

Notes forming part of Standalone Financial Statements

Material related party transactions are as follows:

Revenue from operations

Tata Consultancy Services Deutschland GmbH	3,593	3,221
Tata Consultancy Services Netherlands BV	4,009	3,402
Tata Consultancy Services Canada Inc.	3,666	3,544
Jaguar Land Rover Limited	2,902	1,706
Tata Digital Private Limited	286	502

Purchases of goods and services (including reimbursements) and net of cost recovery

Tata America International Corporation	4,184	3,824
Tata Consultancy Services De Mexico S.A., De C.V.	3,335	2,946
Tata Consultancy Services Canada Inc.	1,938	1,280
Tejas Networks Limited	754	-

Dividend income

Tata America International Corporation	1,158	643
TCS Iberoamerica SA	835	190

Advances given

Tejas Networks Limited	960	-
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(₹ crore)

	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations		
Tata Consultancy Services Deutschland GmbH	3,593	3,221
Tata Consultancy Services Netherlands BV	4,009	3,402
Tata Consultancy Services Canada Inc.	3,666	3,544
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Tata America International Corporation	4,184	3,824
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Tata Consultancy Services Canada Inc.	1,938	1,280
Tejas Networks Limited	754	-
Dividend income		
Tata America International Corporation	1,158	643
TCS Iberoamerica SA	835	190
Advances given		
Tejas Networks Limited	960	-

Material related party balances are as follows:

Trade receivables and contract assets

Tata America International Corporation	1,931	1,366
Tata Consultancy Services France	1,249	1,227
Jaguar Land Rover Limited	898	482

Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities

Tata America International Corporation	2,978	2,688
Tata Consultancy Services De Mexico S.A., De C.V.	984	933
Tata Consultancy Services Canada Inc.	1,077	618
Tejas Networks Limited	607	-

Loans, other financial assets and other assets

Tejas Networks Limited	960	-
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(₹ crore)

	Year ended March 31, 2024	Year ended March 31, 2023
Trade receivables and contract assets		
Tata America International Corporation	1,931	1,366
Tata Consultancy Services France	1,249	1,227
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Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities		
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Tata Consultancy Services Canada Inc.	1,077	618
Tejas Networks Limited	607	-
Loans, other financial assets and other assets		
Tejas Networks Limited	960	-

Transactions with key management personnel are as follows:

Short-term benefits	57	58
Dividend paid during the year	1	2
Post-employment benefits	2	-
	<u>60</u>	<u>60</u>

(₹ crore)

	Year ended March 31, 2024	Year ended March 31, 2023
Short-term benefits	57	58
Dividend paid during the year	1	2
Post-employment benefits	2	-
	<u>60</u>	<u>60</u>

The remuneration of directors and key executives is determined by the nomination and remuneration committee having regard to the performance of individuals and market trends.

Notes forming part of Standalone Financial Statements

Transactions with key management personnel for the year ended March 31, 2023 did not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid were not available.

- 21)** No funds have been advanced / loaned / invested (from borrowed funds or from share premium or from any other sources / kind of funds) by the Company to any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

No funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding (whether recorded in writing or otherwise) that the Company shall (i) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- 22)** The sitting fees and commission paid to non-executive directors is ₹15 crore and ₹13 crore as at March 31, 2024 and 2023, respectively.
- 23)** The Board of Directors approved post-employment benefits, payable to the outgoing CEO and Managing Director, which has been actuarially valued. Accordingly, the Company has recorded an expense of ₹48 crore during the year ended March 31, 2024.
- 24)** The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

25) Additional Regulatory Information

- Ratios**

Ratio	Numerator	Denominator	Current year	Previous year
Current ratio (in times)	Total current assets	Total current liabilities	2.2	2.4
Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities.	Total equity	0.1	0.1
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	24.0	23.4
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	59.4%	51.6%
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	4.5	4.8
Trade payables turnover ratio (in times)	Cost of equipment and software licences + Other expenses	Average trade payables	3.1	3.6
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	3.8	3.5
Net profit ratio (in %)	Profit for the year	Revenue from operations	21.5%	20.5%
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	74.3%	65.2%
Return on investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	8.3%	7.4%

Notes forming part of Standalone Financial Statements

26) Dividends

Dividends paid during the year ended March 31, 2024 include an amount of ₹24.00 per equity share towards final dividend for the year ended March 31, 2023 and an amount of ₹45.00 per equity share towards interim dividends (including special dividend) for the year ended March 31, 2024. Dividends paid during the year ended March 31, 2023 include an amount of ₹22.00 per equity share towards final dividend for the year ended March 31, 2022 and an amount of ₹91.00 per equity share towards interim dividends (including special dividend) for the year ended March 31, 2023.

Dividends declared by the Company are based on the profit available for distribution. On April 12, 2024, the Board of Directors of the Company have proposed a final dividend of ₹28.00 per share in respect of the year ended March 31, 2024 subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹10,131 crore.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's registration no: 101248W/W-100022

Amit Somani

Partner

Membership No: 060154

Mumbai, April 12, 2024

For and on behalf of the Board

K Krithivasan

CEO and Managing Director

Samir Seksaria

CFO

Mumbai, April 12, 2024

N Ganapathy Subramaniam

COO and Executive Director

Pradeep Manohar Gaitonde

Company Secretary

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies

Sr. No.	Name of the Subsidiary Company	Date of becoming subsidiary	Start date of accounting period of subsidiary	End date of accounting period of subsidiary	Reporting Currency	Parent Currency	Exchange Rate	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit		Proposed Dividend	% of Shareholding	Country	
														before Tax	after Tax				
													₹ crore						
1	Tata America International Corporation	August 9, 2004	April 1, 2023	March 31, 2024	USD	USD	83.382500	2	1,667	5,245	3,576	357	5,398	1,454	276	1,178	-	100%	U.S.A.
2	Tata Consultancy Services Canada Inc.	October 1, 2009	April 1, 2023	March 31, 2024	CAD	CAD	61.306154	43	1,863	3,973	2,067	-	11,712	1,419	374	1,045	-	100%	Canada
3	Tata Consultancy Services Argentina S.A.	August 9, 2004	January 1, 2023	December 31, 2023	ARS	USD	0.097220	-	(1)	23	24	-	24	(1)	-	(1)	-	100%	Argentina
4	Tata Consultancy Services Chile S.A.	August 9, 2004	January 1, 2023	December 31, 2023	CLP	USD	0.085062	145	215	517	157	48	788	55	9	46	-	100%	Chile
5	Tata Consultancy Services De Mexico S.A., De C.V.	August 9, 2004	January 1, 2023	December 31, 2023	MXN	USD	5.032106	1	915	2,274	1,358	-	5,389	313	109	204	-	100%	Mexico
6	Tata Consultancy Services Do Brasil Ltda	August 9, 2004	January 1, 2023	December 31, 2023	BRL	USD	16.726009	294	127	772	351	-	1,770	49	24	25	-	100%	Brazil
7	TCS Iberoamerica SA	August 9, 2004	January 1, 2023	December 31, 2023	USD	USD	83.382500	821	1,001	1,822	-	1,811	-	862	32	830	-	100%	Uruguay
8	TCS Inversiones Chile Limitada	August 9, 2004	January 1, 2023	December 31, 2023	CLP	USD	0.085062	130	149	302	23	273	36	45	1	44	-	100%	Chile
9	TCS Solution Center S.A.	August 9, 2004	January 1, 2023	December 31, 2023	UYU	USD	2.220573	80	240	481	161	-	1,022	113	37	76	-	100%	Uruguay
10	TATASOLUTION CENTER S.A.	December 28, 2006	January 1, 2023	December 31, 2023	USD	USD	83.382500	25	71	217	121	-	417	1	-	1	-	100%	Ecuador
11	MGDC S.C.	January 1, 2010	January 1, 2023	December 31, 2023	MXN	USD	5.032106	85	(58)	76	49	-	57	(26)	12	(38)	-	100%	Mexico
12	TCS Uruguay S.A.	January 1, 2010	January 1, 2023	December 31, 2023	UYU	USD	2.220573	-	246	431	185	79	908	106	6	100	-	100%	Uruguay
13	Tata Consultancy Services Guatemala, S.A.	September 1, 2021	January 1, 2023	December 31, 2023	GTQ	USD	10.694314	8	19	46	19	-	65	9	3	6	-	100%	Guatemala
14	Tata Consultancy Services Belgium	August 9, 2004	April 1, 2023	March 31, 2024	EUR	INR	89.994776	2	584	1,184	598	-	2,885	160	43	117	-	100%	Belgium
15	Tata Consultancy Services De Espana S.A.	August 9, 2004	April 1, 2023	March 31, 2024	EUR	EUR	89.994776	1	130	227	96	-	536	(9)	(17)	8	-	100%	Spain
16	Tata Consultancy Services Deutschland GmbH	August 9, 2004	April 1, 2023	March 31, 2024	EUR	INR	89.994776	1	908	2,364	1,455	-	6,769	149	48	101	-	100%	Germany
17	Tata Consultancy Services Italia s.r.l.	August 9, 2004	April 1, 2023	March 31, 2024	EUR	EUR	89.994776	20	62	162	80	-	361	13	9	4	-	100%	Italy
18	Tata Consultancy Services Netherlands BV	August 9, 2004	April 1, 2023	March 31, 2024	EUR	EUR	89.994776	594	2,803	5,024	1,627	1,755	8,423	686	121	565	-	100%	Netherlands
19	Tata Consultancy Services Sverige AB	August 9, 2004	April 1, 2023	March 31, 2024	SEK	SEK	7.798734	-	1,157	1,613	456	-	4,224	337	72	265	-	100%	Sweden
20	Tata Consultancy Services (Portugal) Unipessoal, Limitada	July 4, 2005	April 1, 2023	March 31, 2024	EUR	EUR	89.994776	-	54	102	48	-	144	26	6	20	-	100%	Portugal
21	Diligenta Limited	August 23, 2005	January 1, 2023	December 31, 2023	GBP	GBP	105.137035	11	1,662	3,001	1,328	616	5,748	295	67	228	-	100%	U.K.

