 300+ global sites, thereby eliminating the challenges of managing multiple legacy EHS systems. Enablon adoption has been high and training needs have been reduced.

Our partnerships with academia and the start-up ecosystem

eSTiP™ (Ecosystem Innovation Program)

Technology can help organizations to gather sustainability performance metrics and to achieve ESG goals. We recognize the value of an open innovation ecosystem for collaboration and have created a dedicated accelerator, eSTiP, to explore sustainability-focused start-ups.

The accelerator takes a phased approach to engaging with start-ups

1

Scout

Based on a series of ecosystem-led conversations, our team curates thematic areas according to needs and market sentiments. An outreach is conducted with our external partners—venture capitalists, innovation forums, academia and trade commissions.

2

Explore

The selected startups take part in an elevator pitch roadshow where they explore synergies with HCLTech and have the opportunity to join the eSTiP accelerator program.

3

Build

If the right use case is identified, the startups enter a contract with HCLTech and gain access to the eSTiP program benefits.

To date, eSTiP start-up exploration activities have focused on the following sustainability themes:

1. Digital- and engineering-enabling net zero: Net zero is the goal of reducing greenhouse-gas emissions to zero and compensating for any remaining emissions with carbon-negative technologies such as direct air capture. Some of the use cases of net zero are as follows:

a. Optimized energy utilization: This is an application that uses sensor-based data to monitor, calculate and report CO₂ emissions data.

b. Emissions target setting and planning with net-zero cloud: Using target-setting and carbon-forecasting modules in the IT industry to set science-based targets and continuously monitor the net zero attainment plan, as well as using what-if analysis simulation to make an educated judgment on future emission sources.

2. Supply chain track and trace: Supply chain traceability enables businesses to follow products from conception through purchase to end of life activities, regardless of whether the product is resold or recycled, assuring accountability, transparency and sustainability. The use cases are:

a. Quality certification: IoT-backed procedures with digitized blockchain tools are leveraged to share product metrics like quality, deviations and exceptions with stakeholders and to automate the different verification or certification processes.

b. Improved emissions tracking: Applications to simplify and automate the measurement and tracking of emissions across the supply chain.

3. Water innovation: This track was initiated to scout for fresh water innovation start-ups.

Outcomes delivered through eSTIP for a leading Australian client

HCLTech, an existing strategic digital transformation partner, delved into open innovation for the client to investigate technology advancements from academia and start-ups.

500+

global start-ups engaged

25+

communities engaged, including VCs, trade commissions and universities

2000+

organic impressions generated

80+

engagements

4

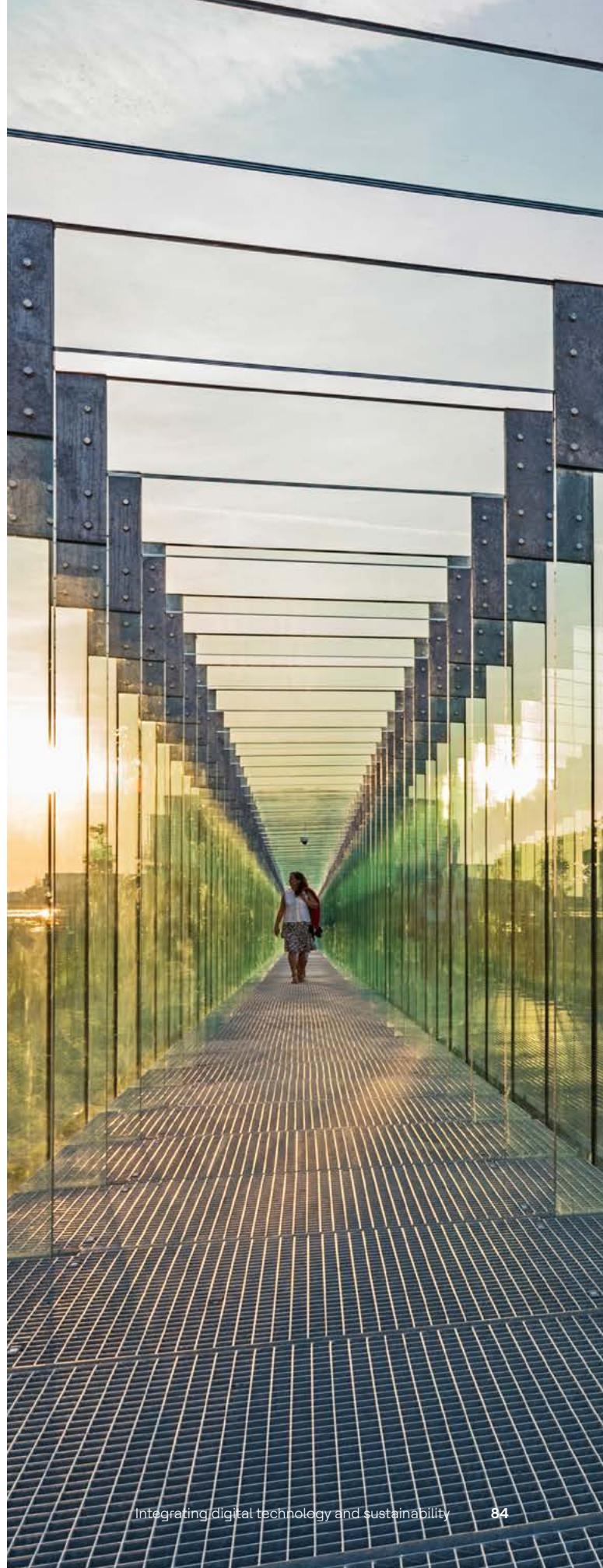
start-ups made it to the grand finale

Future activities

- Direct eSTIP™ onboarding with the runner-up—a start-up that has developed AI powered video analytics for player performance
- Bring the winning team into the HCLTech client innovation ecosystem to support grassroot engagement and development
- DEI initiatives

Collaborations with Academia: HCLTech Partnership with Indian Institute of Technology IIT (ISM)

HCLTech has partnered with Indian Institute of Technology (IIT) (ISM) to enable India's youth to undertake cutting-edge research and innovation in the petroleum industry. Through state-of-the-art digital technologies, students work on projects to solve industry challenges, including reducing the carbon footprint in the oil and gas sectors. The partnership fosters collaboration between academia and industry through webinars and industry forums, bringing together the brightest and most innovative minds to develop impactful solutions for a more sustainable future.



Empowering communities



Our long and rich history of giving back to our communities—under the guidance of our Founder, Shiv Nadar—was built on the values of innovation, entrepreneurship, humanity and a people-centric culture.

Supercharging progress, sustainably and in a responsible manner requires the cooperation and contribution of the immediate communities surrounding us. HCLTech contributes progressively to socio-economic and environmental advancement with its Corporate Social Responsibility (CSR) initiatives. The various development activities undertaken by HCLTech throughout the year are guided by the global CSR policy. Our CSR policy binds us to

the highest global standards and symbolizes our commitment towards supercharging progress, in a responsible manner through integrated development and sustainable business practices.

HCLTech was awarded the Best Industry in the CSR Category of the National Awards, 2022, by the Ministry of Jal Shakti, Department of Water Resources, River Development and Ganga Rejuvenation, Government of India.

5.5 million

beneficiaries from communities in India have been supported through our HCLFoundation.

