

# Environmental, Social and Governance (ESG) Policy

**Version 1.0**

**Last review date: 05/06/2024**





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## 1. Purpose

Birlasoft Limited (*hereafter referred to as “Birlasoft”*), a leading Indian multinational IT services company, offers a comprehensive suite of solutions, including IT consulting, digital transformation, and cybersecurity, to diverse industries. With a focus on leveraging Cloud, AI, and Digital technologies, Birlasoft enhances business efficiency and fosters innovation globally. Birlasoft demonstrates a commitment to Environmental, Social, and Governance (ESG) principles through this ESG policy and various initiatives such as sustainable business practices, community engagement programs, and ethical governance standards. This policy outlines the company's dedication to reducing its environmental impact, fostering positive relationships with stakeholders, and ensuring transparency and accountability in its operations. It serves as a guiding framework for integrating environmental stewardship, social responsibility, and good governance principles into all aspects of our organization's operations, decision-making processes, and interactions with stakeholders.

## 2. Scope

This policy applies to all the facilities and locations owned by Birlasoft and all our stakeholders associated with our business verticals. All associates and departments of the company and its related business stakeholders shall understand, implement, and promote this policy in their own capacity.

The Facilities & Logistics Management (FLM) team, asset, and inventory teams of Birlasoft along with all its associates and any third parties acting on behalf of Birlasoft, including suppliers, partners, contractors, vendors, and affiliates are responsible for supporting and complying with this policy.

## 3. Policy Commitment

Birlasoft recognizes the importance of responsible business practices and is dedicated to creating value for its employees, extended workforce, shareholders, investors, vendors, suppliers, customers, and other stakeholders. As part of our commitment to Environmental, Social, and Governance (ESG) parameters, we strive to minimize our environmental footprint, create positive social impact, and sustain the highest standards of ethical governance. Our ESG policy is integral to our corporate strategy, ensuring sustainable growth and long-term success while contributing to the well-being of the communities we serve. Birlasoft is dedicated to upholding the following ESG commitments:

- Birlasoft pledges to reduce its carbon emissions through its business operations, by adopting energy efficient solutions and moving towards renewable energy.
- Birlasoft is committed to continuously enhance its Renewable Energy (RE) share in the total energy mix through Power Purchase Agreement (PPA) model or obtaining power from solar park on the outskirts of our operational areas.
- Birlasoft is promoting the adoption of Electric Vehicles (EV) in its fleet and setting up EV charging stations within premises to encourage employees to commute in cleaner and greener mobility solutions.

- Ensure waste management in accordance with all applicable legislative and regulatory requirements, plan for future legislative and regulatory changes and develop, action plan to mitigate their negative effects if any in future.
- Provide clearly defined guidelines and SOPs for identifying and coordinating initiatives and activities to implement the waste management process across all locations.
- Undertake environmental awareness to increase awareness and encourage waste management, minimization, reuse, and recycling initiatives across sites and amongst business partners.
- Ensure that hazardous waste, including used batteries and E-waste sent to recyclers authorized by the State/Central Pollution Control Boards at the respective locations.
- Conduct environmental training and education for employees and recognize their initiatives and achievements in environmental improvement.
- Birlasoft's commitment is to drive responsible and sustainable procurement practices, ensure compliance by getting acceptance from supplier on Birlasoft Supplier Code of Conduct.
- Integrate ESG/sustainability compliance into supplier registration, onboarding, review, and development processes. Periodically assess critical suppliers on environmental and social compliance and performance.
- Set, track, and monitor environmental goals to ensure compliance and performance within set timelines. Disclose accurate, data-driven environmental information for stakeholder review.

This policy outlines Birlasoft's commitments to energy management, waste management, and water conservation, integrating sustainable practices into our business operations. We set company-wide environmental sustainability targets, aiming to reduce our carbon footprint, promote renewable energy, and implement efficient waste and water management strategies. By embedding these principles into our corporate culture, Birlasoft strives for long-term sustainability and positive contributions to the environment and society.

### 3.1 Energy Optimization and Emission Management

Birlasoft is committed on its "**Carbon Neutral Pathways**". As part of this commitment, Birlasoft has committed to annually reduce GHG emissions through adopting energy-efficient technologies and solutions, optimizing energy usage, increasing the share of renewable energy in our total energy consumption. These actions have a cascading effect on carbon offsets, supporting our goal of environmental sustainability and responsible business practices.