Sr. No.	Name of the Subsidiary Company	Date of becoming subsidiary	Start date of accounting period of subsidiary	End date of accounting period of subsidiary	Reporting Currency	Parent Currency	Exchange Rate	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Tax	Provision for Tax	Profit after Tax	Proposed Dividend	% of Shareholding	Country
22	Tata Consultancy Services Luxembourg S.A.	October 28, 2005	April 1, 2023	March 31, 2024	EUR	EUR	89.994776	50	73	255	132	-	739	87	25	62	-	100%	Capellen (G.D. de Luxembourg)
23	Tata Consultancy Services Switzerland Ltd.	October 31, 2006	April 1, 2023	March 31, 2024	CHF	EUR	92.033664	14	852	1,781	915	-	4,569	252	49	203	-	100%	Switzerland
24	Tata Consultancy Services France	June 28, 2013	April 1, 2023	March 31, 2024	EUR	EUR	89.994776	4	(279)	1,752	2,027	-	2,998	83	(14)	97	-	100%	France
25	Tata Consultancy Services Saudi Arabia	July 2, 2015	January 1, 2023	December 31, 2023	SAR	EUR	22.231776	8	153	654	493	-	1,057	34	7	27	-	100%	Saudi Arabia
26	Tata Consultancy Services UK Limited	October 31, 2018	January 1, 2023	December 31, 2023	GBP	GBP	105.137035	-	34	83	49	-	50	5	1	4	-	100%	U.K.
27	TCS Business Services GmbH	March 9, 2020	April 1, 2023	March 31, 2024	EUR	INR	89.994776	-	97	187	90	62	141	19	6	13	-	100%	Germany
28	Tata Consultancy Services Bulgaria EOOD	August 31, 2021	January 1, 2023	December 31, 2023	BGN	EUR	46.011754	-	33	71	38	-	85	7	1	6	-	100%	Bulgaria
29	Tata Consultancy Services Ireland Limited	December 2, 2020	January 1, 2023	December 31, 2023	EUR	EUR	89.994776	225	219	610	166	-	1,403	128	15	113	-	100%	Ireland
30	TCS Technology Solutions GmbH	January 1, 2021	January 1, 2023	December 31, 2023	EUR	EUR	89.994776	29	837	1,603	737	-	1,433	68	(17)	85	-	100%	Germany
31	Tata Consultancy Services Osterreich GmbH	March 9, 2012	April 1, 2023	March 31, 2024	EUR	EUR	89.994776	-	5	61	56	-	107	1	-	1	-	100%	Austria
32	Saudi Desert Rose Holding B.V.	May 26,2021	January 1, 2023	December 31, 2023	EUR	EUR	89.994776	-	-	-	-	-	-	-	-	-	-	0%	Netherlands
33	Diligenta (Europe) B.V.	September 14, 2023	January 1, 2023	December 31, 2023	EUR	USD	89.994776	-	-	11	11	-	9	-	-	-	-	100%	Netherlands
34	Tata Consultancy Services Asia Pacific Pte Ltd.	August 9, 2004	April 1, 2023	March 31, 2024	USD	USD	83.382500	37	1,012	1,880	831	929	2,836	307	35	272	-	100%	Singapore
35	Tata Consultancy Services Malaysia Sdn Bhd	August 9, 2004	April 1, 2023	March 31, 2024	MYR	USD	17.611680	4	92	260	164	-	554	69	14	55	-	100%	Malaysia
36	TCS FNS Pty Limited	October 17, 2005	April 1, 2023	March 31, 2024	AUD	AUD	54.181949	202	(61)	141	-	2	-	51	-	51	-	100%	Australia
37	TCS Financial Solutions Australia Pty Limited	October 19, 2005	April 1, 2023	March 31, 2024	AUD	AUD	54.181949	-	54	94	40	-	59	47	16	31	-	100%	Australia
38	PT Tata Consultancy Services Indonesia	October 5, 2006	April 1, 2023	March 31, 2024	IDR	USD	0.005259	1	26	59	32	-	71	9	-	9	-	100%	Indonesia
39	Tata Consultancy Services (China) Co., Ltd.	November 16, 2006	January 1, 2023	December 31, 2023	CNY	USD	11.537158	233	138	509	138	40	1,056	101	27	74	-	100%	China
40	TCS Financial Solutions Beijing Co., Ltd.	December 29, 2006	January 1, 2023	December 31, 2023	CNY	AUD	11.537158	42	(2)	48	8	-	63	5	-	5	-	100%	China
41	Tata Consultancy Services (Thailand) Limited	May 12, 2008	April 1, 2023	March 31, 2024	THB	USD	2.284452	2	13	39	24	-	98	11	2	9	-	100%	Thailand
42	Tata Consultancy Services (Philippines) Inc.	September 19, 2008	April 1, 2023	March 31, 2024	PHP	USD	1.483081	(41)	202	503	342	-	985	103	12	91	-	100%	Philippines

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₹ crore																			
43	Tata Consultancy Services Japan, Ltd.	July 1, 2014	April 1, 2023	March 31, 2024	JPY	USD	0.550870	238	1,505	3,164	1,421	-	5,155	542	146	396	-	66%	Japan
44	APTOnline Limited	August 9, 2004	April 1, 2023	March 31, 2024	INR	INR	1.000000	2	126	218	90	52	164	33	10	23	-	89%	India
45	C-Edge Technologies Limited	January 19, 2006	April 1, 2023	March 31, 2024	INR	INR	1.000000	10	401	536	125	-	423	128	34	94	-	51%	India
46	MP Online Limited	September 8, 2006	April 1, 2023	March 31, 2024	INR	INR	1.000000	1	139	220	80	29	89	38	9	29	-	89%	India
47	TCS e-Serve International Limited	December 31, 2008	April 1, 2023	March 31, 2024	INR	INR	1.000000	10	466	877	401	268	1,870	307	78	229	-	100%	India
48	MahaOnline Limited	September 23, 2010	April 1, 2023	March 31, 2024	INR	INR	1.000000	3	82	146	61	84	-	8	2	6	-	74%	India
49	Tata Consultancy Services (Africa) (PTY) Ltd.	October 23, 2007	January 1, 2023	December 31, 2023	ZAR	ZAR	4.389523	6	41	47	-	47	-	34	-	34	-	100%	South Africa
50	Tata Consultancy Services (South Africa) (PTY) Ltd.	October 31, 2007	January 1, 2023	December 31, 2023	ZAR	ZAR	4.389523	8	97	557	452	-	934	68	19	49	-	100%	South Africa
51	Tata Consultancy Services Qatar L.L.C.	December 20, 2011	January 1, 2023	December 31, 2023	QAR	QAR	22.897844	5	46	84	33	-	51	18	2	16	-	100%	Qatar
52	TCS Foundation	March 25, 2015	April 1, 2023	March 31, 2024	INR	INR	1.000000	1	1,306	2,402	1,095	150	-	-	-	-	-	100%	India

Notes:

- Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as on March 31, 2024.
- TCS Technology Solutions AG is now renamed as TCS Technology Solution GmbH.
- Saudi Desert Rose Holding B.V. merged with Tata Consultancy Services Netherlands BV w.e.f. August 29, 2023.
- Diligenta Limited incorporated a subsidiary, Diligenta (Europe) B.V. in Netherlands on September 14, 2023.

For and on behalf of the Board

K Krithivasan

CEO and Managing Director

N Ganapathy Subramaniam

COO and Executive Director

Samir Seksaria

CFO

Pradeep Manohar Gaitonde

Company Secretary

Mumbai, April 12, 2024



Glossary

5G	Fifth generation wireless technology for digital cellular networks. 5G is expected to be much faster and enable much higher volumes of data sharing than earlier generations of cellular networks. Its massive capacity and ultra-low latency are expected to usher in an era of hyper-connectivity, enabling newer use cases such as autonomous cars, and accelerating the adoption of IoT.
ADM	See Application Development and Maintenance
Agile	A collaborative approach for IT and business teams to develop software incrementally and faster. TCS has pioneered the Location Independent Agile™ model that allows for deployment at scale, and helps globally distributed organization execute large transformational programs quickly, while ensuring stability and quality.
Agile Workspaces	These are key enablers of TCS' Location Independent Agile model, and represent the next generation work environment that facilitate greater collaboration among teams. It is characterized by partition-less open offices, informal seating, interactive surfaces for information capture, and modern collaboration devices for increased productivity.
AgilityDebt™	AgilityDebt™ is a simple index developed by TCS, which uniquely indicates the burden carried by an organization that restricts its Agility. The index is arrived at based on a holistic Agile maturity assessment framework that measures the gap against required Agile talent, roles, team composition, delivery practices, Agile culture, Agile technology and DevOps enablers. TCS uses AgilityDebt™ to assess where the customer's teams are in the Agile journey, find the bottlenecks, and accelerate their Agile transformations.
AI	See Artificial Intelligence
AI Assistant	A software agent that uses AI technologies to perform tasks or services for an individual. These assistants can understand and interpret human speech or text inputs, enabling them to execute commands, answer questions, or assist with tasks like scheduling, reminding, or even controlling smart home devices.
AI Copilot	A virtual assistant that offers real-time guidance and feedback to enhance a human being's work.
Algo Retail™	TCS' proprietary approach and suite of intellectual property that enables retailers to seamlessly integrate and orchestrate data flows across the retail value chain, harnessing the power of analytics, AI and machine learning in the areas of personalization, pricing optimization, marketing, online search and commerce to unlock exponential business value.
Amortization	Systematic allocation of the depreciable amount of an intangible asset over its useful life.
Analytics	In the enterprise context, this is the discovery, interpretation, and communication of meaningful patterns in business data to predict and improve business performance.
Annuity Contracts	A long-term contract which can guarantee regular payments.
APAC	Acronym for Asia Pacific

