

Creating harmony  
between **people,**  
**planet** and **prosperity**

Sustainability Report 2021



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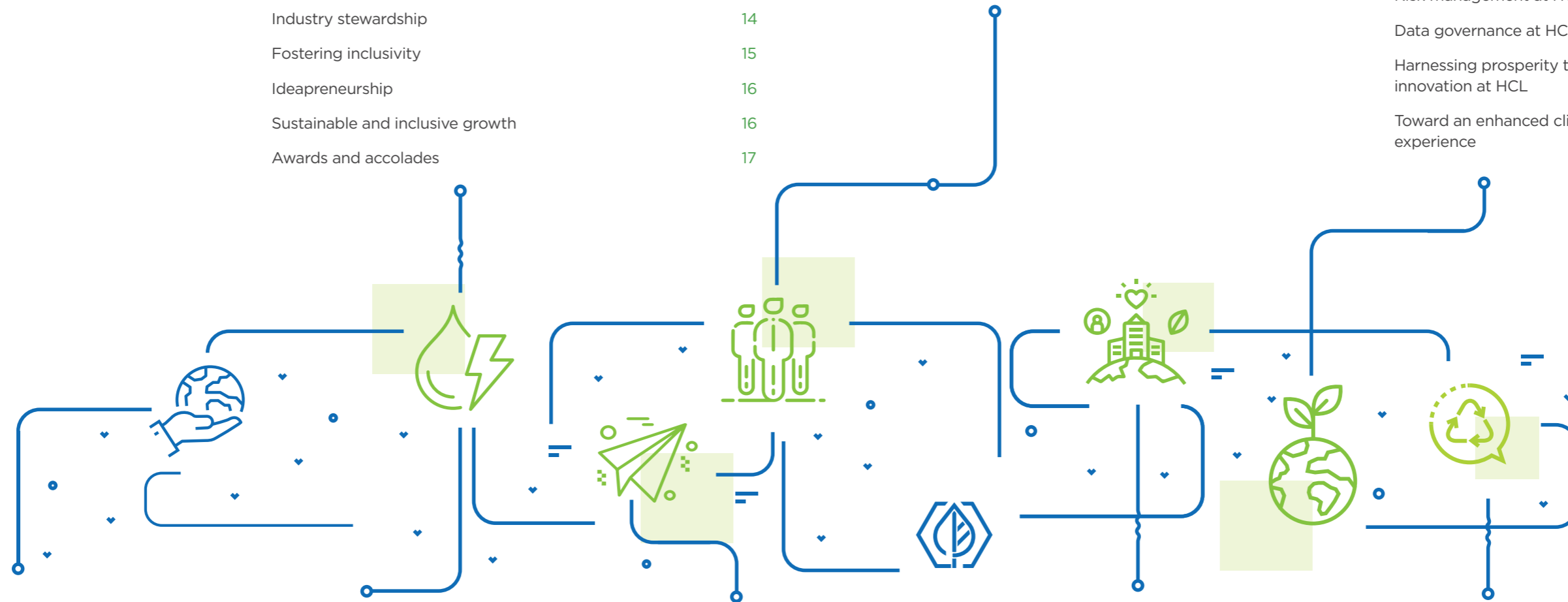
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The circumstances this past year taught us all the importance of resilience. In business too, the need was never greater. Understandably, our primary objective at HCL has been to ensure that our employees, our clients and the communities we serve, remained resilient.

We were able to leverage our HR programs combined with our digital solutions to ensure that all our employees remained safe, while continuing to solve problems at scale and innovate at speed for our clients. We needed to act, adapt and advance at a never before pace. To be successful in this new world we require a combination of the best in digital technology and the best in human spirit. We call this "The New Essential."

I am glad to share that our FY'21 revenue grew 2.4% YoY. We have also been included in the 'World's Best Employers' list by Forbes magazine for a second consecutive year and we achieved yet another all-time high customer satisfaction index. All of these validated the relevance of this New Essential as well as the agile systems we have in place to quickly adjust to changing circumstances.

As we navigated this journey of exceptional financial performance, we did not lose focus on our sustainability mission. As you will see in this report, this year we further enhanced our performance on this important agenda. Particularly, noteworthy are the following:

- We were able to deliver 70% reduction in per capita carbon footprint between 2010 and 2021.
- The HCL Foundation impacted 2.14 million lives through its initiatives in education, health, skills development, environment, disaster risk reduction and response.

- Our employees actively engaged and volunteered in HCL Foundation activities even under pandemic induced restrictions, clocking 4,760 e-volunteering hours in total.

- We constituted the ESG & Diversity Committee of the board to oversee the planning, implementation and integration of ESG related initiatives into the organization's strategic plan.

- Several of our facilities in India were platinum rated by the US Indian Green Building Council (USGBC) for Leadership in Energy and Environment design (LEED).

We draw pride from our achievements, but more importantly we look at them as an inspiration to do even better, try harder and aim higher.

Our overarching vision remains absolutely clear - we will continue to explore the confluence of technology with the best of human spirit to enable harmony between people, planet and prosperity.

Sincerely,

**C Vijayakumar,**  
CEO & MD, HCL Technologies



# From the Sustainability Desk

## “Creating harmony between people, planet, and prosperity”

At HCL, we have always built sustainability principles and actions into the strategy, culture, and day-to-day operations of our company.

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 ensure that our success is reflected in the socio-economic development of the communities we engage with, and that our clients, employees, and communities get every advantage to succeed.

It's difficult to even begin to describe the critical issues that the world is experiencing. With restricted activities since the beginning of the COVID-19 pandemic, global citizens are facing an endless list of challenges, ranging from climate change and imbalances in the natural ecosystem to lack of healthcare and food supplies, and limited access to quality education.

As global citizens, it is up to us to hold a collective responsibility and strike a balance between our social and natural ecosystems. Creating and sustaining harmony is important for an organization's growth and encompasses dimensions other than simply generating revenues. With the world under constant threats due to unsolicited human interference, it is becoming ever-more crucial for companies to integrate strategies that adopt a sustainable approach.

Currently we are in a phase of transformation globally. Financial metrics no longer suffice as the sole criteria to ascertain the capability of any company. Everyone from our investors to our clients are becoming more conscious and trying to focus on the aspects of responsible consumption. As businesses navigate through changes brought in by globalization, technology, society, and consumer behaviour,

embedding Environment, Social, and Governance (ESG) factors into our core strategy can help us deliver long-term value. On this transformational path toward a resilient future, HCL is developing an approach encompassing several aspects of sustainability under its four focus areas- Repay Society, Renew the Ecosystem, Redefine the Workplace and Responsible Business.

‘Creating harmony between people, planet, and prosperity’ is our vision to create a better world.

Going beyond just environmental compliance, we see long term value in being socially and environmentally responsible to ensure sustainable business growth. We use our sustainability philosophy to focus on ESG aspects across all areas of our business including offering solutions to our clients. Since ESG factors have a wide impact on business results and society, we ensure that these are in alignment with our growth strategy and are embedded in our execution.

Shaping and strengthening the economic, social, and financial future of communities is at the heart of HCL culture. We have seen our focus on ESG goals deliver strong value and nurture the lasting and productive relationships we have with our employees, clients, and stakeholders.

HCL's ESG progress is visible in its adherence to the United Nations Global Compact and aligning itself with several national and international standards.

This year, we have received a number of accolades in support of our ESG efforts. These accolades act a motivation in our passion of integrating sustainability in everything we do. We have been awarded one of the best places to work by Forbes 500; Edelweiss, in its annual ESG Scorecard & Ratings, gave HCL the highest overall score (91.9/100) among India's Top 100 National Stock Exchange (NSE) companies; Institutional Shareholder Services (ISS) awarded HCL its highest governance quality score, the 1st decile; Citi Research Report 2020 included HCL among the global

companies enjoying BUY recommendations with the highest ESG ratings; and last but not least, Sustainalytics awarded HCL a 2021 ESG Industry Top Rated Badge and ranked us 15th out of 167 companies in the global sub-industry IT consulting.

With a promise to continue this journey, we bring to you our 2021 Annual Sustainability Report, showcasing our progress this year. We look forward to your feedback and suggestions.

### Christina Herden

Christina.herden@hcl.com  
Sustainability Desk



# About the report

We are happy to present our Sustainability Report 2021. Through this report, we discuss how we are conducting our business responsibly while striking a perfect harmony between people, planet and prosperity. We highlight our key stakeholders and demonstrate how we interact with them throughout the year.

The reporting scope and boundary for our indicators, unless otherwise stated, covers the operations of HCL across all our locations. Being an IT company, our supply chain is limited to procurement of goods and services for our own operation. We have published our HCL Annual Report which divulges further into our business strategy and financial performance, corporate governance practices and director information.

The Annual Report also comprises the HCL's Business Responsibility Report, which complies with the mandatory listing requirement of the Securities and Exchange Board of India (SEBI) and is in line with the nine principles outlined in the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business.

## Reporting principles and framework

This report is aligned to GRI Standards (Core Option) issued by the Global Sustainability Standard Board (GSSB), Sustainability Accounting Standard Board (SASB) and Business Responsibility Report (BRR) requirements of SEBI. Our material issues are also aligned to the United Nations Sustainable Development Goals (UNSDGs).

## Assurance statement

Our Sustainability disclosures are reviewed and verified internally by cross functional teams. The Report is also assured by an independent external auditor, Ernst and Young Associates LLP, which is available in the Appendix.

## Approach to materiality

We have conducted a materiality assessment to understand the issues which matters for us and the impact it has on our internal and external stakeholders. The report incorporates financial and primarily non-financial information on ESG in a manner that can help stakeholders understand how a company creates and sustains value in the long term.

# About HCL Technologies

## Key focus of the chapter

- About HCL
- Services provided
- Our brand
- Our reach
- Responsible business
- Global presence
- Awards

We empower global enterprises with technology for the next decade, today. Our Mode 1-2-3 strategy—based on the deep-domain industry expertise, customer-centricity, and entrepreneurial culture of ideapreneurship™—enables businesses to transform into next-gen enterprises.



50  
Countries



157  
Nationalities



168,000  
Ideapreneurs



10.17  
Revenue (Billion USD)

Through our cutting-edge co-innovation labs, global delivery capabilities, and broad global network, we deliver holistic services in all major industry verticals. We offer our services and products through three business units:

- IT and Business Services (ITBS)
- Engineering and R&D Services (ERS)
- Products & Platforms (P&P)

As a leading global technology company, we take pride in our diversity, social responsibility, sustainability, and education initiatives. For the 12 months ended March 3, 2021, we consolidated a **revenue of USD 10.17 billion, recording an increase of 6.7 % YoY. Our 168,000 ideapreneurs operate out of 50 countries.**

## Our brand

Over the last five years, we have been the fastest-growing technology services company globally. Our sustained industry-leading momentum is driven by long-standing values, and wouldn't have been possible without the patronage, trust and commitment from our broad ecosystem of stakeholders, in guiding our commitment to sustainable growth for all.

We take pride in combining the values we nurture and the value we deliver to all our stakeholders. Our differentiated and integrated portfolio of services, solutions, and software products enables us to be the partner of choice for the world's leading enterprises. They rely on us which rely on us to reimagine their business into a sustainable, scalable, and resilient digital enterprise to face the opportunities and challenges of the new decade.

## Driven by values

  
**Employees First**

  
**Trust  
Transparency  
Flexibility**

  
**Value  
Centricity**

  
**Relationship  
Beyond the  
Contract**

  
**Socially  
Responsible**

distributed ecosystems, delivering better services more efficiently and cost-effectively, providing user-centric solutions, products, and services are just a few of the potential benefits driving companies' digital journeys.

While technology sits at the core of the massive digital transformation that is underway, it offers global enterprises an attractive path to long-term sustainability. The enterprises that emerge from the pandemic with their digital journeys underway, will be more resilient and agile, equipped for a sustainable future.

## Leading-edge offerings to drive sustainable transformation

In recent years, the role of technology has shifted from cost optimization and process automation to business-model transformation and revenue growth. Organizations, globally, are embracing digital transformation to achieve these more ambitious goals, developing and deploying digital solutions faster, more efficiently, and with better outcomes. The COVID-19 pandemic accelerated adoption and compressed the digital journey for many industries and organizations from years into months. Breaking down silos, optimizing how teams work together using collaborative tools, engaging creatively across



### IT & Business Services

Comprehensive end-to-end offerings for traditional and transformational needs of next-gen enterprises, with a focus on building resilience across their Digital Foundation, Digital Business and Digital Operations



### Engineering and R&D Services

Accelerating product development by leveraging the latest technologies, monetizing product services and providing immersive end-user experiences



### Product and Platforms

Modernized software products and IP-led offerings for enterprise innovation across areas of client experience, digital solutions, **DevOps, security (HCL Software), hybrid data (Action), AI, Automation & Orchestration (DRYICE)** as well industry-focused solutions

Our unique blend of services and products enables clients to achieve transformation guided by our Mode 1-2-3 strategy. Our integrated offerings—across IT and Business Services, Engineering and R&D Services, and Products & Platforms—enable us to deliver a comprehensive range of capabilities that fulfil the traditional, transformational, and future needs of clients across the globe.

## IT and Business Services (ITBS)

Our ITBS offering comprises three sets of services that reflect crucial building blocks of every enterprise adopting next-generation technologies:

- o **Digital foundation:** Hybrid cloud, digital workplace, next-generation network, cybersecurity, and governance, risk and compliance (GRC) services

- o **Digital business:** Consulting, applications and platforms, insights (data and analytics), and IoT services

- o **Digital operations:** Integrated IT operations, security operations, and process operations

## Engineering and R&D Services (ERS)

Our deep engineering roots and competence showcase our ability to accelerate digital product development for clients across engineering, manufacturing, supply chain, and services. **ERS leverages more than 50 solution accelerators and next-generation technologies, such as IoT, AI, augmented reality and virtual reality (AR/VR), and autonomous vehicles.**

## Products & Platforms (P&P)

Over the years, we have created thousands of solutions for clients, resulting in valuable intellectual property (IP), and products and platforms that provide quantifiable client value spanning traditional, emerging, and future technology needs. **Our P&P, including HCL Software, DRYICE™ Software, Actian, and Industry Software, boasts more than 500 product releases.**



## Our differentiators, pioneering the ‘New Essential’

Our success is rooted deeply in our ability to execute, bringing together a multidimensional team with end-to-end ownership of client business problems. We differentiate ourselves from other technology-consulting organizations through our people, unique culture, tradition of innovation, focus on outcomes, and an IP-led (via proprietary technology) approach.

We continue to build on our market-leading localization rate—the percentage of employees hired locally—and will strive to lead the market in the next decade as well. Establishing ‘near to client, in-time zone’ delivery centers ensures that ready-to-deploy, trained resources are available for client engagements.

**#HCLCloudSmart is a suite of industry-aligned offerings, capabilities, products and platforms to help enterprises build smart and agile businesses.**

The approach is driven by innovative cloud services, intelligent automation, industry-aligned solutions, and a powerful global partner ecosystem. It cuts across our three business segments, leveraging our combined strengths and capabilities.

Our ecosystems strategy harnesses three orchestrated engines of breakthrough innovation enabling us to piece together knowledge, capabilities, and insights to radically reimagine customer journeys and deliver unassailable value.

### • Strategic Partner Ecosystem

Focusing on cloud and AI, we drive engagements with the world’s leading technology platform providers, including hyperscalers and tech OEMs. The combination of our experience, engineering capabilities, domain expertise, and the diversified expertise of our strategic alliance partners, makes it easier to solve complex client problems. The speed, precision, and reliability of the solutions created by the ecosystem offer unmatched value to clients.

### • Start-up Ecosystem:

Our in-house start-up accelerator program and open innovation platform, eSTiP™, are at the center of a strategy to draw upon a global ecosystem of start-ups, academic researchers, venture capitalists (VCs), trade commissions, and other industry forums. **With 1,000+ start-ups, 12+ VCs, 16+ innovation partners, and 6+ academic partners as part of the ecosystem,** we are well placed to confidently deliver unique values to our clients.

## Industry Ecosystem

Our partnerships with a host of industry forums, business foundations, academic bodies, and technology incubators allow us to access cutting-edge thinking across these bodies. We also work with them to develop frameworks and approaches that foster technology adoption and create a productive and sustainable world.

## Sustainable Supply Chain

We believe that a holistic approach to sustainability must encompass our suppliers and others in the value chain. A responsible supply chain plays a critical role in ensuring we meet our sustainability goals. Therefore, we continuously strive to build and strengthen a supply chain that is reliable, resilient, and responsible.

## Our winning edge



Our diverse network of ideapreneurs and the culture of grassroots innovation



Integrated and comprehensive portfolio of service offerings and software products



CloudSmart solutions tailored to industry demands



Partner ecosystem strategy for out-of-the-box innovation



Value-centricity, outcome-oriented flexibility, transparency, and trust: The philosophy of “going beyond the contract”

**We are implementing strategic measures to transform our supply chain by:**

- Adopting industry-best practices, including digitization to reduce carbon footprints and enhance responsible operations
- Focusing on sustainable sourcing
- Aligning supply chain partners to our social and environmental performance goals by sharing our expectations with vendors regularly
- Procuring our IT equipment and software from vendors committed to sustainability. For non-IT resources, we strictly monitor the vendors for statutory compliance
- Ensure that all devices sourced for customers are procured, packaged, and shipped efficiently and in a green manner by OEMs.
- Encourage local sourcing by giving preference to local vendors to outsource facilities management, procurement of materials for infrastructure development, and others. We intend to procure 5% of our goods and services from marginalized and vulnerable sections of society, such as women and people with disabilities.

Our Purchase Manual outlines our procurement approach based on our equal opportunity policy. We do not discriminate against any vendor based on gender, nationality, ethnicity, religion, disability, etc.

## Creating a responsible line of business offerings

As the world is going through a paradigm shift, offering services that cater to people, planet and prosperity is becoming a matter of extreme importance. Our vision is to transform organizations through compliance into economic value-addition for sustainability. Our approach focuses on reducing our carbon footprint of all GHG emissions across the entire manufacturing value chain—energy, waste, and water management—that will help build better internal control, make reporting easier, accurate and timely. A few of our key approaches of leveraging technology to help clients in their responsible endeavours include:



### HCL's Ariba sustainability scorecard with EcoVadis

By combining best-practice Ariba Risk configuration with integration to EcoVadis' sustainability scorecard, we help clients gain a powerful insight into making more sustainable sourcing decisions, as well as the ability to help foster its suppliers' own sustainability goals. In addition, we further integrate this data into other modules of SAP or Ariba for enhanced spend reporting, contract analysis and transaction visibility that help further in resource efficiency.



### EHS to Ariba network visibility

This offering leverages data from a suppliers' SAP Product Lifecycle Management System to deliver ecological and/or other data (typically output from the PLM EHS module as a safety data sheet; SDS) on advanced shipping notice or invoice coming from the Ariba network to support a client's sustainability goals.



### HCL DRYiCE™ iControl & Zero-Impact Framework (ZIF)

This solution helps in achieving sustainability for enterprises operating in Oil & Gas and manufacturing industries by meeting Net Zero CO<sub>2</sub> emissions 2050 goals. It has been leveraged by a leading German automotive client to monitor and achieve over 7% reduction in energy consumption and CO<sub>2</sub> emissions over two years.



### Rapid carbon footprint analysis with SAP Climate 21 and HCL Rapid SAC

Becoming a more sustainable enterprise starts with analyzing and communicating the current carbon footprint and using the data to drive new ways of working across the enterprise. We help clients by implementing SAP's Carbon Footprint Analytics solution on SAP Analytics Cloud (SAC) using the Rapid Analytics methodology and helping companies initiate a data-driven sustainability journey within eight weeks.

## The HCL solution to minimize inventory space

### Key client issue

In-store retailers want to better understand consumer behaviour. Retailers lack visibility into in-store consumer behavior, customer satisfaction, inventory needs, marketing campaign effectiveness, and appropriate staffing levels.

### Our solution

#### Real-time insights for on-premises monitoring with Azure IoT and AI

Our Real-time In-store Insights (RII) solution uses radar sensors to collect and process data on Azure, identifying trends in occupancy, footfall, congestion, shopper-to-staff ratios, conversion ratios, and more, helping to optimize operations.

### Impact

#### Improve revenue, lower costs, and maximize customer traffic.

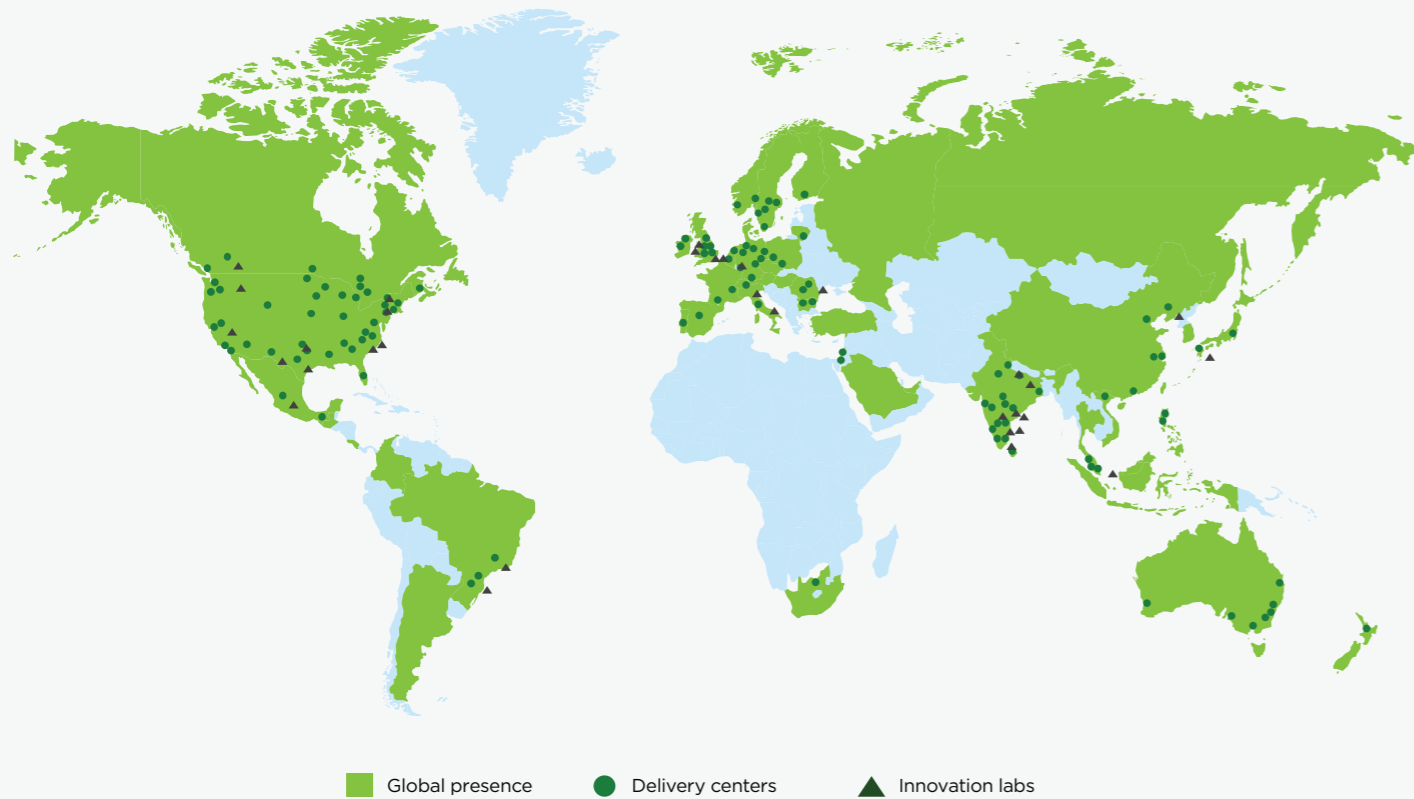
By processing real-time and historical data on Azure, RII reduces inventory shrinkage up to 15%, labor costs up to 20%, and marketing costs up to 20%. Merchandise planning and optimization led to increased revenue and additional savings.