The company is committed to transitioning from non-renewable energy sources to renewable energy within its business operations (direct control) and enhancing energy efficiency by integrating sustainable energy practices across other campuses (leased premises). Birlasoft aims to conduct annual equipment checks and optimize operational processes to minimize energy wastage and maximize efficiency. To increase employee awareness, Birlasoft plans to hold mandatory and voluntary training sessions annually, equipping the team with the knowledge and skills for energy-saving practices and emission management strategies. Additionally, the company intends to invest in green building initiatives, renewable energy, and adopt green mobility options for transportation. Birlasoft is making



steady progress toward our goal of reducing carbon emissions through an integrated and comprehensive approach.

### 3.2 Waste Management and Circularity

Birlasoft has committed to achieving **“Zero Waste to Landfill”**, by creating an effective waste management ecosystem. This ambitious goal emphasizes our dedication to sustainability and responsible resource management. To achieve this, we have established the following sub-targets:

- Birlasoft is committed to **“Ban single use of plastic”** on its premises. This will be achieved through effective communication, employee education, and stakeholder engagement. The company will use environmentally friendly products to ensure zero use of plastic.
- Birlasoft is dedicated to achieving a **‘Zero Waste to Landfill’** target for its owned premises. The company is also embracing the concept of circularity to minimize waste by segregating waste, maximize recycling and reuse of products wherever possible.

Birlasoft is dedicated to enhancing resource utilization through our Waste Management policy, which focuses on the responsible reuse and recycling of electronic waste generated by our operations. This initiative promotes the concept of a circular economy by maximizing the reuse and recyclability of electronic equipment, thereby reducing our environmental footprint. Additionally, we collaborate with our vendors and suppliers to advance environmental sustainability by prioritizing the reduction of packaging material consumption and waste through the adoption of alternative green solutions and sustainable practices. Our comprehensive approach ensures that we not only manage our waste responsibly but also encourage our partners to align with our commitment to sustainability.

### 3.3 Water Management

Birlasoft is committed to becoming **“Water Efficient in all its operations”**, focusing on sustainable water management practices. Our mission includes reducing fresh water consumption, implementing rainwater harvesting and wastewater treatment, and engaging with local communities. This mission includes the following standalone sub-targets:

- Birlasoft is committed to effectively manage, recharge, and recycle the water to ensure water conservation.
- At Birlasoft, we ensure use of recycled water in gardening of our premises and efficiently conserving water at all our premises.
- Birlasoft is committed to the sustainable management of water resources across all our business operations and facilities. To this end, we have developed comprehensive plans focused on the conservation, harvesting, and recycling of water. Our dedication to water conservation practices and innovative solutions to enhance water recyclability is paramount. Consequently, we regularly conduct capacity-building sessions for our employees to foster awareness and drive behavioral change.



### 3.4 Social Responsibility

Birlasoft is deeply committed to social responsibility, implementing a range of responsible practices and initiatives designed to contribute positively to society. We ensure ethical conduct, promote the well-being of our employees, and strive to minimize negative impacts. Our commitment to social well-being includes:

- Birlasoft is committed to holistic well-being of its employees by focusing on physical, social, mental, emotional, and financial health schemes, initiatives, and comprehensive programs.
- Birlasoft is committed to increase gender diversity in the organization year on year across levels.
- Employees to be sensitized & trained on overcoming unconscious bias in the workplace.
- Birlasoft believes in cultivating continuous learning curve in-tune with the changing business environment.
- CSR commitments - Enhance livelihood of communities through community-led development programs and scaling up of Birlasoft Flagship initiatives for social, economic, and environmental benefit of the society.
- By focusing on these commitments, Birlasoft not only demonstrates its dedication to social responsibility but also contributes to the betterment of society. This approach ensures sustainable business growth while fostering a positive impact on the community and the environment.