6

aspirational districts in India have been positively impacted by CSR initiatives

12,000+

people with disabilities supported since FY19-20, out of which 37% are female beneficiaries

90,000+

people linked with Social Security Schemes

66,000+

acres of land greened and brought under community management

1.45

million+ saplings planted

~70,000

animals treated and protected

150

water bodies rejuvenated

~57.9 billion

liters of water replenished

HCLFoundation



In 2011 we made a promise, to be the source code – the codified, structured, scalable blueprint – for socio-economic and environmental development to empower India's most vulnerable citizens to lead happy, healthy, dignified lives."

Dr Nidhi Pundhir, Vice President, Global CSR

The HCLFoundation delivers the corporate social responsibility agenda of HCLTech in India. We have made investments in projects over the past ten years that aim to advance socio-economic growth and promote environmental preservation. Projects are carried out by HCLFoundation either directly or in partnership with other organizations. In both models, the team maintains tight relationships with communities and regularly communicates with program participants.

The HCLFoundation applies a holistic approach to urban and rural development, working to support communities in the areas of education, health, skill development and livelihood, environment and disaster risk reduction and response.

Uday is tackling urban poverty with a total life-cycle approach, by addressing issues at every life stage. The aim is to raise the quality of life in urban communities, using an Integrated Inclusive Community Development Approach (IICDA). The convergence model of Uday brings together communities, non-profit organizations (NGOs), local and district governments as well as HCLTech employees.

60%

in 11 cities, Uday has empowered more than 890,000 people, 60% women.

Samuday is a holistic approach to developing remote rural communities – from improving general hygiene to introducing better farming practices to installing renewable energy sources. It provides access to quality education and healthcare, enhances livelihood through greater income from farming, facilitates better use of land and introduces renewable energy sources. The initiative is collaborating with the state government, local communities, NGOs, knowledge institutions and other partners to establish a sustainable model that will serve as the source code for the economic and social development of rural areas.

Currently operating in 11 blocks of Hardoi district, it directly benefits over 2.1 million people with its services

27%

27% increase in income from various farm and off-farm livelihood projects

25,000

Signed an MoU with Banas Dairy to support more than 25,000 farmers

240

Recognized for efforts to address malnutrition under the program, particularly the development of 240 Model Anganwadi Centers

in vital sectors, including clean energy, water, sanitation, agriculture and livelihoods.

Harit was launched in 2021 to conserve, restore and enhance indigenous environmental systems and respond to climate change in a sustainable manner through community engagement. The program focuses on increasing green spaces, habitat improvement, water body rejuvenation and balancing native biodiversity ecosystems. The interventions from mountain to sea, increase local community resilience and reduce the impact of climate change. All these initiatives adhere to the "Participatory and Convergent Strategy" to achieve the UN SDGs and are compatible with India's National Indicator Framework for SDGs. The initiative is operational in 9 states in India.

1,278,764

saplings planted

~77,356kg

of ghost nets collected

110

water bodies rejuvenated

68,586

animals rehabilitated



HCLTech receives top recognition for exemplary CSR practices, securing the "Company with Best CSR Practices" Award from the Asian Center for Corporate Governance and Sustainability. This achievement underscores HCLTech's outstanding efforts in promoting corporate governance and sustainability.

HCLTech Grant recognizes non-governmental organizations (NGOs) that transform lives in Indian communities by funding projects focused on environmental improvement, holistic healthcare provision and equitable access to quality education. We are enabling positive change with the help of an ecosystem of partners, pushing an agenda built around creative philanthropy and creating a wrapper of progressive action around our society.

HCLTech Grant has impacted 1.8 million lives since inception and over 65,000 acres of common land has been brought under community governance.

My Clean City is HCLTech's commitment to transform Noida and other cities where we operate into some of the cleanest cities in the world. The initiative focuses on aspects such as keeping the city clean, driving the adoption of environmentally aware behavior, beautification and sanitation. It creates awareness of proper waste management practices and deploys innovative solutions to segregate waste appropriately for recycling or composting purposes.

Testimonial for My Clean City



I've been a resident in Nithari for a very long time and I was sick of the trash, backed-up sewers and filthy streets. I used to be frustrated by the trash that was lying on the street whenever I left for work. I had raised complaints at suitable forums numerous times, yet somehow things only improved for a short period of time before returning to their previous state. I had started thinking about moving to another place because I was tired of being here in the middle of waste all around.

However, since the Clean NOIDA team began working here, things have changed. I value their efforts and am pleased with how much better and cleaner Nithari looks now. The frontline sanitation staff is working hard, always being courteous and always willing to address our issues. I want to appreciate the supervisors for being proactive and the HCLFoundation and The Hand In Hand team for their work."

Jagadish Awana
(Gali No -6 Nithari, Noida)



My E-Haat is centered around an e-marketplace that connects artisans and their customers, directly. We also help artisans perfect and develop the quality of their art and handicraft. The artisans, who would otherwise find it difficult to promote their talent and craft, can carve out good livelihoods to better support themselves and their families. While we support with collective warehousing, promotion and technical provision, the initiative is fully stocked by the produce of the artisans. To date, over 3000 artisans have been reached directly through this initiative.

Power of One: The initiative steers volunteer participation from our employee community and also helps employees to contribute from their salaries, which then helps funds other key programs that the HCLFoundation team undertakes. The impact of every individual can have with their effort and the imprint they leave by what they contribute, is felt far and wide. We promote volunteerism while also establishing international standards of strategic planning, implementation and measuring impact. HCLTech employees have clocked 697,354 volunteer hours across India since the inception of Power of One.

HCLFoundation Academy: aspires to be a global platform enabling people to access a quality training and learning experience, aimed at achieving the Sustainable Development Goals (SDGs). It is a virtual learning platform to hone personal and professional skills and build capacity amongst the workforce in the social and development sector. The carefully chosen courses aim to unleash new concepts, innovative solutions and new paradigms for social change by involving students in a dynamic cycle of knowledge and practice.

Sports for Change: From a little girl's dream to transforming outcomes for thousands of children through sport development program. The initiative is all about bringing a defining impact to an aspiring sports enthusiast, enabling them, through professional training, to achieve sporting success but also improve their life chances.

27,000+

The Sports for Change initiative has transformed 27,000+ students into athletes across 35 districts of India.

6,000+

6,000+ students participated in Sports for Change competitions in 2022.

650+

650+ students participated in Sports for Change national finals in 2022.



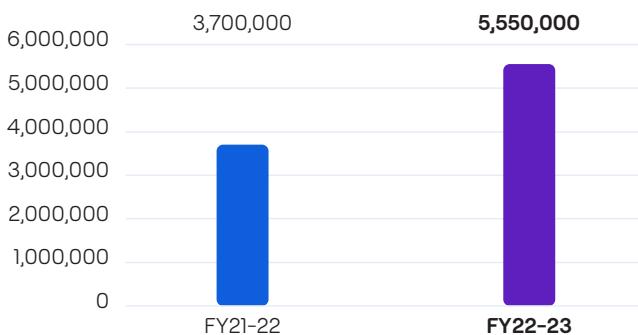
I am Ashifa, Program Officer Family Planning Association of India. I am thankful to HCLFoundation Academy for introducing me to the ARSH (Adolescent Reproductive Sexual Health) course. It helped me understand and communicate about the issues related to sexual health with the beneficiaries. It also helped me deliver the right information to the students and parents. It has broadened my vision. It is a recommended course by expert professionals and sponsored by HCLFoundation Academy."

Ashifa



Disaster risk reduction and response: HCLFoundation is partnering with the Wildlife Trust of India to build a response system and resilience towards a man-made disaster in fringe villages of the Brahmaputra Valley: secondary poisoning and mortality of vultures. Since 2018, it has been claimed that more than 250 vultures have perished due to this. The ones who managed to survive were saved and taken to Kaziranga National Park's Centre for Wildlife Rescue and Rehabilitation. A total of 118 vultures from 4 different species have received medical attention and 92 of them have also been reintroduced into the wild.