## Our global presence

50 Countries | 157 Nationalities | One HCL

The collective ingenuity of over 168,000 ideapreneurs across the world positions us as the industry's partner-of-choice for empowering **"The New Essential"**



60+  
Innovation labs

Our innovation labs help ideate, develop, and deliver futuristic solutions through next-generation technologies for the business transformation journeys of our clients.

100+  
Engineering labs

Our engineering labs help design, test, and accelerate product development and certification by leveraging the latest technologies to create immersive customer experiences.

215  
Delivery centers

Our delivery centers support customers and partners globally by providing access to the latest technology expertise and business-oriented technology solutions.

## Industry stewardship

We initiate and participate in dialogues at leading business and industry events worldwide to accelerate the sustainable growth agenda for the industry and the company.

### Presence in global forums

- **World Economic Forum (WEF):** Ever since our company joined WEF at Davos, we have always made our presence felt at the global platform of thought leadership, innovation and technological dialogues toward the humanitarian and socio-economic world order. Most recently at WEF we launched our Vision 2030 and hosted global leaders at the HCL Pavilion at Davos.
- **NASSCOM:** We were one of the founding members of the National Association of Software Services Companies (NASSCOM) in 1999, and have extended our reach toward the apex chamber of software service companies in India as well as across our global trade contours.
- **Confederation of Indian Industry (CII):** Our organization has been a member of the CII since 1999, thereby abiding by the rules and regulations that cover its operations.
- In addition, we are also an active member of most of the country specific trade bodies and associations, such as IGCC, IFCCI, AIMA, and work very closely with DIT, Invest India, Sweden Trade and Invest, Invest in Denmark, and the Australian Trade and Investment Commission.

## HCL ecosystem and partner events

We showcase our brand and foster ecosystem engagement with 'One HCL' events showcasing our industry expertise, business segments, offerings, and partnerships. These events bring together existing and prospective clients, employees, external influencers, government representatives, policy makers, the media, academicians, and experts.

### Some of our high-impact events include:

- Branded interactions for virtual client and lab visits, Analyst Day presentations, and employee onboarding and town halls
- Virtual events, including the launch of our first European Cybersecurity Fusion Center in Sweden
- The opening of new delivery centers in Sri Lanka and Vietnam
- A series of six live events, in collaboration with Cricket Australia, with 600 clients participating
- The HCL BetterHealth Hackathon, the world's largest crowd-sourced event around the COVID-19 pandemic—in which more than 40 client stakeholders and 7,500+ innovators from 1,000+ organizations and academic institutions in 50+ nations generated more than 250 ideas to address problems resulting from the pandemic



## Fostering inclusivity

Led by inclusivity, our vision is to be a brand everyone can resonate with and impart a sense of pride of belonging to our stakeholders. Our inclusivity agenda covers gender equality, accessibility for services, and creating an ecosystem of shared values.

We are committed to hire talent from diverse backgrounds across the globe to create a unique culture based on a variety of values and traditions. We believe that diversity helps foster innovation, creativity, and empathy in ways that homogeneous environments seldom do.

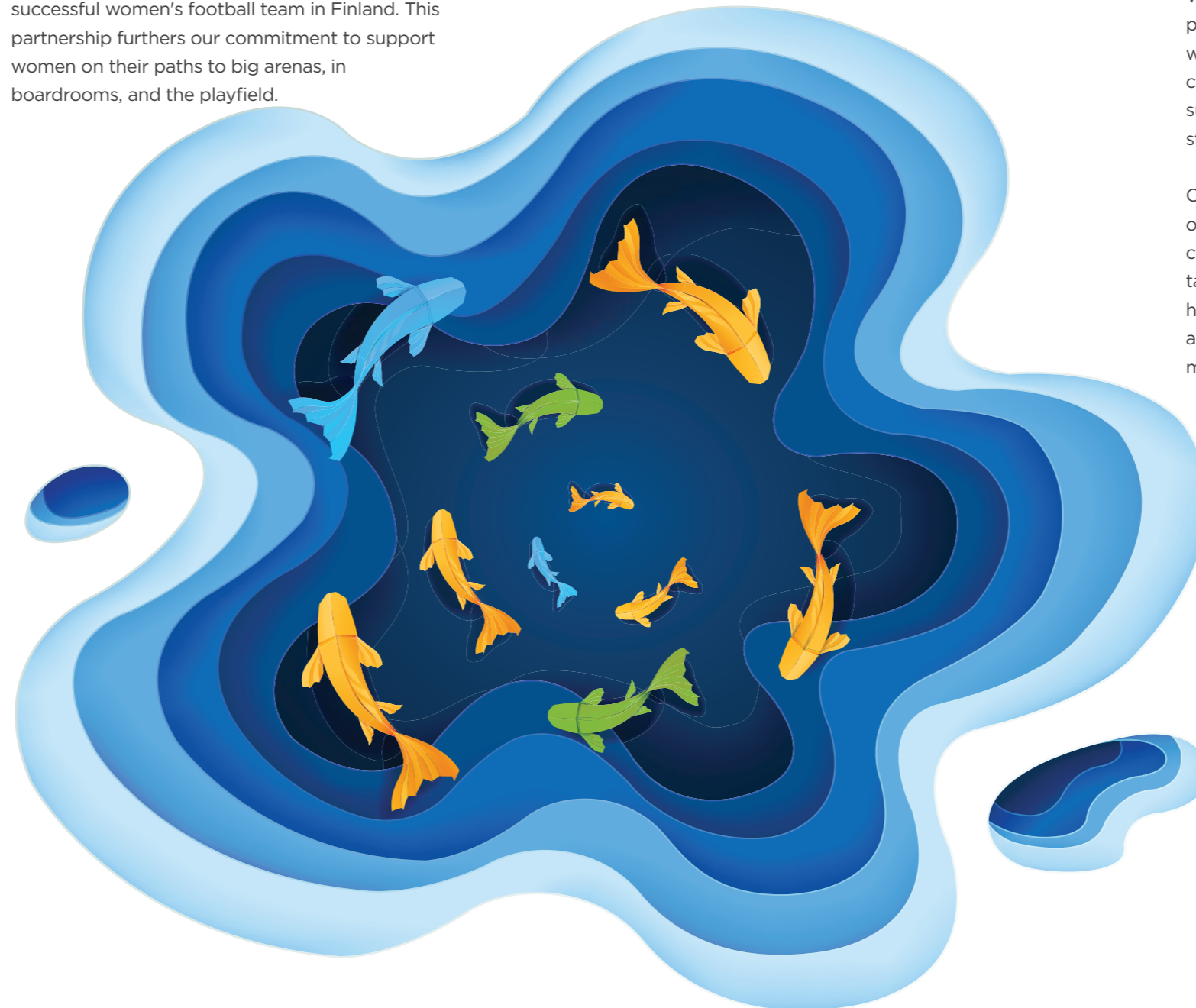
We are dedicated to creating and sustaining a culture of equality, self-awareness, authenticity, and accountability in the realms of gender, ethnicity multiculturalism, disabilities, and LGBTQ+ inclusion. Women now account for more than one quarter (27.2%) of our global workforce, while 12.6% of senior leaders at the company are women.

We hired 55 people with disabilities as employees in the current fiscal year. In FY'21, Pride@HCL has expanded its footprint to four new geographies with a steady increase in enrolments of self-identified LGBTQ+ employees and their employee allies to the Employee Resource Group. Some of the key initiatives to further our brand agenda on include:

- **Women in the workplace**  
Challenging conventions, we are championing the cause of women—who are driven by passion and skills—rising to claim their aspirations.
- **Women Lead, Nordics**  
Powered by HCL, Women Lead is a global endeavor to provide formal, exclusive, and one-to-one mentorship to women executives aspiring to become leaders across organizations and industries. The Women Lead initiative began in Australia as a response to the lack of women leaders in Australia's top companies. Launched in February 2020, the first edition saw 36 top executives from leading firms in the Nordics region participate at the event.

- **Sponsors of Stockholm's Team Göta Traneberg**  
Our partnership with Stockholm girls youth ice hockey team, Göta Traneberg, aims to create a healthy and vibrant future for the local youth community.
- **Sponsors of Dutchess of the Sea**  
We supported the Dutchess of the Sea—an all-women Dutch team participating in the Talisker Whisky Atlantic Challenge. The four women departed from the Canary Islands on December 12, 2020, and rowed over 3,000 miles non-stop to the Nelson's Dockyard English Harbour in Antigua and Barbuda.
- **Partnership with HJK Helsinki**  
We are proud partners of the Helsingin Jalkapalloklubi (HJK Helsinki)—the most successful women's football team in Finland. This partnership furthers our commitment to support women on their paths to big arenas, in boardrooms, and the playfield.

- **Pride month**  
in the US, we are currently developing our LGBTQ+ inclusion framework to act as a proactive stand against the invisible but pertinent issues of marginalization that the LGBTQ+ communities often face at the workplace. In the US, our CEO action plan offers LGBTQ+ safe zone policies, such as the Transgender Policy, Pronoun Self Declaration Provision, Gender Confirmation Surgery coverage, Equivalent Spousal/Partner Benefits, and more.



## Ideapreneurship

At HCL, Ideapreneurship is a part of the organisational DNA that sets us apart. Every day, our ideapreneurs innovate and collaborate with each other and with clients to seed, nurture and harvest ideas that generate superior value for our clients. Today, we have more than 168,000+ ideapreneurs working relentlessly to provide world-class solutions.

## Sustainable and inclusive growth

We take pride in bringing about sustainable change for many and empowering and enabling our communities. We aim to improve the lives of people around the planet and ensure sustainable positive engagement with our employees, clients, stakeholders, and the communities in which we live and work in. Our sustainability principles and actions are built into our strategy, culture, and day-to-day operations.

Our sustainability priorities are based on a combination of importance to the business and the importance to company stakeholders. We are committed to making a tangible difference through structured interventions in health, education, technology, jobs, and accessibility afforded by science, technology, and innovation for the marginalized.

# Awards and accolades

## ESG leadership

- ★ Edelweiss, in its annual ESG Scorecard & Ratings, gave us the highest overall score (91.9/100) among India's Top 100 National Stock Exchange (NSE) companies
- ★ Institutional Shareholder Services (ISS) awarded us its highest governance quality score, the 1<sup>st</sup> decile
- ★ Citi Research Report 2020 included us among the global companies enjoying BUY recommendations with the highest ESG ratings
- ★ Sustainalytics awarded us a 2021 ESG Industry Top Rated Badge and ranked us 15th out of 167 companies in the global sub-industry of IT consulting
- ★ We have participated in the FTSE4Good Index Series since 2015

## Industry leadership

- ★ HCL BigFix received the top score in the Gartner Peer Insights UEM Capabilities Rating (December 2020)
- ★ HCL Unica achieved the Gartner Peer Insights Customer Choice Award (December 2020)
- ★ Positioned as a Leader in the IDC MarketScape Worldwide Artificial Intelligence Services 2021
- ★ Positioned as a Leader in the Everest Group's Software Product Engineering Services PEAK Matrix® Assessment 2021
- ★ Positioned as a Leader in the Everest Group's Semiconductor Engineering Services PEAK Matrix® Assessment 2021

## Employer of choice

- ★ Recognized as one of 'India's Best Employers' among the first-time introduced category of Nation Builders as well as the 'Best Workplaces' among Mega Employers of 2021 by the Great Place to Work® Institute
- ★ Recognized as a Top Employer 2021 by Top Employer's Institute covering France, Germany, the Netherlands, Australia, New Zealand, the Philippines, Poland, Singapore, South Africa, Sweden, and the United Kingdom, with the accolade in the UK accorded to us for the fifteenth consecutive year
- ★ First IT company in India to achieve the 'PROTEK' certification from Intertek for the Prevention of Spread of Infection (POSI) approach
- ★ The Stevie® Gold Award for most innovative Work from Home Plan
- ★ The Stevie® Silver Awards for the Most Valuable Employer and Most Valuable HR Team in the Asia Pacific



# D&I awards



Best Inclusion and Diversity Strategy  
**Brandon Hall: Gold**



Best Unique or Innovative Learning and Development Program  
**Brandon Hall: Gold**



Most Innovative Work-From-Home Plan - All Other Nations  
**The Stevie® Awards: Gold**



Most Valuable Employer - Asia Pacific  
**The Stevie® Awards: Silver**



Most Valuable HR Team - Asia Pacific  
**The Stevie® Awards: Silver**



2021 Gender-Equality Index by Bloomberg  
**Index inclusion**



BCWI: 100 Best Companies for Women in India  
**Listing in AVTAR & Working Mother**



Exemplar of Inclusion  
**AVTAR & Working Mother**

Since inception, we have endeavoured to create sustainable and responsible prosperity for our people, clients, communities, and the world. In doing so, we have created long-term transformative value for the many lives we have touched. We will continue to lead with strategies and practices that aim for inclusive

growth. As we reimagine our business and redefine the future for our clients and our company, we stay committed to bringing innovations, technologies, and capabilities that will create harmony between the planet, people, and prosperity.

# Towards a shared value system

## Key focus of the chapter

- Stakeholder Engagement
- Materiality Assessment

## Our aspiration to lead the talk

HCL manifests its aspiration to establish an open dialogue and to take a collaborative approach with stakeholders in order to ensure the best understanding of mutual expectations and interests through its diversified stakeholder management. Our key stakeholders are the people who impact our business or who are affected by it. Listening and responding to them is a core element of our sustainability management practices. The feedback we receive from these stakeholders helps us understand their expectations, enables us to prioritize issues effectively and contributes both to our overall sustainability strategy and to helping deliver against our sustainability goals.

For several years, HCL has been nurturing specific stakeholder groups to understand how they feel about critical issues that affect their business. We then integrate these core concerns into our strategic development to enhance business resilience.



Investors / Shareholders



Clients



Employees



Regulators



Local communities



Suppliers and vendors



Media and industry associations

## Materiality assessment

A materiality assessment is undertaken to identify material parameters and issues that can affect the organization's ability to create long-term sustainable value for its stakeholders, in line with its vision and purpose. HCL regularly interacts and seeks feedback from various stakeholders through platforms such as client satisfaction surveys and review meetings, employee engagement scores, industry and regulatory reports, etc. The material issues are analyzed, and process interventions are designed, implemented and sustained.

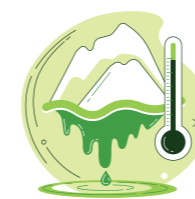
This year we have conducted a detailed materiality assessment covering both internal and external stakeholders. As a result, 12 material issues were identified, which could affect the HCL's ESG performance in the short, medium, and long term. These issues were identified through a detailed analysis of our objectives, risks, global mega trends, and peer analysis.

The stakeholder's expectations formed one of the prime aspects of this assessment. All our material issues have also been considered keeping in mind the transforming global scenario and the key concerns that may affect the way we conduct business in the future.

The key material issues include:

Environment	Social	Governance
<ul style="list-style-type: none"> <li>• Climate change</li> <li>• Eco - efficiency</li> </ul>	<ul style="list-style-type: none"> <li>• Human capital</li> <li>• Local hiring</li> <li>• Diversity and inclusion</li> <li>• Talent attraction and retention</li> <li>• Work environment</li> <li>• Citizenship and philanthropy</li> </ul>	<ul style="list-style-type: none"> <li>• IT security, data protection and system availability</li> <li>• Sustainable impact on clients</li> <li>• Sustainable procurement</li> <li>• Governance and ethics</li> </ul>

These 12 issues that are important to us are supported by 100 metrics to enable us to lead the change.



Climate change

Climate change is no longer a topic of discussion but a reality. Warmer temperatures, sea level rise and extreme weather will damage property and critical infrastructure, impact human health and productivity.

increasing a company's process efficiency. Eco-efficient technology businesses strive to reduce human demands on our environment, or ecological load.



Human capital

Human capital transforms the traditional administrative functions of human resources (HR) departments—recruiting, training, payroll, compensation, and performance management into opportunities to drive engagement, productivity, and business value



Eco-efficiency

Eco-efficiency entails minimising environmental damage while increasing efficiency. Specifically,



## Local hiring

For HCL, local hiring combined with giving employees the opportunity to work from home help attract the best talent.. Being employee centric HCL is also expanding its offices in to Tier-2 cities, providing hybrid workspace to further enable people prospects.



## Diversity and inclusion

For HCL, success lies in utilising the people talent and that can only be possible through proper diversity and inclusion. HCL takes into consideration all these factors and have diversity plans that goes beyond just gender diversity and inculcates aspects of background, educational diversity and disability while hiring.



## Talent attraction and retention

For an industry where employees are the backbone of function, it is very important to provide employees proper benefits, and perks that differentiate a company.



## Work environment

The current generation of our workforce look for a proper work environment and work-life balance while deciding which company to work for.



## Citizenship and philanthropy

Corporate philanthropy for IT industries creates an opportunity to redefine the purpose and value and reach out to the society in need.



## IT security, data protection and system availability

In the present volatile, uncertain, complex, and ambiguous (VUCA) world with growing cases of data theft and privacy issues, resilient governance on aspects of IT security, data protection and system availability is a primary concern.



## Sustainable impact on clients

Today, it is no longer enough for an IT company to manage their own resources but it is imperative to help clients on their path of environmental consciousness. HCL has several sustainability offerings in place to help clients create more sustainable impact.



## Sustainable procurement

For an IT company like HCL with suppliers around the world, having a procurement strategy that is both environmentally conscious and socially responsible is of utmost importance. We include parameters of environment and social aspects as well as other criteria such as quality and pricing.



## Governance and ethics

For an IT Industry, ethical governance includes values and ethical behaviours, processes, procedures, culture, ways of working that ensures high standards of performance, economy, effectiveness, efficiency, quality and satisfaction.





Adaptability and constant innovation are key to the survival of any company operating in a competitive market.

Shiv Nadar

Founder, HCL  
Chief Strategy Officer, HCL Technologies  
Founder & Chairman, Shiv Nadar Foundation



# Enabling prosperity across business

It is this belief that has helped us create a rich legacy of shared value in the last 45 years and we envision to enable prosperity in the coming years through our deeply focused business strategies aimed at creating a long term value for ourselves as well as all our stakeholders.

## Key focus of the chapter

- HCL's Economic Performance
- Governance at HCL
- Risk management at HCL
- Data Governance at HCL
- Harnessing Prosperity through Innovation at HCL
- Towards an Enhanced Customer Experience

disruptions, including imports and exports. The technology industry, too, was impacted. Even though COVID-19 slowed down the economy, HCL like the previous few years, has continued to show resilience and demonstrated strong economic performance to meet the demands of our clients through efficient execution in FY21. Our diversified offerings and breadth of expertise in number of domains have proved catalysts of our success.



HCL has created and distributed economic value and delivered enhanced profitability for our shareholders and relevant stakeholders through FY21.

### Key focus of the section

- **Key Financial Figures**
- **Business Resilience during COVID-19**
- **Consolidated Financial Statement**
- **Various Environmental, Social Expenditures**

### Key financial figures:

**Revenue of about 10,175 Mn USD; up 2.4% Y-o-Y**

**Net income around 1176 Mn USD; up 13.2% Y-o-Y**

**EBITDA margin at 26.6%**

**EBIT margin at 21.4%**

A more detailed view of our results is available in our Annual Report 2021.

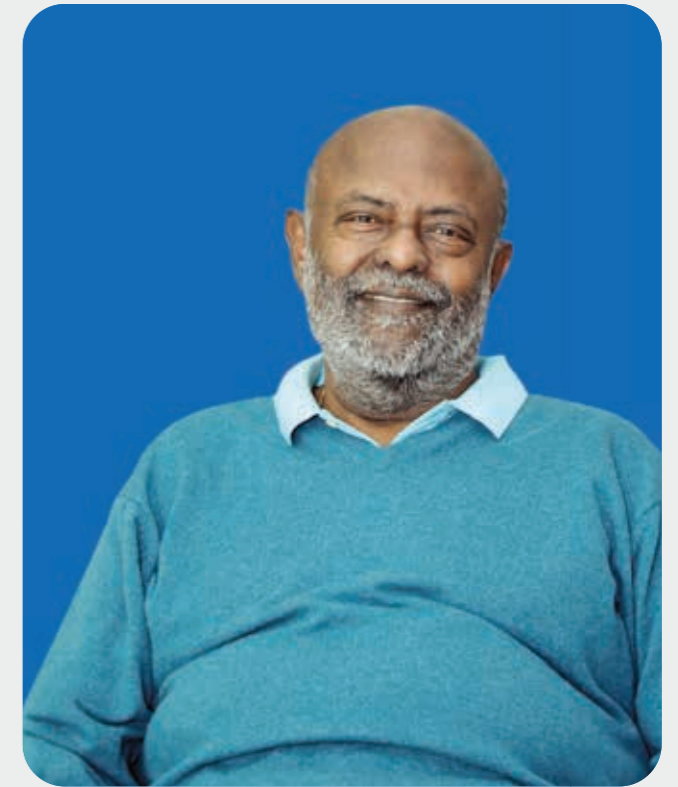
## HCL's Economic Performance

As an organization focused on responsible and profitable growth, HCL is committed to creating sustainable long-term financial value for shareholders and stakeholders. The company remains focused on extending long-term benefits to its stakeholders, achieving its economic goals, and improving its financial performance as we grow our operational footprint.

The outbreak of COVID-19 in the last quarter of FY20 disrupted business momentum and economies globally. The global economic crisis triggered by the pandemic induced lockdowns and restrictions led to supply chain

## Business resilience during COVID -19

“The ongoing COVID-19 pandemic has drastically changed our world. It has brought in new paradigms that have impacted society, businesses, and our lives, and those of our families, friends, and colleagues. In the past year, we have worked relentlessly to respond to the disruption of the pandemic, a sign of the tenacity of the human spirit. Enterprises have worked hard to adapt to and embrace the transformed business environment and ecosystems, partly through the adoption of next-generation technologies. At HCL, we have always believed that technology and people working together can generate positive changes that will advance the world to a better tomorrow. In fact, at HCL, we call this partnership of digital technology and the human spirit “The New Essential”. As the global economy revives and all of us emerge from this crisis, I am sure that HCL will be even better prepared to meet future challenges. Armed with our core beliefs of innovation and invention and driven by a strong faith in humanitarian values, we will achieve our business goals, that are aligned with the socio-economic development of the communities where we work.”

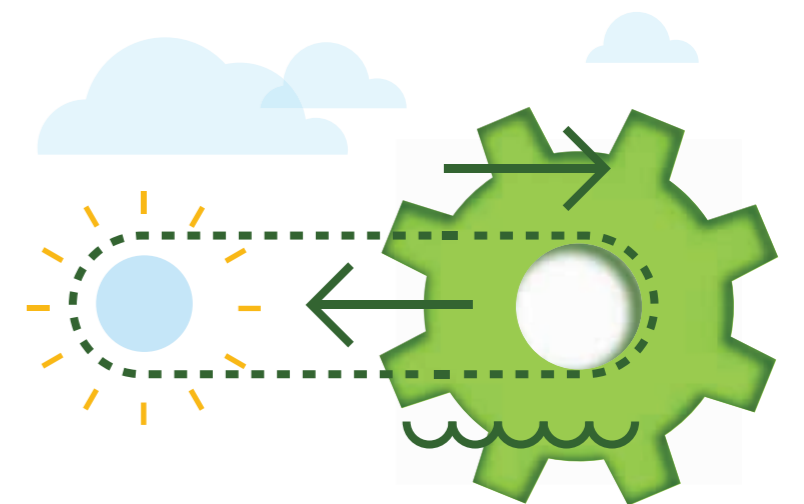


**Shiv Nadar**  
Chairman & Chief Strategy Officer,  
HCL Technologies Ltd.

## Business Highlights

HCL has been consistent in creating economic value creation over the years, driven by our portfolio of sustainable solutions and ethical business practices at the core. We aspire to create considerable value for our stakeholders, employees, customers, clients, and the community in which we operate through our operations.