### 3.5 Governance

Birlasoft ensures effective governance practices by demonstrating transparency, accountability, fairness, and responsibility in managing and overseeing the organization's operations and stakeholders' interests. The company has established an Enterprise Risk Management (ERM) framework, practices, and processes to guide decision-making and implementation across all levels of the organization. As an IT company, Birlasoft's ERM framework also prioritizes cybersecurity and data privacy risks in alignment with global privacy regulations, standards, and stakeholder concerns. This framework not only supports strategic direction and risk management but also ensures compliance with legal and ethical standards. Birlasoft continually reviews and updates its governance framework to adapt to changing regulatory environments and best practices in corporate governance.

## 4. Monitoring

This Environment, Social, and Governance (ESG) Policy will be routinely reviewed and updated to align with national and local laws and regulations, as well as international ESG commitments. The responsibility for the periodic review of this policy and its commitments lies with Birlasoft's ESG Committee, which will meet annually or as deemed necessary. The Board will review the commitments and targets annually based on the recommendations of the ESG Committee. The respective function jointly track and monitor progress against the set targets monthly and report to the ESG Committee using quarterly trend analysis report, encompassing energy, emissions, waste, and water etc. , for their review and recommendations.

## 5. Compliance Obligations

All provisions of the Environment, Social, and Governance (ESG) Policy are subject to revision in response to changes in laws and regulations, strategic business decisions, and organizational changes

at Birlasoft. The ESG Committee retains the authority to modify, add to, or amend any of the provisions within this policy, pending Board approval.

Additionally, any significant updates or modifications will be communicated to all stakeholders to ensure transparency and continued compliance. The ESG Committee will work closely with relevant departments to ensure that all changes are effectively implemented and aligned with Birlasoft's overall sustainability goals.

## 6. Training and Communication

To support the implementation of our ESG policy, we provide comprehensive training programs for employees at all levels to increase awareness of environmental, social, and governance issues relevant to their roles and responsibilities. These training sessions cover topics such as sustainable business practices, ethical conduct, diversity and inclusion, environmental conservation, human rights, and corporate governance.

Furthermore, we maintain open channels of communication to ensure that employees are informed about our ESG goals, initiatives, and progress. Regular updates are provided through internal communication channels, including newsletters, intranet portals, and town hall meetings.

**Feedback Mechanism:** We encourage feedback, questions, and suggestions from employees regarding our ESG efforts, fostering a collaborative approach to sustainability within the organization. The stakeholders can write to [esg@birlasoft.com](mailto:esg@birlasoft.com) for communicating their concerns and suggestions.

Through robust training and communication efforts, Birlasoft aims to empower employees to integrate ESG considerations into their daily work activities, driving positive change and contributing to our overall sustainability objectives.

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## 7. Relevant Policies

Please refer to following policies of Birlasoft for further details

1. Human Rights Policy

<https://www.birlasoft.com/sites/default/files/resources/downloads/human-rights-policy.pdf>

2. Sustainable Procurement Policy

<https://www.birlasoft.com/sites/default/files/resources/downloads/investors/procurement-and-supplier-management-policy.pdf>

3. Supplier Code of Conduct

<https://www.birlasoft.com/sites/default/files/resources/downloads/supplier-code-of-conduct.pdf>

4. EOHS Policy

<https://www.birlasoft.com/sites/default/files/resources/downloads/investors/eohs-policy-statement.pdf>

5. POSH Policy

<https://www.birlasoft.com/sites/default/files/resources/downloads/investors/posh-policy.pdf>

6. Global Diversity Equity and Inclusion (DE&I) Policy

<https://www.birlasoft.com/sites/default/files/resources/downloads/investors/global-diversity-equity-inclusion-policy.pdf>



7. Code of Business Ethics and Conduct (COBEC) Policy

<https://www.birlasoft.com/sites/default/files/resources/downloads/investors/birlasoft-code-of-conduct.pdf>

8. CSR Policy

<https://www.birlasoft.com/sites/default/files/resources/downloads/investors/corporate-social-responsibility-policy.pdf>

9. Water Management Policy

<https://www.birlasoft.com/sites/default/files/resources/downloads/water-management.pdf>

10. Waste Management Policy

<https://www.birlasoft.com/sites/default/files/resources/downloads/waste-management.pdf>

11. Energy Management Policy

<https://www.birlasoft.com/sites/default/files/resources/downloads/investors/energy-management-policy.pdf>

12. Equal Opportunity Employer Policy

<https://www.birlasoft.com/sites/default/files/resources/downloads/investors/equal-opportunity-policy.pdf>

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