CSR beneficiaries in India from marginalised/vulnerable communities



Apart from HCLTech's widespread community initiatives in India, the Company also operates several CSR activities in the Americas, Europe and the APAC region. An overview of these CSR activities is listed below:

CSR activities in the Americas

United States of America

- Girl Up is a girl:** centered initiative for leadership development that was developed by the United Nations Foundation with the aim of improving gender justice and elevating girls and women in positions of leadership. Through initiatives like a STEM for Social Good Bootcamp with the theme of "Safe Cities Powered by Technology," an Innovation Lab, a Mentorship Program and a multi-day Global Leadership Summit, HCLTech collaborates with Girl Up to empower young leaders and increase educational and employment opportunities.
- Feeding America:** The largest hunger relief group in the United States is called Feeding America. HCLTech collaborates with Feeding America and food banks in areas with high rates of hunger. We support the battle against food insecurity and food waste by providing volunteer opportunities for its employees around the nation. To date, under this initiative, we have sorted and repacked 38,000 pounds of food at local food banks, which have resulted in the provision of more than 33,000 meals. Furthermore, we organized a Thanksgiving Fundraiser, under which 25,060 meals were provided to those in need between November 1 and 24, 2022.
- One Tree Planted:** The project attempts to conserve biodiversity and reforest areas. 100,000 saplings have already been planted around the United States, Canada, Mexico and Brazil. To make a difference alongside co-workers, friends and family, over 40 San Antonio volunteers traveled to the Cibolo Center for Conservation. Teams planted 74 trees and shrubs, including Mexican sycamores, persimmon fruit trees and rosemary bushes, as well as segregated 14 cubic yards of organic waste with our CSR partner One Tree Planted. 25,000 trees were planted in Minnesota, USA, to create forests that are resilient to climate change and improve the water quality of nearby rivers. Volunteers from six cities worked to repair more than six acres of land and plant more than three thousand natural trees, shrubs and bulbs.
- Engagement with Junior Achievement:** Our executive leadership team joined 40 students from Junior Achievement New Jersey in September 2022 to discuss HCLTech's new brand identity and play a game in the brand-new MetLife suite. This initiative shows our commitment to be connected to the youth and engage with them in a meaningful manner.
- Reading partners book collection drive:** In a three-week period between November, 8 and 30, 2022, the Sacramento office organized a book collection drive and donated books to students coming from low income backgrounds.
- Austin street centre:** HCLTech employees organized a drive and donated more than 1,000 blankets to homeless people in Dallas, Texas, Northern California including San Jose, Santa Clara, San Francisco and Santa Cruz.

Brazil

- **Ophthalmological Treatment Access:** This initiative focuses on extending access to Ophthalmology for students in Brazil. It has benefitted 252 students. HCLTech has partnered with the NGO Return for this initiative.
- **One Tree Planted:** HCLTech and One Tree Planted collaborated to plant 25,000 saplings in Sao Paulo, Brazil to support financial independence, environmentally friendly farming methods and biodiversity preservation.

Canada

- **One tree planted:** In partnership with One Tree Planted, HCLTech planted 25,000 trees in New Brunswick, to conserve native wildlife and protect freshwater resources.
- **Blood donation drive:** HCLTech employees in Mississauga organized various blood drives this year and also donated several items to schools, benefitting more than 800 students.

Mexico

- **One Tree Planted:** In collaboration with One Tree Planted, HCLTech planted 25,000 trees in Jalisco, Mexico. We further helped train and employ local women in forest restoration and maintenance practices.

Guatemala

- **Grocery donation drive:** HCLTech routinely donates groceries to the 'Home Nino de la Demanda'. Over 600 children and adults were reached out to, through food drives and the annual Margarita Tejada celebration.
- **Supply donation drive:** HCLTech collaborated with Xerox to donate 60 laptops and 95 supply bags to local schools.



CSR activities in Europe

Poland

- **Krakow Food Bank Partnership:** HCLTech organizes regular volunteer meetups at the Krakow Food Bank. As a part of this partnership, 11 food boxes containing necessities were sent over to Ukraine. Along with the Krakow Food Bank, HCLTech also organized a donation drive for hygiene products for babies and small children in the Krakow Childrens Hospice. A total of 172.5 kg of food and 659 kg of fruit were organized and delivered to the Krakow Food Bank.
- **European Federation of Food Banks (FEBA) Partnership:** Along with FEBA, HCLTech raised a support appeal for Ukrainian refugees in Poland and Romania. The appeal enabled HCLTech employees to make a voluntary contribution towards a fund, which was matched by the company. More than 3,800 HCLTech employees across 41 countries donated to the cause.
- **Blood Donation Days:** HCLTech conducts blood donation drives four times a year at the O3 Business Campus in Krakow.
- **Christmas Goodness:** HCLTech conducts a collection drive once a year in Krakow, wherein the Company collects necessities for deprived children and animals at shelters.
- **Cycle to Work:** HCLTech in Krakow promotes cycling to work and offers seasonal bike service facilities to all employees.
- **Fight Against Plastic:** It is a campaign and competition organized periodically by HCLTech in Krakow to spread awareness and promoting care for the environment.
- **Bee Active:** Bee Active is a campaign to raise awareness on how to protect bees and the distribution of honey plants, since bees are an important part of the ecosystem and their population has been dwindling for a long time.

Lithuania

- 36 school kids were provided with school supplies and education related assistance through contribution activities from employees from HCLTech offices in Lithuania.

Italy

- **Collaboration with La stella di Lorenzo:** HCLTech in Italy collaborated with La stella di Lorenzo in the Delivery of Doves initiative, in which more than 300 sweet boxes were distributed in the city of Rome.
- **Blood Donation Drives:** In November 2022, 10 people participated in blood donation drives held by HCLTech.
- **Plastic Free Day:** HCLTech volunteers participated in Plastic Free Days in Rome and Milan and helped cleaning up plastic waste in parks, beaches and other local areas.

- **Assistance to Basilica of Santa Sofia:** HCLTech volunteers in Rome provided assistance to Basilica of Santa Sofia in preparing food and clothing packages which were then shipped to Ukraine.
- **Food Donation Drives:** In October 2022, over 134 kgs of food was donated to Banco Alimentare.

France

- **Youth Training and Integration:** HCLTech has partnered with Apprentis d'Auteuil to train and integrate 33 students who come from socially difficult situations.
- **Food Donation Drives:** HCLTech, along with restaurant du Coeur Giving, has participated in several food donation drives.
- **Fight Against Cancer:** The Company has helped more than 100 children in a Christmas Charity initiative in partnership with an oncology hospital called HOPE, to support children fighting cancer. Additionally, support was also extended to children hospitalized at the Pediatric Hematology and Oncology Institute of Lyon IHOPe-Hospital.
- **Spreading Joy:** HCLTech distributed 56 gifts to children on January 9, 2023.

Portugal

- **Actions for the Environment:** HCLTech organized several tree plantation activities in and around Lisbon. In partnership with ONG Liga and Protecção da Natureza, we organized 2 beach cleaning activities as well.
- HCLTech's CSR team in Portugal supported local communities and the ecosystem through various initiatives. They partnered with the European Food Bank Federation (FEBA) and joined Banco Alimentar Contra a Fome's staff to fight food waste by sorting goods and preparing food baskets for local charities. HCLTech also donated essential goods like water bottles and energy bars to local fire stations during the 2022 heat wave to support the firefighters.