Through FY21, HCL has fuelled its growth through several new initiatives, acquisitions, and major client acquisitions, a few of which are mentioned as follows:





## Consolidated Financial Statement

HCL created significant economic value through several responsible business practices through the reporting year. We have initiated several cost controls measures, including implementing cutting-edge technologies to

help in better price realization of our products and improve operational efficiencies. Our direct economic value is represented by the total revenue, operating cost, and the profit incurred after paying taxes (PAT). The following table showcases the trend of our economic value generated and distributed (EVG&D).

Parameter	Unit	FY 2018-19	FY 2019-20	FY 2020-21
<b>1) Direct Economic Value Generated</b>				
a) Revenues (including other income)	USD Mn	8,749	10,014	10,306
Total Economic Value Generated	USD Mn	8,749	10,014	10,306
<b>2) Economic Value Distributed</b>				
a) Operating Costs	USD Mn	2,744	3,098	2,873
a.1) Other Expenses (Excluding CSR Expenditure)	USD Mn	1,352	1,594	1,501
a.2) Outsourcing Cost	USD Mn	1,391	1,504	1,372
b) Employee benefits and expense	USD Mn	4,174	4,908	5,248
c) Payments to providers of capital	USD Mn	771	247	457
c.1) Interest Paid	USD Mn	13	19	17
c.2) Dividend Paid (Dividend Paid including Corporate Dividend Tax)	USD Mn	759	228	440
d) Payments to Governments (Total Tax Expense)	USD Mn	357	411	633
e) Expenditure toward Corporate Social Responsibility (CSR) activities	USD Mn	18	25	27
<b>Total Economic Value Distributed</b>	<b>USD Mn</b>	<b>8064</b>	<b>8,689</b>	<b>9,237</b>
<b>Economic Value Retained</b>	<b>USD Mn</b>	<b>684</b>	<b>1,325</b>	<b>1,069</b>



## Employee Benefits Expenditure

At HCL, we create an atmosphere where our employees can build fruitful careers through well-rewarded knowledge-led opportunities. The Company seeks to build a positive presence in the communities of its operations. HCL hires employees from local geographies where feasible and provides them with highly competitive compensation. We also work with suppliers based in the local community to the maximum extent possible. In FY21, with the onset of the pandemic, it became imperative for us to reward our employees as agreed and ensure they received benefits that would help them adjust to the new normal. Our employee benefits and expenditure stood at **5,248 Mn USD**.

### Employee Benefits and Expense (in USD Mn)

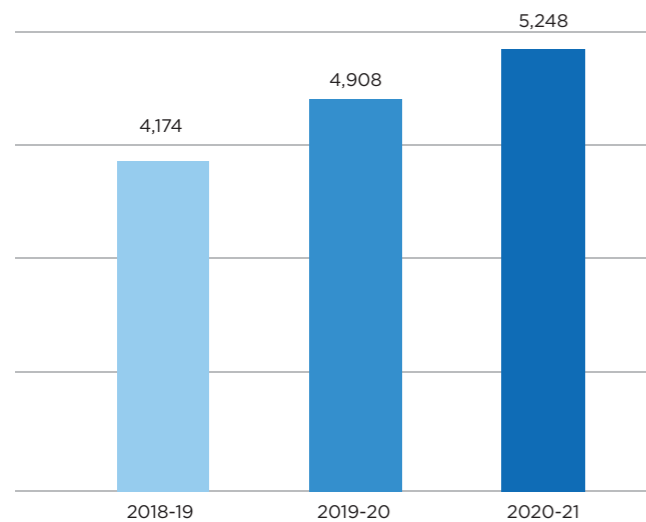


Figure 1: Employee Benefit Expenditure for 3 years \*All values in USD Mn

## CSR Expenditures

HCL strives for inclusive growth and carries out developmental activities in the regions and communities it operates. Our flagship programs and initiatives aim to further national and international development goals. They aim to positively impact people and the planet through long-term sustainable programs, ensuring equitable development and opportunities for all. Our CSR initiatives follow the scope mandated via the Companies Act, 2013. These are spread across diverse dimensions, including the development of livelihood, infrastructure, and soft skills apart from increasing access to better healthcare,

education, and clean water. In the reporting period, HCL spent 27 Mn USD.

Our strong economic performance is a result of the agile governance system we have at HCL that has helped us create business resilience and emerge victorious from every occasion. Our governance mechanism backed by efficient policies and continuous monitoring and evaluation is the reason why HCL has always been at the forefront in the competitive market.

## Governance at HCL

Good governance not only stands testimony to an organization's ethical conduct and transparent business practices, but it also facilitates business excellence, operational efficiency, client delight, and long-term value creation for stakeholders. It underpins the sustained success of an organization by fostering responsible growth. For HCL, good governance has meant going beyond adherence to a set of laws, regulations, processes, and customs that influences the way we function.

A strong governance framework built on values, ethics, and transparency has defined how HCL operates and grows. Our governance framework charts the path of our everyday operations and lays the foundation of our future to grow responsibly led by ethical, transparent, and sustainable practices.



Figure: HCL's Principles of Good Governance



Good governance practices at HCL are self-driven and all-pervasive within the organization. This approach reflects the culture of trusteeship that is deeply ingrained in our value system and exhibited in the strategic growth process. We embed our governance principles across our strategies and operations at every step and evaluate their effectiveness through regular reviews by internal experts and independent entities. The following section outlines HCL's governance mechanism, system, and practices.

## HCL's Philosophy of Governance

HCL consistently pursues the highest standards of corporate governance, recognizing the interest of its stakeholders. We have institutionalized effective systems and practices to enhance transparency, disclosures, internal control, and promotion of ethics at the workplace.

The corporate governance philosophy at HCL follows the following principles-

- Satisfy the spirit of the law and not just the letter of the law. Corporate governance standards should go beyond the law**
- Be transparent and maintain a high degree of disclosures levels. When in doubt, disclose it**
- Make a clear distinction between personal convenience and corporate resources**
- Communicate externally, in a truthful manner, about how the Company is run internally**
- Have a simple and transparent corporate structure driven solely by business needs**
- Comply with the laws in all the countries in which we operate**
- Management is the trustee of the shareholders' capital and not the owner**

Figure 2- The Corporate Governance philosophy at HCL.

## Organization Structure

HCL's corporate governance framework is guided by detailed corporate principles and the code of conduct. These principles and codes are practiced and monitored to achieve the highest standards of ethics and values. The key aspects of the organization structure to facilitate the deployment of the framework are outlined below.

- The Board drives governance practices through an appropriate composition of Executive and Independent Directors
- Highly reputed individuals from various fields are appointed as independent directors to bring in an outside-in view to the company
- Focus on ensuring diversity of Board brings in a broad spectrum of views and experiences
- Independent directors take an active part at the Board and Committee Meetings adding value to the decision-making and governance processes
- The Board meets at least once a quarter

## Board Independence and Diversity

HCL Board of Directors comprises of twelve members – one Managing Director and eleven Non-Executive Directors of which nine are Independent Directors as at March 31, 2021.

An impartial view and balanced judgment on issues of strategy, performance, resources, and standards of the Company and its conduct are essential for its long-term well-being and sustainable future. Therefore, a majority of the Board members at HCL are Independent Directors. They play a critical role in bringing forth these aspects by imparting balance to the Board processes.

The Directors and the Company's executive management have clearly defined and distinct roles and responsibilities to ensure no overlaps between responsibility and authority to assure fair governance. The positions of the Chairman and the CEO are held by separate individuals.

As HCL navigates a complex business and regulatory

environment and strives to meet the dynamically changing needs of its customers, a diverse Board with Directors who bring rich and distinct experiences is an asset to the Company. The diversity of our Board brings in a wide range of capabilities, knowledge, skills and points of view to help the Company stay resilient. Our Directors on the Board have distinguished themselves in their domain and made their mark in their respective fields. They bring the right mix of leadership, foresight and ability to balance the needs of our stakeholders with our commitments to responsible operations. The Company's Independent Directors are also members of the Board of other reputed companies, including listed entities. They bring their collective best to steer HCL Technologies to our next stage of evolution and provide their valuable guidance for Board matters that help us pursue our strategic goals.

Snapshot	March 31, 2021
Number of Board Members	12
Number of Executive Directors	1
Number of Non-Executive Directors	11
Number of Independent Directors	9
Number of Independent, non-executive members with industry experience	8
% of Women Directors on the Board	25%

## Board committees

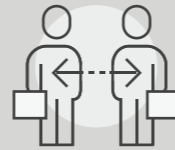
At HCL, ESG issues are monitored at the Board level through various committees. The six Board Committees at HCL include:

### Risk Management Committee



- Assist the Board in overseeing the risk factors
- Manages responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and external environmental risks

### Stakeholders' Relationships Committee



- Resolves grievances of security holders
- Reviews measures taken for the effective exercise of voting rights by shareholders
- Reviews adherence to standards adopted for services being rendered by the registrar and share transfer agent
- Reviews the measures taken to reduce the quantum of unclaimed dividends
- Ensures timely receipt of dividend warrants, annual reports, and statutory notices by shareholders

### Corporate Social Responsibility (CSR) Committee



- Established under the CSR Act of 2013
- Formulates and recommends the Company's CSR Policy to the Board
- Follows a transparent monitoring mechanism for the implementation of CSR projects
- Periodically monitors the CSR policy

### Finance Committee



- Set long-range financial goals along with funding strategies to achieve them
- Develop multi-year operating budgets that integrate strategic plan objectives and initiatives
- Present all financial goals and proposals to the Board of Directors for approval

### Audit Committee



- Entrusted with supervising and monitoring internal controls and the financial reporting process
- Recommend appointment, remuneration, and terms of appointment of auditors
- Review and monitor auditor's independence, performance, and the effectiveness of audit process
- Review quarterly and annual financial statements

### Nomination and Remuneration Committee



- Plans and develops Board diversity policy
- Formulates criteria for performance evaluation of Directors
- Identifies and recommends candidates for appointment to the Board of Directors
- Reviews human resource policies and succession planning

## Policies and Accountability

Ethical business operations are the responsibility of the Board and respective stakeholders. There are numerous policies and frameworks to ensure the ethical conduct of business amongst the employees and business associates. Some of the key policies are:

**Code of Business Ethics and Conduct:** The HCL Board has prescribed a set of guiding principles under a Code of Business Ethics and Conduct (COBEC). The COBEC ensures:

- Transparency, ethical conduct, gender-friendly workplace, legal compliance, covering all employees and associates of HCL

- HCL's property/information is protected and also lists out the duties of independent directors.

This Code is available at: <https://www.hcltech.com/investors/governance-policies>

**Anti-Bribery Policy and Anti-Corruption Policy:** This policy serves as a guiding light ensuring all business activities conform to honesty, integrity, and the highest possible ethical standards.

- It advances HCL's commitment towards prevention, deterrence, detection of fraud or bribery, and any other corrupt business practices
- It applies to employees at all levels and covers matters relating to hospitality, offset obligations, employment of relatives, guidance on gifts, political/charitable contributions, extortion/blackmail responses, etc.

This policy is available at: <https://www.hcltech.com/investors/governance-policies>

There has been no reported cases of corruption in FY21.

**Prevention and Redressal of Sexual Harassment at Workplace Policy:** This policy applies to all HCL employees, group companies, and joint ventures operating in India. It mandates:

- All harassment complaints should adhere to this policy
- The creation of an Internal Committee for the redressal of all sexual harassment complaints

This policy is available at: [https://www.hcltech.com/sites/default/files/code\\_of\\_business\\_ethics\\_conduct.pdf](https://www.hcltech.com/sites/default/files/code_of_business_ethics_conduct.pdf)

There were 11 reported cases of sexual harassment in FY21 which have been dealt with adequate measures and 10 cases stand closed as on today.

**Whistleblower Policy:** HCL strives to ensure strict compliance with ethical and legal standards and has adopted a robust whistleblower policy. Under this policy:

- Any issue perceived to be unethical or in violation of the code of business ethics and conduct can be brought to management's attention
- All cases registered under the whistleblower policy of the Company are reported to the external ombudsperson, who conducts preliminary investigations

- Complaints received against "C" Level Officers (CEO/CFO/CHRO/President/Corporate Officers) or complaints against any Director or Chairman of the Company is supervised by the Chairman of the Audit Committee, while the disciplinary action accorded by the Audit Committee
- The Head of Internal Audit oversees complaints against other employees, while the disciplinary action accorded by the Whistleblower Committee

This policy is available at:  
<https://www.hcltech.com/investors/governance-policies>

## Environment, Social, and Governance (ESG) at HCL

"Globally," governments have been the largest philanthropists. However, individuals and enterprises have a huge social responsibility and need to step in to complement the role of a government. I believe that education can be the single largest tool for large-scale high-impact transformation. Education empowers individuals and is vital to reap our demographic dividend. Inclusive education has the power to create leaders from across the cross-section of the society who would become change agents for the community at large and lead us into a brighter future."

**Shiv Nadar**  
 Founder, HCL | Chief Strategy Officer, HCL Technologies  
 Founder & Chairman, Shiv Nadar Foundation

## Management Approach

At HCL, we believe in developing an ecosystem, that sustains and nurtures both the environment and the community. We engage and collaborate with diverse communities to 'rebalance' resources for the future. Our vision defines our ESG responsibilities and commitments towards the planet, the people, and our stakeholders within the communities they inhabit. We have prioritized environment protection and serving the interests of our stakeholders. In FY 2020-21, we reviewed the progress made over the past decade on our ESG goals and sharpened the lens to enable a practical and comprehensive approach. HCL devised a detailed materiality analysis to seek crucial ESG aspects. This analysis broadens our ESG focus and ranks our priorities in order of their importance to our business and our stakeholders.

HCL has established a dedicated Board Committee on ESG which is headed by an independent director. The committee reviews initiatives, provides strategic oversight, monitors the development and implementation of ESG policies and programs.

HCL acknowledges our accountability to the future. We look forward to playing an active role in addressing global challenges such as climate change, human rights, data privacy, energy efficiency, to name a few. We have taken a pragmatic approach to ensure responsible growth. The following policies are in place to ensure adherence and value creation through our ESG goals:



Figure 3- Policies ensuring proper ESG Governance at HCL

Our ESG policies recognize the impact of various HCL processes on its stakeholders and the ecosystem and aim to build a shield of resilience and safety. We believe an effective ESG governance has potential to create perfect harmony among people, the planet, and prosperity through effective risk management and present HCL with a multitude of opportunities in coming future.

## Risk management at HCL

### Key focus of the section

- **Critical Risk Identified**
- **Risk Governance**
- **ESG Risks**
- **Covid Management**

At HCL, we strive to minimize risk and maximize performance by adopting a comprehensive strategy to identify and manage risks and ensure compliance in everything we do. We cultivate a risk-intelligent and risk-aware environment that safeguards our operations and people, ensures quality delivery of services to our clients, and encourages transparent and timely communication with our stakeholders to earn their trust.

Being a leading provider of digital solutions globally, HCL is inevitably exposed to various risks emanating from the multi-geography and multi-environment framework we operate in. These include:

- Changing policies and regulations
- Political and economic developments
- Global issues like the pandemic and others

Led by the value of Trust, Transparency, and Flexibility, the HCL leadership and talent pool take their commitment to risk management beyond the workplace into every relationship, internal and external. The following section outlines HCL's multi-factor management system to help mitigate risks and run sustainable operations without disruptions.

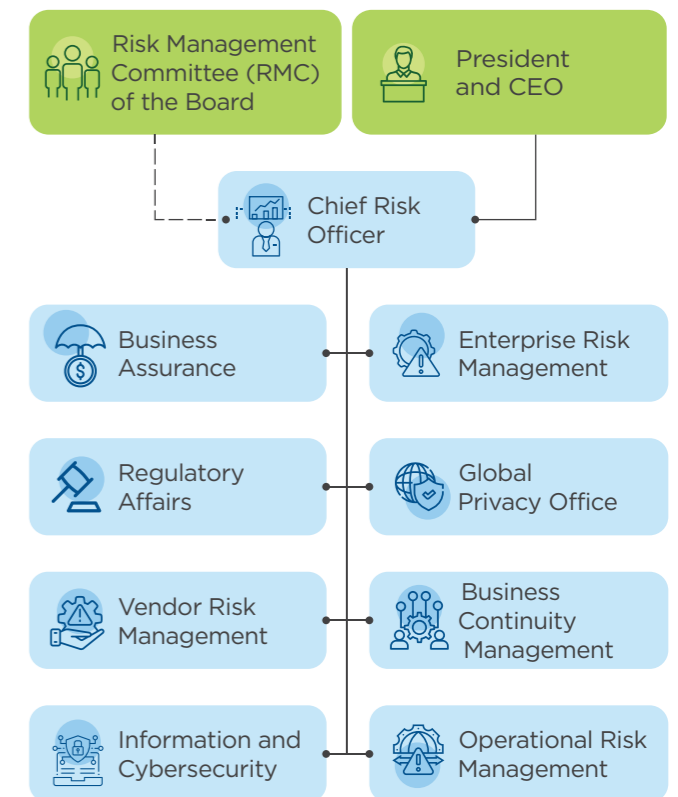


## Risk Governance Structure

HCL has a multi-layered governance framework and management structure that identifies risks and manages their mitigation across the organization. Our Board of Directors oversee HCL's Risk and Compliance mandate led by the principles of Trust, Transparency, and Teamwork. Our risk management framework is aligned to the major global standards to ensure organizational controls. They include:

- ISO 27001: 2013 framework
- Service Organization Controls (SOC):
  - SOC 1 based on SSAE 18 and ISAE No. 3402 attestation standards
  - SOC 2 (AICPA, Trust Services Principles and Criteria)
- PCI DSS for engagement(s) as per the contractual mandate

## The HCL risk management organization structure



## HCL's ESG Risks: Identification and Mitigation Plan

HCL's Enterprise Risk Management (ERM) policy and framework integrates the organization's risk management approach with our overall strategic and operational practices. This ensures that the Company's ERM principles are embedded into the core of our operations. It encourages an organization-wide focus on designing, implementing, monitoring, reviewing, and continually improving risk management.

HCL's ERM framework is based on the internationally recognized standard "Enterprise Risk Management Integrating with Strategy and Performance" (COSO ERM Framework), developed by the Treadway Commission. This framework follows:

- A top-down system that distills insights and provides clarity on the key risks shaping company performance
- Supports risk-informed decisions at the Board of Directors, Executive Management and Operational Management levels
- Fosters dialogue amongst the management team on risk-related topics and supports stringent oversight by the Board.

The ERM framework also incorporates various ESG related risks.

The key risks identified based on our ERM framework are as follows:

- Innovation Risk
- Products and Platforms Risk
- Pandemic and Infectious Disease Risk
- Business Continuity Planning Risk
- Geopolitical Risk
- Distributed and Virtual Governance Risk
- Regulatory Compliance Risk
- Information and Cybersecurity Risk
- Privacy Risk
- Environmental, Social, and Corporate Governance Risk

- Talent Management Risk
- Succession Planning Risk
- Acquisitions-Related Risks
- Tax-Related Risk
- Foreign Exchange Risks

For more details on how we are identifying and mitigating these risks, please refer our HCL Annual Report - 2021.

## Data governance at HCL

### Key focus of the section

- **Customer Privacy and Information Security**
- **Data Governance Internal Structure**
- **HCL's Customized Privacy Mitigation Strategies**
- **Initiatives of Data Governance through 2021**
- **HCL Privacy Champion Program**

In today's connected digital world, data is emerging as a new force that can create value and drive positive change across businesses, communities, countries, and the planet. We believe in data equity and the ability of organizations to share data across platforms while ensuring its integrity and respecting privacy. The pandemic has seen an exponential rise in the use of digital channels, which generate an enormous amount of data that can be used productively to create value for many. At the same time, such use has also deepened the need for responsible and secure data management to build and sustain people's trust in the digital realm.

HCL has established an ethical approach to the data we receive, access, use, store, and share. Today, we are recognized for our commitment and ability to combat cybercrime and assure digital security.



Our clients are pursuing new business models and adopting disruptive technologies to sustain their success in the digital world. As a leader in data management, we are uniquely positioned to assist our clients to innovate led by the intelligence drawn from data while being responsible and respectful in its usage. We are also expanding our approach to look at the ethics of data management, particularly in artificial intelligence and machine learning.

The following section outlines our policy, standards, and interventions to enhance data security and promote its ethical use.



## Customer Privacy and Information Security

HCL's global reach spans over 225 delivery centers and over 58 innovation labs. Our vast footprint makes it imperative for us to maintain a strict privacy framework. Our privacy framework is embedded within our operations and processes and meets various regulatory requirements of the different geographies in which we operate. The framework follows several globally benchmarked standards for data governance.

### HCL's privacy framework includes:

- A multi-layered global privacy governance structure, with executive oversight of privacy and risk management
- An External European Data Protection Officer providing impartial oversight and accountability

for HCL's global privacy compliance, including the GDPR

- Implementation of Global Privacy Policy and related documentation and processes governing personal data protection
- Enterprise-level data retention, disposal policies, and guidelines for processing client's personal data strictly as per contractually agreed terms
- A network of dedicated privacy champions across HCL enterprise and client engagements

### Our framework is aligned with:

- General Data Protection Regulation (GDPR)
- California Consumer Privacy Act (CCPA)
- India Personal Data Protection Bill
- Health Insurance Portability and Accountability Act (HIPAA)
- Gramm Leach Bliley Act (GLBA)
- Asian Pacific Economic Cooperation (APEC) Privacy Framework
- Organization for Economic Cooperation and Development (OECD) Privacy Framework
- Generally Accepted Privacy Principles (GAPP)
- Data Protection Officer (EMEA/APAC/US)

### Data Governance is in line with and certified by:

- ISO 27001
- AICPA SOC
- Payment Card Industry Data Security Standard (PCI DSS) certified

### Privacy Risk Assessment (PRA)

All our engagements undergo PRA. HCL's customized privacy mitigation strategies for every client comply with all local privacy laws and regulations, including international data transfer requirements.

The PRA framework at HCL is outlined below:



HCL has a robust incident management plan to record critical incidents with documented procedures. Our dedicated and competent internal and external teams ensure multi-layered privacy and minimum data leakage.

## Strengthening Data Governance

HCL has launched several engagement and training initiatives in the reporting year to strengthen our data governance and security measures.

## Training

### Enhancing Employee Consciousness of Data Governance

We have mandatory information security and data privacy training to sensitize our employees, and compliance is monitored. Additionally, awareness campaigns on specific risk and compliance domains such as cyber and privacy awareness are continually deployed through digital channels, including e-mailers, articles, short videos, quizzes, and banners on intranet portals.

### FY21 Data Governance Training Highlights

- Available in multiple languages for different geographies
- Structured on HCL training baselines
- Draws on benchmarked practices for information security, compliance & GDPR

### Global Privacy Training Resources

This mandatory, enterprise-wide data privacy training program focuses on the fundamental principles of data privacy and key privacy concepts common across international jurisdictions. Through this course, we

spread awareness about the importance of privacy and recognize personally identifiable parameters amongst our employees and partners.

### One Trust - Privacy Core Modules

This set of non-mandatory, virtual training programs offer an array of short, general, and role-based data privacy topics designed to improve our employee's knowledge about privacy. These are available as virtual training modules on our internal Learning Management System. Over 30 courses ranging from topics on HR privacy best practices, direct marketing, information security available in multiple languages to train employees on privacy awareness essentials facilitating a privacy culture within HCL.