API	See Application Programming Interface
APIfication	The process of exposing a discrete business function or data within an enterprise's systems through APIs.
Application Development and Maintenance	Design, development, and deployment of custom software; ongoing support, upkeep, and enhancement of such software over its lifetime.
Application Programming Interface	A set of easily accessible protocols for communication among various software components.
AR	See Augmented Reality
Artificial General Intelligence	A type of artificial intelligence that can perform as well or better than humans on a wide range of cognitive tasks.
Artificial Intelligence	Technology that emulates human performance by learning, coming to its own conclusions, understanding complex content, engaging in natural dialogs with people, augmenting human effort or replacing people on execution of non-routine tasks. Also known as Cognitive Computing.
ASEAN	Acronym for Association of Southeast Asian Nations
Assets Under Custody	A measure of the total assets for which a financial institution, typically a custodian bank, provides custodian services.
Attrition	Measures what portion of the workforce left the organization (voluntarily and involuntarily) over the last 12 months (LTM). Attrition (LTM) = Total number of departures in the LTM / closing headcount
AUC	See Assets Under Custody
Augmented Reality	Technology that superimposes a computer-generated image on a user's view of the real world to enrich the interaction.
Automation	The execution of work by machines in accordance with rules that have either been explicitly coded by a human or 'learned' by the machine through pattern recognition of data. Popular types include Robotic Process Automation and Cognitive Automation.
Avatar	An avatar is a digital representation of yourself, whether it's in a video game, the metaverse, or wherever else it might be applicable.
Basis Point	One hundredth of a percentage point, that is, 0.01 percent.
BFSI	Acronym for Banking, Financial Services and Insurance
Big Data	A high volume, high velocity, and/or high variety information asset that require new forms of processing to enable enhanced decision making, insight discovery, and process optimization.
Blockchain	A distributed database that maintains a continuously growing list of records, called blocks, secured from tampering and revision.
Bp	See Basis Point
BPaaS	See Business Process as a Service
BPS	See Business Process Services
Business Process as a Service	Refers to the delivery of BPS over a cloud computing model. Whereas traditional BPS relies on labor arbitrage to reduce costs, BPaaS aggregates demand using the cloud, servicing multiple customers with a single instance, multi-tenant platform and shared services, thereby delivering significant operating efficiencies. The pricing model is usually outcome based.
Business Process Services	Designing, enabling, and executing business operations including data management, analytics, interactions and experience management.
Buyback	A corporate action in which a company returns excess cash to shareholders by buying back its shares from them and usually extinguishing those shares thereafter. The company's equity share capital and the number of shares outstanding in the market correspondingly reduces.
CAGR	See Compounded Annual Growth Rate
Capital Expenditure (CapEx)	Funds used by a company to purchase property, plant and equipment and intangible assets (net of proceeds from disposal of such assets) and for payment including advances for acquiring right-of-use assets.
Carbon Neutral	Not adding new greenhouse gas (GHG) emissions to the atmosphere through reduction initiatives and where emissions continue, they are compensated by absorbing an equivalent amount from the atmosphere through carbon offset.
Carbon Offset	Market-based instrument used to compensate for the emission of greenhouse gases into the atmosphere because of the organization's activity by reducing them somewhere else. Certified Emission Reductions (CERs) and Verified Emission Reductions (VERs) are some of the popular carbon offsets.
Cash and Cash Equivalents	Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Cash Flow	Inflows and outflows of cash and cash equivalents.
Cash Flow from Operating Activities	Primarily derived from the principal revenue producing activities. Therefore, they generally result from the transactions and other events that enter into the determination of profit or loss.
CBO	See Cognitive Business Operations
CC	See Constant Currency
Chatbots	Computer programs designed to simulate conversation with human users, especially over the internet. They are typically used in dialog systems for various practical purposes like customer service or information acquisition.
Cloud	See Cloud Computing
Cloud Computing	The delivery of easily provisionable computing resources – servers, storage, databases, networking, software, analytics and more – over the internet, consumed on a pay-as-you-go basis.
Cloud Native	A cloud native application consists of discrete, reusable components known as microservices that are designed to integrate into any cloud environment.
CMT	Acronym for Communication, Media and Technology
CMMI-SVC	Acronym for Capability Maturity Model® Integration For Services
Cognitive Automation	The use of AI and machine learning to automate relatively more complex tasks that require reasoning capability and contextual awareness. TCS' ignio™ a leading cognitive automation software product in the market today.
Cognitive Business Operations (CBO)	An integrated offering where TCS takes responsibility for the outcome of an entire slice of the customers' operations including the business processes and the underlying IT infrastructure, and uses cognitive automation to transform that operational stack.
Cognitive Computing	See Artificial Intelligence
COIN	See Co-Innovation Network
Co-Innovation Network	This is an extended, global innovation ecosystem curated by TCS, to harness the innovation efforts of start-ups and academia, and incorporate them into transformational solutions built by TCS for its customers.
Compounded Annual Growth Rate (CAGR)	The annual growth rate between any two points in time, assuming that it has been compounding during that period.
Connected Clinical Trials (CCT) Platform	Part of the TCS ADD suite, CCT is an innovative software-as-a-service platform that enables life sciences companies to significantly transform patient engagement in clinical trials and improve adherence to protocols, as well as the efficiency and accountability of clinical trials.
Constant Currency	The basis for restating the current period's metric at exchange rates applicable for the reference period and reporting growth over the reference period.
Contextual Knowledge	This is tacit knowledge pertaining to, and specific to, the granular nuances of a customer's business and IT landscape, acquired on the job over a period of time. TCS teams use their contextual knowledge to design technology solutions that are uniquely tailored for that customer, and therefore, a potential source of competitive differentiation.
Conversational AI	Conversational artificial intelligence (AI) refers to technologies, like chatbots or virtual agents, which users can talk to. They use large volumes of data, machine learning, and natural language processing to help imitate human interactions, recognizing speech and text inputs and translating their meanings across various languages.
Core Banking System	A back-end system that processes daily banking transactions and posts updates to accounts and other financial records; typically includes deposit, loan and credit processing capabilities, with interfaces to general ledger systems and reporting tools.
Core Transformation	Modernization initiatives that target the one or more elements of the organization's operations stack consisting of business processes, software systems and underlying infrastructure, usually to enable greater agility, scalability, resilience and a superior customer experience. These are typically large in scale and scope, and entail the integrated delivery of multiple capabilities.
CO2e	Acronym for "Carbon dioxide equivalent". It is a standard unit for accounting greenhouse gas (GHG) emissions from carbon dioxide or another greenhouse gases, such as SOX, NOX, methane, etc.
CPG	Acronym for Consumer Packaged Goods
Cyber Security	Technologies, processes and practices designed to protect networks, computers, programs and data from attack, damage or unauthorized access.
Data Mining	Data mining is the practice of obtaining valuable information from data sets. The data can be in any form, such as text, audio, or video data. Data mining aims to find actionable insights in the data that can improve business decisions or solve problems. For instance, data mining can discover customer buying patterns and target ads towards people who would likely purchase a product.
Days' Sales Outstanding (DSO)	A popular way of depicting the Trade Receivable relative to the company's Revenue. $DSO = \text{Trade Receivable} * 365 / \text{LTM Revenue}$

Deep Learning	Subset of machine learning that uses neural networks with many layers (deep neural networks) to analyze various factors and make decisions.
Depreciation	Systematic allocation of the depreciable amount of an asset over its useful life.
DevOps	Represents a new way of working to rapidly deploy new releases of a software in production using high levels of automation and tooling. TCS recommends adoption of DevOps, along with Agile for speed to market.
Digital	Represents technologies such as Social Media, Mobility, Analytics, Big Data, Cloud, Artificial Intelligence and Internet of Things.
Digital Divide	Digital Divide refers to the unequal spread of technology and the opportunities it affords between different socioeconomic groups in a society.
Digital Twin	A digital replica of a physical entity. For instance, a digital twin of a factory is a virtual model of the factory built using its data, process, people information. Impact of any change in a process in the real factory can be studied by simulating the change in the digital twin.
Discretionary Spend	Also known as Change the Business (CTB) spend, it is that portion of the IT budget which is used to fund projects that are not, strictly speaking, essential for day to day operations, but are more transformational in nature. In uncertain economic times, when businesses are forced to cut spends in response to decline in income, discretionary spend is often the first to be scrutinized. However, what is considered discretionary is subjective and may differ considerably amongst businesses even within the same sector.
Distributed Ledger Technology	See Blockchain
Dividend	One form of distribution of profits earned by the Company and is usually declared as an amount per equity share held by the Shareholders. TCS has a policy of declaring quarterly interim dividends and the final dividend is approved by the shareholders in the Annual General Meeting.
DLT	See Distributed Ledger Technology
EACs	Energy Attribute Certificates (EACs) are market-based instruments that can be used by the bearer to claim renewable energy consumption. Each EAC is equivalent to 1 MWh of electricity.
Earnings Per Share (EPS)	The amount of a given period's Net profit attributable to a single share after deducting any preference dividend and related taxes. $\text{EPS} = [\text{Net profit attributable to shareholders of the company} - \text{Preference dividend, if any}] / \text{Weighted average number of equity shares outstanding during the period}$
Edge Computing	Computing and storage that is located on servers on the edge of the network, in close proximity to the users, but not through an on-premises data center; usually reserved for low latency use cases.
Effective Tax Rate (ETR)	The proportion of the Profit Before Tax that is provided towards income taxes. $\text{ETR} = \text{Tax expense} / \text{Profit Before Tax}$
EIA	Acronym for Environmental Impact Assessment. It is an environmental impact study which needs to be conducted as per Ministry of Environment and Forest (MoEF) requirements for new construction/ expansion projects.
Engineering and Industrial Services	Consists of next generation product engineering, manufacturing operations transformation, services transformation, embedded software and Internet of Things.
Enterprise Agile	The adoption of Agile methods across all the business functions of the enterprise, designed to empower employees, foster collaboration and drive a culture of continuous innovation at scale.
Environment, Social and Governance	Environment, social and governance (ESG) is a system for how to measure the sustainability of a company in three specific categories: environment, social and governance.
EPEAT	Acronym for Electronic Product Environmental Assessment Tool
EPS	See Earnings Per Share
ESG	See Environment, Social and Governance
ETR	See Effective Tax rate
Fair Value	The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
Fine Tuning	Process of slightly adjusting or tweaking the parameters of an existing model, which has already been pre-trained on a large dataset, to perform a specific task.
Fintech	Businesses that use technology to make financial services more efficient. Some fintech developments have improved traditional services, for example mobile banking apps, while others have revolutionized services such as pay per mile car insurance, or created new products, such as Bitcoin.
Framework	A kind of intellectual property, consisting of software which provides generic functionality for a certain business use case, and which is customized for a specific customer's needs with additional code. Use of such pre-built code reduces time to market and results in more stable, reliable solutions.
Free Cash Flow	Represents the cash a company generates through its operations, less the capital expenditure. $\text{Free cash flow} = \text{Cash flow from operating activities} - \text{Capital expenditure}$
FTE	Acronym Full Time Equivalent

Function Point	A function point is a granular building block of a software, based on a functional view of that system, represented by a code snippet whose logic helps the user accomplish something. The concept is used while estimating the effort for building a new application, by decomposing it into its constituent function points of varying levels of complexity.
Furlough	A temporary cessation of work without pay for the employees, usually implemented by organizations facing under difficult economic conditions, and in lieu of laying off employees.
Gamification	The process of adding games or game-like elements to any activity in order to enrich experiences and encourage user participation.
GDPR	Acronym for General Data Protection Regulation, a European Union regulation for data protection and privacy.
Generative AI	Generative AI describes any type of artificial intelligence (AI) that is capable of generating new content, including text, images, video, audio, simulations, code or synthetic data. It involves the use of machine learning algorithms to learn patterns across a large data set and generate new content based on those patterns.
GHGs	Acronym for Greenhouse Gas. These are gases that trap heat in the atmosphere leading to global warming and climate change.
Global Capability Centers (GCC) / Captive units	Captive units include both MNC-owned units that undertake work for the parents' global operations and the company owned units of domestic firms, set up in offshore locations offering cheaper labor pool, helping the parent to reduce its operational costs.
Green-Tariff	Green tariffs are specialized retail tariffs that electricity distribution companies (discoms) charge for the sale of Renewable Energy (RE) to their consumers. Businesses can sign up for these tariffs and claim RE consumption, while discoms procure electricity on their behalf from RE project developers.
Growth and Transformation	Initiatives launched to improve the enterprise's revenues, leveraging technology to adopt new business models, drive new revenue streams, enhance customer experience or target new customer segments. This is in contrast to traditional outsourcing engagements where the focus is on improving efficiency and saving costs.
G&T	See Growth and Transformation
Hallucination	Tendency of large language models to make things up or provide output that seems plausible but is factually incorrect or unverifiable.
HVAC	Acronym for Heating Ventilation and Air Conditioning System
Hybrid Cloud	An enterprise IT infrastructure model that combines private clouds, public clouds and on premise data centers, to meet the compute and storage needs of the business.
IFRS S2	IFRS S2 is an international ESG reporting framework that requires an entity to disclose information about its climate-related risks and opportunities that is useful to users of general-purpose financial reports in making decisions relating to providing resources to the entity. Note: IFRS is acronym of International Financial Reporting Standards
Innovation Days	Focused workshops with a TCS customer where researchers and business leaders from both organizations participate to explore emerging technologies for specific customer problems.
Innovation Forum	TCS' thought leadership event that is held in major and emerging markets. It brings together researchers from academia, innovators from the start-up ecosystem, technology watchers, futurists and customers to brainstorm around emerging technologies.
Inorganic Growth	Growth in revenue due to mergers, acquisitions or takeovers, rather than due to an increase in the company's own business activity.
Intellectual Property	An asset that is the result of a creative design or idea, such as patents, copyrights, reusable code, software products and platforms, and gives the owner exclusive rights over its usage, such that no one can copy or reuse the creation without the owner's permission.
Interactive Technology	Allows for a two-way flow of information through an interface between the user and the technology; the user usually communicates a request for data or action to the technology with the technology returning the requested data or result of the action back to the user.
Internet of Things	A network of interconnected machines or devices embedded with sensors, software, network connectivity, and necessary electronics to generate and share run-time data that can be studied and used to monitor or control remotely, predict failure, and optimize the design of those machines / devices.
Invested Funds	Funds that are highly liquid in nature and can be readily converted into cash. Invested funds = Cash and cash equivalents + Investments + Deposits with banks + Inter-corporate deposits.
Involuntary Attrition	A reduction in the workforce due to the employer's decision to terminate employment, instead of the employees' decision to leave.
IoT	See Internet of Things
IP	See Intellectual Property
ISO	Acronym for International Organization for Standardization
ISSB	Acronym for International Sustainability Standards Board
Key Managerial Personnel	At TCS, this refers to the Chief Executive Officer & Managing Director, Chief Operating Officer & Executive Director, Chief Financial Officer and the Company Secretary.