Romania

- **Semi Marathon:** On April 17, 2022, the HCLTech, Romania-CSR team spent the day competing in the Semi Marathon in Iasi. More than 2000 runners participated in this 20-kilometer race, leaving a vibrant trail on the city's streets in an effort to support children, the most valuable resource that may improve everyone's future. We are committed to assisting the development of young people in the neighborhood and the educational initiatives provided by Salvati Copiii Iasi and Pro Ruralis Association as the Semi Marathon's Gold Sponsor.
- **Stand with Ukraine:** By raising money, food and clothing through our voluntary effort, we assisted the Ukrainian refugees at the Sculeni customs facility near Iasi.

• **Children's Day Celebration:** 25 middle and high school kids received gifts of essential hygiene goods, pizza and drinks thanks to a 1,600 RON donation from HCLTech employees. The CSR Volunteers tried to cheer up the children by bringing homemade cake, cookies and cupcakes.

- **Bake my Day:** To support the September CSR Charitable Initiative, a fundraising event including handcrafted goods and crafts (Back to School) was held. At the office where the event was held, we raised over 800 RO.
- **Reforestation November:** On the hills of Iasi, 3000 Trees and 300 began their re-greening story in November. The Iasi community was directly engaged in this environmental project to be proactive and address the ecological concerns brought on by climate change. There were 16 HCL employees present for the event.
- **Galantom Fundraising:** HCLTech served as Santa Claus at Save the Children Romania in December 2022. Through a donation page set up for the Christmas Campaign to aid the Save the Children Foundation, Romania's HCLTech employees donated 3625 RON. The funds raised were used to pay for winter clothing as well as the essential school supplies for children.
- **BloDoChallenge:** In collaboration with United Business Center, we launched our blood donation campaign. During this occasion, 120 people from Iasi, including HCLTech colleagues, donated blood to assist those in need in Iasi and Romania.
- **Kids and smiles:** HCLTech Romania offered support to a variety of initiatives in January and February 2023. They gave Gradinita cu Program Normal Barnova supplies and toys and they visited 23 children living in difficult circumstances, giving them food, clothes, toys and sweets given by HCLTech Iasi workers.



United Kingdom

- **The Prince's Trust:** For the last nine years, HCLTech has been a patron of the Prince's Trust, actively contributing to the welfare of underprivileged young people in the UK. Their assistance includes supporting the 'Get Started with Technology Programs', which provide technical skills training throughout the year, allowing these people to build a better future.
- **Future Steps:** Employees from HCLTech took part in Future Steps, a month-long walking challenge, as well as the Palace to Palace Cycling Fundraising event. Furthermore, HCLTech UK clients generously gave to the Prince's Trust during a client event dubbed the Cup of Two Dreams, increasing the effect of the organization's activities.
- **Edward Woods Community:** HCLTech employees collaborated with the Edward Woods Community, which provides a variety of activities and services to the local community, including Children's Centre activities, the Change Grow Live; drug abuse support program, weekly food distribution and more, through UPG and other partners.
- **Macmillan Coffee:** The volunteers supported the Macmillan Coffee to the support the center and help with the events. They actively took part in Watford cleaning campaigns, as well as food and other items donations and toy drives during the Christmas season in 2022.

Belgium

- **Serve the City:** In collaboration with Serve the City, a group of ten volunteers spent their half-day preparing, packaging and distributing meals to 250 homeless recipients of the lunch to Refugee program.

CSR initiatives in the APAC Region

Australia

- **McGrath Foundation:** HCLTech partnered with the McGrath Foundation to raise funds for McGrath Breast Care Nurses.
- **Reconciliation Action Plan (RAP):** In order to build trust, deepen links and seize opportunities with Aboriginal and Torres Strait Islander people and communities, the Reflect RAP was introduced in May 2022. The past nine months have been spent making progress towards fulfilling our promises as stated in our RAP deliverables.
- In addition to the RAP and the McGrath program, HCLTech in Australia has focused on developing local talent through TechBee and Rise in ANZ. Information about these initiatives is given below:
 - Over 171 people have been enrolled and have made progress through these programs in Australia and New Zealand.
 - 83 people have been offered internships.
 - 37 people have been offered full-time jobs and 20 people have been hired into diverse roles.



Sri Lanka

- **Blood Donation Campaign:** In collaboration with The Sri Lanka Blood Bank, HCLTech Lanka organized a blood donation drive on the HCLTech campus. More than 80 of our staff members came to give blood.
- **Dry Goods Donation:** HCLTech Lanka donated essential dry goods packs to Sri Lanka Salvation Army and the Ceylon School for the Deaf and Blind.

CSR initiatives in Africa

South Africa

- **Anglo-American South African Education Program:** The Anglo-American South Africa Education Program, an initiative of their Group Sustainability Strategy (Social Pillar – Thriving Communities Goal – Education), aims to support improved educational outcomes of children in the communities local to their operations. In partnership with the Department of Basic Education (DBE), the program was launched in 2018.
- **Safe Hub:** Safe Hub's vision is to implement the largest and most impactful youth development project, it is driven by the vision of the world where all young people access equal opportunities, strive to realize their full potential and dare to dream. It is designed to disrupt the intergenerational cycles of poverty, unemployment and inequality.

Featured Story

Empathy in Action: How HCLTech employees united to support Ukraine

Description

In response to the Global Ukraine Appeal, HCLTech Europe displayed an extraordinary sense of solidarity and compassion. Recognizing the urgent need for assistance, 3,800 employees united under a shared purpose, initiating a voluntary payroll contribution program.

Driven by empathy, HCLTech employees wholeheartedly contributed to this noble cause, exemplifying their unwavering commitment to making a positive impact. Their individual contributions were generously matched by HCLTech's corporate funding, resulting in a grand total of USD 309,000 raised.

This collective effort aimed to provide much-needed assistance to the European Federation of Food Banks (FEBA) and support local food banks in Krakow and Iasi, where HCLTech has its offices. By focusing on these areas, HCLTech aimed to address the immediate needs of the impacted regions and support the crucial work of the food banks in providing sustenance and hope to those in distress.

HCLTech employees based in Krakow, Poland, were particularly inspired by the significant amount of funds raised. Their enthusiasm led to 24 volunteers coming together in February to prepare 1,000 food packages, each weighing 12 kg, to be dispatched to Ukraine. This act of collective effort and selflessness further exemplified the commitment of HCLTech employees to providing immediate assistance to those affected by the crisis.

By uniting their efforts, HCLTech employees showcased the boundless capacity of humanity to support one another in times of crisis. Their compassion, generosity and unwavering determination serve as a ray of hope for those affected by the Ukraine crisis.