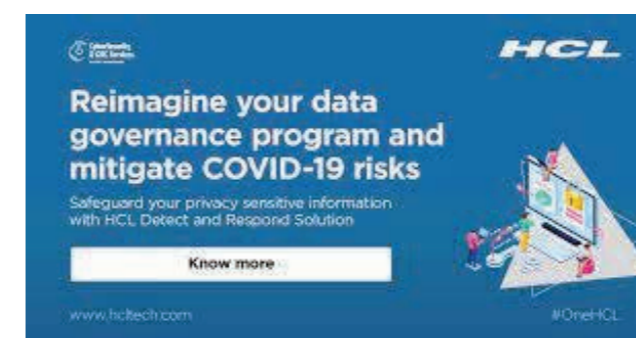
## Engagement

### Cyber Awareness Month

An online event was held in October 2020, themed 'Security begins with You' to highlight the importance of cybersecurity in the business and digital space. The event focused on disseminating knowledge and tips with employees throughout the month.

### Privacy Awareness Month - January 2021

We marked January 2021 as the Data Privacy Awareness Month led by the theme - "Unleash your privacy power in the new normal." During this period, we live streamed sessions on critical privacy topics and trends. Information on responsibilities, privacy concepts, and the growing importance of privacy to business was disseminated widely across the organization to reinforce and refresh the messages.



January 28 is observed as the International Data Privacy Day each year at HCL to raise awareness and

promote privacy and data protection best practices. On this day, we ran several engagement initiatives to sensitize and enable employees to identify personally identifiable information (PII) and understand the importance of protecting such information.

### HCL's Privacy Champion Program

HCL's Privacy Champion Program is aimed at creating a coveted group of data privacy ambassadors across functions and client facing roles.

The ambassadors upskill and stay abreast of the latest industry trends and developments related to cyber security, data governance and other related topics. They have access to the best of training opportunities, both internal and external. They play a key role in spreading awareness about data privacy and security across the organization through several engagement modes including:

- Newsletter - The Privacy Pulse
- Quarterly Meetings
- Privacy Knowledge Xchange Programs



More than 900 Privacy Champions supporting HCL enterprise.

## Future of Data Governance

As the world moves towards a digital-first existence, trust in the sanctity and security of data must be assured. Or else the positive transformation led by data will fail. HCL envisages data governance as key to any data security framework. Such governance orchestrates the end-to-end data management process in any enterprise and keeps it robust and effective.

As we grow our business, the amount of client data we handle will only increase. Keeping this in mind, we are strengthening our data safety infrastructure beyond mere compliance. HCL has a robust framework to ensure maximum resiliency for data security. Further, we will bring in new technologies and innovation-led solutions to continue to enhance the agility and responsiveness of our data governance framework to address emerging challenges in the future.

## Harnessing prosperity through innovation at HCL

### Key Focus of the section

- **How we Innovate**
- **Key Innovations Impact through Case Studies**

### Innovation

Innovation at HCL Technologies is a measure of our efforts to create superior technology platforms and products to change society positively. It is part of our organizational heritage and DNA since 1976 and drives us in our journey for excellence. Our innovation strategy consists of cultivating an ecosystem to cater to the evolving needs of our diverse stakeholders thereby driving innovation the 'HCL Way'.



### Key Values Delivered

**Patents filed: 97**  
**Patents granted: 29**

**Winner of the prestigious Quality Award at the 2020 Annual Cisco Procurement Supplier Day for R&D services provided to Cisco**

## Leveraging Ecosystems for Breakthrough Innovation

### • Ideapreneurship™

We believe that all unique and innovative solutions incubate as ideas. At HCL, Ideapreneurship provides a platform to envision ideas and work in partnership with diverse stakeholders to deliver path-breaking technology solutions.

Our innovative ecosystem has evolved organically by collaborating with start-ups, VCs, and trade missions worldwide to create technology-led solutions for our clients, leading to sustained economic growth and prosperity.

### • Alliances

We believe that healthy alliances play a crucial role and supercharge our drive for ecosystem-based innovation. Partnerships strengthen our novel service offerings and pioneering solutions across industry verticals with global technology vendors, customers, and niche solution providers. We collaborate with 150 companies in diverse technology segments to structure go-to-market alliances, specialist partnerships for niche technologies, and associations to meet specific customer requirements. Our alliances allow us to harness best-in-class solutions to meet our customers' business requirements and help them to:

- Reduce total ownership cost,
- Reduce implementation risk
- Accelerate time to market

HCL has invested in co-innovation labs, dedicated Centers of Excellence (CoEs) across the globe to build solution frameworks and accelerators and get certified in partner products. We also invest in joint solutions with partners to create novel solutions for customers. Our joint collaborators during the year include:



### • Industry Ecosystem

This is an era of connectivity, and in line with our belief in the benefits of a collaborative world, HCL is affiliated with and contributes to numerous large industry forums and foundations, including the World Economic Forum (WEF), The OpenGroup, Cloud Native Computing Foundation (CNCF) and Cloud Foundry Foundation to foster and nurture the concept of a global village.

## Leveraging Technology to Anchor Industry 4.0

Presently industry worldwide is going through one of the most disruptive challenges leading to revolutionary changes the way it operates. Changing consumer preferences and market dynamics are the key drivers of this paradigm shift backed by connected experiences, automation, and intelligent manufacturing. Digital advancement is rapidly altering industry dynamics and challenging traditional manufacturing enterprises to stay relevant in a networked ecosystem.

HCL has developed its Xpand 4.0 framework to help global manufacturers make the best out of their Industry 4.0 initiatives. Our umbrella offering encompasses Connected Design, Connected Factory and Connected Products & Services in addition to our already existing IP-based solutions portfolio. It assists manufacturers to expand into newer areas of growth by delivering phenomenal, connected experiences powered by agile and intelligent digital ecosystems and convergence of data, processes, and insights. Xpand 4.0 enables immediate and tangible benefits of adopting Industry 4.0 by harnessing the power of existing industrial and enterprise data. By cutting through the four data silos - customer, product, operations, and ecosystem we deliver insights and experiences that directly and significantly impact business and help achieve sustained competitive advantage.

## Case Studies of Industry 4.0

### Quantum Computing

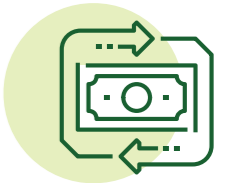
Quantum computing can benefit society and transform various sectors like finance, healthcare, transportation,

and even predict the weather. Within our ecosystem of QC pioneers, we assist clients in identifying their challenges by using quantum computing. For example, a nanotech-enabled syringe equipped with 'smart dust' — a sensor with an integrated processor connected to the cloud — will be able to track the time and frequency of use, thereby preventing theft and unlawful diversion of prescription medication.



### Immersive Banking

Immersive banking is redefining and revolutionizing the banking industry. The evolving technology is enhancing the relationship between the banks and customers and delivering a whole new experience. There is a paradigm shift in the bank's function, with banking services accessible from any part of the world. HCL is deploying a three-point spotlight on the existing core of a bank's business for a seamless experience.



### No-contact Car Buying Experience

We developed an augmented reality application for a leading German automobile manufacturer to provide a virtual real-car experience to potential customers, allowing them to feel what the car is like in terms of controls, gadgets, and the latest technology. The mobile app has particular relevance in a time of social distancing but has broader potential, reducing a dealer's costs and offering a conversion rate as high as 50%. This is in line with our strategy of leveraging technology to minimize environmental impacts by curbing carbon emissions at the time of test drive



### Decentralized Clinical Trials

HCL has teamed up with partners to develop a state-of-the-art solution allowing clients to conduct remote clinical trials with a core data platform and related services. This breakthrough is significant as it enables customers to continue the clinical trials if they are unable to travel to a medical facility due to social distancing. The solution employs 'direct to patient' interaction technology, leveraging wearables



and home-based physiological devices. Decentralized trials enable the collection of additional data from patients as against clinical studies at sites. The technology ensures that data is delivered straight from the source and hence, reduces the need for data verification, and increases the pace and cost of clinical trials.

### Smart Sports

HCL has made inroads into sports as the preferred technology partner of Cricket Australia. Our start-up innovation system has developed a sensor-based solution, Smart Cricket, that fits onto the cricketing gear and records the player's movement during the game. Smart Cricket feeds the data into a cloud-based analytics engine that suggests tactics to improve the player's technique and overall game. This success has led us to explore other sports, such as football. The solution is being explored by other sports, such as football, where a national professional football association is considering similar movement-based technology to improve players' performance.



Innovation is a major driver of client satisfaction and is a key parameter for our business growth. We are focused on developing market ready industry specific and client customised solutions. Our innovation and leadership in emerging technologies such as quantum computing keep us at the forefront of new trends and opportunities and help us achieve enhanced client experience.

## Towards an Enhanced Client Experience

### Key focus of the section

- **Enhancing Client Experience through Innovation**
- **Mode 1-2-3 Strategy for Client Engagement**
- **Client Engagement during COVID-19**
- **HCL IoT Works™**

Takes pride in pioneering the development of solutions to help clients grow and address emerging business demands responsibly. Our broad portfolio of offerings enables our clients to grow their business and undertake diverse initiatives, ranging from leveraging technology to combat the perils of climate change to cost optimization and drive holistic growth through accessible solutions. We draw on the best of our innovation and technology capabilities and a dedicated talent pool to embed service excellence in everything we do. The high satisfaction scores and retention rates stand testimony to the trust our clients have in HCL. Today HCL through its worldwide network of R&D facilities, co-innovation labs, global delivery capabilities, and over 168,000+ 'Ideapreneurs' across 50 countries, delivers a gamut of services and solutions across industry verticals to leading enterprises, including over 250 of the Fortune 500 and over 650 Global 2000 companies.

The following section covers HCL's initiatives through FY21 to deepen client relationships and enhance their experience through innovation, technology, and partnership.

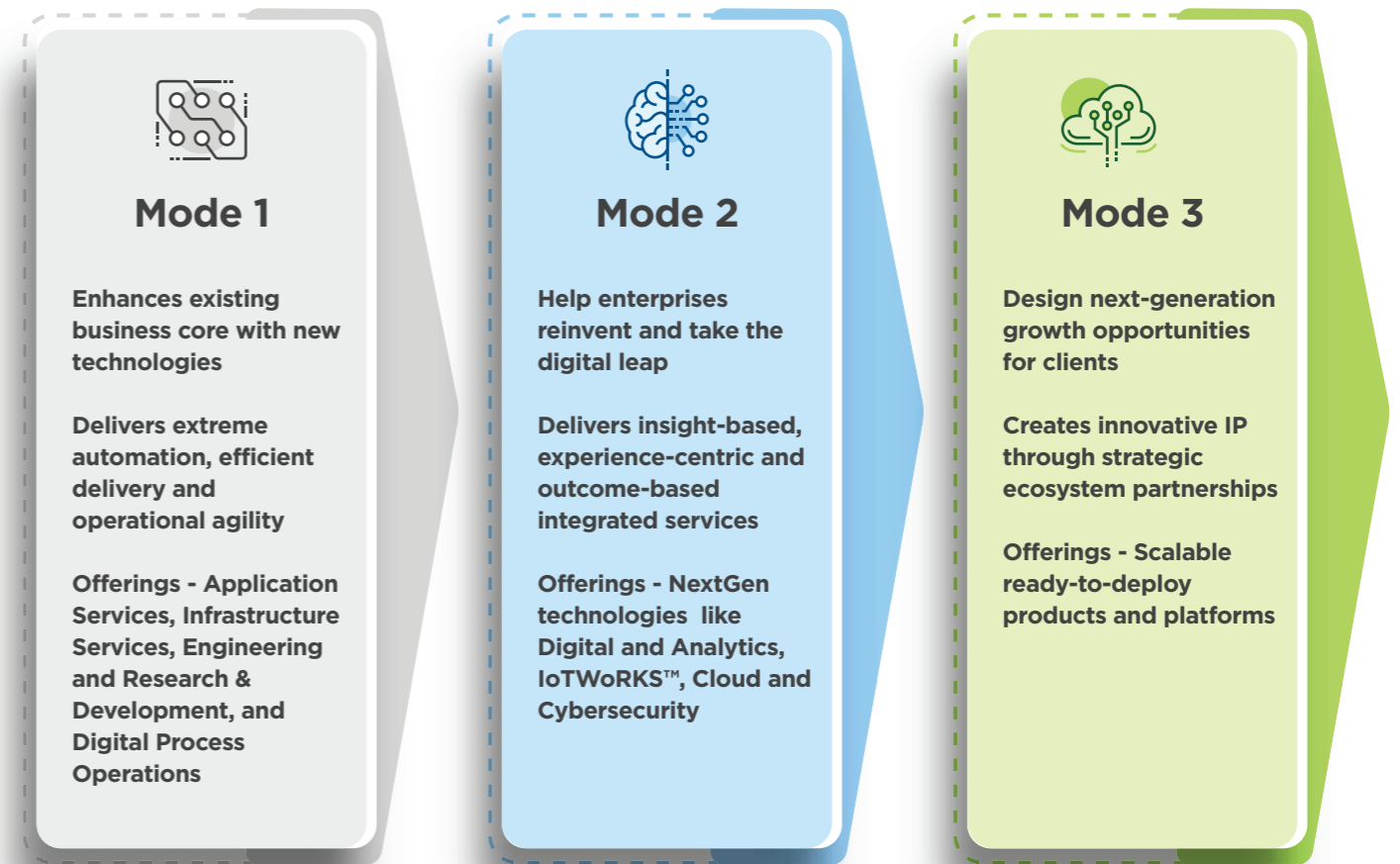
### Enhancing client experience through innovation

Businesses across all sectors have been increasingly adopting technology solutions like Analytics, Cloud, IoT, and Automation to enhance efficiencies and performance. The disruptions induced by the pandemic through last year have exponentially accelerated the pace of the transformation underway. Technology has become critical for any enterprise that is reimagining and reinventing itself for the new normal.

HCL has successfully evolved into a firm equipped to design and deliver next-generation technology services and innovations. It is geared to help clients reinvent their business and redefine the future.

HCL developed its 'Mode 1-2-3' strategy to enable and empower our clients to rapidly adapt to the digital age and grow sustainably. The three modes can play a key role in a client's overall strategy or contribute uniquely as an independent growth strategy over the next decade.

## HCL's Mode 1-2-3 Strategy



Our philosophy of 'Employees First' and values of trust, transparency, flexibility, and value-centricity drive our talented teams to pursue service excellence consistently and deliver on our client-centric goals.

HCL's Mode 1-2-3 strategy is backed by the 'Relationship Beyond the Contract' promise of 168,000 employees. These 'Ideapreneurs' chase a shared goal of improving our clients' business through everyday innovation and value addition. The Mode 1-2-3 strategy differentiates HCL in the marketplace today. Our belief is endorsed by the confidence our clients have shown in this strategy and our ability to deliver

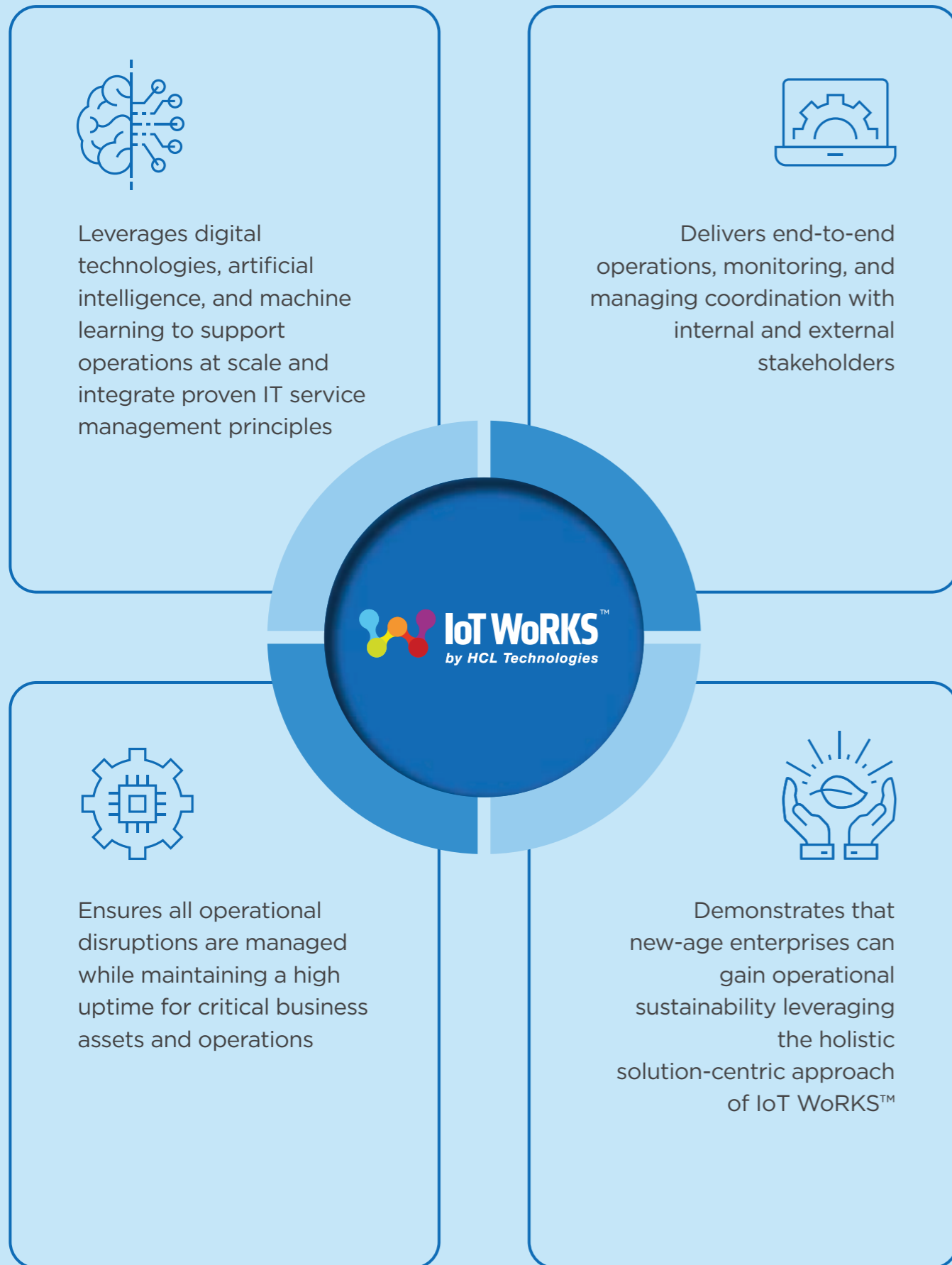
### Enabling clients with technology during COVID-19

The unprecedented global health crisis due to COVID-19 disrupted businesses worldwide. The challenges highlighted an immediate need for technological advancements and propelled the adoption of Industry 4.0 solutions. Businesses across all sectors accomplished gargantuan transformation journeys in a matter of weeks. Overnight, manual processes were automated, and digital engagements and collaborations became the norm. Today, the digital economy powered

by data and insights-driven solutions has enabled massive cost-take-outs and improved stakeholder experience exponentially. Consequently, the next decade will be the era of data-driven solutions.

Acknowledging this 'new normal', HCL's IoT WoRKS™ pioneered managing and operating large-scale Smart Integrated Operations (SIO) for our clients. This shift has created significant opportunities for HCL to manage end-to-end operations for our clients, allowing them to remain focused on core business and innovation.

## HCL IoT WoRKS™



## Building client resilience impact stories

The pandemic disrupted the normal course of life in more ways than one. Our teams brought the best technology solutions and strategies to help clients run their operations without disruptions and meet their stakeholder needs.

Our efforts enabled 3.5 million client employees to work remotely and provide essential services to their customers. In a recent survey, 99% of clients rated our COVID-19 response as 'Very Effective or Effective.'

The section below outlines client voices and initiatives to help them stay resilient.

### B2B digital platform for a global provider of professional information, software solutions, and services



Our client, a global provider of healthcare, legal, taxation, accounting, finance, audit, risk, and compliance services is based in New York, the epicenter of the pandemic outbreak in the US. They could not deliver their niche skillsets to their customers in the healthcare segment during the pandemic due to the lockdown restrictions. HCL brought to bear its best-in-class capabilities and execution prowess to provide timely delivery of a digital platform to help the client deliver services and ensure business continuity. We conceptualized, created, and launched an online platform for their B2B clients to access information related to clinical decisions, nursing education and practice solutions, medical research, allied health journal, and others. The company could resume business and deliver services to their customers without disruption even as COVID raged.

“I wanted to take a moment and thank everyone for the great work that culminated in a successful R&D program transition from PGI to HCL. Given the challenges we have all faced during this transition – time constraints, the pandemic, attrition, and new hires, etc. – the fact that this initiative was delivered according to plan is nothing short of amazing.

Please accept my sincerest gratitude and appreciation for the work put into this endeavour. And please pass this on to the larger team so that I don't miss anyone. This was a great team effort. Well done!!!”

**Patrick Harper**  
(CTO), PGI

### Upgrading and scaling systems for multinational gaming company



Our client's business and revenues were significantly impacted as their systems were not ready to comply with the pandemic-related guidelines. The HCL teams brought in their technology capabilities and delivery excellence to quickly upgrade and scale the client's systems to handle remote operations. They also ensured the transition complied with the stringent requirements of security and regulatory requirements of the financial industry. With more than 40 emergency releases in a week, 400 employees at the client organization moved to a work from home model in a secure environment and resumed business operations. We have established a 24 x 7 support system to help the client run business operations efficiently as the pandemic continues.



**Helping a global banking and financial services organization transition to a work-from-home model.**



In the very first week of the pandemic, our client had to transition 100% of their workforce to a work from home model. The number of employees and the speed at which this transition was to be done was staggering. HCL rose to the occasion and pulled together the best talent and technology capabilities to ensure seamless business continuity for our client. We were led by only one goal, to enable our client to deliver services to their customers without disruption. Client teams were equipped with compliant IT assets, upgraded bandwidth, ergonomically designed furniture, and power-backup at their homes within days. HCL helped the client to get their operations assessed by the globally renowned 'Protek' certification. This certification is the world's first industry-agnostic, end-to-end health, safety, and wellbeing assurance program for people, workplaces, and public spaces. Additionally, we helped the client adhere to organizational and regulatory guidelines under the new working model. We also launched a 'Virtual Induction Kit' to rapidly introduce new hires at the client organization and familiarize them with their redefined operations, business needs, and technology landscape.

**Implementing business continuity plan for a Fortune 100 financial services organization**



In January 2020, our client anticipated the impact of the pandemic on their operations ahead of time. We swiftly activated the Business Continuity Plan (BCP) to ensure a 100% work from home setup for employees in strict compliance with the client's security protocols across all locations. HCL equipped the client teams with robust communication channels and virtual support for a smooth implementation of the plan. The agile client teams pivoted to a virtual model for almost all activities, including daily huddles, customer engagements, town halls, engagement sessions, festivities, leadership talks, and more to adapt and embrace the new way of living and working.

## Way Forward

Going forward, HCL will continue to bring cutting-edge and efficient technologies to transform client capabilities to adapt and lead with new business models that are sustainable and profitable. As our talented and diversified team design and deploy these solutions for our clients, they will sharpen their 'Ideapreneurship' further and strengthen our client-centric core.



# Creating a better world for our employees

Our talented people represent the essence of HCL and are crucial for the sustenance of our organization.