kL	Acronym for the unit kilo-liters used to measure volume. It is a unit used to measure and report water usage in TCS' offices.
KMP	See Key Managerial Personnel
kWh	Acronym for kilowatt hours used as a unit of measurement of electricity
Large Language Models	This is a language model used to train generative AI and consists of a neural network with many parameters (typically billions of weights), trained on large volumes of unlabeled text. By tracking words in sequences, it learns both context and meaning in language, enabling it to generate text artifacts that look they were written by humans.
LatAm	Acronym for Latin America
Location Independent Agile	A method to orchestrate globally distributed stakeholders and talent into Agile teams for improved speed to market in large transformational programs. It comprises processes, structure, and the technology that allows enterprises to overcome location constraints and embrace Agile methods on a global scale.
Low-Code, No Code	New software development platforms that offer a drag and drop user interface to allow business users to build custom web or mobile applications without actually having to write the code. The difference between the two is related to the extent of programming ability needed. The former might still require some amount of programming, while the latter is entirely drag and drop. In addition to boosting innovation within the enterprise, these platforms also drive-up productivity of programmers.
Machine First™ Delivery Model	A model that integrates analytics, AI and automation deep within the enterprise to redefine how humans and machines work together and to effectively deliver superior outcomes.
Machine Learning	A type of artificial intelligence that provides computers with the ability to learn behaviors without being explicitly programmed and relying on patterns and inference instead.
Managed Services	This is the practice of outsourcing to one service provider, also known as the Managed Services Provider (MSP), the end-to-end responsibility for providing, or orchestrating the provision through third party providers of, services around a range of processes and functions, in order to improve efficiency, service quality, agility and scalability.
Managed Services Provider	Service providers with the sole, end-to-end responsibility of providing Managed Services.
Market Capitalization	The total market value of a company's total outstanding equity shares at a point in time. Market Capitalization = Last Trading Price * Total number of outstanding shares
MEA	Acronym for Middle East and Africa
Metaverse	A virtual 3D environment that a user can experience explore on a computer or VR headset. Users can interact with each other in several ways, including social networking, gaming, and shopping.
MFDM™	Acronym for Machine First Delivery Model
Minimum Viable Product	The most basic version of a new product built in an agile development cycle, with the bare minimum functionality, made available to users at the earliest to get user feedback and validate product value with minimum investment. Once validated, its features and functionalities are continually augmented in subsequent iterative cycles.
MJ	Acronym for Mega Joule used as a unit of measurement of energy (electricity as well as fuel use)
Mobility	Digital technology which includes- Information, convenience, and social media all combined together, and made available across a variety of screen sizes and hand-held devices.
MSP	See Managed Services Provider
MVP	See Minimum Viable Product
MWh	Acronym for megawatt hours used as a unit of measurement of electricity. 1 MWh=1000kWh
Natural Language Processing	Branch of Artificial Intelligence that deals with the interaction between computers and humans through natural language, involving complex and challenging tasks such as speech recognition, natural language understanding, and natural language generation.
Net Zero	Greenhouse gases emitted into the atmosphere due the company's activity are minimized through a series of initiatives and the residual emission is compensated by removal of equivalent amount of GHG emissions elsewhere through carbon offsets.
Non-Controlling Interests	The share of the net worth attributable to non-controlling shareholders of the subsidiaries.
Non-discretionary Spend	Also known as Run the Business (RTB) spend, is that portion of the IT budget that covers the basic IT activities required to keep a business running. Even in tough economic times, non-discretionary spend remains relatively unaffected.
Operating Model	The manner in which processes are defined and activities are organized to create and deliver value to a target audience. An IT operating model covers activities around new system development, application and infrastructure support whereas business operating models address execution of actions specific to a business function.
Operating Model Transformation	Redefining individual processes by embedding AI, machine learning and other forms of automation to reduce the need for human intervention, resulting in a leaner operating model that is faster, more agile and more resilient. Such transformations – whether in IT or business – can be significantly accelerated by the use of TCS Cognix.

Options Contract	A hedging instrument that offers the buyer the right to buy or sell the underlying asset (such as stocks or currency) on a future date, at a specified price, for small upfront fee called options premium. Eg: TCS purchases an options contract to sell USD 1 million @ ₹87/US\$ after 3 months, paying an option premium of ₹1 million. With this, TCS will have the right to sell USD 1 million at an exchange rate of ₹87, even if the prevailing market rate at the end of three months is, say ₹85. On the other hand, if the market rate is higher, say ₹89, then TCS can choose to let the options contract lapse and instead sell at the market rate.
Order Book	See Total Contract Value
Organic Growth	The revenue growth a company can achieve by increasing its existing business activity. This does not include growth attributable to takeovers, acquisitions or mergers.
PAS 2060	It is an internationally recognized standard by the British Standards Institution to verify and substantiate an organization's claim of carbon neutrality.
PaaS	See Platform as a Service
Personalization	Segmentation and responding to individual transactions, customized for a single customer in a single instance.
Platforms	A group of technologies that are used as a base upon which other applications, processes or technologies are developed. Useful for optimizing costs and efforts, and eliminating iterative tasks to drive strategic business initiatives.
Platform as a Service (PaaS)	A category of cloud computing that provides a platform and environment to allow developers to build applications and services over the internet. PaaS services are hosted in the cloud and accessed by users simply via their web browser.
Power Usage Effectiveness	It is the ratio of total amount of electricity used by a data center facility to the electricity used by the computing equipment in the data center.
Pricing	The price charged to the customer for a billable effort, turnkey project or a certain process outcome, depending on the nature of the contract. See Realization.
Private Cloud	Refers to a model of cloud computing where IT infrastructure, in terms of compute and storage resources, are provisioned for the dedicated use of a single organization.
Product	In the technology context, refers to a packaged software program that is made available to multiple customers either on a license basis, or on a subscription basis, to enable the execution of certain common tasks or processes or business functions in a standardized way. This is the opposite of bespoke or custom software which is built to specifications to meet a customer's unique needs.
Prompt	A specific instruction, question, or input provided to an AI model to guide its generation of content.
Prompt Engineering	Prompt engineering is the process of writing, refining and optimizing inputs to encourage GenAI systems to create specific, high-quality outputs.
Public Cloud	A computing service model used for the provisioning of storage and computational services to the general public over the internet. Public cloud facilitates access to IT resources on a 'pay as you go' billing model.
PUE	See Power Usage Effectiveness
R&I	Acronym for Research & Innovation
Realization	The revenue received by the company per utilized effort. Pricing varies by service and by market. Consequently, there can be changes in realization compared to a prior period, due to changes in the underlying business or geographic mix during the period.
RECs/ GOs	Renewable Energy Certificates / Guarantees of Origin are EACs used in different markets.
Related Party Transactions	Any transaction between a company and its related party involving transfer of services, resources or any obligation, regardless of whether a price is charged.
Responsible AI	Responsible Artificial Intelligence is an approach to developing, assessing, and deploying AI systems in a safe, trustworthy, and ethical way.
Revenue	The income earned by the company from operations by providing IT and consulting services, software licenses, and hardware equipment to customers.
RFP	Acronym for Request for Proposal, meaning a document that solicits proposal, often made through a bidding process, by an entity interested in procurement of IT services, to potential service providers to submit business proposals. An RFP is floated early in the procurement cycle and requested information may include basic corporate information and history, financial information, technical capability and estimated completion period, and customer references.
Robotic Process Automation	The use of software tools to automate high-volume, repeatable tasks that previously required humans to perform. RPA is best suited for relatively simple and stable processes. Dynamic changes in the environment require ongoing upkeep of the robots, diluting the economic benefit of the automation. Increasingly, customers are preferring cognitive automation over RPA.
RPA	See Robotic Process Automation
Scope 1, Scope 2, Scope 3 emissions	Green house gas emission accounting categories as per the Greenhouse Gas Protocol.
Security Operations Center	A Security Operations Center is responsible for protecting an organization against cyber threats. SOC analysts perform round-the-clock monitoring of an organization's network and investigate any potential security incidents.

SEZ	See Special Economic Zone
Shareholder Payout Ratio	The proportion of earnings paid to shareholders as a percentage of the company's earnings, i.e. Net profit attributable to shareholders of the company. Payout can be in the form of dividend and share buyback, including taxes thereon.
Simplification	The rationalization of IT architectures through consolidation of systems and elimination of redundant systems and layers. The primary purpose is to shrink the IT footprint and make operations leaner and more efficient.
SOC	See Security Operations Center
Sole Sourced Contract	Non-competitive agreements that allow a single vendor to fulfill the needs of the contractual requirements. These types of contracts can be won when the competitor set narrows down significantly and comes down to a single vendor discussion, given the nature of the client's solution requirements.
Special Economic Zone	In India, these are designated areas in which business and trade laws are different from the rest of the country, with various benefits and tax breaks to promote exports, attract investments, and create local jobs.
STEM	An acronym for education in the fields of science, technology, engineering and math.
T&M	See Time and Materials Contract
tCO₂e	Acronym for tonnes of carbon dioxide equivalent
TCS Pace™	A brand promise that represents the way TCS channels its domain knowledge and organizational units – business and technology services, industry solutions units, and the research and innovation organization – into internal and external co-innovation programs.
TCS Pace Port™	Physical spaces where TCS Pace can be experienced. These spaces are close to academic and start-up hubs, and enclose innovation showcases, Agile workspaces and think spaces. They encourage brainstorming, design thinking and collaborative innovation with internal and external partners.
TCV	See Total Contract Value
Time and Materials Contract	A form of services contract where the customer is billed for the effort (in hours, days, weeks, etc.) logged by the project team members. Project risk is borne by the customer. This contrasts with Fixed Price Contracts.
Total Contract Value	An aggregation of the value of all the contracts signed during a period and a useful indicator of demand, and near-term business visibility.
Turnkey Contracts	See Fixed Price Contracts
Unearned and Deferred Revenue	For invoices raised in line with agreed milestones for services yet to be delivered. In other words, it is the amount that has been invoiced although the underlying effort is yet to be expended.
UPS	Acronym for Uninterruptible Power Supply. It is an electrical device that combines surge protection with a battery back-up.
Vendor Consolidation	A strategy to reduce costs and the overheads of managing a large number of vendors. Usually entails aggregating work currently outsourced to many small providers, and transferring it to a smaller, select set of winning bidders. Besides cost reduction, clients use this to reduce complexity and accelerate their cloud transformation journeys. Selecting a single strategic partner with end-to-end capabilities to maintain the legacy estate and support the modernization drives efficiency, accountability and speed.
VFD	Acronym for Variable frequency drive. It is used to regulate the electrical frequency (Hz) of the power supplied to a chiller so that the compressor speed and condenser fan speed (air-cooled chillers only) can be controlled.
Virtual Reality	Artificial, computer-generated simulation or recreation of a real-life environment or situation. It engages users by offering simulated reality experiences firsthand, primarily by stimulating their vision and hearing.
Virtualization	The abstraction of IT resources – like a server, client, storage or network – that masks the physical nature and boundaries of those resources from the users of those resources.
Voluntary Attrition	Refers to reduction in workforce resulting from employees willingly leaving the organization to pursue other opportunities, spend time with family, or for some other personal reason.
VR	See Virtual Reality
VRF	Acronym for Variable refrigerant flow. Variable refrigerant flow is an air-conditioning system in which multiple indoor units and a single outdoor condensing unit are available. It is precisely the system's capability that helps to control the amount of refrigerant flowing to the indoor units.
XR	Extended reality, an umbrella term that covers augmented reality, virtual reality and mixed reality.
Y-o-Y	Year-on-Year
ZWL	Zero Waste to Landfill- It is a specific goal that can be independently verified. The common interpretation means that at least 99 percent of generated waste is diverted away from landfill, i.e. all waste produced is either reused, recycled, composted, or sent to energy recovery.
Fixed Price Contracts	A form of services contracts where the vendor takes a turnkey responsibility for delivering a solution for a certain price and within a mutually agreed timeframe. The customer is billed on completion of key project milestones and related deliverables. This arrangement gives the vendor considerable flexibility in the staffing and execution of the project. On the other hand, it also means bearing the project risk.