We were deeply moved by the Global Ukraine Appeal and it was heartening to witness our employees coming together to contribute to the cause. Their generosity and compassion exemplify the values we hold at HCLTech"

Artur Jurkowski, Social Communication & Projects Manager at Krakow Food Bank

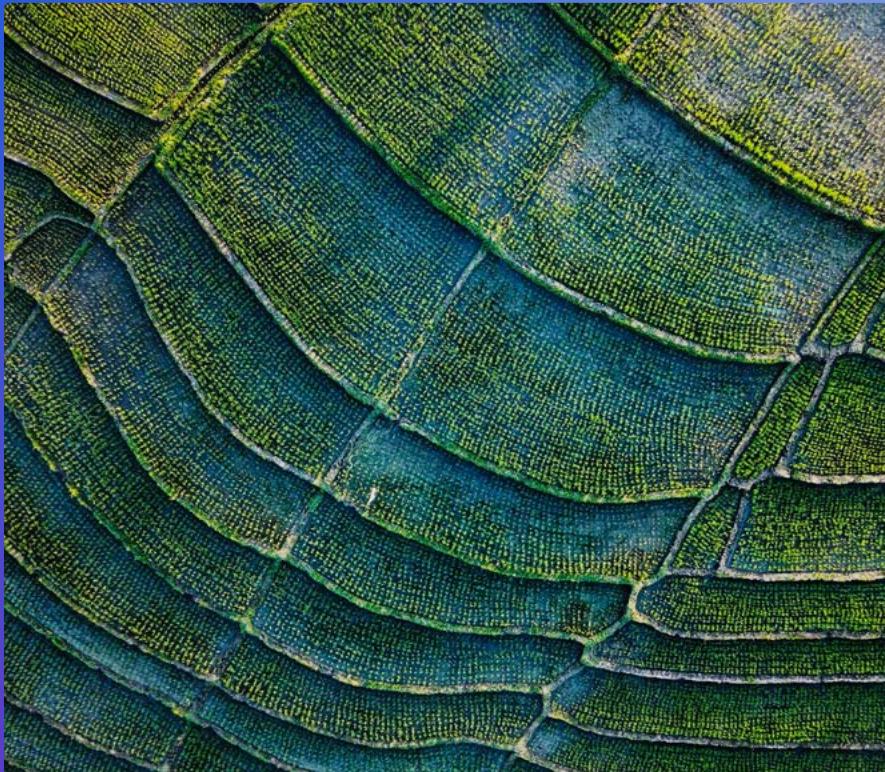


The Krakow Food Bank is extremely grateful to HCLTech for its two-year partnership and support for activities for the needy. Thank you very kind people from HCLTech and so many volunteers for your personal contribution and commitment."

Beata Ciep.a, Chairperson of The Kraków Food Bank



Sustainable supply chain



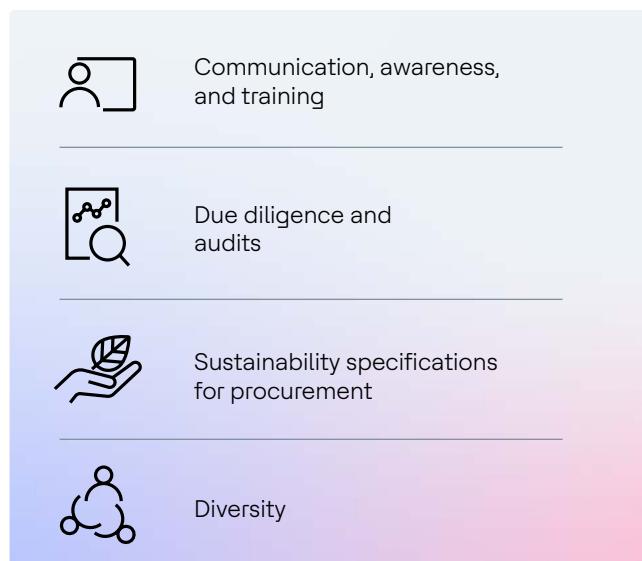
Supercharging progress towards a more sustainable world will require all organizations to seek sustainable performance from their supply chain. As we work with many different suppliers around the world to procure technology and services from them, we have a duty to ensure they are compliant and have the same values as HCLTech.

For HCLTech, including sustainability in buying and planning decisions is an important aspect of how we supercharge progress, sustainably and responsibly. For us, sustainable sourcing is much more than the procurement of materials, products and services in a socially and environmentally responsible manner. It also includes influencing and driving positive impact across our value chain and with all our stakeholders.

We have integrated the sustainability requirements as part of our procurement policy. The policy refers to our Code of Business Ethics and Conduct policy (COBEC), our Anti-Bribery and Anti-Corruption policy (ABAC) and also embeds the United Nation Global Compact's Ten Principles in the areas of human rights, Labor, environment and anti-corruption.

Sustainable procurement

As a UNGC signatory, we ensure that all the requirements outlined in the ten principles are incorporated into our engagement programs. Our sustainable procurement practices follow the four dimensions outlined below:



Through these practices, we have been able to reduce our Scope 3 emissions related to purchased and capital goods and services (per million INR of revenue) by 24% compared to the base year of FY19–20. The emission from purchased and capital goods and services contribute to 23% of our Scope 3 emissions.

	FY19-20	FY22-23
Purchased and Capital goods and services related emission (mt CO2/ mn INR)	0.083	0.063



Through the course of the engagement, our vendors and suppliers are kept informed of our evolving ESG agenda and goals. Our procurement policy is aligned with our sustainability objectives and it clearly defines our expectations of all supply chain partners. The policy communicates how any challenges/grievances should be reported and explains the expectations across the various dimensions covered by ESG. During FY22–23, no grievances regarding sustainability were reported. We conducted 580 training sessions for our value chain partners during the FY22–23.

Our vendor onboarding process includes specific requirements based on E, S and G. All of our new suppliers are screened for ESG compliance, and the results are then entered into our SAP system. In addition, we conduct an annual risk-based assessment to identify high-risk supply chain partners. Our Vendor Risk Management (VRM) team is separate from our procurement team and operates under our Risk Management team.

The comprehensive VRM Program identifies and manages any risks associated with in-scope vendors on an ongoing basis. The depth and frequency of vendor risk assessment are determined by the service category and the inherent service risk.

All in-scope vendors who provide services to HCLTech are subject to our VRM methodology. The risk domains evaluated as part of the VRM assessments are:



Financial



Information security and business continuity



Data privacy



Operational



Health, safety and environment



Intellectual property



Strategic and geographical



Ethics, regulatory and compliance

HCLTech recognizes the importance of health, safety, environmental and energy requirements in its operations. All vendors working at HCLTech facilities must comply with HCLTech's Health, Safety and Environmental (HSE) requirements, as well as relevant laws and government regulations. Failure to meet these obligations may result in disqualification for future work with HCLTech or termination of existing agreements.

During FY22-23, a total of 1,046 vendor assessments were carried out. HSE, as a domain was relevant for 406 vendors. 37 findings related to HSE domain were identified against the assessed 406 vendors and all of them are being followed up for closure according to standard procedures.

We also endeavor to improve our procurement in the local areas where we operate. This is mutually beneficial as it helps us to have a greater control in the process and it also helps improve the local economy.

to small, local and diverse businesses. The definition of diverse is often specific to the country, however, it typically will include local minority, gender, age, sexual orientation, disability, economically disadvantaged and other under-represented segments of a population.

Our mission is to incorporate and boost our supplier diversity program into all procurement practices and categories. We recognize that a diverse supplier base is a fundamental component to of our business. Our endeavor is to increase our supplier base and present additional opportunities for businesses owned and operated by minorities, women, lesbian and gay, veterans and service-disabled veterans and disabled persons, etc. Building and maintaining a community of diverse suppliers provides us with the opportunity to learn new approaches and ideas and ultimately allows us to serve our customer needs in a better way.

89.02%

of our procurement by value is locally sourced

~34%

Total procurement spend of US and Canada combined, with diverse suppliers.

Supplier Diversity: Our Procurement policy supports the development of and will give special consideration

We are also improving our Supply Chain Sustainability Program with the objective to strengthen sustainability controls within our Supply Chain.