## Key focus of the chapter

- Policies and management approach
- Our processes on
  - Hiring and retention
  - Training
  - Diversity and inclusion
  - Employee engagements
  - Employee wellness
  - Enhancing employee experience
- Leveraging technology to create a better workplace

An engaged, motivated, and skilled talent pool aligned with our values and principles is the key to our sustainable growth and value-creation abilities. As we deliver on our commitments to clients and other stakeholders and strengthen the foundation of our future capabilities, our employees remain our most valued asset, and their well-being our utmost priority.



Our employee-centric practices provide a safe and conducive working environment. We endeavour to treasure our in-house talent by focusing on the aspects shown in the image below:

### Key focus areas



## Our management approach

We have always put our people first, especially during the COVID-19 pandemic and implemented several initiatives to ensure the physical and mental well-being of our employees during the year. Our Talent Development **Center of Excellence (COE)** seeks to create a culture of continuous learning through business-focused education solutions, aiming to build a leading global organization. The key emphasis is on developing current and future business competency requirements within a rapidly changing landscape, supported by our HR policies.

We are guided by the philosophy of “**Employee First and Customer Second**” (EFCS) that places the needs of employees before the needs of clients. EFCS was created with the objective of providing a truly unique and democratic work environment for our employees. By treating employees as partners and participants in the company’s success, every individual becomes responsible for transforming, thinking, and providing value to our clients.



Our robust employee policies help us create an inclusive and empowering environment embedded with psychological safety and a sense of belonging that encourages our people to decide and execute without fear of reprisal. Our **Code of Business Ethics and Conduct (COBEC)** governs all policies, practices, processes, and business dealings at HCL. It articulates our focus on a broad range of practices, including:

- Corruption and bribery
- Discrimination
- Confidentiality of information
- Conflicts of interest
- Antitrust and anti-competitive practices
- Money laundering, insider trading and dealing
- Environment, health, and safety
- Whistleblowing

COBEC covers all the employees, third-party vendors, consultants, and customers across the world, whether operating out of an HCL location or elsewhere. This section provides an insight into our employee-centric goals and highlights the measures the company undertakes to inform, equip, and enable our employees.

## Human resources (HR) policies and procedures

Our HR policies promise dignity and respect for all employees. At HCL, we endeavor to identify, prevent, and mitigate any human rights violations resulting from, or caused due to, business activities. Mitigation processes for employee concerns include investigating, addressing, and promptly responding to violations for appropriate corrective action.

### Human Rights Policy

The policy focuses on fostering an open and inclusive workplace, and includes:

- Respect for human rights
- Valuing diversity
- Safe and healthy workplace
- Workplace security
- Equal opportunity employer

### Whistleblower Policy

This policy defines and lays down the process for raising a complaint, the safeguards in place for the person raising a complaint, the roles and responsibilities of all stakeholders, and sets the timelines for processes to be followed. The whistleblower can reach out to the Chairman of the Audit Committee by writing to [chairman\\_ac@hcl.com](mailto:chairman_ac@hcl.com). A complaint can also be sent via email to the ombudsperson at [whistleblower@hcl.com](mailto:whistleblower@hcl.com).

We have a dedicated “**Hear Cell**” that provides an opportunity for employees to be heard. “**HEAR**” is an integrated channel and serves as an access to the Desk of the Ombudsman who directs any grievance raised by employees to the appropriate individuals, concerned leadership team member, HR, or the internal audit team. Such grievances can be reported by writing directly to [hear@hcl.com](mailto:hear@hcl.com).

HCL’s Human Rights Policy ensures alignment with the United Nations Sustainable Development Goals



### Prevention and redressal of sexual harassment at the workplace:

One of our key commitments is to provide all employees with a safe and secure work environment, free of discrimination and harassment, including any form of sexual harassment. There are multiple avenues through which we uphold this and work to promote a fair, equitable, safe, and sensitive work environment through various workplace programs and policies.

The **“SECURE”** initiative focuses on preventing and addressing grievances of sexual harassment at the workplace, in line with our policy. In case an 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 ICC.

## Enabling and empowering employees at HCL

We aspire to create an evolved and inclusive organization, starting with the induction of new joiners. The induction program takes them through an immersive experience that introduces them to the company, our values and principles, and our ways of working so they can better assimilate and build satisfying careers at HCL.

### Hiring and onboarding

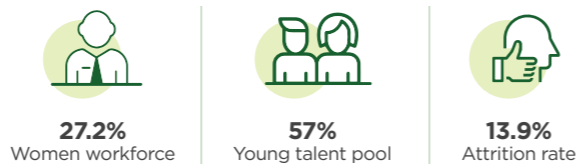
Our equal-opportunity employment program ensures that there is no discrimination based on race, color, religion, gender, nationality, gender identity, gender expression, sexual orientation, and disability status.



We hired over 44,695 candidates in FY21, globally

At one of our largest overseas operations in the **US**, **17,064 employees**, i.e., 70.43% of our human capital, was sourced locally. Our best-in-class systems and comprehensive hiring program helped to assimilate new talent seamlessly within HCL.

Due to our ongoing focus, our workforce constitutes 27.2% women. We have a young talent pool with more than 57% of our employees within the age group of 30-50 years. Our attrition rate, at 13.9%, is much lower than the industry norms.



**TechBee**  
HCL's early-career program

**An exclusive program for individuals looking for full-time jobs after high school. It includes:**

- 12-month training for entry-level IT jobs employing successful candidates in full-time jobs in the company
- Candidates' pursuit of higher education with BITS Pilani or SASTRA University while working

### Talent development and retention

We recognize that talent development is the key to the organization's strategic imperatives, and our business strategies are entwined with our talent development approach. Our talent development efforts aim to create valuable employees and are a game-changer in building a competent workforce.

### Our talent development team:

- Designs and deploys a robust, integrated and comprehensive learning ecosystem focused on employee development to drive critical business outcomes
- Creates a versatile and learner-centric ecosystem to accommodate learners with diverse experiences, drawn from different functions with varied learning styles

#### Learning in my locker

This program was developed to enable employees by identifying and imparting new skills needed to adapt to a 'new normal' in the wake of the pandemic. The **Skills@Scale** intervention anticipated skills required to build scale and make the organization future-ready. The analytics-based predictions helped us redirect our efforts to develop identified skills by ensuring that:

- Predicted skills have enough demand
- Sufficient employees are learning and achieving the set standards
- The curriculum was up-to-date and aligned with the market
- Learning and development efforts boosted internal achievements
- Program effectiveness was reviewed and improved periodical

## FY21 highlights



## Employee feedback and succession planning

Our in-house platform for performance management, My Performance, is an all-encompassing platform that provides a transparent view to employees on the entire performance lifecycle—from goals to outcomes and variable payouts. It covers all stages of performance management, i.e., goal setting, continuous feedback, performance review, and bonus payouts. All our employees received formal performance appraisals and reviews during FY'21.

### An overview of the performance review process:



A succession planning program—designed for our top-level leadership at HCL Technologies—is based on a systematic methodology to ensure leadership continuity through the CCR (Criticality-Capability-Risk) assessment framework that aims to align leadership with the strategic needs of the organization. The process involves the talent and leadership development **Center of Excellence (CoE)** defining the framework, applying the framework based on available data, and refining this application based on business leaders' contextual input and judgement.

## Rewards and recognition

We promote a culture of appreciation to motivate our employees. These programs are aligned with the organizational values and play an essential role in asserting an employee's sense of belonging and commitment to HCL.

### Xtramiles



This unique platform helps encourage high-performance by enabling employees to reward colleagues, based on:

- Passion
- Participation
- Performance
- Innovation

This program is designed on the principle that mutual appreciation strengthens employee bonding. Being appreciated for good work is an inherent human need, and even a simple “thanks” or a “great job done” compliment can go a long way in boosting employee morale. There are multiple ways by which an employee can appreciate or get appreciated by peers, managers, and HR business partners, winning cards that offer cash-equivalent points for redemption on achievements.

More than 42,000 employees are appreciated, monthly, using 32 different appreciation cards available on the platform, either offering instant rewards or rewards for accumulation for redemption later.



## Employee health and safety



At HCL, employee health and well-being is one of our biggest priorities. We designed the **#TakeCareHCL** program to create COVID-19 awareness among employees and their families.

Our dedicated COVID-19 portal provides a one-point access to any emergency information related to safety, support facilities, and other resources. Our virtual governance and collaboration with internal and external stakeholders allowed us to execute our business with minimal interruption, while keeping our employees safe during the pandemic.

We have a well-defined and structured pandemic response protocol that optimally balances employee safety and health with client commitments.

Our business continuity management plan related to the pandemic puts the well-being of employees at its core, covering:

- An established pandemic response plan to oversee our global response and monitor pandemic situations in our operating locations
- Collaboration with leading international medical, crisis management, and travel security services firms to help us with accurate risk assessment and planning
- Activating all remedial measures to ensure employee safety and well-being

### Health and wellness during COVID-19



- **Mental wellness programs:** Meditation, laughter yoga, and yoga
- **Physical wellness programs:** Zumba, ergonomics, activities on social media platforms
- Platforms to allow employees to pursue their passions, such as quizzes, celebrating International Yoga Week, photography, dance, cooking, and beatboxing

## Freedom of association

We respect the right of employees to free association without fear of reprisal, discrimination, intimidation, or harassment. Our employees are represented by formal employee representative groups in **Continental Europe and Latin America—25% of our employees in Europe are covered by the Collective Bargaining Agreement, and a 100% are covered in Brazil.**

We have a strict policy against any malpractice with forced labour or against indigenous communities and we have reported no cases on child labour, forced labour, human rights issues with indigenous population or any incident of discrimination.

## Leveraging people analytics

Since the onset of COVID-19, the world of work has changed dramatically. Organizations have shifted resources to support ‘shelter-in-place’ and ‘work-from-home’ models. We deployed our cutting-edge people analytics tool to identify key issues that may hamper employee productivity as they work from home.

The tool tracks metrics such as hours worked, allocation of time for activities, including meetings, collaboration, and networking within and outside the organization. It also tracked distraction-free time spent at work.

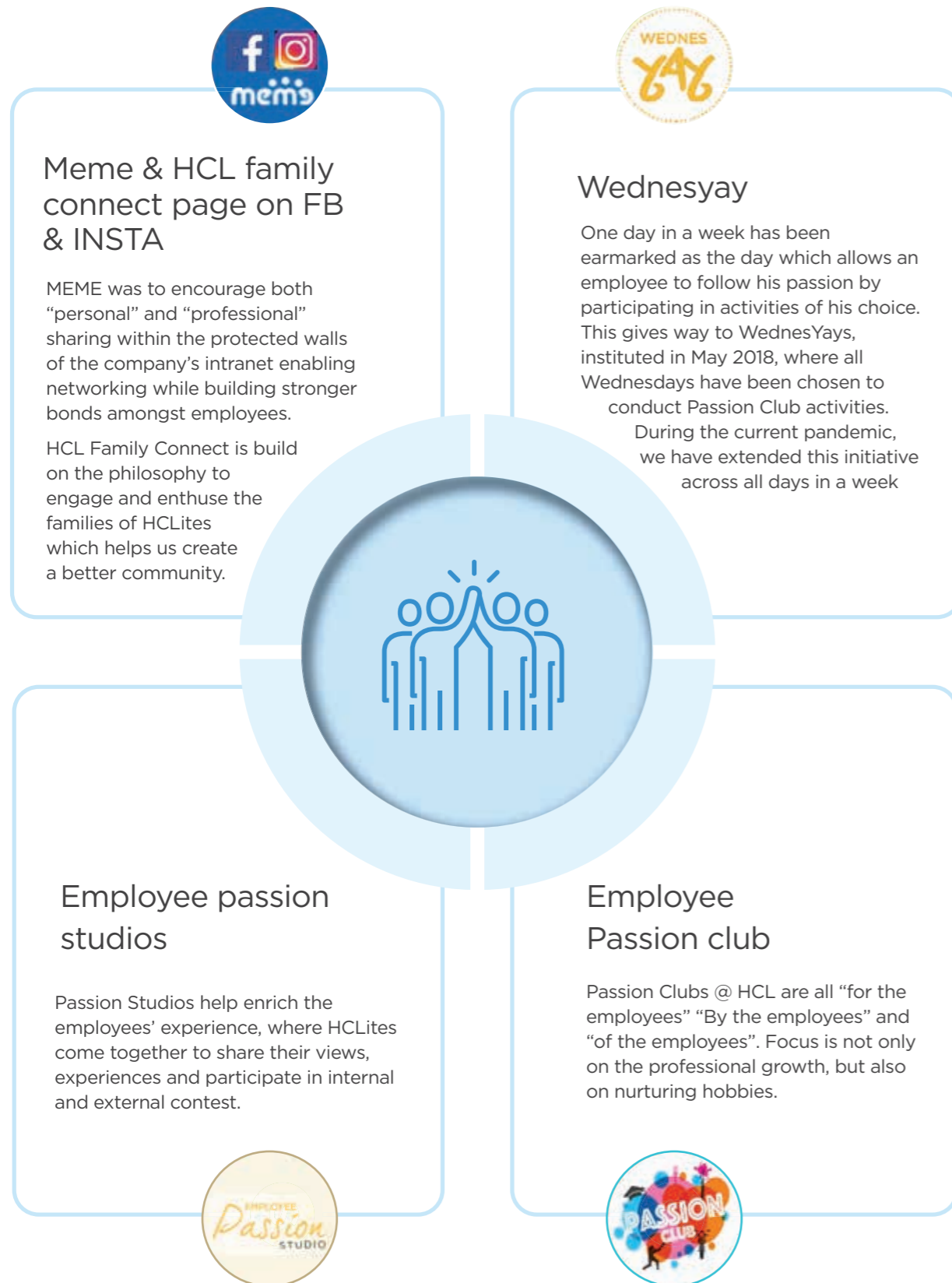
The analysis thus derived enabled us to frame new remote workplace management strategies and initiatives to curb productivity detractors, including time spent in unnecessary or too many meetings.

The new strategic direction urged supervisors to devote more time for one-on-one conversations and coaching necessary for the professional development of team members. The insights drawn from the analysis encouraged HCL's leadership team to envisage ways to incentivize our human capital adequately and frequently, keeping up morale and motivation.









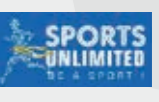


# Employee engagement and experience at HCL

Our employee engagement programs are strategically designed to motivate talent and build a progressive workplace of the future where employees feel proud about being a part of HCL. We conduct engagement programs throughout the year to motivate and create a happy and rewarding employee atmosphere.



# Passion Clubs and Passion Studio @HCL

 <p><b>Clic Club</b> (Category: Photography) Clic Club is formed for HCLites who love photography and like to share their passion with the others in the organization. The idea is to have fun, understand and appreciate the science of photography; and in the process make new friends too!</p>	 <p><b>Toastmasters Club</b> (Category: Public Speaking) Toastmasters club provides a perfect platform for young individuals to develop their leadership as well as communication skills. A Toastmasters meeting is a learn-by-doing workshop in which participants hone their speaking and leadership skills in a no-pressure atmosphere.</p>	 <p><b>Polyglots Club</b> (Category: Foreign Language Learning) Here HCL endows an opportunity to become a multi-lingual global citizen through foreign language classes within the office premises itself. Employees with language expertise take sessions for other employees.</p>
 <p><b>Bikers Club</b> (Category: Bike Riding) The Bikers’ Club is an opportunity for the mean machine lovers to interact, share tips and benefit from some special discounts on bike accessories and other maintenance products that the club intends to bring.</p>	 <p><b>Meditation Club</b> (Category: Meditation) Meditation strengthens the mind; and controlled mind can provide effective guidance to the physical body to effectively execute all its work. Employees connect to practice Meditation.</p>	 <p><b>Jamming Club</b> (Category: Music) Jamming club in HCL, encourages other HCLites to learn the music instrument they have always wanted too!! Employees who have expertise pass on tips and learning steps to newbies.</p>
 <p><b>Happy Feet Club</b> (Category: Dancing) Happy Feet is for all those passionate souls who dance like no one is watching and sometimes like everyone is!! In HCL we do not know the meaning of the word compromise neither in work nor having fun, hence we do everything to make sure our HCLites have time of their lives.</p>	 <p><b>Pedal Pushers Club</b> (Category: Cycling) Club formed by all cycling enthusiasts. In this fast-moving technology world, there is no time to ride cycles like in the good old days and become more fit, healthy, and strong. Hence, the members encourage HCLites to follow the cycling passion.</p>	 <p><b>Sports Unlimited Club</b> (Category: Sports) Through this club, one can connect with other like-minded sports enthusiasts and get to know &amp; participate in the various inter &amp; intra corporate, state and national level tournaments that are organized periodically.</p>

# Diversity and inclusion at HCL





We are a next-generation technology firm operating in more than 50 countries with over 168,977 'Ideapreneurs' drawn from more than 157 nationalities, representing a highly diverse workforce. Against this background, an inclusive culture is not just a nice-to-have aspect but a critical goal to ensure the organization's continued growth.

Leveraging our diversity is a key aspect of our growth strategy. At HCL, we believe, every employee has the potential and power to strengthen our innovative and creative core.

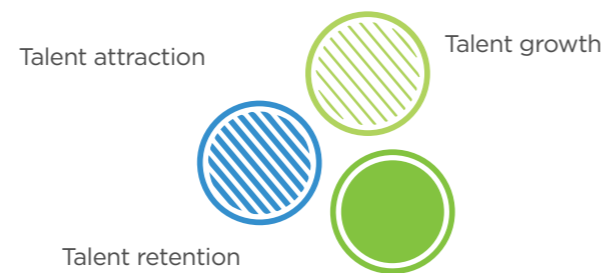
This is an organizational strength that can be fruitfully leveraged if we made all our employees feel included with a sense of belonging at the workplace. We are deeply mindful of the fact that the power of diversity remains dormant without inclusion.

As technology, globalization, and the evolving workforce continue to shape the future of work, we are firmly focused on inclusion as a way of life and a strategic measure to attract, grow, and retain the best talent. We believe, cultivating and living an inclusive culture drives increased creativity, productivity, and innovation to deliver better business results and operational excellence.

## Diversity & inclusion goals & objectives

-  Nurture and promote an inclusive thinking culture through awareness and inclusive leadership skills training and supporting Employee Resource Groups
-  Build shared leadership of equality, diversity & inclusion at all levels
-  Facilitate developmental initiatives for career progression, retaining talent and maximizing their potential
-  Position HCL as an employer of choice and making diversity as part of the brand entity by leveraging internal and external social media channels
-  Improve the representation of women at all levels of the organization
-  Embed and strengthen diversity and inclusion in our policies and processes to promote inclusion and curb biases

## Our diversity and inclusion strategy focuses on:



These strategies ensure a unified experience to promote gender and cultural diversity and inclusivity.

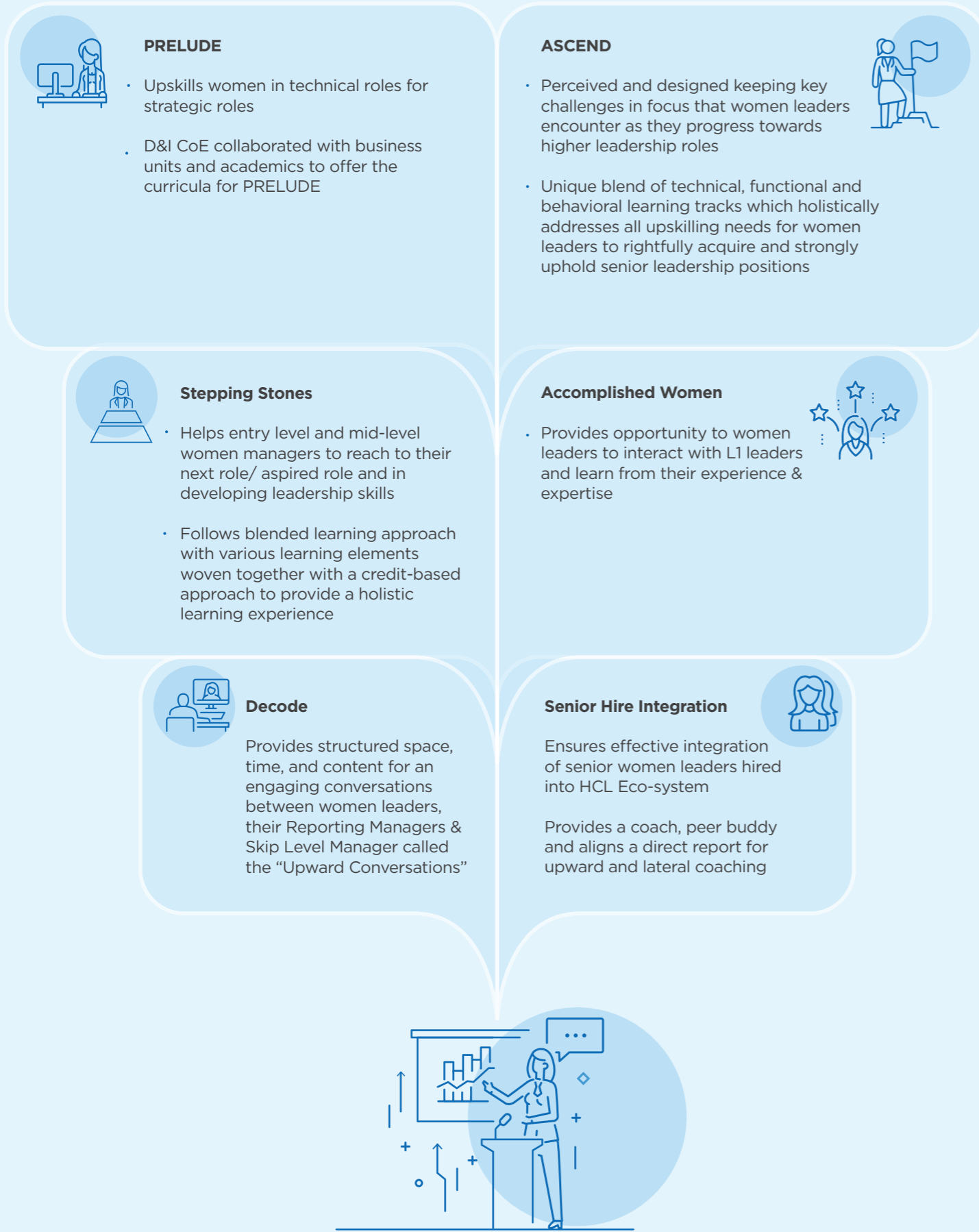
## These strategies ensure a unified experience to promote gender and cultural diversity and inclusivity.

- Promote women at all levels through career development programs
- Provide growth platforms, including networking and advocacy sessions, and leader connects
- Build cultural empathy and skills to ensure all individuals are respected irrespective of backgrounds, cultures, nationalities, working culture, and lifestyle



- Ensure equality for all and create an inclusive and accessible workplace
- Foster an inclusive, safe, and supportive work environment for all LGBTQ+ employees
- Fostering the inclusion of people with disabilities through the four tenets: Employ, Enable, Engage and Empower
- Express our support for the community through Pride@HCL ERG

# Women leadership development programs



## Return to work after parental leave

Our interventions for helping employees return to work after parental leave have been successful. We are currently seeing a 94% retention rate in females, and an 86% retention rate in males, post-parental leave.

## Gender pay parity

Gender pay parity is one of our key concerns and, currently, we are trying to bridge the gap. Though we have been able to narrow the gap at certain levels, we are working to have equal pay among all levels of employment.

Employment category	Ratios of basic salary and remuneration of woman to men
Non-management	44:56
Junior management	51:49
Middle management	49:51
Senior management	48:52

## Fighting the COVID-19 pandemic—together as #OneHCL

To encourage employees to engage and bond to stay motivated and keep their spirits up as we combated COVID-19 together, we created an integrated platform to facilitate virtual connections to:

- Celebrate various festivals and work-related events
- Run peer-to-peer campaigns, led by themes such as:
  - So far, yet so close
  - Virtual Sparks Day for employees reporting to work
  - Virtual sessions for families and children of employees for kids

Through FY'21, we conducted more than **826 initiatives and virtual connect sessions** for employees and their families.