Disclaimer: This glossary is intended to help understand commonly used terms and phrases in this report. The explanations are not intended to be technical definitions. If explanations provided here are found to be different from what is described in the Company's periodic financial statements (not limited to Notes to Accounts), then the definition provided in the certified financial statements will prevail.

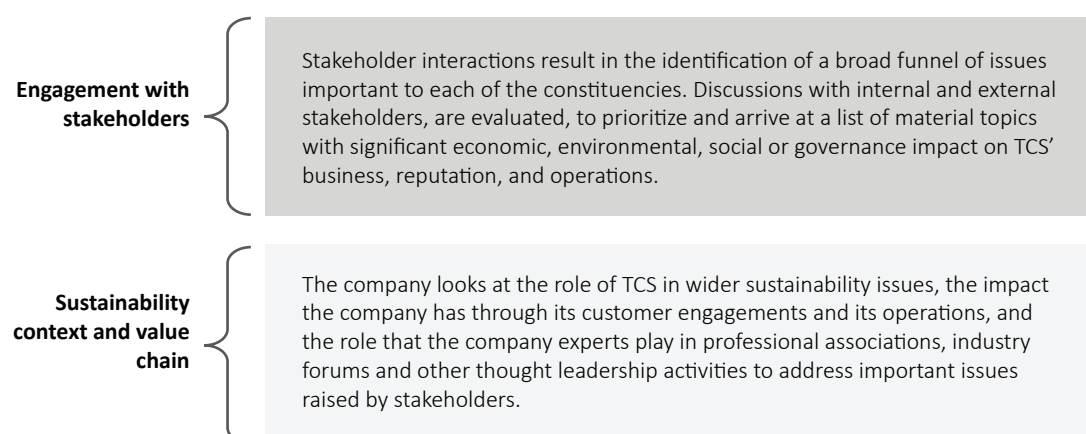


Sustainability Disclosures

Stakeholder Engagement and Identification of Material Topics¹

TCS conducts periodic materiality assessments to update the list of material topics. The key elements of that assessment include:

Key Elements of Annual Materiality Assessments:



¹GRI 3-1

TCS ESG Principles, Material Topics and Initiatives²



Environment

Material Topics

Climate Change (I)

Principle

TCS' environmental stewardship rests on four pillars: carbon footprint mitigation, water conservation and recycling, waste reduction and recycling, and preserving biodiversity.

Key Themes

- Energy management
- GHG emissions
- Water management
- Waste management
- Biodiversity

Targets

- Reduce absolute Scope 1 and Scope 2 greenhouse gas emissions by 70% by 2025 over a 2016 base year.
- Net-zero emissions by 2030.
- 3% YoY reduction in freshwater consumption across owned campuses.
- Reduction in waste generation, maximizing recycling / reuse to divert waste sent to landfill.
- Committed to Tata Aalingana program

Initiatives

- Natural Capital: Page 24, 25
- BRSR: Pages 149 to 159



Social

Material Topics

Business Sustainability (I)

Principle

TCS takes a long-term view, building deep client relationships, and nurturing them, which leads to mutual growth and sustainable outcomes.

Key Themes

- Economic performance
- Demand sustainability
- Investments in capability development

Targets

- Maintain a financially strong, viable business that is able to adapt to changing technology landscapes, stay relevant to customers and profitably grow its revenues consistently.

Initiatives

- Letter from the CEO - Pages 8 to 10
- Financial Capital – Pg 16,17
- Intellectual Capital – Page 20,21
- MD&A – Strategy for Sustainable Growth, Enabling Investments- Pages 70 to 72

Material Topics

Employee wellbeing and engagement (I)

Principle

TCS is committed to providing a safe and healthy work environment to its employees, business associates and other stakeholders.

Key Themes

- Occupational Health and safety (OH&S)

Targets

- Adopt measures and processes that focus on the prevention of occupation-related accidents, injuries, illnesses, and near misses.
- Eliminate hazards and reduce OH&S risks.
- Providing safe workplaces and inculcating safe work practices among employees and contractors.

Initiatives

- MD&A – Page 74

Material Topics

Talent Management (I)

Principle

TCS is invested in its people for the long term, supporting them to build the meaningful careers they aspire to.

Key Themes

- Talent Acquisition
- Talent Development
- Employee Engagement
- Talent Retention
- Competitive Compensation

Targets

- Attract, develop, motivate and retain diverse talent, that is critical for the company's continued success.
- Maximize the potential of every employee by creating a purpose-driven, inclusive, stimulating, and rewarding work environment, delivering outstanding employee experience, while fuelling business growth.

Initiatives

- MD&A – Pages 72 to 74

Material Topics

Diversity, Equity and Inclusion (I)

Principle

TCS nurtures and strengthens a diverse, inclusive and equitable culture, where each individual feels seen and heard, and their contributions respected and valued.

Key Themes

- Diversity, Equity and Inclusion (DEI)

Targets

- Embrace diversity in race, nationality, ethnicity, gender, age, physical ability, neurodiversity, and sexual orientation to create a workforce that contributes in more ways than one to the societies the company works within.
- Global DEI policy that prohibits discrimination against any diverse identity group.

Initiatives

- MD&A – Page 74

* Boundary of Impact for Material Topics : Internal (I), External (E)

MD&A: Management Discussion and Analysis, CG: Corporate Governance Report, BRSR: Business Responsibility and Sustainability Report

 Governance
Material Topics**Local Communities (E)****Principle**

TCS' vision is to empower communities by connecting people to opportunities in the digital economy.

Key Themes

- Local communities
- Education and skill development
- Job creation
- Taxes payable in different regions
- Environmental stewardship
- Supplier Social and Environmental Assessment

Targets

- Build inclusive, equitable and sustainable pathways for all, with a special focus on youth, women, and marginalized communities.
- Comply with relevant tax laws and obligations in all the jurisdictions TCS operates in and accordingly pay its fair share of taxes in respective countries.

Initiatives

- Social Capital – Page 23
- Natural Capital – Page 24, 25
- CG – Tax Strategy- Page 95
- BRSR – Page 143, 160
- Financial Statements – Income Taxes – Pg 224 to 228, country wise income taxes – Pg 304 to 306

Material Topics**Technology enabling Building greater futures (E)****Principle**

TCS engages with clients and partners to help shape their journeys to more sustainable and future-fit businesses that thrive within an ecosystem.

Key Themes

- Sustainability Services and Offerings

Targets

- Help enterprises use the power of technology and innovation to pioneer new sustainable opportunities, take an ecosystem-led approach to build greater futures.
- Built a co-innovation network comprising of academia, startups, and business partners, focusing on social innovation and sustainability initiatives that impact people at the grassroots.

Initiatives

- Intellectual Capital – Page 22, 23
- BRSR – R&D and Capex spend – Page 135
- MD&A – Enabling Investments – Pages 70 to 72

Material Topics**Corporate Governance (I)****Principle**

TCS' philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders.

Key Themes

- Governance Structure and composition
- Independence of the Board and Minority Interest
- Avoidance of conflict of interest
- Board oversight
- Disclosure and Transparency
- Enterprise Risk Management
- Succession Planning
- Remuneration Policy

Targets

- Strong governance at board, executive and management levels through compliance committees and compliance working groups
- Effective internal controls to comply with regulations, keep a check on unlawful and fraudulent activities and internal audits to provide compliance assurance.
- Empowering employees and creation of deep leadership bench for succession planning
- Design remuneration policy to create a high-performance culture, and compliant to local regulations.

Initiatives

- CG – Pages 93 to 96, 102, 106 to 108
- MD&A – Internal Financial Control Systems and their adequacy – Page 88, ERM – Pages 78 to 87

Material Topics**Ethics and Integrity (I)****Principle**

TCS' core values are: Leading Change, Integrity, Respect for the Individual, Excellence, Learning and Sharing.

Key Themes

- Value, Ethics and Culture
- Compliance

Targets

- Maintain board, management accountability and drive corporate ethics, values and sustainability.
- Monitor compliance with laws of the countries in which the company operates, as well as global legislation.

Initiatives

- CG – Page 94, 95

Material Topics**Data Privacy (E)****Principle**

- To ensure data protection of stakeholders
- To make TCS reliable, resilient and immune to existing and evolving volatile environment of constant changes, accidents, attacks and failures.

Key Themes

- Data Privacy
- Cyber Security

Targets

- Ensure controls and robust risk response mechanisms to protect personal data in the TCS ecosystem and also in customer engagements.
- Protect all information and assets that TCS owns or is responsible for; thus, ensuring an efficient, safe and secure working environment for TCS and its customers.

Initiatives

- BRSR – Pages 164 to 166

TCS Climate Related Disclosures

In FY 2023, TCS' climate related disclosures were aligned to the Taskforce for Climate-related Financial Disclosures (TCFD). Subsequently, TCFD fulfilled its remit and was disbanded in October 2023.

The International Sustainability Standards Board (ISSB) released IFRS S2, Climate-related Disclosures, in January 2024, which is aligned with the recommendations of TCFD. This year, TCS has disclosed information related to climate-related risk and opportunities aligned with IFRS S2. IFRS S2 applies to disclosure of (1) climate related risks (physical and transitional), to which the entity is exposed and (2) climate related opportunities available to the entity.

The disclosure requirements in IFRS S2 are structured around the core content related to the following sections:

Section 1: Governance

Section 2: Strategy

Section 3: Risk Management

Section 4: Metrics and Targets

Each of the above topics are addressed below.

Section 1: Governance

TCS has a Board level Stakeholder Relationship Committee (SRC) that oversees different aspects of climate-related risks and opportunities.

Stakeholder Relationship Committee (SRC)

- The SRC is chaired by an independent director and comprises of 3 members including the CEO. It reviews the climate change strategy, approach, and performance of the organization with respect to sustainability and climate change.
- The SRC formally meets twice every year to review policies and sustainability performance, including climate change and carbon performance. The board oversight helps drive the program effectively with greater accountability.
- The CEO, as a part of the SRC, is directly responsible for the efficient operations of the facility and hence is better able to review performance and drive improvement. The updates are provided by the Chief Human Resources Officer (CHRO) and is supported by the Head- Environmental Sustainability, Health and Safety (ESHS) who oversees the environment and climate change implementation at the organisation.
- TCS' carbon reduction goal to reduce its absolute greenhouse gas emissions across Scope 1 and Scope 2 by 70% by 2025 (over 2016 base year), and to achieve net zero emissions by 2030, was reviewed and approved by the committee.
- Statement by Senior management: Refer page number 132 in BRSR for N G Subramaniam, COO & Executive Director's statement.
- During the half yearly meetings, the SRC monitors the progress towards the carbon targets and the carbon reduction initiatives that have been implemented and planned.