Data with purpose



To effectively respond to rapidly evolving data privacy and cyber security landscape, HCLTech has implemented a comprehensive data privacy and cyber security program. The cybersecurity practices at HCLTech are aligned with the Global NIST cyber security framework and industry standards such as ISO 27001. HCLTech's privacy program is supported by an enterprise-wide Privacy and Data Protection Framework that is tailored to accommodate HCLTech's operations, nature, scope and sensitivity of personal data, legal, regulatory, contractual obligations, risks to data and defined privacy principles. We have established minimum baseline control standards and a defense in depth approach to ensure privacy and cyber security controls are embedded throughout the asset, identity, and data lifecycle.

Continuous validation of controls such as vulnerability assessments, penetration testing, breach and attack simulation (e.g., phishing simulations) etc. covering all infrastructure and application assets are performed to continually manage our risk posture. A 24x7 Cyber Defense Center is established to identify and respond to any potential threats to the HCLTech environment.

The effectiveness of the privacy and cyber security controls at HCLTech is monitored and tested internally by an independent internal audit team as well as by independent external third parties on a regular basis. At HCLTech, we take pride in pursuing ways to enhance privacy and cyber security knowledge and awareness and embed a culture of privacy and data protection throughout the organization. Employees and third-party resources undergo mandatory enterprise-wide privacy and cyber security training covering key privacy and cyber security concepts, principles, laws, best practices and contractual obligations. HCLTech has also created an extensive network of privacy and cyber security champions who play a critical role in embedding and reinforcing privacy and cyber security knowledge and best practices at an operational level.

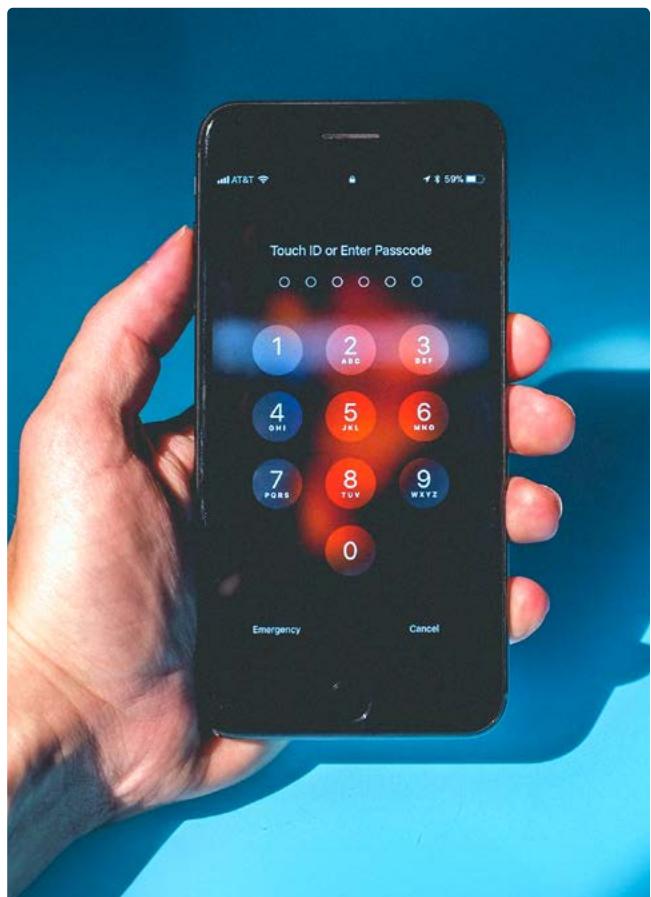
The Privacy and Cyber Security programs at HCLTech are overseen by the Chief Privacy Officer (CPO) and Chief Information Security Officer (CISO) respectively. HCLTech has also appointed an external global Data Protection Officer to provide assurances, accountability and independence as is necessary for complying with privacy laws. The Risk Management Committee reviews risks related to cyber security. Robin Ann Abrams is the member of the committee, with an extensive IT Background in this space. As part of the Executive Management team, Kevin McGee, our Head of Risk, oversees our company's cybersecurity strategy. Further as a proactive measure and to ensure enhanced protection of personal data processed globally at HCLTech offices, we have documented and implemented our Binding Corporate Rules (BCRs) framework and are in the process of seeking approval for our BCR applications both as a data controller and processor from EU/EEA data protection authorities.

HCLTech's global privacy policy sets out the mandate for the organization with regard to personal data processing

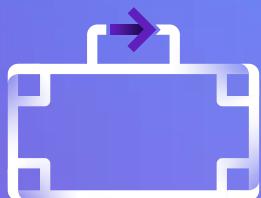
activities both as a controller and data processor. The policy requires all processing activities to be lawful and comply with a defined set of privacy principles outlined in the privacy policy such as purpose limitation, necessity and proportionality, data minimization, security, and storage limitation, etc. We only process personal data for the purpose it was collected and in line with legal requirements, secondary use of data without an individual's permission is not recommended. HCLTech respects the rights of data subjects and has enabled an easy-to-use and external-facing Data Subject Rights Portal for data subjects to exercise their rights as per applicable laws and regulations.

HCLTech maintains a well-established Information Security Management System (ISMS) which is certified against ISO 27001:2013. In addition, we are annually attested on SSAE-18/ ISAE-3402 SOC1 and SOC2 (including Privacy Trust Principles) by independent attestation bodies and certified for TRUSTe's Privacy and Data Governance Accountability Framework.

HCLTech has not been subject to request for client data disclosures from any public authority and as an organizational measure, HCLTech has internal protocols in place to assess and respond to such requests as and when received. We have not encountered any substantial or material breaches that involved leaks, thefts, or loss of client data.



About HCLTech



As the scale of digitalization continues to expand globally, HCLTech has emerged as a leader in IT based solutions. Powered by a dedicated team of 225,900 diverse and passionate people across 60 nations, we consistently deliver smarter and better ways for our stakeholders to supercharge progress, sustainably and responsibly.

Our areas of expertise

Our Digital offerings deliver end-to-end solutions that boost business resilience, enhance operational efficiency and deepen client engagement. With HCLTech's Engineering and R&D Services (ERS), clients can improve time to profit, speed up product development and maximize return on innovation. Our CloudSMART services and offerings optimize cloud usage to accelerate innovation and agility at scale. Our HCLSoftware division develops, markets and supports software for digital transformation, data, analytics and insights, AI and automation and enterprise security.

HCLTech's CloudSMART approach helps clients and employees navigate their cloud transformation journey with clarity and confidence. CloudSMART leverages ecosystem partnerships and cutting-edge technology solutions to provide independent consulting that enables businesses to create long-term plans to drive transformation at an accelerated pace and scale.

Our business segments

1. IT and Business Services (ITBS)

The ITBS segment plays a crucial role in HCLTech's strategy of providing next-generation digital transformation solutions that enable global enterprises to drive business transformation, agility, sustainability and client experience. ITBS comprises the following services:

- Digital Business Services enable organizations to adopt new technology architectures
- Digital Foundation Services (DFS) form the backbone of digital transformation journeys
- Digital Process Operations (DPO) helps clients adapt to the digital age
- EdTech Business Services is a new addition to ITBS segment, focusing on providing enterprise solutions for talent acquisition and mobility.

2. Engineering and R&D Services

HCLTech provides engineering and R&D solutions to help our clients develop digital, sustainable and next-generation products and platforms.

3. HCLSoftware

We help our global clients fulfil their technological and industry-specific requirements by providing them with modernized software, which is tailored to their needs.

Our clients

HCLTech has a broad client base comprising various sectors, including financial services, consumer services, public services, life sciences and healthcare and manufacturing services. Our clients are located across the globe, with major operations in Asia-Pacific, Americas, Europe and Middle East and Africa. Through our products, we enable sustainable progress in the following industries:

1. Financial Services Industry

HCLTech's financial services customers include companies in the banking sector, capital markets and insurance.