## Enabling employee resilience

Employee safety and well-being have always been a priority at HCL. With the onslaught of the pandemic, we rolled out several measures to ensure the continued well-being and safety of our employees as they worked hard to meet the needs of our stakeholders and minimize the impact on our clients.

### Agility

We anticipated the impact of the pandemic quite early, rapidly enabling **150,000 employees to work from home (WFH) remotely**. Our readily available technology capacity and resilient systems seamlessly supported 'at scale' work-from-home for employees. Our battle-tested business continuity and crisis management program facilitated the rapid development of a resilient supply chain for critical services needed for working from home, including technology, security, people resources, facilities, and transportation.

### Innovation

A bespoke plan, **#TakeCareHCL**, reinforced our commitment to employees and clients. We set up a 24X7 global helpline to provide free healthcare consultation for employees and their families. In addition, apps such as **SARAS (Self-Assessment Risk Analytics System)** and Mobile Safe helped employees assess their health and COVID risk status round the clock. A microsite was deployed in record time to keep them informed of HCL's response to the pandemic. 'Virtual Situation Room,' a tool to provide predictive analysis on the impact of COVID-19 on our operations, aided leaders in making real-time impactful decisions.

### Resilience

Our pandemic management across offices adhered to the best-in-class practices globally. Mobile apps for entry, temperature checks at entry and exit points, and sanitized workstations ensured employee safety in the offices. We provided PPE kits, masks, and gloves to employees. Social distancing was strictly implemented by blocking alternate seats in offices, visiting areas, washrooms, and cafeterias.

## Empathy and collaboration

Maintaining a high workforce morale has been imperative during the pandemic. The movement restrictions in the wake of COVID meant employees had to multi-task and share limited living spaces as they and their families worked from home while children studied online. To boost employee morale, help them feel connected, and manage a healthy mindset, we launched employee engagement campaigns following the EEE (Enabling, Engaging, Empowering) principle.

- **Enabling**

Employees were offered ergonomic furniture and equipment, such as work tables and computer chairs, to create work areas in their homes. Travel facilities were provided for those coming to the office when required.

- **Engaging**

Free online classes for meditation, rejuvenation, workshops for Zumba, children's activities, and cooking, among others, helped employees balance work and life, reduce stress, and promote physical and mental well-being.

- **Empowering**

Rewards and recognition play an important role in engaging and motivating employees. To ensure that the contributions of our employees are recognized despite the pandemic-led restrictions, we conducted the HCL Achievers League program virtually. We promoted the online performance-based rewards program, Xtramiles, to encourage employees to recognize their peers and other colleagues in these challenging times.

Empathy and compassion led our fight against the pandemic. A recent survey shows that 90% of our employees are "Very Satisfied" with the company's interventions. We continue to help our employees navigate COVID-related challenges and have already started a vaccination drive in our offices, aligned to country regulations.

## Engaging Employees in the New Normal

### Employee Engagement – Pandemic Focus



#### Wellness

Launched avenues which periodically keep a check on the employee's wellness quotient as employee may miss to keep a tap on their wellness when they are connected virtually



#### Passion platforms

Launched avenues which connected employees virtually to pursue their passions which ensured the employee remains connected and positive during the crisis



#### Family

Connected with employees and their families through various initiatives and this helped us showcase that we care for them

#### Mental wellness

- Events like Meditation, Laughter Yoga, Yoga were launched virtually

#### Physical wellness

- Events like Zumba, Ergonomics, other activities related to fitness on social media platforms

Online Passion platforms to keep the employees engaged:

- Passion Circuit
- Inquisitive Minds
- International Yoga Week
- Cruciverbalist
- Virtual session like photography, dance, cooking, beatboxing, etc.

- Virtual session for kids
- Virtual Passion Circuit for family
- Virtual initiatives on social media platforms



#### Communication

#### Informative approach

- Mailers: Organization wide employee engagement informative mailers
- Magazine: Expressions – An employee engagement magazine

#### Top-down approach

- Leadership connect sessions: Leaders addressing various target audience
- Leader's being the advocates of engagement – Leader's encouraging their span of employees to participate in initiatives

New focus area identified to cater to employee's changing needs

### Employee Engagement – New Focus segments



#### Celebrations

Encouraging employees to spread positivity through co-creating celebration experience via festivity and togetherness

#### Celebrating Festivities

- Encouraging employees to spread positivity around by celebrating festivities

#### Celebrating Togetherness

- Initiatives focused on bringing employees together remotely to celebrate work events



#### Passion campaigns

Employee's taking charge of their passion/hobbies and all like minded employees connecting with each other

- Passion clubs to take the lead in launching initiatives for employees
- Virtual SPARKS DAY initiated project wise



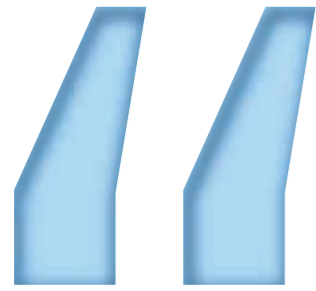
#### Bringing 'E' to Work

Campaigns around encouraging employees to return to work and create a new normal workplace culture

#### Peer to Peer campaign

- Initiatives focusing on theme like:
  - So far, yet so close
  - We are safe here, come soon!
- Virtual SPARKS DAY for employees reporting to work





A recent survey shows that 90% of our employees are 'Very Satisfied' with the company's interventions.

## Future outlook

Our exceptionally talented and experienced employees are the pillars of our organization. In their capability and success lies the company's prosperity. We will continue to streamline and sharpen our hiring, training, and development strategies to ensure that we attract and retain some of the best minds in the industry across geographies. Our integrated and symbiotic engagement and feedback mechanism will be reviewed and refined to meet the emerging needs of the new normal and changing client demands. Our commitment to foster a conducive and inclusive work environment for our employees continues unabated.

Our focus—to continuously upscale employee talents to meet the new-age skills required to execute our projects—will garner the majority of our learning and development investments through the current fiscal year. As we grow our digital presence and business, we anticipate 70% of our recruits to be digital native freshers, and 30% lateral hires to cater to the new technologies such as cybersecurity, digitization, IoT, and the cloud. The significance of our employee capabilities remains crucial to realizing our goal of growing responsibly and creating harmony between the needs of our people, the planet, and the company's prosperity.



# Working towards fair and equitable communities

We firmly believe that our sustainable future is interwoven with that of our local communities. Together, we strive to make a tangible difference to humanity and the planet.

## Key focus of the chapter

- Our management approach to CSR
- 10 years of fulfillment of HCL Foundation
- Our CSR focus areas
- Enriching lives holistically through initiatives:
  - HCL Samuday
  - HCL Grant
  - HCL Uday
  - Clean Noida
  - Power of One
  - Special Initiatives
- Helping communities during COVID

In line with our ESG goals, we build meaningful partnerships and develop relationships that create opportunities for all through responsible, inclusive, and ethical practices. This section throws light on our endeavors to build fair and equitable communities through impact-led development programs across rural and urban geographies in India. It also details HCL's efforts to strengthen the resilience of our communities to combat COVID-19.

Our efforts to create socially inclusive and sustainable value for our stakeholders have earned us several recognitions throughout FY'21.

**“Globally, governments have been the largest ‘philanthropists.’ However, individuals and enterprises have a huge social responsibility and need to step in to complement the role of a government. I believe that education can be the single largest tool for large-scale high-impact transformation. Education empowers individuals and is vital to reap our demographic dividend. Inclusive education has the power to create leaders from across the cross-sections of the society who would become change agents for the community at large and lead us into a brighter future.”**

### Shiv Nadar

Founder, HCL Group | Chairman Emeritus & Strategic Advisor to the Board, HCL Technologies | Founder & Chairman, Shiv Nadar Foundation

## Management approach

Strengthening our social license to operate is a critical parameter of our strategy to build a sustainable future. The HCL Foundation serves as the Corporate Social Responsibility (CSR) arm of the company in India. Established in 2011, it is a value-driven, not-for-profit organization that contributes to national and international development goals. The Foundation aims to break the cycle of poverty by building resilient individuals and communities. It plays an enabling role, recognizing that empowered people can script their own story of change.

Our development programs focus on turning vulnerabilities into opportunities. They are co-created in partnership with community members and implemented through Non-Governmental Organizations (NGOs). We encourage our employees to participate in our community-facing initiatives through active volunteerism both in India and around the globe.

## CSR strategy and execution approach

The HCL Foundation adopts a structured and impact-led approach to design and implement community engagements. Community stakeholders are closely involved in the entire value chain of activities—from identifying developmental needs to design, implementation, and measuring the impact of programs. Targeted communications play a crucial role in the entire life cycle of activities to drive engagement and showcase achievements internally and externally.

## CSR expenditure

Our critical areas of expenditure of the CSR budget in FY'20 is outlined below. The outlay and focus for FY'21 was realigned to meet the needs of COVID-19, with the primary focus of every business set to ensure that the community they operate in remains safe.

	Unit	FY'19	FY'20	FY'21
<b>Total CSR contribution</b>	INR	129.5 Crore	176.29 Crore	197 Crore

## Employee Volunteering Hours



<b>FY'19</b>	119,681	volunteering hours registered
<b>FY'20</b>	113,958	volunteering hours registered
<b>FY'21</b>	4,760	e-volunteering hours registered




# Enriching lives holistically


We lead by example in delivering on corporate responsibility goals. We foster inclusive development that continue to grow across geographies and sectors, rural and urban, through holistically developed programs.

## CSR focus areas


The HCL Foundation delivers on its community commitments focusing on the following themes:

-  **Humanitarian Action**  
(Disaster Risk Reduction & Response)


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-  **Skills Development and Livelihood**


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-  **Early Child Care Development and Education**


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-  **Water, Sanitation, and Hygiene (WASH)**

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-  **Environment**

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-  **Health**

## CSR programs

Since 2011, our flagship programs have created a lasting positive impact on people and the planet by ensuring equitable access, opportunities, and holistic development for all.











### I. Rural development programs

Our programs for rural communities aim to create self-reliant villages through the maintainable socio-economic wellbeing of all. **HCL Samuday and HCL Grant are long-term flagship programs** that partner with rural communities to seed sustainable, transformative models and solutions. HCL Samuday is implemented in the Hardoi district of Uttar Pradesh, India. It deploys scalable and replicable models for the economic and social development of rural areas. The program is designed to encourage local people to identify their problems and co-create solutions. These solutions are implemented through partnerships with

central and state governments, local communities, NGOs, knowledge institutions, and community members. The reporting year saw the launch of the official website for HCL Samuday with 1,151 videos spanning 300 hours to engage with the community members.

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## Program highlights

-  **4,628 students and 6,521+** neo-literates benefitted through education initiatives
-  Operating in **765 villages** impacting 90,000 households
-  Launched an online portal for content distribution across Uttar Pradesh for grades 1 to 5
-  **29,591 outpatient and diagnostic** services provided through telemedicine and mobile health clinics
-  **3,600+ households and 68 government** institutions across 41 villages connected with reliable electricity from 32 solar mini grids
-  **5,840 dairy farmers** benefitted with increased income
-  **1,052 artisans** supported in production and training
-  **3,480+ households** enabled with access to toilets
-  **1,197 new households** connected to piped drinking water
-  **150 Model Anganwadi centers** supported to provide childcare services.

## Impact story: Grain to gain



The small and marginal farmers in the Kachhauna, Kothawan, and Behandar blocks of Hardoi district, Uttar Pradesh, practice subsistence farming and sell what is left of their yield after consumption. Even though the farmers are left with very little produce to sell, they pay high transportation costs to take their produce to the market. They also pay a hefty fee to intermediaries to sell their produce, and barely make any money in the process. The HCL Foundation helped these farmers form a Farmer Producer Organization, Hardoi Kisan Producer Company Limited (HKPCL), to improve yield, revenues, and adopt environmentally friendly practices.

During the pandemic, HKPCL helped the farmers sell 5,721 quintals of wheat at INR 1,925 per quintal. The farmers received their payment within 72 hours of selling the grains and made a profit of INR One crore.

**Testimonials**

**“I am privileged to be part of HKPCL and am thankful for HCL’s efficient and continuous support.**

**HCL has gained the trust of farmers in Gausganj and nearby villages through their relentless efforts to improve our livelihoods. Farmers trust the inputs provided by HKPCL for their quality and affordable pricing. The work being done by the HCL Foundation is enabling many villages in our region to prosper.”**

HCL Grant recognizes NGOs doing path-breaking work in rural development focused on environment, education, health, and livelihood. Under this program, one winning NGO in each category is awarded INR 5 Crores every

## 2.14 million lives impacted across India



10 years of impact and stewardship in 2021 with over INR 680 Crores invested in CSR



4,760 e-volunteering hours clocked in FY 2020-21 by 1,362 volunteers



52K acres of land brought under sustainable community governance

year, and the remaining six finalists are given a grant of INR 25 lakhs each for a year-long project. NGOs supported by the HCL Grant have created and implemented innovative community-led solutions and enabled delivery at scale in the remotest corners of India.



## The auto-rickshaw with a loudspeaker

To spread community awareness during COVID, the HCL Foundation brainstormed the unique idea of public awareness through auto-rickshaws.

Addressing the target audience in two languages—Odiya and Desiya—the auto-rickshaw winds its ways through the narrow roads and gullies of the villages. The loudspeaker informs the community of the latest relevant news, such as the wage revision from INR 185 to INR 207, areas where work was available, whom to contact, how to find work, etc.

Additionally, it shares the necessary precautions to be taken against COVID, how to keep oneself safe while working under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) scheme.

Reaching out to more than 60 small villages and hamlets at a cost-effective price of Rs. 1250 a day, this simple solution has helped people in and around the villages of Keonjhar, Dhenkanal, and Angul to keep abreast of the latest developments, stay connected, and stay safe.

## II. Urban development programs

The HCL Foundation has a bold vision to create a future where cities embrace their most vulnerable residents and enhance access to citizen services to offer a life of dignity and self-respect to all. Designing an integrated solution to break the vicious cycle of urban poverty, the HCL Foundation supports the building of clean, green, healthy, and empowered communities through its urban flagship programs—**HCL Uday** and **Clean Noida**.

**HCL Uday** operates in areas that are often faced with the challenges of rapid urbanization and imbalanced growth. It aims to foster equitable and sustainable development of the communities living below the poverty line in these areas. The program leverages government reach, NGO partners, and employee volunteers to help the urban poor access quality citizen services. This includes children and families living on the streets, working children, migrant workers, displaced people living in urban slums, and people in all age groups bereft of care, including the elderly.

### FY'21 highlights



**0.44 million+**

people benefitted across the 11 HCL Uday locations providing comprehensive care and services across various verticals, including early childhood care and development, education, skill development and livelihood, health, water, sanitation, and hygiene.



### Launch of 'My E-Haat'

'My E-Haat' portal was launched under the Skill Development & Livelihood initiative of HCL Uday. The portal aims to strengthen the value chain of the arts and crafts sector and create a level-playing field for artisans. Through backward integration and forward linkages, the platform helps artisans improve their human, social and financial capital, and overall wellbeing.

- More than 18 partners onboarded, and 350 products listed
- More than 2,400 Indian and international visitors to the portal
- Delivered top-line growth of INR 143,000 to the artisans

## Stories of change

I can see clearly now



Surekha had trouble seeing. Everything and everyone seemed hazy and blurred. Her eyes were swollen and watered continuously. Afraid at what the medical diagnosis could bring forth and the expense she would incur, Surekha attributed her poor vision to her age, as she was 68.

When a health camp was organized in her area, the Kandrika slum, the workers approached her and ensured that she consulted a specialist. Diagnosed with an eye infection and short-sightedness, Surekha received treatment. Medicines and spectacles were also provided.

With her vision gradually improving, Surekha feels confident and moves around with little help from others. Grateful for the timely help she received, Surekha encourages her neighbors and other community members to attend health camps and seek medical advice as soon as possible.



### Clean NOIDA

We are committed to transform NOIDA, in Uttar Pradesh, India, into one of the cleanest urban areas in the world. The Clean NOIDA program, implemented in partnership with citizens and the NOIDA Development Authority (NDA), is a one-of-a-kind Public-Private Partnership initiative. It aims to transform the city into a litter and waste-free region, covering Residential Welfare Associations (RWAs) and urban villages. It builds capacity, runs behavior change campaigns and awareness drives, and deploys relevant technological solutions.



**48**  
cleaning drives across



**2,748**  
tons waste cleared from **44** villages



**102**  
Garbage Vulnerable Points (GVPs) spots cleaned



**2539**  
dustbins distributed cleared



**67000**  
households enabled in waste segregation



**8**  
urban villages operationalized with end-to-end waste management process



**17000 sq. ft.**  
of wall art created across Noida city



### Every voice matters



Born in a small town in Bihar, Mohammad Aquib grew up in a silent world. Alienated by his hearing impairment, he struggled to communicate with his family and friends.

With no knowledge of sign language, his family and teachers tried their best through gestures and facial expressions. For a bright boy like Aquib, it was frustrating to say the least, though he knew his teachers were supportive. Learning by rote, he passed his exams without really understanding the basic principles.

When he learned about the National Deaf Society (NDS) and their programs for people like him, he was delighted. Joining the classes, he enrolled for English, Hindi, Computer Literacy and Knowledge. For Aquib, NDS is one of the brightest spots in his life.

Learning sign language has opened a whole new world of knowledge. Finally, he can share his deepest fears and desires, without the risk of being misunderstood. His smiling face is evidence that his family made the right decision and took a chance on him.

### III. Environment program: Harit

On June 5, 2021, furthering our commitment toward environment action, 'HCL Harit: The Green Initiative' was launched as a distinct flagship program of HCL Foundation after getting incubated under the HCL Uday program.

This program aims to conserve, restore, and enhance indigenous environmental systems by responding to climate change in a sustainable manner through community engagement.

### Highlights

- 183,062 saplings planted
- 52,000+ acres of land brought under sustainable community governance
- 22 water bodies rejuvenated
- 16,424 animals provided with protection, care, and treatment

**IV. Other Programs: Employee volunteering**  
**— Power of One India**



HCL's CSR engagements are defined by our passion for 'Power of One' that motivates employee volunteers and contributors to offer their time and effort to community upliftment programs.



Our employees are encouraged to 'give back' by contributing to three critical areas: **Donations linked to their payrolls, active volunteerism, and building the capacities of communities.**

**Highlights**

- 1,362 employees volunteered
- 530 business partners contributed 4,760 e-volunteering hours
- Payroll-linked contributions provided scholarships worth INR 65 lakhs to 295 students

**The HCL Foundation Academy**

The HCL Foundation Academy aims to seed, spark, and accelerate collaborative thinking. It offers a platform for learning and co-creation for, and of, practitioners in the development sector. The Academy engages sector professionals to learn through a symbiotic cycle of knowledge and practice. Its curated courses are designed to unleash new ideas, new solutions, and new models of social change.



In FY'21, more than 20,000 participants engaged on the platform through various webinars and courses.

**Mentor speaks**

"Working at HCL, I was keen to associate with the company's social initiatives. I chanced upon the MY Scholar program and it was an ideal fit with my interests and capabilities. I began my mentoring journey in 2018 with Ashish Kumar, a grade 12 student. He was keen on joining the Indian Navy and I guided him as best as I could. As a mentor, one learns to mold oneself to the mentee's requirements. Friend, guide, counsellor, teacher, trainer—you wear many hats and play different roles. Ultimately, you must make a difference, help them gain a new perspective on life and see the many opportunities that exist."

**Ankit Mathur**  
**Designation:** Lead Engineer, HCL Technologies  
**HCL My Scholar Mentorship experience:**  
 From 2018 – till date

**Student speaks**

"I am the youngest of five siblings and my eyesight is partially impaired. Instead of pitying me, my family encourages me to think big and reach for the stars. It is due to their trust that I am independent and dream of becoming a software engineer. I am aware my parents have limited resources. So, it was my good fortune that I met the team from Saksham Foundation. Sharing details of the HCL Foundation's MY Scholar Program, they insisted I apply for the scholarship. I went through the process and was delighted when I was selected. I receive close to INR 37,000. This covers my school fees, cost of uniform and books.

My belief in my dreams makes me determined to be independent, to study and to help at home despite my disability. People are surprised as to how fiercely independent I am. But when your parents, your siblings, and an organization like HCL Foundation cheer you on, the dream is within your grasp."

**- Ajit, who is currently in grade 8 school and aspires to become a software engineer**

**Global CSR programs**

We have a long-standing tradition of engaging in corporate social responsibility that commenced in India with the HCL Foundation. It is a tradition that can be seen in our numerous initiatives to empower communities through long-term sustainable programs. We continue to broaden our engagements around the globe.

- Led by our employee workforce and leveraging our Power of One program, our employees are able to donate time, knowledge and financial contributions to support causes they are passionate about. Power of One is based on the belief that all we need is just \$1 / €1 / ₹1 a day, or one hour, one day, one week, one month, one year of community service, to make a significant difference in society.
- Our initiatives encompass issues impacting children and the youth around health, education, nutrition, and the promotion of STEM skills, helping them build a dignified future.

In **South Africa**, we partnered with Amandla Kulutsha, an NGO running Safe-Hub, the country's largest and most impactful youth development program. It is led by the vision of a world where all young people have access to equal opportunities to realize their full potential and mitigate generational cycles of poverty, unemployment, and inequality.

The program invests in setting up digital labs to build IT skills, assist with tutoring and homework, and prepare students for high-school and university entrance exams.

In **Bulgaria**, the CSR Council is partnering with a leading NGO, Because, to participate in initiatives to address developmental issues related to human and animal wellbeing and the environment.

HCL **Poland** drove multiple initiatives to help those in need. We provided much needed hygiene and care products to an orphanage and home for unwed mothers. Our teams led a goods collection drive to help a local shelter protect animals during the harsh winter. A partnership with the Cracow Food Bank for Easter led to collecting 3,820 kgs of food for the needy.

The HCL Poland team contributed time and expertise to promote the activity by translating campaign materials into English to broaden its reach.



## HCL Americas

With our strong workforce and a large ecosystem of clients and partners, we're deeply committed to driving societal change in local communities across the United States. Our deep commitment to serve the communities in which we operate works through active engagements with civic organizations, federal governments, universities, and charitable institutions to cultivate lasting relationships—benefiting the lives of thousands.

Our CSR programs in the United States have been corporate-led as well as employee-led initiatives across areas such as health, education, protecting the environment, tackling social issues, and responding to inequitable situations in the local communities we operate. Some of our notable partners include:

- United Way, American Red Cross, Habitat for Humanity, Music4Hope, Rise Against Hunger, Poised in Pink breast cancer awareness with Estée Lauder Companies.
- Bill & Melinda Gates Foundation, Feeding America, CDC, UC Berkeley.
- STEM for Her, The Valuable 500, Girls Who Code.

## HCL Nordics: #ThePathToBigArenas

By challenging conventions, we're championing the cause of women rising to claim their aspirations. We're doing this with the intent to even the turf, to stand in the corner of aspiring women who've nurtured their passion and skill, and to put them in the eyes of the world—in big arenas, where they truly belong.

Women Lead Nordics was launched in February 2020. Participants were helped to develop a 'Circle of Influence,' emerging with a powerful and influential business network for aspiring women leaders. Our partnership with Stockholm's Göta Traneberg, together with Ekerö IK and Hässelby/Källvesta, is creating Team Västerort to participate in the first junior girls hockey league in Stockholm.

We are a proud partner of the Helsingin Jalkapalloklubi (HJK Helsinki) Finnish women's football. In 2020, HJK Helsinki created a new ground of equality and a sense of community by being one of the first clubs in the world that promotes its stars earned from winning titles by both men and women at the same level.