Competency:

TCS has a competent team working on Environmental Sustainability. TCS' Head- Environmental Sustainability, Health, and Safety (ESHS) is a Doctorate in Environmental Science and Engineering and has over 30 years of post-doctoral experience in environmental sustainability and climate change. The ESHS team has recruited professionals who have the requisite qualification and experience in climate change and environmental sustainability. The team has undergone training in advanced topics and regularly participates in external training programs and sessions on the emerging frameworks and regulatory requirements around climate change.

TCS is also a member of the Confederation of Indian Industries (CII) and National Association of Software and Services Companies (NASSCOM), and the company participates as panelist, assessor, or speaker in their training and capacity building workshops on climate change with the perspective of spreading know-how on ESG, climate change mitigation and adaptation strategies among other industries.

Remuneration: Refer page number 103 for information on remuneration of the Board members.

Apart from the SRC, TCS also has the Risk Management Committee (RMC) that is responsible for risk management oversight at the corporate level.

Risk Management Committee (RMC)

- The RMC is chaired by an independent director and comprises of 5 members including one additional independent director, 2 executive directors, i.e. CEO, COO, and one company executive, CFO.

- The RMC formulates, monitors, and reviews the company's risk management policy.
- Climate change risks and opportunities are covered under the strategic and operational risks for the Company and are reviewed in the RMC committee meetings.

Section 2: Strategy

Climate related risks continue to challenge businesses in every possible way, sometimes amplifying existing risks. Not only is their nature evolving, but their speed of impacting the organisation's operations is also increasing. Operating in an uncertain and ever-changing environment, TCS' global operations bring in considerable complexities and TCS' robust enterprise risk management framework aids in ensuring the strategic objectives are achieved. This framework enables risk identification for short, medium, and long term, risk assessment, risk response planning and actions, risk monitoring and overall risk governance.

Climate-related risks and opportunities

Refer to the MD&A section on page number 86 of the TCS Integrated Annual Report for identified climate-related risk and opportunities that could reasonably affect TCS' prospects. The section includes the company's adaptation methodology which will be implemented over following time horizons:

Time-horizon	From (years)	To (years)
Short-term	0	5
Medium-term	5	10
Long-term	10	Beyond 10

Below is a brief description of TCS' approach and identification of climate-related risks and opportunities.

Climate related R&O	TCS Approach
Current regulation	Regulations undergo frequent changes and, to accommodate such changes, the company must be aware and responsive. In India operations, TCS must comply with all the environmental consent conditions around emissions, water discharge, waste recycling etc. These regulations are included in TCS' risk assessment as compliance risk and thereafter integrated into its mitigation plans. The company also reports to the Securities and Exchange Board of India (SEBI) mandated BRSR framework, which includes non-financial indicators and is a part of this Integrated Annual report. This year as per BRSR reporting requirements, TCS is also undergoing reasonable assurance for the core indicators of BRSR.
Emerging regulation	Emerging regulations including carbon taxes (coal or fossil fuel taxes leading to escalation in the electricity tariff), mandatory energy audits are examples which are likely to impact the company. Regulations around procurement of renewable energy, which is a key driver of the company's climate change mitigation plan, is also ever evolving in all major geographies. TCS keeps a close watch on the emerging regulations and plans its organizational sustainability strategy and roadmap to adapt to those changes.
Technology	With more energy efficient and eco-friendly building and IT equipment coming in the market, keeping TCS' offices eco-efficient is an ongoing process wherein the company evaluates the technology and suitability and work on a phaseout plan to move to the new more efficient technology. These are considered as operational risks and opportunities which drive the company to make its infrastructure more climate resilient.
Legal	TCS tracks environmental legal compliance (air emissions, water discharges, waste management and others) on periodic basis and have a very robust internal compliance management system to identify and comply with all legal requirements of current, amended and new regulations. While the possibility of a litigation risk is very low, climate change impacts can pose few risks indirectly to TCS.
Market	Climate change is driving a lot of changes in the company's customer behaviour, thus creating new markets and new opportunities, giving TCS an opportunity to partner with them in their climate change mitigation journey by providing solutions, services, and process automation which helps in emission reduction.
Reputation	Reputational risk is relevant to the company as the investor and customer community is becoming increasingly aware of climate change related issues. It is important to demonstrate leadership in climate action to maintain reputation. Climate risks are hence included as strategic risks which is reviewed by leadership to position the company better in the market. This information is required to respond to CDP supply chain module and various customer surveys on sustainability like Dow Jones Sustainability Index, EcoVadis, MSCI, Sustainalytics, etc. Hence performing well in these ratings/scorings is very crucial in maintaining the market reputation which the organization holds.
Acute physical	Acute physical risks associated with extreme weather events is relevant as TCS has substantial operations in coastal cities in India which are exposed to extreme weather events like heavy precipitation, flood, and cyclones. E.g., The company's offices located in coastal cities like Chennai, Bhubaneswar, Kolkata, Kochi are exposed to physical risks from cyclonic events and therefore adequate mitigation plans are in place.

Climate related R&O	TCS Approach
Chronic physical	Despite the Paris Agreement and global climate action, global warming continues unabated. Having presence in many major cities across the world, TCS is subject to climate change related chronic physical impacts like change in precipitation pattern, with resultant effects like drought or flood. Also, with TCS's presence in few coastal cities, rise in sea level and related impacts like land submergence, saltwater intrusion, disruption to network and communication systems are more likely. These risks are long term and included from perspective of planning appropriate infrastructure. TCS has set targets to reduce carbon emissions (scope 1 and 2) by 70% in 2025 compared to 2016 base year and achieve Net Zero by 2030. These are aligned with the global goals taken under the Paris agreement to fight global warming by keeping the planet's temperature below 1.5 degrees Celsius. TCS has reduced its absolute carbon footprint across Scope 1 and Scope 2 by 80% in FY 2024 over a baseline of 2016, exceeding TCS' target achievement by 10%, one year ahead of time.

Business model and value chain

TCS' business model and value chain includes its customers and suppliers. The sustainability and climate related transition risks are covered here along with some mitigation plans.

Customers: TCS is an IT services and business solution provider company working mostly with Fortune 1000 or Global 2000 corporations and the public sector. The customer perception around climate change risks has strengthened, especially in the major markets, and this is reflected in the increasing customer requests on climate change performance through platforms like CDP, SBTi commitment, RFPs. These all show how adapting to changing customer behaviour around climate change is crucial for business continuity.

TCS' stakeholders, especially its customers and employees look at it as a responsible corporate citizen when it comes to climate action. The company's efforts in this domain have been recognized through ESG ratings and CDP ratings / climate change performance (carbon reduction against targets, % renewable energy). In an event, if TCS is unable to meet its climate change commitments, it can lead to a negative impact on its brand and reputation, as well as ESG ratings. A failure to meet the targets, customer expectations or evolving regulatory requirements could also potentially affect its market capitalization. TCS ensures that these risks are identified at an early stage and work on mitigation and improvement plans.

The company also has a robust business continuity plan. It is an end-to-end framework that effectively manages through defined policy, procedures, guidelines and through in-house developed tools that support planning and communication with all stakeholders. The framework is fully compliant and certified to ISO 22301:2019, CMMI-SVC and is integrated with TCS quality management system for consistent deployment across the organization. TCS also has Emergency Preparedness Plans (EPP) for disasters such as earthquake, floods, cyclones etc in its internal portal. The plan outlays the responsibilities of action owners, plan description including precautions to be taken, evacuation procedures and post incident action plan which would need to be followed at locations facing the emergency scenario.

Suppliers: Towards ongoing sustainability assessment, TCS launched its Supplier Sustainability Assessment Platform in FY 2023 and initiated on-boarding of its top supply chain partners. Through this platform, TCS plans to support its suppliers with engagement and guidance to help them improve their sustainability performance. In FY 2024, the company has successfully assessed 17% of its value chain partners (by spend) for sustainability criteria. These efforts ensure that all suppliers who form upstream part of the value chain are assessed for sustainability and climate risks.

Strategy and decision-making

Climate-related risks and opportunities have influenced TCS' strategy in the following ways:

Area	Description of influence
Products and services	As TCS' customers respond to climate change actions, the company is seeing opportunities to provide technology-led solutions to help them achieve their sustainability goals. The change in technology consumption reflects the prevailing trends in the economy. Recent events have accelerated digital adoption, put the spotlight on supply chain resilience and added urgency to the sustainability imperative. Each of these represents an opportunity that can contribute towards the growth of not just as one company, but of the ecosystem. TCS leveraged its deep expertise in IoT, advanced analytics, and machine learning to come up with a suite of offerings in this space, including intellectual property such as Clever Energy™, IP2™, and TCS Envirozone™. Clients across industries are engaging us to develop innovative technology led solutions to reduce energy consumption, or to measure and track green-house gas emissions across their end-to-end supply chain, reduce their carbon footprint, reduce waste and promote recycling.

Area	Description of influence
Supply chain and/or value chain	Supply Chain sustainability through responsible sourcing is one of the risk mitigations that TCS has identified under its sustainability risk. TCS's Green Procurement policy outlines its commitment to making its supply chain more responsible and sustainable. Energy efficiency is one of the major procurement considerations in all the company's IT assets procurement as this is directly correlated with its emission profile. Climate related risks play a very important role in supply chain engagements, and TCS is working with its suppliers to bring in improvements in overall supply chain sustainability related aspects. As mentioned in the previous section on suppliers, TCS has launched the supplier sustainability assessment platform to facilitate improvements in the supply chain through evaluation and assessment of suppliers.
Investment in R&I	TCS' investments in R&I have resulted in solutions like Envirozone™, Clever Energy and IP2™. TCS has been using Clever Energy for the last several years to monitor and help reduce its energy consumption and is now commercially selling it and the other two solutions to clients to help them achieve their sustainability goals. Additionally, TCS has been investing in building green campuses (IGBC certified). These initiatives have enabled reduction of carbon footprint
Operations	Climate Change risks play an important consideration in TCS' operations. TCS has created an environmentally sustainable approach by creating green policies, processes, frameworks, and infrastructure. The company's campuses are designed to withstand extreme weather events and the business continuity plans are tested periodically to ensure continued operations without any disruption. Green buildings, efficient operations, green IT, the use of renewable energy to reduce carbon footprint; adoption of newer technologies and methods to manage waste in line with circular economy principles are integral to business operations. These all help the company in achieving its emission reduction targets and journey towards Net Zero by 2030.
Direct costs, Capital expenditures, Capital allocation assets	Climate risks and opportunities are one of the factors while making financial considerations especially while making investments in offices, equipment, and renewable energy production. Investment in these areas constitutes a substantial share of the company's overall capital investment. Major investments are in green buildings, roof top solar and other energy efficiency initiatives. Refer BRSR section, Principle 6, page number 152, 153 for more details on the initiatives that also help the company to position itself as leaders in the climate domain hence contribute substantially to its market value.

Financial position, financial performance, and cash flows

Substantive financial or strategic impact of Risk Assessment:

Climate risks like business disruption, changing regulatory landscape, acute physical stress and transition risks are identified, prioritized, assessed and managed by the ERM team. Anything with the potential to disrupt regular operations by more than 10% and triggers Business Continuity Plans at the sites is considered as substantial. The financial risk exposure is calculated considering the following quantifiable indicators- (1) Proportion of business units affected OR percentage of operations impacted; (2) Probability of occurrence of extreme climate related events, and 3) the impact potential at the affected locations based on size of operation. In any given year the overall potential financial impact due to an extreme weather event is considered as 0.75% of the revenue. TCS considers a risk tolerance of 10% of the exposure for climate related risks and considered as substantive. Based on the severity and the risk exposure, the appropriate risk response is finalized, and mitigation actions are assigned to relevant functions.