We are providing digital solutions for traditional banking firms to reposition themselves technologically. For capital markets, HCLTech provides much-needed competitive advantage to investment banks, broker-dealers, wealth managers, asset managers and financial market infrastructure providers (FMI) through extensive automation and technological innovation.

2. Life Sciences and Healthcare

For the last 10 years, HCLTech has been supporting leading life sciences and healthcare companies. Our clients include 10 of the top 20 pharmaceutical companies and seven leading medical devices firms.

3. Public Services

Within the public services sector, our clients include energy companies, mining and natural resource firms, oil and natural gas ventures, travel and transport and logistics and hospitality sectors.

4. Consumer Services

Within consumer services, HCLTech serves clients in the retail, media, entertainment and telecom sectors. We have also collaborated with publishing companies, gaming solution providers, music conglomerates and casinos within the last 10 years.

5. Manufacturing

Within manufacturing, we serve clients in the aerospace, defense, automotive, chemical and processes and industrial manufacturing sectors.

Client satisfaction and client engagement

Innovation is at the core of our company culture and we understand that it requires more than just an idea. At HCLTech, the focus of every employee is to proactively come up with new ideas to address the needs and challenges of our clients. Our client-focused approach ensures that every idea we pursue is grounded in deep understanding of our clients' needs. This encourages us to deliver innovative and value driven solutions that exceed their expectations.

This culture of innovation defined under Ideapreneurship is a self-sustaining, self-inspired, innovation engine that drives the Company forward and prepares us as an organization of the future. By investing in our employees' creativity and fostering an environment that supports ideapreneurship, we have been able to create a culture that encourages continuous learning and growth. Every employee gets the opportunity to ideate and these everyday ideas set a new business paradigm.

A key outcome of our efforts in skilling our employees is their contribution to innovation at HCLTech.

To connect with our clients in a better manner, we carry out a variety of surveys, from scheduled and periodic surveys that focus on the client segment to event-based surveys that focus on the end users. HCLTech considers it essential to maintain regular client cadences since it fosters our connections and builds trust with our clients through open communication. A governance system called CREST seeks to standardize client cadences throughout all HCLTech engagements. It increases leadership visibility and mandates client and other stakeholder participation. Moreover, CREST offers the required framework for starting a conversation with clients and learning how HCLTech can assist them.

Customer Advocacy Group (CAG), a dedicated team, is responsible for monitoring, establishing and improving client relationships throughout their association with HCLTech. This team oversees implementing a multi-layered architecture for client feedback that not only takes client input but also provides a smooth post-feedback system to enable actions. This team also oversees the Value Creation Initiative, a grassroots innovation program that encourages staff members to comprehend clients' businesses and provide operational and transformative ideas that would please clients.

Annual client Satisfaction (CSAT), another component of CAG's client feedback system, is used to continuously

gauge client satisfaction with various areas of base delivery. An impartial third party performs Account CSAT once a year to offer a health check on customer engagement and relationships, benchmarked against rivals. We communicate with 4000+ clients across 600+ global accounts as part of the account CSAT to obtain insightful feedback. Client have the choice to give their honest opinions while remaining anonymous and this is controlled by a third party. Furthermore, every entity at HCLTech gets a computed CSAT and NPS score and the synopsis of client feedback that helps the entity improve and work on specific aspects. Following the surveys, the CAG team collaborates with the account teams to ensure that the appropriate course of action is taken to improve the client experience. This is done by enabling the appropriate teams to take the necessary action and by following those actions through to completion. In the past few years, HCLTech has seen the total client experience index increase to the top 80% quartile and hold that position.

Awards and Accolades

Awards and recognitions for DEI initiatives:

- Diverse Company of the Year (2022)
- 100 Best Companies for Women in India (2022)
- Exemplar of Inclusion in Most Inclusive Global Companies Index (2022)
- Global Inclusion Index (2022)
- Women in Workplace (2022)
- India Workplace Equality Index (2022)
- Supplier Prestige Award in 'Amplifying Accessibility' (2022)
- Best Workplace for Women (2022)

Awards and recognitions for employee satisfaction and equity:

- HCLTech recognized by Great Place to Work Institute: This prestigious award is based on what current employees say about their experience working at HCLTech in America. This year, 78 percent of its employees in the United States said it's a great place to work—19 points higher than the average U.S. company.
- Certified as a Global Top Employer: HCLTech has been placed as a top regional employer over the past few years, but this year, we have been certified as a 'Global Top Employer'.
- Included in the Bloomberg GEI: HCLTech is one of the 484 companies included in Bloomberg's Gender-Equality Index. This comes from our increased attention to equality measures in all of our workplaces and organizational structures.
- Brandon Hall Excellence Awards: Brandon Hall
- Excellence Awards recognize organizations which

have successfully created programs and strategies that have achieved favorable results. HCLTech performed exceptionally well and achieved a gold award in many of the areas measured. Some of the key areas are: Best Advance in Leadership Development for Women, Best Learning Program for Unconscious Bias Awareness, Best Benefits, Wellness and Well-Being Program, Best Advance in Creating a Learning Strategy and Best Advance in Performance Management among other areas.

Other important accolades

- Healthy Workplace 2022 Award: HCLTech's commitment to fostering a healthy and thriving work environment has been recognized with the prestigious Healthy Workplace 2022 Award presented by Arogya World.
- Sustainability 100+ Award: We have been honored with the prestigious Sustainability 100+ award, presented by Network 18 in collaboration with ABInBev. This esteemed recognition celebrates our unwavering dedication to water conservation and stewardship initiatives,

reaffirming our commitment to supercharging progress sustainably and responsibly for the planet.

ESG Ratings

- MSCI ESG Rating: MSCI ESG Ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to entity's exposure to ESG risks and how well the entity manages those risks relative to peers. The key ESG scores combine to create an overall ESG rating ranging from AAA – CCC, relative to industry peers. HCLTech obtained a score of AA in FY22–23, an improvement from the score of A which the Company obtained the previous year.
- Sustainalytics: HCLTech has been included in Sustainalytics' newly released 2023 Top-Rated ESG Companies List and has also been listed as an Industry and Regional Top rated company.

Economic performance

Parameters	Units	FY19–20	FY20–21	FY21–22	FY22–23
Direct Economic Value Generated					
a) Revenues (including other income)	INR Crores	71,265	76,306	86,718	102,814
Total Economic Value Generated	INR Crores	71,265	76,306	86,718	102,814
Economic Value Distributed					
a) Operating Costs	INR Crores	22,046	21,275	23,347	27,720
a.1) Other Expenses (Excluding CSR Expenditure)	INR Crores	11,346	11,117	10,832	12,770
a.2) Outsourcing Cost	INR Crores	10,700	10,158	12,515	14,950
b) Employee benefits and expense	INR Crores	34,928	38,853	46,130	55,280
c) Payments to providers of capital	INR Crores	1,758	3,384	11,459	13,081
c.1) Interest Paid	INR Crores	133	128	70	86
c.2) Dividend Paid (Dividend paid + Corporate Dividend tax)	INR Crores	1,625	3,256	11,389	12,995
d) Payments to Governments (Total Tax Expense)	INR Crores	2,697	3,536	3,544	3,872
e) Expenditure toward Corporate Social Responsibility (CSR) activities	INR Crores	178	197	219	240
Total Economic Value Distributed	INR Crores	61,607	67,245	84,699	100,191
Economic Value Retained	INR Crores	9,658	9,061	2,019	2,621