## HCL UK

In the UK, we have worked with The Prince's Trust for the past 8 years, helping disadvantaged young people receive training in technology, life skills and career skills to better their future prospects.

- We sponsored 15 Get Started with Technology programs, where young people have undertaken training in mobile application development and other digital skills. The programs also help young people from disadvantaged backgrounds gain exposure to how large organizations function and understand the opportunities that exist within technology. Our clients actively supported the programs by joining as speakers and mentors.
- We organized a World of Work Day with clients in the UK. Our most recent one with the BBC Studios was a 1-day program where young adults from the Trust visited the studio and received great insights into how the BBC operates. They finished the day with a workshop with BBC executives on a real business challenge, with each group presenting their solution.
- Our UK employees have actively participated in various fundraising initiatives by the Trust, such as Palace to Palace and Future Steps, two fundraising activities that promote being active.
- As a response to COVID-19, our UK employees contributed more than £53k for the Prince's Trust's Young Person Relief Fund, which was then matched by HCL UK.
- Hosted 3 Cup of Two DREAMS Tournaments and Mentorship programs with clients in the Old Trafford Stadium.

## HCL Netherlands

In the Netherlands, we proudly supported the Dutchess of the Sea, an all-women Dutch team that rowed 3,000 miles across the Atlantic Ocean in the Talisker Whisky Atlantic Challenge. Setting off on December 12, 2020, the four Dutch rowers traveled non-stop from San Sebastian in La Gomera, Canary Islands, to Nelson's Dockyard at the English Harbour in Antigua & Barbuda.

- By embarking on this 3,000-mile rowing challenge, the Dutchess of the Sea team raised money for two great causes—the ALS Neuromuscular Research and the Plastic Soup Foundation—while being an inspiration for all to do better for our planet and our communities.

- The team is an inspiration for all women to pursue their goals and aspirations and take on challenges head-on

## HCL France

In France, our CSR focus lies in supporting Apprentis d'Auteuil with a new program called Coders of Tomorrow. College Saint Paul is an innovative school owned and managed by Apprentis d'Auteuil. The school accepts all children coming from very different social backgrounds and different types of difficulties, whether academic and/or social.

- Creating internships for the students, allowing them to discover the world of business through site visits, coaching sessions, and meetings with our employees.
- Support this project by purchasing computer equipment, tablets, digital boards, etc.

## HCL Australia

As an extension to our partnership with Cricket Australia, we partnered with the McGrath Foundation to raise funds for McGrath Breast Care Nurses. Over the past 13 years, the Pink Test has become a national phenomenon and is the largest sporting fundraising initiative in Australia.

- In 2020, the cricket and broader community came together in the most incredible way to support the McGrath Foundation. Together, we were able to raise a little over \$3 Million in just five days.
- This will help fund 22 McGrath Breast Care Nurses who will support almost 2,200 families going through breast cancer in 2021.

## Building community resilience during COVID

We significantly ramped up community-facing initiatives to address and mitigate the humanitarian crisis resulting from the COVID-19 pandemic. HCL Corporation, HCL Technologies, and the HCL Foundation came together swiftly to reach populations most at risk across our global operations. We collaborated with stakeholders across the spectrum to strengthen crisis management response with technology support to help communities return to the workplace in specific geographies.



## India

We built a robust framework of partnerships and engagements to help the impacted and vulnerable populations across India. We established and scaled innovative digital solutions and set up integrated control centers and helplines to augment the government's efforts. Our NGO partner networks reached out to vulnerable communities with relevant information and essentials such as food, dry rations, masks, and sanitizers. We assisted hospitals in upgrading facilities and infrastructure to provide the disadvantaged with the best medical care.

## Continuing education through the pandemic

As part of the HCL Foundation's efforts to help students learn during COVID, we created a repository of more than 800 videos to facilitate e-learning. Available as an open educational resource, the portal caters to the needs of students of grades 1 to 5 in government-run schools.

- The learning modules mapped to the school curriculum are based on the 5E methodology, i.e., Engage, Explore, Explain, Elaborate, and Evaluate.
- Content modules are circulated to teachers weekly.
- The teachers then disseminate the modules to children through WhatsApp groups (to overcome limitations of internet and emails).

We have seen widespread adoption of this intervention through the reporting year. Currently, 13,806 teachers are circulating the material across 3,470 WhatsApp groups.

## ICT classes during COVID



### Knowledge and capacity building



- Over 3,000 frontline workers: ASHA, ANM, and Anganwadi workers, more than 200 private practitioners, and 100 medical officers and nurses were trained to communicate COVID-related protocols
- Engaged experts to share information on COVID protocols through 125 webinars and digital workshops, with each webinar having about 1.5 lakh participants across geographies

### Providing safety and Personal Protective Equipment (PPE)



- HCL Foundation equipped medical professionals and frontline workers with protective gear
- Close to 240,000 PPE kits were given to the states of Uttar Pradesh, Tamil Nadu, and others in India.
- Approximately 55,000 N-95 masks, 40,000 masks, 77,000 safety kits, and 5,900 hygiene kits were provided to frontline workers, police personnel, and those at risk

### Ensuring and securing livelihoods



- In Hardoi, 43,000 farmers received production and marketing support
- Over 5,000 dairy farmers, 1,000 handicraft artisans, and 300 poultry and goat rearing farmers benefitted from multiple interventions
- Provided high-quality cattle feed at a 25% subsidy to 2,204 dairy farmers during the COVID-19 lockdown
- More than 80 general merchant shop owners were trained in COVID-19 protocols to stay safe while running their shops to provide essential commodities
- Trained over 168 women artisans across locations who stitched and sold approximately 115,000 masks, increasing their monthly household income by INR 1,500 to INR 3,000.

### Strengthening government systems



- Designed digital solutions for COVID mitigation for both state and central governments
- Partnered with state governments of Tamil Nadu, Karnataka, Andhra Pradesh.
- Set up an integrated COVID-19 control center and a rapid response helpline in Lucknow; and an integrated all-in-one control center in Gautam Buddha Nagar in Uttar Pradesh.
- Employees contributed INR 5.6 Crores to the PM Cares fund

### Complementing healthcare services



- Set up a 100-bed isolation unit in the surgery ward of the LNJP Hospital and a 50-bed isolation unit at the DDU Hospital in New Delhi
- Two 50-bed isolation and treatment units were set up in Andhra Pradesh, and 200 beds were added in Uttar Pradesh
- Extended medical care capabilities for patients through mobile testing vans, kits, swab collection booths, pulse oximeters
- Provided blood pressure monitors, ventilators, ECG machines, oxygen cylinders, and thermal imaging centers for hospitals

### Care for the disadvantaged



- Took measures to ensure the elderly and the young didn't fall off the radar
- Distributed kits comprising essential medicines, dry rations, and toiletries in old age homes
- Our volunteers devoted many hours to teach and engage children; an academic helpline was launched for students, and child protection helplines were improved and strengthened

### PROTEK certification by Intertek

We are the first IT company in India to be certified by PROTEK. All our major campuses in India and many of the prominent GEO facilities are also certified. The PROTEK-POSI certification is a proprietary material of Intertek, a renowned ISO certification agency that helps organizations create a safe and secure environment. It suggests and helps in the implementation of effective measures to keep contagious diseases at bay and instills confidence among stakeholders, including employees, that our workplace is safe and secure.

### Supporting global communities through COVID-19



#### USA

- Feeding America. We joined hands with Feeding America during the pandemic, helping to raise awareness and funding to support the affected households.
- Gates Foundation. We supported the Gates Foundation with relief funds to facilitate faster and flexible finances to help countries and organizations take rapid action, filling the resource gaps in their fight against COVID-19.
- Collaboration with the Center for Disease Control and Prevention (CDC). The CDC has been at the forefront of the pandemic crisis and response management in the US. We collaborated with the CDC Foundation and contributed to their goals of limiting human-to-human transmission, minimizing the impact of COVID-19 in vulnerable countries with limited preparedness capacity, and reducing specific threats.
- University of California, Berkeley. We partnered with the University of California, Berkeley, to build a health technology collaborative laboratory, CoLab. Housed in the Blum Center for Developing Economies, the lab will provide timely access to telemedicine and telesurgery to help fight the global pandemic.

#### Canada

Our team members and their families and close friends raised funds to support the SMILE 2020 campaign in

Canada, run by UNICEF in coordination with local governments and the World Health Organization to fight the spread of COVID. The funding helped bring critical hygiene and medical supplies to frontline healthcare workers and vulnerable communities, supported children and pregnant and lactating women, provided psychological support to children and families, and prevented new infections through public health education and outreach.

The collective efforts of the contributors raised \$15,000, with an additional donation by a family foundation to double the amount to \$31,000.

#### Brazil

We undertook several employee-donation campaigns to help the country's most affected populations in socially vulnerable situations. The donations funded several NGOs working with impacted communities across the country. We also launched a donation program to acquire material for producing face shields, managed by Tecnosinos and Unisinosin Brazil.

#### Bulgaria

We partnered with Pfizer, the leading pharmaceutical company on vaccine development and data tracking, to accelerate the fight against the pandemic

## France

We joined hands to raise funds for Restaurants du Coeur that provides food for the needy—a service that was much required during the pandemic. We engaged with local communities to provide food, medicine, and other essential items to students stranded in France due to the pandemic lockdown with limited access to essential support.

## Germany

We ensured that underprivileged children, whose families had been struck by the pandemic, had gifts to open on Christmas Eve.

## Italy

We implemented a digital dashboard to track the COVID-19 status in Italy.

## Lithuania

We collaborated with local child support bodies and NGOs to foster skill development, children's education, and rights. We support several schools and orphanages to facilitate remote learning, a critical need to ensure continuity of education for children during the pandemic. We also provided safety equipment to frontline workers.

## Poland

We drove multiple initiatives to help the needy during COVID-19. Every quarter, we conducted blood donation campaigns and distributed gifts on Christmas for those who were hospitalized and isolated due to COVID. We delivered about 230 Kgs of fruits to patients in two hospitals every month.

## Portugal

Our CSR team in Portugal learned that the local community's primary school Escola Básica / Jardim de Infância Alice Vieira needed computers for their students, which their parents could not afford. They held a fundraiser and purchased a computer to enable a child to learn remotely during COVID.

## Romania

Our employees in Romania led the way to help those in need during COVID. We collected and sold plastic caps for recycling. The money received for the caps was doubled by an anonymous donor and was used to support charitable causes. Our employees collected money, clothing, and toys for the Stergem o Lacrima Association, which works to improve the living conditions of underprivileged communities. The monetary donation provided warm meals to 60 people. Our teams led a 'Letters to Santa' program in collaboration with WorldVision Romania to send gifts, including food and clothes, to underprivileged children for Christmas.

## Sweden

The CSR team in Sweden collaborated with the Giving People charity organization to help families and children facing economic crises. The initiative encouraged our employees to buy Christmas gifts for children in the local communities from under-served families. A total of 40 families and 84 children received gifts, offering joy and happiness during Christmas during COVID.

## The Netherlands

Our CSR council volunteered with the Red Cross and Voedselbank (Foodbank) in various municipalities to donate funds to ease the food crisis accelerated by the pandemic.

## The UK

Our UK CSR team teamed with the Save the Children organization to raise funds to address child health, education, hunger, and protection while taking care of their unique needs. These measures helped alleviate the pain of these children during COVID. Our employees contributed more than £53,000 for the Prince's Trust, Young Person Relief Fund, matched by an equal amount from HCL UK.

## Way Forward

We will continue to strengthen our strategic partnerships to build stronger communities, share knowledge, and apply innovative technology to rebuild lives after the pandemic. The Foundation's e-learning interventions and efforts to modernize schools will be scaled. These measures will go a long way to broaden access to productive and fair educational opportunities for under-served students impacted by the pandemic. As the world looks forward to a resurgent world post-COVID, we will continue to nurture clean, green, and healthy communities where everyone is empowered and equipped to reach their full potential.





# Our commitment to a greener planet

The global economy is exhausting the Earth's natural resources and generating waste at an alarming rate. Moreover, the growing climate crisis is causing unforeseen disruptions for humanity at large. Companies, communities, and countries around the world are already feeling the effects of resource scarcity and changing climate. It is increasingly important for corporates, communities and governments to adopt sustainability practices. The idea is to regulate the utilization of key resources to reduce or eliminate the impact on our ecological systems.

HCL takes its responsibility of contributing towards building a greener planet very seriously. It has the commitment, and capabilities to undertake environmental stewardship, use its natural resources responsibly, and create sustainable value for its stakeholders worldwide.

This section throws light on our pledge to accelerate the fight against climate change, and resource conservation, using our technology leadership to foster sustainable practices and lead the way for others to respond to the risk posed by environmental damage.



## Management approach



**To fulfill our commitment to building a sustainable planet:**

- The Board and the Senior management at HCL have adopted sustainable business practices as a strategic imperative to further strengthen our foundation of a responsible and inclusive business.
- The Environment Sustainability Policy approved by the Board guides our business and actions at all times and is embedded in our strategy and operations.
- The Sustainability Team at HCL provides our stakeholders with a transparent view of our environmental and sustainability commitments and approaches for conducting business responsibly.
- Multiple Teams have been established to work in tandem across the organization, business functions and geographies to track environmental issues and help us deliver on our commitments.

## Achieving our Goals

Sustainability Parameter	Goal by FY 2020	Achieved by FY 2020
Reduce Carbon Footprint in Operations	To reduce our per capita carbon footprint (Scope 1 & 2) by 33% over the base FY 2011.	Reduced our per capita carbon footprint (Scope 1 & 2) by 41% over the base year FY 2011.
Invest in Renewable Energy	20% of the power purchased and generated through captive sources will be substituted by renewable energy.	10.39% of PAN India's total energy consumption is generated through renewable energy.
Improve Water Efficiency	Reduce per capita consumption of water by 30% over the base year 2013.	Per capita consumption of water has increased by 9.29% over the base year 2013.
Meet World-Class Green Standards for our Buildings	50% of the company-owned office sites will comply with LEED or similar standards.	80% owned Facilities in India are certified under LEED and/ or similar standards including EnMS, EMS and BEE Star Rating etc.

## Environmental Policy

HCL's Environmental Policy guides our strategy and execution towards day-to-day operations. It covers aspects around our environmental performance across operations, environmental risks, compliance obligations, reducing environmental footprint, and provides framework towards setting environmental objectives and targets. The policy also dwells on systematic approach towards reducing carbon emission and our policy to reduce, reuse and recycle to minimise waste. HCL also ensures that the Environmental Policy is communicated to all the concerned stakeholders and conducts regular training and awareness programmes in this regard.

**Our 26 major sites are certified for ISO 14001: 2015 and covered under environment management system (EMS).**

Through our Environmental Policy and EMS, HCL ensures strict compliance with local environmental laws and regulations. The Company has not received any show cause or legal notices from pollution control boards during FY 2020-21.

In addition to our Environmental Policy, we have dedicated separate policies on Energy and Occupational Health & Safety (OHSS) which also guides our sustainability practices.



# Reducing our environmental footprint



HCL has undertaken several measures to accelerate our progress on environmental commitments by aligning our people, processes and products. We have robust monitoring and reporting systems in place to track our environmental footprint.

## Managing Emissions

Limiting global warming to 1.5 °C as recommended by the Paris Agreement above pre-industrial levels is no longer a choice but a necessity. The many implications of COVID-19 made us even more aware of the fragility of our environment and the need to take better care of it.

HCL is committed to reducing its carbon emissions in the foreseeable future. Considering the service-oriented nature of our organization, HCL does not run carbon-intensive operations. Nevertheless, we carry out GHG inventORIZATION to identify potential areas for reduction of GHG, wherever possible. Our physical infrastructure, technology equipment, data centers, diesel generators, electricity, transportation, and other ancillaries that are essential for our operations have an impact on the environment.

To address these impacts, we have undertaken various initiatives internally that help reduce carbon footprints, pollution and help maintain the energy conservation.

We aim to reduce emissions from direct activities such as the amount of electricity and diesel fuel used in our buildings and data centres. These are called scope 1 and 2 greenhouse gas (GHG) emissions.

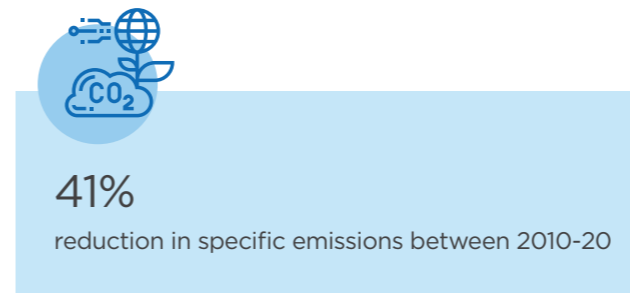
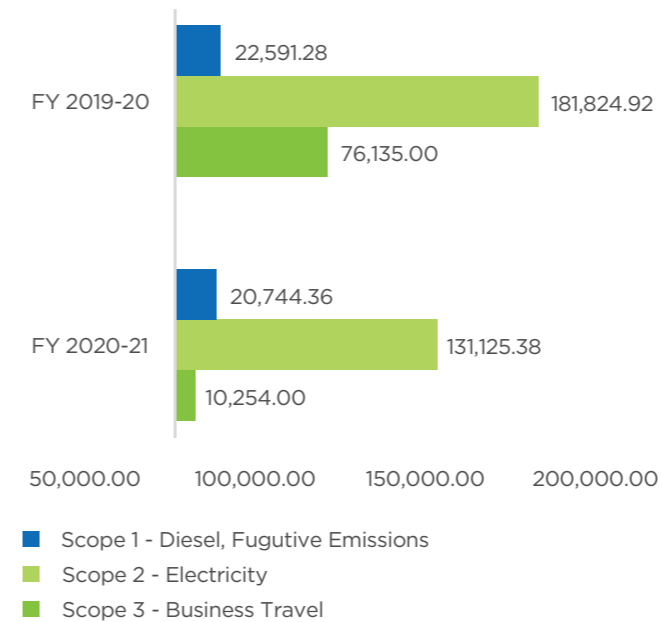
Our Scope 1 emissions include emissions from combustion of diesel fuel in generator sets and boilers that we use to power our campuses. Additionally, Scope 1 also includes fugitive emissions. Our operation results in emission of fugitive emissions such as those from Heating, Ventilation, and Air Conditioning (HVAC) systems at our sites. These include R22, R32, R12, R134A, R410A and, R407C, each of which has a varied Ozone Depleting Potential (ODP) and contributes to Greenhouse Gas Emissions (GHGs). We have made a conscious effort to switch over to refrigerants with minimum ODP and Global Warming Potential (GWP). We use environmentally friendly cooling agents in the air conditioning and refrigeration systems at our facilities in line with the Montreal Protocol to avoid depletion of the atmospheric ozone layer.

Our Scope 2 emissions include emissions from electricity usage, this is the biggest contributor to our carbon emissions. To reduce these emissions we have adopted clean technology and energy-efficient techniques, including sourcing energy from renewable sources to decrease HCL's carbon footprint.

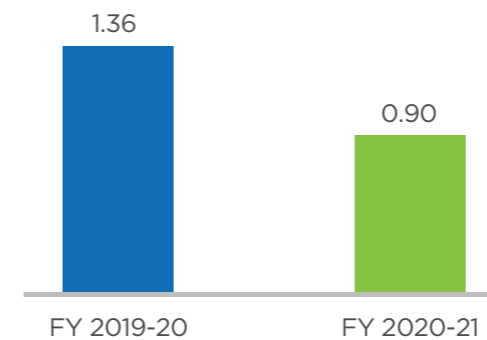
Our Scope 3 emissions primarily include emissions from business travel. The nature of our business and growth strategies entails our employees to travel across the country as well as internationally. We have however taken bold steps to ensure minimum emission from employee commute by introducing CNG powered fleet and encouraging carpooling through our in-house app for similar route passengers. We are also proposing to enhance the Electrical Vehicle fleet as part of our endeavor to achieve our goals on nullifying the vehicular carbon emissions. These have helped design shorter routes and curbed down emissions. Additionally, the increasing use of audio and video conferencing for meetings has reduced the need for travel related to physical meetings. The COVID-19 pandemic also forced us to work remotely and curb employee travel. Together, these measures are the primary reason for the reduction in Scope 3 emissions at HCL this year.

We use the in-house HCL Manage Carbon tool to measure our Scope 1, 2, and 3 emissions. The open-source tool covers GHG Protocols for corporate standards using open-source technologies to maintain a low-cost footprint. In the last three years, our emission rates have shown a steady decline demonstrating our progress in curbing emissions.

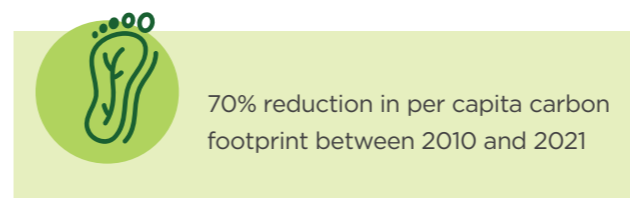
## Annual Scope 1, 2, and 3 emissions (tCO<sub>2</sub>e)



## Annual per-capita Scope 1 and 2 emissions (tCO<sub>2</sub>e)



Note: Energy intensity is computed by dividing the total annual energy consumption in GJ (diesel and electricity) by the total annual employee count.



## Energy Management

As a technology company, electricity usage is the biggest contributor to our carbon emissions. Energy is consumed across our campuses, office spaces and data centers. We recognize that renewable energy and energy efficiency plays a critical role in lowering our operational GHG emissions and ensure efficient, economical, use of resources.

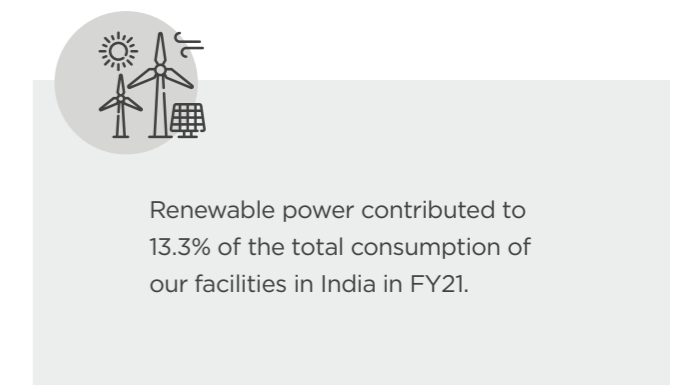
We have a robust energy management mechanism in place that identifies significant areas of energy consumption and sets targets for energy reduction. Three of the major HCL sites across three major locations are certified for ISO 50001:2018 for provision of IT services including Maintenance and Engineering using electricity from State Electricity Board, generation of DG power, use of solar power for electricity and hot water generation and transportation of office staff through outsourced fleet of vehicles.

HCL's 'Go Green' initiatives and good practices to increase renewable energy, improve operational efficiency and reduce its carbon footprint during FY21 are outlined below.

## Renewable Power Purchase

Increasing the share of renewable energy in the overall mix is essential for HCL to reduce its carbon footprint against the backdrop of growing energy demand. HCL procured **24,115 MWH** in renewable power, including wind, solar, and hydroelectricity, to power its major campuses. This resulted in reducing its carbon footprint by **20,015 tCO<sub>2</sub>**.

About **1,918 MWH** of renewable energy was generated from our onsite solar plants, contributing to **7.8%** of overall renewable power usage.





82%

of the total water used in FY '20-'21 is recycled compared to 32% in FY '19 -'20.

## Energy Efficiency Initiatives

HCL has undertaken various energy efficiency initiatives to reduce the energy consumption. These include improving the performance of HVAC systems, energy efficient lighting and controls, effective utilization of uninterruptible power source (UPS) system, and optimizing elevator operations.