The company has identified the following climate-related risks with the potential to have a substantive financial or strategic impact on the company's business:

- a. **Risk of impact on direct operations:** TCS has large operations based out of offices in coastal cities which have a high exposure to extreme weather events like high rainfall, cyclones, rise in sea level, etc. During FY 2024, there were no major cyclones that effected the company's campuses. However, earlier event like Cyclone Amphan led to damages in its Kolkata, India campus specifically to the rooftop solar PV installations, solar water heater panels, roof mounted HVAC components, HRW electrical panel room, energy bin of biogas chamber, apart from multiple water leakages at basement and many other external physical damages. This indicates the increased severity and frequency of extreme weather events such as cyclones and floods and the impact these can cause directly on the operations. TCS accounts for such risks at design stage through cyclone and flood water resistance considerations while constructing new buildings. For greenfield projects, the building structure is designed (a) for seismic load as per IS 1893 (Part-1) 2016; Amendment No:2-2020 and (b) for wind speeds as per IS 875 codes.

TCS has a strong business continuity plan (critical business operations can be shifted to another city/country/geography) and therefore these physical risks will not affect the business operations significantly, except for the financial implications related to infrastructure damages (if any). Hence the potential financial impact due to physical damage because of extreme weather events is calculated as a percentage of revenue using a risk factor, which in turn is arrived through the company's risk assessment exercises. The potential financial impact will be 0.75% of the revenue which comes to approximately ₹ 1,807 crores or US\$218 million.

- b. **Risk of increase in capital expenditure:** TCS is an IT services, consulting, and business solutions organization with a presence across multiple geographies, industries, services and products. Being one of the frontrunners in ESG performance, in 2021, the company has taken up ambitious carbon targets as mentioned in previous sections and have also achieved its near-term targets 2 years ahead

of timelines. In FY 2024, TCS has further brought down its Scope 1 and Scope 2 emission by 80% over base year 2016. This was despite increased electricity consumption in FY 2024 from employees' return to office and addition of new offices to the reporting boundary. Apart from organizational level commitments, the emerging regulations also motivate TCS to transition towards low carbon business. TCS will need additional CAPEX and OPEX to ensure compliance. The company has envisaged this as a risk, and is developing greener solutions and transitioning to renewable energy. In FY 2024, RE accounts for **74%** of total energy and have increased percentage of green tariff.

- i. TCS' new campuses are designed according to green building standards for energy and resource efficiency to reduce the carbon footprint. The company invests in energy efficiency initiatives taking into consideration a payback period of 4-5 years. It is also retrofitting its older buildings with energy efficient equipment.
 - ii. TCS' IoT-based Real-time Energy Management System (TCS Clever Energy™) initiative that involves real time monitoring to optimize the operational energy efficiency is used across all offices. This smart, scalable, analytics driven IoT solution uses TCS Connected Universe Platform (TCUP) IoT platform, which forms the backbone enabling visualization of data acquired from various locations and facilities' energy meters and sensors.
 - iii. While the above initiatives were carried out across TCS India campuses, focus towards achieving Net Zero is also driven through carbon neutrality across Scope 1 and Scope 2 emissions in North America, UK and Ireland, Europe, Asia Pacific, Japan, Latin America, and Middle East & Africa.
- c. **Risk of Impacting Reputation and Brand Value:** TCS is an IT services company working mostly with Fortune 1000 or Global 2000 corporations and the public sector. The customer perception around climate change risks has strengthened, especially in the major markets, and this is reflected in the increasing customer requests on climate change performance through platforms like CDP, SBTi commitments, RFPs and other surveys/ questionnaires. Thus, in an event if TCS is unable to meet its climate change commitments, it can impact the company's brand and reputation, as well as international ESG ratings. The risk due to the same is realized in terms of the company's brand value and the risk is estimated as 0.1% of the same. In FY 2024, TCS brand value rose to US\$19.2 billion (Source: Brand Finance). Hence, the potential financial impact due to this risk is estimated at US\$19.2 million. To mitigate these impacts, the company has undertaken many initiatives to mitigate its environmental impact which includes green building design, energy efficient building and IT infrastructure, and transition to renewable energy. All the stakeholders are well informed about TCS' climate change performance through its external disclosures which helps to minimize the reputational risks.

TCS has identified the following climate-related opportunities with the potential to have a substantive financial or strategic impact on its business:

- i. TCS has a large building footprint with its campuses alone covering more than 38 million sq. ft area in India. Out of this, over 67.3% of its buildings are certified to IGBC Green Building standards. TCS has steadily increased its portfolio of green buildings, thereby ensuring energy efficiency in its buildings and reducing both emissions and operating expenditures. Apart from this, the company is also working on improving and upgrading its energy efficiency in existing buildings. Few years back, TCS India took up a major project to change the luminaires to LEDs across its locations which contributed towards significant energy savings. Major retrofits were carried out at some locations with legacy infrastructure to improve the efficiency levels. The TCS Remote Energy Management and Control program witnessed rapid scaling up and further maturity during the year by leveraging IoT platform to acquire asset (chillers, air handling units, etc.) level data which is analyzed to improve asset efficiency and operations. The data center PUE (weighted average) of 1.70 was achieved for the corporate data centers at Mumbai and Chennai. In FY 2024, TCS has achieved a saving to the tune of 16,301 MWh due to energy saving initiatives. (This includes HVAC energy efficiency projects, UPS based energy efficiency projects, expansion in green buildings and real time monitoring of energy efficiency). TCS uses multiple energy sources in its daily operations, electricity being the primary source. Majority of the electricity comes from conventional sources, but TCS has increased the share of renewable electricity (RE) over the years through onsite rooftop solar generation, third party procurement and purchase of Energy Attribute Certificate (EAC) (in select geographies). The RE consumption as a percentage of total electricity consumption has increased from 15.6% in FY 2021 to 74% in FY 2024. TCS' owned roof top solar projects contribute 3 % of the same. Apart from roof top solar photo voltaic installations, TCS increased the renewable energy procurement through a switch over to green tariffs for operations and open access power purchase agreements (PPA).
- ii. TCS is looking at developing solutions that respond to changing consumer behaviour. Through its Connected Marketing team, TCS uses sustainability in the social media perspective to better understand the 'green' needs of its consumers, and to also see how consumers are reacting to the new green products that have been introduced. Changing consumer behaviour and expectations are most reflective in the power utility space. Towards this area, TCS has developed several strategic partnerships, towards thought-leadership development and solution enhancement (Example: Smart Power and Smart Energy are key solution areas of TCS' Utilities Industry Unit).

Climate Resilience

A brief description of the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Climate related scenario	Parameters, assumptions, analytical choices
Transition scenarios IEA B2DS	The climate change scenario analysis conducted for TCS takes a multi-level approach to identify climate risk and opportunity hot spots, interdependencies, and interaction with global macro trends. The top-down analysis of the macro environmental trends that will impact the company at global level included, a) nature loss and ecological degradation, b) resource scarcity and driving value chain innovation, c) changing customer and workforce preferences, d) the rise of extreme weather, e) increasing regulations, pricing and disclosure of externalities, f) digitalization and prevalence of infectious diseases and g) rising incomes. Detailed analysis was conducted of material climate change transition risks and opportunities across value chain and assessment of interdependencies between climate risks and opportunities including identification of areas of potential magnification and hedge opportunities. The key value driver analysis assesses climate risks and opportunities across 3 stages of the value chain including a) Supply Chain (input supplies costs, disruption and access to supplies) b) Operations (carbon costs, operating costs, insurance/ damage costs due to disruption of operation) and c) End Markets (demand for low carbon services/ products, market share and competition). In the transition scenario, the IEA B2DS approach has been selected as its more conservative scenario. The inputs included those from Intergovernmental Panel for Climate Change (IPCC) reports, the Nationally Determined Contributions (NDCs), the Sustainable Development Goals (SDGs) and Government of India plan on energy efficiency and solar energy. The assumptions used in the analysis also considered the anticipated growth of TCS over the years and increased energy demand. Changing customer behaviour and carbon costs are assessed as a transition risk to TCS with a growing number of jurisdictions at regional and national level planning to implement a carbon tax or emission trading scheme.
Physical climate scenarios RCP 8.5	The climate change scenario analysis conducted for TCS takes a multi-level approach to identify climate risk and opportunity hot spots, interdependencies, and interaction with global macro trends. The top-down analysis of the macro environmental trends that will impact the company at global level included, a) nature loss and ecological degradation, b) resource scarcity and driving value chain innovation, c) changing customer and workforce preferences, d) the rise of extreme weather, e) increasing regulations, pricing, and disclosure of externalities, f) digitalization and prevalence of infectious diseases and g) rising incomes Detailed analysis was conducted of material climate change physical risks and opportunities across value chain and assessment of interdependencies between climate risks and opportunities including identification of areas of potential magnification and hedge opportunities. The key value drivers' analysis assesses them across 3 stages of the value chain including a) Supply Chain (input supplies costs, disruption and access to supplies) b) Operations (carbon costs, operating costs, insurance/ damage costs due to disruption of operation) and c) End Markets (demand for low carbon services/ products, market share and competition) The physical risk is assessed using the RCP 8.5 scenario. The RCP 8.5 scenario takes a global warming between 3-4 degrees above pre-industrial levels which is a conservative scenario and helps TCS understand the worst-case climate impacts on its operations. The inputs included IPCC reports, the NDCs, the SDGs and Govt. of India plan on energy efficiency and solar energy. The assumptions used in the analysis also considered the anticipated growth of TCS over the years and increased energy demand. Few strategies to mitigate physical risks of climate change include: 1) A robust Business Continuity Plan (BCP) to respond to climate events 2) Investments in climate resilient infrastructure (for cyclone, floods).

Section 3: Risk management

At TCS, the Corporate Risk Office, led by the Chief Risk Officer, is responsible for driving Enterprise Risk Management (ERM) across all functions in line with TCS Global Risk Management Policy. Refer the MD&A section on page numbers 78, for details on how ERM is driven across the company on all topics, including climate related risks and opportunities. The company also considers evolving concepts, trends, policies, customer requirements, regulations, and climate scenario analysis to identify Risk & Opportunities. The company also considers international guidelines/frameworks like GRI, SASB, and CDP for Risk & Opportunity drivers.

Risk Assessment Methodology: Refer the MD&A section page number 79 of the TCS Integrated Annual Report for information on Enterprise Risk Management process followed at TCS.

All climate-related risks are embedded into entity's overall risk management process. TCS has an internal application where identified risks are baselined at the beginning of the year, tracked quarterly and updated with relevant progress. Each risk has an expiry date. Each risk owner responds with the progress and at the end of the financial year ensures closing of the risk.