* The number of Dividend paid for FY18–19 also includes buy back of shares (INR 4,000 Crores)

Independent Assurance Statement

The Management and Board of Directors

HCL Technologies Limited
Noida (Uttar Pradesh), India

Scope

We have been engaged by HCL Technologies Limited to perform a Limited Assurance engagements for environment and social indicators as defined by International Standards on Assurance Engagements (ISAE 3000), hereafter referred to as the engagement, for HCL Technologies Limited's Sustainability Report FY23 prepared as per Global Reporting Initiative (GRI) Standards (the "Subject Matter") and BRSR Report FY23 prepared as per Business Responsibility and Sustainability Report (BRSR) framework, (the "Subject Matter") for the period from 1st April 2022 to 31st March 2023.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by HCL Technologies Limited

In preparing the Sustainability Report, HCL Technologies Limited applied, Global Reporting Initiative (GRI) Standards. In preparing the BRSR Report, HCL Technologies Limited applied SEBI's Business Responsibility and Sustainability Reporting framework. GRI Standards were specifically designed for Sustainability Report FY23. SEBI's BRSR framework were specifically designed for BRSR Report FY23. As a result, the subject matter information may not be suitable for another purpose.

HCL Technologies Limited's Responsibilities

HCL Technologies Limited management is responsible for selecting the Criteria, and for presenting the Sustainability Report FY23 and BRSR Report FY23 in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's Responsibilities

We conducted our engagement in accordance with the international standard for assurance engagements other than audits or reviews of historical financial information ('ISAE 3000'). The terms of reference for this engagement as agreed with HCL Technologies Limited on 16th June 2023. Those standards require that we plan and perform our engagement to obtain Limited Assurance for Environment and Social Indicators (as per ISAE 3000) whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions to other environment and social indicators.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the sustainability report and related information and applying analytical and other appropriate procedures.

Our procedures included:

- ▶ Conducted interviews with select personnel at manufacturing units and corporate teams to understand the process for collecting, collating, and reporting the subject matter as per Global Reporting Initiative (GRI) Standards
- ▶ Checked that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria
- ▶ Undertook analytical review procedures to support the reasonableness of the data
- ▶ Verification of sample data and related information through consultations at the Company's Head Office, physical site visit at Indian location in Noida (Uttar Pradesh), Bengaluru (Karnataka) and Lucknow (Uttar Pradesh)
- ▶ Review of data presented in Sustainability Report and BRSR Report on a sample basis, at the above-mentioned locations
- ▶ Execution of an audit trail of claims and data streams, on a selective test basis, to determine the level of accuracy in the collection, transcription, and aggregation processes followed
- ▶ Review of the Company's plans, policies, and practices, pertaining to their social, environmental, and sustainable development, to be able to make comments on the fairness of and sustainability reporting;
- ▶ Review of the Company's approach towards materiality assessment disclosed in the Report to identify relevant issues
- ▶ Review of select qualitative statements in various sections of the Sustainability Report FY23.

We also performed such other procedures as we considered necessary in the circumstance

Emphasis of matter

The assurance scope excludes:

- ▶ Data and information outside the defined reporting period (1st April 2022 to 31st March 2023)
- ▶ Data and information on economic and financial performance of the Company
- ▶ Data, statements and claims already available in the public domain through Annual Report, Sustainability Report, or other sources available in the public domain
- ▶ The Company's statements that describe the expression of opinion, belief, inference, aspiration, expectation, aim, or future intention provided by the Company
- ▶ The Company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters.

Our Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Sustainability Report & BRSR Report FY23 for the period from 01st April 2022 to 31st March 2023, in order for it to be in accordance with the Global Reporting Initiative (GRI) standards and SEBI'S BRSR Framework.

Restricted use

This report is intended solely for the information and use of HCL Technologies Limited and is not intended to be and should not be used by anyone other than HCL Technologies Limited.

For and on behalf of Ernst & Young Associates LLP



Chaitanya Kalia

July 20, 2023

Mumbai, India

GRI Index

Indicator	Description	Reference
GRI - 2 - 1	Organizational details	About HCLTech/ Pg 100
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GRI - 2 - 4	Restatements of Information	Reporting content / Restatements / Pg 8
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GRI - 2 - 7	Employees	Unlocking our people potential / Breakdown of employees by geography and gender / Pg 34
GRI - 2 - 9	Governance structure and composition	Corporate governance / Pg 20
GRI - 2 - 10	Nomination and selection of the highest governance body	Policy positions and guidelines / Policy on director's appointment and remuneration/ pg 29
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GRI 2-16	Communication of critical concerns	Annual Report / Availability of information to Board members / Pg 153
GRI - 2 - 17	Collective knowledge of the highest governance body	Annual Report / Summary of Directors' skills / expertise / Pg 150
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GRI - 2 - 24	Embedding policy commitments	Corporate governance / Policy positions and guidelines / Pg 29

GRI 2-25	Processes to remediate negative impacts	Annual Report / BRSR – Section A – Question 23 / Pg 181
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GRI - 2 - 29	Approach to stakeholder engagement	Introduction to the report / Stakeholder engagement / Pg 10
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GRI - 3 - 2	List of material topics	Introduction to the report / Our material topics / Pg 8-9
GRI - 3 - 3	Management of material topics	Introduction to the report / Our material topics / Pg 8-9
GRI - 201 - 1	Direct economic value generated and distributed	About HCLTech / Economic performance / Pg 102
GRI - 201 - 2	Financial implications and other risks and opportunities due to climate change	Assessment and disclosure to TCFD / Pg 69
GRI - 201 - 3	Defined benefit plan obligations and other retirement plans	Annual Report / BRSR – Principle 3 – Essential Indicator 2 / Pg 189
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GRI - 203 - 2	Significant indirect economic impacts	Empowering communities / Pg 86
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GRI - 205 - 1	Operations assessed for risks related to corruption	Annual Report / BRSR – Principle 5 – Essential Indicator 9 / Pg 196
GRI - 205 - 3	Confirmed incidents of corruption and actions taken	Annual Report / BRSR – Principle 1 – Essential Indicator 7 / Pg 197
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People / Skills for the Future	Training Provided	Unlocking our people potential / Learning and development at HCLTech / Pg 48
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Restatements table

Total energy consumption (in gigajoules)	FY 2021-22 (Reported current year)	FY 2021-22 (Reported previous year)	Reason for restatement
Total	924,354	909,144	This restatement is due to a change in the measurement methodologies for energy consumption, which has resulted in a more accurate calculation of the total figure.
Non-renewable	764,677	748,581	
Renewable	159,677	160,563	
Energy intensity	FY 2021-22 (Reported current year)	FY 2021-22 (Reported previous year)	Reason for restatement
Energy intensity	1.07 GJ/million rupees	1.06 GJ/million rupees	This restatement is due to a change in the total energy consumption, which was updated due to a change in measurement methodologies.
Emissions (MTCO2e)	FY 2021-22 (Reported current year)	FY 2021-22 (Reported previous year)	Reason for restatement
Total emissions (Scope 1 + 2)	162,407	155,841	This restatement is due to a change in the total energy consumption figure, which was updated due to a change in measurement methodologies.
Scope 1	18,765	19,503	
Scope 2	143,642	136,338	
Scope 3 emissions (MTCO2e)	FY 2021-22 (Reported current year)	FY 2021-22 (Reported previous year)	Reason for restatement
Scope 3 emissions	229,973	241,117	This restatement is due to a change in the measurement methodologies for scope 3 emissions, which has resulted in a more accurate calculation of the total figure.



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