### The initiatives undertaken by HCL for energy efficiency are:

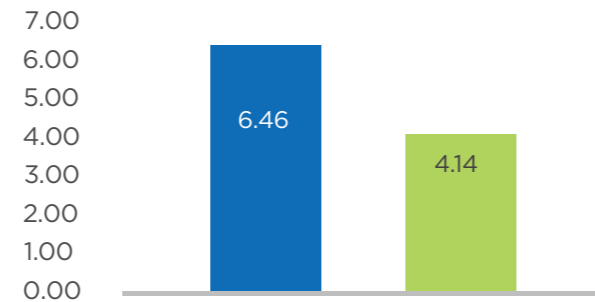
- Chiller Operational Performance Improvement** - HCL this year initiated a chiller performance improvement program at all major facilities. These included - introducing new equipments, undertaking additional performance measurements, and improving cooling tower effectiveness through auto chemical dosing, fills replacement, and condenser descaling. The initiative helped HCL save energy of 361 MWh during FY 2020-21 which helped to reduce the carbon footprint by estimated 300 tCO<sub>2</sub>e under an operational investment of INR 2.5 million.

- Improvement of Heating, Ventilation and Air Conditioning (HVAC) systems** - The performance of HVAC systems was optimized by efficient unit installation, replacement of defective coils, filters, and other operational control enhancements such as AHU timer-based control and temperature set point changes related activities. The initiative helped HCL save energy of 748 MWh during FY 2020-21 which helped to reduce its carbon footprint by estimated 621 tCO<sub>2</sub>e under an operational investment of INR 4.8 million.

- Energy Efficient Lighting & Control** - Installed LED lighting, motion sensors, and daylight harvesting to optimize the use of lighting at our facilities. These helped in saving 3,821 MWh of energy resulting in **carbon footprint reduction by an estimated 3,172 tCO<sub>2</sub>e.**

- Effective Utilization of UPS** - Replaced energy-efficient units in line with load demand, increased existing UPS system efficiency by turning off overcapacity. This has led to save 909 MWh of absolute energy consumption in FY 2020-21, and helped to reduce HCL's carbon footprint by 755 tCO<sub>2</sub>e.

### Annual energy intensity (GJ per employee)



Note: Energy intensity is computed by dividing the total annual energy consumption in GJ (diesel and electricity) by the total annual employee count.



The existing UPS system with 89% efficiency at our Chennai Ambattur facility was upgraded to a higher efficiency system of 95% at an investment of INR 5.2 million. The enhanced UPS capacity has reduced load demand from 680 KVA to 420 KVA, saving costs and optimizing energy usage.

## Green buildings of the future



With sustainability at its core, green architecture optimizes the use of water, energy, and materials to help us live in harmony with nature.

HCL has started adopting measures to convert campuses into "Green Campuses" by implementing measures to ensure energy efficiency, water conservation, and waste reduction. We have succeeded in getting highest ratings from various Green Building organizations like USGBC, IGBC etc. Three of our major campuses are Green Building certified. While some of our buildings are LEED-certified, we aim to get all HCL major campuses across India certified in the near future.

For the new campus development in Vijaywada, HCL has opted for IGBC Green New Campus rating program. The intent of management is to capture design inputs and construction practices to achieve Platinum rating certification for all buildings inside the campus.

HCL has also started assessing the climate change impact of a location before finalizing the site for our new buildings and campuses.

All our new facilities are built aligned to the principles of green building infrastructure and adhere to the following parameters:

- Reduction of natural resource consumption
- Reduction of operating costs
- Health, comfort, and safety for all residents
- Energy optimization and reduction of energy consumption
- Increased productivity of the occupants
- Better indoor air quality

### HCL Green facilities



- Nagpur campus is rated platinum by USGBC and IGBC.
- Lucknow campus is rated platinum by IGBC.
- NOIDA campus is rated platinum by IGBC.
- Chennai & NOIDA campuses recognized as 'Eat Right Campus' by Food Safety and Standard Authority of India
- Noida, Bangalore, and Chennai campuses certified ISO 50001:2018.



## Towards Water Neutrality

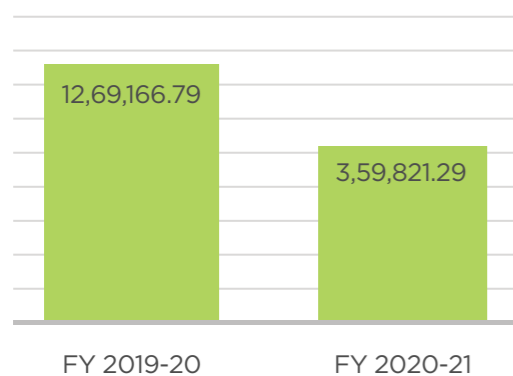
Living in a water-scarce world, HCL understands the need for a systematic course of action for water management. HCL has taken various steps to control its water demand and widen its conservation practices through reduce, reuse and recycle approach.



HCL focused its approach on water conservation this year by undertaking activities such as:

- Sewage treatment plants at facilities to treat wastewater and reuse it for flushing, landscaping, and soft water applications.
- Rainwater harvesting
- Installation of dishwashers
- New efficient EWC installations,
- Purchase of new pneumatic pumps with flow / speed control
- Water aerators in hand wash taps

**Total Annual Water Consumption (KL)**



**INR 3.2 million**

invested on water conservation initiatives

## Saving water consumption of our cafeterias



One of our primary sources of water usage was in our cafeterias across campuses. HCL installed dishwashers totalling 90 litres across its facilities to ensure the cleaning of dishes in cafeterias is automated. These installations, albeit costly, have been fundamental in reducing water usage. The dishwashers use 4.4 Kl a day compared to 7.7 Kl per day when the task was done manually and increased water savings by 43%.

### Automation at the water treatment plant in Chennai

The levels of both raw and treated water in the water treatment plant (WTP) at HCL Chennai were measured physically, resulting in approximations and, at times, human error.

Following a detailed study, we decided to implement a water level transmitter with a sensor to ascertain and display water levels and raise alarms. With this accurate understanding of the available water in the plant, we can now measure and control water usage better.

### Disinfecting treated water

We have installed a UV system in the pipeline that delivers treated water from the sewage treatment plant to the bathrooms for flushing at our Chennai facilities. This aligns with the Tamil Nadu Pollution Control Board's requirements to provide an operating license. The installation's germicidal action plays a crucial role in killing the bacteria and viruses present in the treated water and improving our campus hygiene.

## Waste Management

HCL is reducing the generation of waste and undertaking recycling where possible for better waste management. We primarily generate e-waste, food waste, and paper waste in our operations. The company has adopted environmentally responsible and compliant measures to manage its waste. We undertake recycling and reuse of majority of our non-hazardous waste and ensure a safe disposal of our hazardous waste in compliance with all local regulations.



### E-waste and batteries

In India, the disposal of our e-waste is undertaken in line with the E-Waste (Management) Amendment Rules, 2018, and Plastic Waste Management (Amendment) Rules, 2018. We recycle e-waste through authorized recyclers approved by the Central Pollution Control Board (CPCB).



### Hazardous & Bio-Medical waste

We undertake the safe disposal of hazardous and bio-medical waste aligned with local regulations. We recycle waste oil and lubricants from diesel generators, and transformers through Central Pollution Control Board (CPCB) approved recyclers.



### Paper waste

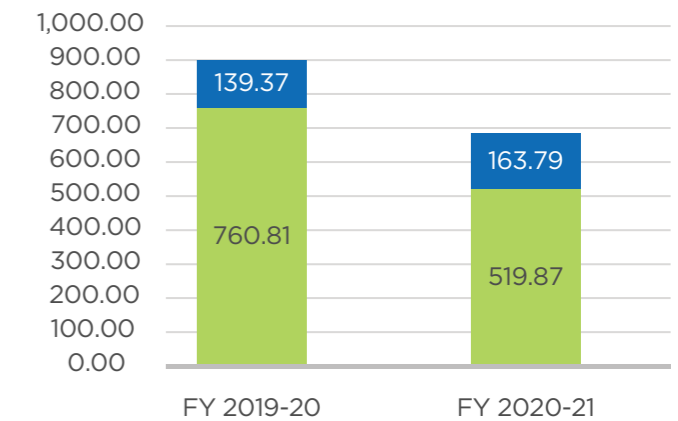
Through our digital initiatives we have significantly reduced our paper consumption and thereby waste. We recycle waste paper to produce new paper through a collaboration with an NGO. Wherever possible, we promote the use of Forest Stewardship Council (FSC)® certified paper for environmental sustainability.



### Food and garden waste

We convert food and garden waste into manure and organic compost for gardening and landscaping or convert it as cattle feed through a collaboration with an NGO.

## Total Hazardous and Non-Hazardous Waste Disposal (tonnes)



- Non-Hazardous Waste (Tonnes)
- Hazardous Waste (Tonnes)

### Organic waste converter to recycle waste into compost at HCL campuses



We have installed organic waste converters for converting food waste and decomposing solid waste into compost. The converters offer an environmentally friendly and more hygienic option to traditional waste disposal methods including dumping waste in landfills. This biomechanical process produces a homogeneous and odour free output in 15 minutes. Thereafter, the final fertilizer is ready within two weeks which is used in our gardens and for landscaping.

From June 2020 to December 2020, OWCs at our campus helped us comply with waste disposal standards and:



Reduced transportation of approximately **11,000 kg** waste



Converted **25,000 kg** waste into compost



Reduced our carbon footprint by **7.8 tCO<sub>2</sub>**

# Workplace Infection Prevention Initiative

## PROTEK Certification by Intertek

**HCL Technologies has been the FIRST IT Company in India to be certified under PROTEK. All major campuses in India and many of the prominent GEO Facilities are certified under PROTEK.**

In the wake of COVID-19 global pandemic engulfing the entire world starting from February 2020 onwards & sudden announcement of complete lockdown in India starting 22<sup>nd</sup> March 2020, we were grappling with a situation on how to ensure a safe and healthy work environment for our employees and to deliver uninterrupted services to our global customers who in turn delivers some of the critical services to the governments and the public. While we were following the best prevailing health and safety practices, advisories from World Health Organization (WHO), and advisories issued by Government of India to deal with COVID19, we became aware of the PROTEK-POSI certification which imbibed the best practices followed across the globe - WHO and Government advisories as well as best-in-class operating practices developed by the thinktank of Intertek. "PROTEK-POSI Certification" is a proprietary material of Intertek, a renowned ISO certification agency which helps the organizations to

create a safe and secure environment through a series of impactful activities. This includes understanding the context of the organization, gap assessment, training to the critical staff, conducting risk assessment of all critical areas within the facility and also of the products and services of the organization, suggesting and helping in the implementation of effective measures to keep the contagious disease at bay and instill confidence among the stakeholders including employees, that our workplace is safe and secure.

### Health & Safety Benefits

A third-party certification of HCL campuses in India and other signification offices in overseas locations is a testimony to the fact that HCL Technologies took timely action to ensure the utmost safety of its employees working from its offices to ensure uninterrupted delivery of products and services to its customers across the globe. In addition to the safety of our employees, the scope of this certificate covers other business stakeholders also. viz. visitors, business associates and other third-party resources. Risk-assessment and remediation of high contact areas like lifts, washrooms, cafeterias, workstations, meeting rooms, other common areas from the threat of spread of COVID-19 infection were also assessed and certified providing assurance to all our business stakeholders that proper health & safety arrangements are in place in certified HCL offices.



# Sustainable Supply Chain

HCL believes that a holistic approach to sustainability must encompass our suppliers and others in the value chain. A responsible and responsive supply chain plays a critical role in ensuring we meet our sustainability goals. Therefore, we continuously strive to build and strengthen a supply chain that is reliable, resilient, and responsible. A responsible supply chain means identifying and assessing environmental, social, and regulatory risks. It warrants pre-emptively mitigating or adapting the assessed risks to future proof of any disruptions arising from legal non-compliance, climate change, and human rights violations.

### We are undertaking strategic measures to transform our supply chain by:

- Adopting industry best practices, including digitization to reduce carbon footprint and enhance responsible operations
- Focusing on sustainable sourcing
- Aligning supply chain partners to HCL's social and environmental performance goals by sharing our expectations with our vendors regularly
- Procuring our IT equipment and software from vendors committed to sustainability. For non-IT resources, we strictly monitor the vendors for statutory compliance
- Ensure that all devices sourced for customers are procured, packaged, and shipped efficiently and in a green manner by OEMs.
- Encourage local sourcing by giving preference to local vendors to outsource facilities management, procurement of materials for infrastructure development, and others. We intend to procure 5% of our goods and services from marginalized and vulnerable sections of society, e.g., women and people with disabilities.




The HCL Purchase Manual outlines our procurement approach based on our equal opportunity policy. We do not discriminate against any vendor based on gender, nationality, ethnicity, religion, disability, etc.

Vendors who are committed to upholding human rights and operate keeping environmental issues in mind are given preference keeping all other factors related to quality and competitiveness the same.



## Green IT

HCL is committed to using IT resources efficiently and effectively with minimal or no impact on the environment. The main levers that HCL uses to drive this are :

-  Reducing the use of hazardous materials - Use of RoHS-compliant equipment and limit mercury content
-  Maximizing the use of energy efficient equipment having specifications like Energy Star, Energy Rate and Energy Label to enhance efficiency for computers, servers, and utility lifecycles
-  Recycling as much as possible throughout the contract, and at the end of the product use

Taking a step forward, we are also making our data centers greener. HCL has been awarded the LEED Platinum certification for its Noida SEZ campus hosting critical Data-Center. HCL also conducts annual Data Center Energy Performance Review under ISO 50001 framework and regularly track the Data Center Power usage effectiveness (PUE).



## Green Data Centers

Minimizing conventional power consumption at HCL data centers

- Use of low-powered blade servers and more energy-efficient uninterruptible power supplies, which uses 70% less power than a legacy UPS
- Increase use of renewable energy sources
- Cold aisle containment at our data centers ensuring focused cooling and energy savings

HCL not only adopts its philosophy of “Green IT” for own IT operations, but also integrates the same in its products and services provided to its customers. HCL applies a green lens to help reduce overall power consumption and greenhouse gas emissions. We achieve this by constantly working with our customers to select the best approach that conserve resources, reduce wastage, and leverage renewable energy.

**HCL helps its customers towards Green IT by advising on wide range of solutions like –**

- Switching data center power sources to renewable energy which can reduce carbon emission by up to 36%,
- Moving to public cloud which can reduce carbon footprint up to 98%.
- More complex solutions such as microservices, hyperautomation, etc.

HCL helps its clients navigate the choices, create a roadmap to maximize value while driving sustainability. We are helping clients reduce carbon emission and also maximize business value by careful assessment and alignment of IT strategy with business goals.



We helped **70%** of our EU and UK customers to move to a cloud or a data center powered by renewable energy sources.



HCL has also been positioned as a **Leader in the Gartner Magic Quadrant** for Data Center Outsourcing and Hybrid Infrastructure Managed Services (DCO & HIMS) , Global 2021.



## Way Forward

Going forward, HCL will continue to design and deploy cutting-edge technologies, digitization, and automation to enhance the sustainability of operations, assets, and processes to meet the ambitious but necessary goals for 2030. HCL is committed to accelerating our efforts to reduce the environmental impact of our actions and those of our supply chain to create better harmony across people, profits, and the planet. We will intensify our efforts for local sourcing, where feasible, to enable communities in which we operate to create economic value for themselves and rebuild lives in the aftermath of the pandemic. We will also expand our green IT products and services portfolio and integrate the same in our own operations as well as for our diverse customers. Together, we stay committed to creating value for our business and stakeholders sustainably.

# Looking ahead

FY'21 demonstrated the resilience of humankind against one of the worst catastrophes faced by humanity. Our technology prowess, deep faith in humanitarian values, core beliefs of innovation and collaboration, and powered by the ingenuity of our 168,000+ 'Ideapreneurs,' helped us build resilience through the pandemic.

## Economic Opportunities

The COVID-19 pandemic has put into motion one of the most intense periods of digital proliferation across sectors, be it healthcare, education, retail, transport, or financial services. Demand for digital engineering services and platforms is growing, driven by Industry 4.0, Hyperscale Platforms, Data Engineering, PLM, and 5G/Edge, especially in the HiTech, Telecom, Manufacturing, and related industries. We will continue to grow our investments in new emerging technologies like artificial intelligence, data analytics, hybrid cloud, digital engineering, edge, and cybersecurity to tap into emerging opportunities.

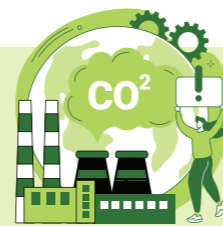
In response to the increasing demand for global delivery services in Germany, France, Canada, Australia, and Japan, we will expand our sales and marketing presence in these markets. We will also grow our footprint in mid-sized markets like Brazil, Mexico, Spain, Portugal, South Korea, Vietnam, and Taiwan. Additionally, we will expand our onsite delivery centers in the U.S, continental Europe, and Australia. These will be supported by near-shore centers in Canada, Mexico, Costa Rica, and Eastern Europe, alongside "New Vistas" locations in India, Sri Lanka, Vietnam, and the Philippines. Together, they will broaden the network of 'near to client, in-time zone' delivery centers to host ready-to-deploy, trained resources for client engagements.

We aim to further increase our investment to support the expansions and strengthen digital engineering capabilities.

## ESG Commitments

We believe that there is a direct correlation between continued prosperity of our business and our ability to create harmony between people, profits, and the planet as we grow. In FY'21, we reviewed the progress made over the last decade on our ESG goals and taking the pandemic into consideration, are re-evaluating our overall commitments in the next phase of our ESG journey.

### Environment



HCL is committed to reducing carbon emissions progressively, despite our operations not being carbon-intensive. HCL has proposed a comprehensive set of sustainability goals which include a reduction in carbon footprint tCO<sub>2</sub>e, increase our use of renewable energy, reduce our per capita water consumption, and certify all our facilities under LEED or similar green building standards.

### Social



We will continue to streamline and sharpen our hiring, training, and development strategies to attract and retain talent. Our internal training systems are being strengthened to upskill our employees on emerging next-gen technologies. Special allowances and retention bonuses for super speciality skills will be offered as part of our retention strategy. The annual increment cycle will be rolled out as planned with a special focus on talent with zero to five years of experience. Our integrated engagement and feedback mechanism will be reviewed and refined to meet the emerging needs of "The New Essential" and changing client demands.

Employee health and well-being continue to be one of our biggest priorities, led by the #TakeCareHCL program that offers COVID-19 related needs. The special Family Assistance Program rolled out for employees impacted by the pandemic will continue to help families and loved ones. Close to 70% of our eligible employees are vaccinated against COVID-19, and we expect to cover 100% of eligible team members soon.

The HCL Foundation will further scale its efforts to strengthen knowledge-sharing networks through e-learning interventions and modernizing schools. They will continue to deploy innovative technology solutions to help those impacted by the pandemic rebuild their lives, including strengthening healthcare for the underserved.

### Governance



As the world moves towards a digital-first existence, we will see new risks emerging and a growing need for stringent data governance and security. We stay focused on identifying and mitigating such risks and reporting them on time and transparently. We will continue to strengthen our governance structures and policies to balance the needs of our stakeholders with our commitment towards responsible operations.

As the global economy revives and the pandemic abates gradually, we are optimistic about the opportunities ahead and confident of our ability to meet the dynamically changing needs of our clients and other stakeholders. However, even as we stay confident of creating transformative value for many, we are also mindful that the pandemic continues to create unforeseen hardships for many more.

We remember our colleagues, friends, and family members who we lost to COVID-19. We remain indebted to the millions of frontline workers and their families who stand by them as they lead the fight against COVID-19 every day. We reiterate our commitment to using our technology expertise and human ingenuity to empower the world to stay resilient and build a tomorrow that deepens the harmony between people and the planet.





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## INDEPENDENT ASSURANCE STATEMENT

### The Board of Directors and Management

HCL Technologies Limited  
Noida, India

Ernst & Young Associates LLP (EY) was engaged by HCL Technologies Limited (the 'Company') to provide independent assurance to specified sustainability data for the financial Year 2020-21.

The preparation of the sustainability data as per Global Reporting Initiative (GRI) Sustainability Reporting Standards 2016 ('GRI Standards') and its subsequent updates in 2018 and 2020, is the sole responsibility of the management of the Company. EY's responsibility, as agreed with the management of the Company, is to provide independent assurance on the report content as described in the scope of assurance. Our responsibility in performing our assurance activities is to the management of the Company only and in accordance with the terms of reference agreed with the Company. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any dependence that any such third party may place on the specified sustainability data is entirely at its own risk. The assurance statement should not be taken as a basis for interpreting the Company's overall performance, except for the aspects mentioned in the scope below.

### Scope of assurance

The scope of assurance covers the following aspects:

- ▶ Data related to the Company's sustainability performance pertaining to the GRI Standards listed below, for the period 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021;
- ▶ The Company's internal protocols, processes, and controls related to the collection and collation of specified sustainability performance data;
- ▶ Remote Verification of sample data and related information through consultations with the Company's representatives at the following locations of operations:
  - 1) Noida (Corporate Office)
  - 2) Chennai
- ▶ Review of data on a sample basis, at the above-mentioned locations, pertaining to the following disclosures of the GRI Standards:
  - a) Environmental Topics: Energy (302-1, 302-3, 302-4), Water (303-3, 303-4, 303-5), Emissions (305-1 to 305-6), Waste (306-2: GRI 2016);
  - b) Social Topics: Information on employees (102-8), New employee hires and employee turnover (401-1), Average hours of training per year per employee (404-1).

### Limitations of our review

The assurance scope excludes:

- ▶ Operations of the Company other than those mentioned in the 'Scope of Assurance';
- ▶ Aspects of the Report and data/information other than those mentioned above;
- ▶ Data and information outside the defined reporting period i.e. 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021;
- ▶ The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intention provided by the Company;
- ▶ Review of the Company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters;
- ▶ Data and information on economic and financial performance of the Company
- ▶ Review of qualitative statements and case studies in various sections of the Report.



### Assurance criteria

The assurance engagement was planned and performed in accordance with the International Federation of Accountants' International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000). Our evidence-gathering procedures were designed to obtain a 'Limited' level of assurance (as set out in ISAE 3000) on reporting principles, as well as conformance of sustainability performance disclosures as per GRI Standards.

### What we did to form our conclusions

In order to form our conclusions, we undertook the following key steps:

- ▶ Interactions with the key personnel at the Company's locations of operations to understand and review the current processes in place for capturing sustainability performance data;
- ▶ Data assurance through desk reviews covering the Company's corporate office and other operational locations as mentioned in the 'Scope of Assurance' above;
- ▶ Review of relevant documents and systems for gathering, analyzing and aggregating sustainability performance data in the reporting period.

### Our observations

The Company have reported its sustainability data in accordance with GRI standards (Core). Areas of further improvement wherever identified have been brought before the attention of the management of the company. These observations do not affect our conclusion presented in this statement.

### Our conclusion

On the basis of our review scope and methodology, nothing has come to our attention that causes us not to believe that the data has been presented fairly, in material respects, in keeping with the GRI Standards and the Company's reporting principles and criteria.

### Our assurance team and independence

Our assurance team, comprising of multidisciplinary professionals, has been drawn from our climate change and sustainability network and undertakes similar engagements with a number of significant Indian and international businesses. As an assurance provider, EY is required to comply with the independence requirements set out in International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants<sup>1</sup>. EY's independence policies and procedures ensure compliance with the Code.

for Ernst & Young Associates LLP,

**Chaitanya Kalia**  
Partner  
15.12.2021  
Mumbai

<sup>1</sup> International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. This Code establishes ethical requirements for professional accountants.



***HCL***