Section 4: Metrics and targets

Climate related metrics

- a. **Climate-related metrics** – Scope 1,2 and 3 greenhouse gas (GHG) emissions in metric tons of CO₂ equivalent are disclosed on page number 152, 158 of the BRSR report. The emissions are in accordance with the GHG Protocol Corporate Accounting and Reporting Standards. TCS has a robust environmental sustainability tool where all relevant environmental data are collected monthly, validated, and internally assured periodically across geographies. All locations within the operational control of TCS are included in the boundary of environmental data reporting (consolidated accounting group as per IFRS-S2). GHG emission factors are used from the latest version of IEA, DEFRA, USEPA, GHG Protocol All Sector Tools and regional sources for specific geographies (e.g. CEA for India) to estimate the GHG emissions. The approach, inputs and assumptions are detailed on Page number 152, 158 as part of the BRSR section. The carbon emission data is independently assured by external assurance providers at the end of the financial year. In FY 2024, scope 1 and 2 emissions have undergone reasonable assurance and scope 3 has been subject to limited assurance by KPMG. TCS reports its scope 1, 2 and 3 emissions in the Integrated Annual Report and in CDP (Climate change) disclosures.
- b. **Climate-related transition risks**—Business activities vulnerable to climate-related transition risks;- Refer section Sustainability Risks- Climate change and Environmental aspects (R & O), page number 86.
- c. **Climate-related physical risks**—Business activities vulnerable to climate-related physical risks;- Refer section Sustainability Risks- Climate change and Environmental aspects (R & O), page number 86.
- d. **Climate-related opportunities**—Business activities aligned with climate-related opportunities;- Refer section Sustainability Risks- Climate change and Environmental aspects (R & O), page number 86.
- e. **Capital deployment**—the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities;- Refer BRSR section in Principle 2 (Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively, Page number 135)
- f. **Internal carbon prices:**

The organization has calculated an internal carbon price based on the total investments envisaged for energy efficiency programs, transition to renewable energy and other investments towards emission reductions. Currently TCS does not apply this carbon price to determine the feasibility of projects or to apply a carbon tax to generate funding for the projects. All these projects and initiatives are driven through internal accruals since they align to overall company and Tata Group philosophy. Currently, TCS is not focusing on offsetting to drive reductions and the company may take up the carbon cost/tax mechanism in the future to generate budgets for purchase of offset instruments. In the coming years, the company may plan to consider applying a carbon tax to business travel (and employee commuting-company provided transport) to bring out the “carbon” cost. This will help reduce Category 6 and 7 of Scope 3 emissions by either reducing travel or switching to carbon efficient means of travel and transportation (like EVs). The price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions is ₹ 2,365.

Business decision-making processes this internal carbon price is applied to are:

- Capital expenditure
- Operations procurement
- Risk management
- Opportunity management
- Value chain engagement

Remuneration: Refer page number 103 for information on remuneration of the Board members.

Climate-related targets

TCS' climate related targets are mentioned along with its metrics, timeline, and performance in page 24, 25 of the Natural Capital section. In May 2021, TCS set carbon target of 70% reduction of absolute Scope 1 + 2 emissions by 2025 (vs base year 2016) and Net Zero by 2030. This target setting is aimed to mitigate the carbon emissions from its activities and enables adapting to climate change risks. The target applies to the entity in entirety across geographies. TCS has already achieved 71% reduction in scope 1 and 2 emissions in FY 2023 (Vs 2016) and 80% reduction in FY 2024 (Vs 2016) thereby overachieving the targets much ahead of its timelines.

The performance against the targets is disclosed in this Integrated Annual Report in the Natural Capital Section on Page numbers 24 and 25.

TCS has made its commitment to SBTi targets. In June 2022, TCS has responded to SBTi's urgent call for corporate climate action by committing to align with 1.5°C and net-zero through the Business Ambition for 1.5°C campaign. This is published on SBTi website and can be viewed at Companies taking action- [Science Based Targets](#). TCS is working towards submitting the targets for validation by SBTi.

GRI Content Index¹

TCS' Integrated Annual Report 2023-24, which includes the Board and Management Commentary, Compliance Reports, Financial Statements, and the Business Responsibility and Sustainability Report, is with reference to the Global Reporting Initiative (GRI) Standard. The Report also conforms to the United Nations Global Compact (UNGC) principles and forms the basis of the company's Communication on Progress (CoP) with the UNGC.

The following table provides the mapping of disclosures for FY 2024 against the GRI standard requirements.

GRI Standard Disclosure and Description	Section *	Page No.
GRI 2: General Disclosures 2021		
1. The organization and its reporting practices		
2-1 Organizational details	• BRSR	127
2-2 Entities included in the organization's sustainability reporting	• BRSR	128, 129
2-3 Reporting period, frequency and contact point	• BRSR	127
2-4 Restatements of information	• BRSR	127
2-5 External assurance	• BRSR	128, 132
2. Activities and workers		
2-6 Activities, value chain and other business relationships	• BRSR	128
2-7 Employees	• BRSR	128
2-8 Workers who are not employees	• BRSR	128
3. Governance		
2-9 Governance structure and composition	• CG • BRSR	93, 94 132
2-10 Nomination and selection of the highest governance body	• CG	93, 94
2-11 Chair of the highest governance body	• CG	94
2-12 Role of the highest governance body in overseeing the management of impacts	• CG	94, 95
2-13 Delegation of responsibility for managing impacts	• CG • BRSR	102 132
2-14 Role of the highest governance body in sustainability reporting	• CG	95, 147
2-15 Conflicts of interest	• CG	94
2-16 Communication of Critical Concerns	• BRSR	130, 138, 142, 147, 148, 162, 164
2-17 Collective knowledge of the highest governance body	• BRSR	132
2-18 Evaluation of the performance of the highest governance body	• Directors' Report • CG	58 95
2-19 Remuneration policies	• CG • BRSR	102 147
2-20 Process to determine remuneration	• CG	95, 100, 102
2-21 Annual total compensation ratio	• BRSR	147
4. Strategy, policies and practices		
2-22 Statement on sustainable development strategy	• Letter from the CEO • MD&A • BRSR	8 70 132, 146
2-23 Policy commitments	• BRSR	131, 133, 148, 165
2-24 Embedding policy commitments	• BRSR	131, 148

¹ Requirement 7: Publish a GRI Content Index

* MD&A: Management Discussion and Analysis, CG: Corporate Governance Report, BRSR: Business Responsibility and Sustainability Report

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2-26 Mechanisms for seeking advice and raising concerns	• BRSR	130, 138, 142, 147, 148, 162, 164
2-27 Compliance with laws and regulations	• BRSR	133, 156
2-28 Membership associations	• BRSR	160
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2-29 Approach to stakeholder engagement	• BRSR	143, 144
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3-1 Process to determine material topics	• Stakeholder Engagement and Identification of Material Topics	315
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3-3 Management of material topics	• MD&A • BRSR • TCS ESG Principles, Material Topics and Initiatives	79 130, 131, 141, 142, 155 316, 317
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GRI 201: Economic Performance 2016		
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GRI 202: Market Presence		
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205-2 Communication and training about anti-corruption policies and procedures	• BRSR	133
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207-1 Approach to tax	• CG	95
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GRI 300: Environmental Performance		
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302-1 Energy consumption within the organization	• BRSR	149, 150
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GRI 303: Water and Effluents 2018		
303-1 Interactions with water as a shared resource	• BRSR	151, 156
303-2 Management of water discharge-related impacts	• BRSR	151
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303-4 Water discharge	• BRSR	156
303-5 Water consumption	• BRSR	150

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304-2 Significant impacts of activities, products and services on biodiversity	• BRSR	159
304-3 Habitats protected or restored	• BRSR	159
GRI 305: Emissions 2016		
305-1 Direct (Scope 1) GHG emissions	• BRSR	152
305-2 Energy indirect (Scope 2) GHG emissions	• BRSR	152
305-3 Other indirect (Scope 3) GHG emissions	• BRSR	158
305-4 GHG emissions intensity	• BRSR	152, 158
305-5 Reduction of GHG emissions	• BRSR	152
GRI 306: Waste 2020		
306-2 Management of significant waste-related impacts	• BRSR	135, 136, 155
306-3 Waste generated	• BRSR	154
306-4 Waste diverted from disposal	• BRSR	154
306-5 Waste directed to disposal	• BRSR	154
GRI 308: Supplier Environmental Assessment 2016		
308-1 New suppliers that were screened using environmental criteria	• BRSR	135, 160
308-2 Negative environmental impacts in the supply chain and actions taken	• BRSR	160
GRI 400: Social Dimension		
GRI 401: Employment 2016		
401-1 New employee hires and employee turnover	• Human Capital • BRSR	18, 19 129
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	• BRSR	137
401-3 Parental leave	• BRSR	138
GRI 402: Labor/Management Relations 2016		
402-1 Minimum notice periods regarding operational changes	• MD&A	74
GRI 403: Occupational Health and Safety 2018		
403-1 Occupational health and safety management system	• BRSR	139
403-2 Hazard identification, risk assessment, and incident investigation	• BRSR	140, 141
403-3 Occupational health services	• BRSR	139
403-5 Worker training on occupational health and safety	• BRSR	139
403-6 Promotion of worker health	• BRSR	140
403-9 Work-related injuries	• BRSR	141, 142
403-10 Work-related ill health	• BRSR	141, 142
GRI 404: Training and Education 2016		
404-1 Average hours of training per year per employee	• Human Capital • BRSR	19, 139
404-3 Details of performance and career development reviews of employees	• BRSR	139
GRI 405: Diversity and Equal Opportunity 2016		
405-1 Diversity of governance bodies and employees	• Human Capital • BRSR	18, 19 129
405-2 Ratio of basic salary and remuneration of women to men	• BRSR	146, 147
GRI 406: Non-discrimination 2016		
406-1 Incidents of discrimination and corrective actions taken	• BRSR	148
GRI 413: Local Communities 2016		
413-1 Operations with local community engagement, impact assessments, and development programs	• Social Capital • BRSR	23 156, 162
GRI 414: Supplier Social Assessment 2016		
414-2 Negative social impacts in the supply chain and actions taken	• BRSR	143


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Independent Practitioners' Limited Assurance Report

To the Directors of Tata Consultancy Services Limited

Assurance report on select sustainability disclosures in the Integrated Annual Report prepared in accordance with the Business Responsibility and Sustainability Reporting (BRSR) framework and with reference to the Global Reporting Initiative (GRI) Standards 2021 (together called 'Identified Sustainability Information' (ISI)) of Tata Consultancy Services Limited (TCS) (the 'Company') for the period from 1 April 2023 to 31 March 2024.

Opinion

We have performed an assurance engagement on the Identified Sustainability Information (ISI) as detailed in the table below:

Identified Sustainability Information (ISI) subject to assurance	Period subject to assurance	Page number in the Annual Report	Reporting criteria
Select GRI and BRSR attributes (which are not part of BRSR Core) (refer Annexure 1)	From 1 April 2023 to 31 March 2024	127 to 166 and 315 to 327	- <i>GRI Standards 2021</i> - <i>Regulation 34(2)(f) of the Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (SEBI LODR)</i> - <i>World Resource Institute (WRI) / World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol (A Corporate Accounting and Reporting Standards)</i> - <i>Corporate Value Chain (Scope 3) Accounting & Reporting Standard</i> - <i>Guidance note for BRSR format issued by SEBI</i>

This engagement was conducted by a multidisciplinary team including assurance practitioners, engineers and environmental and social professionals.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the company's Identified Sustainability Information on pages [127] to [166] and [315] to [327] of the Annual Report relating to select GRI and BRSR attributes (which are not part of BRSR Core) for the year ended 31 March 2024, subject to limited assurance is not prepared, in all material respects, in accordance with the the *World Resource Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol (A Corporate Accounting and*



Reporting Standards), and the Corporate Value Chain (Scope 3) Accounting & Reporting Standard , Regulation 34(2)(f) of the Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (SEBI LODR) and with reference to the GRI Standards (2021) and basis of preparation set out in page 128 Section A: General Disclosures 13 of the Integrated Annual Report.

We do not express an assurance opinion on information in respect of any other information included in the Integrated Annual Report 2024 or linked from the Sustainability Information or from the Integrated Annual Report 2023, including any images, audio files or embedded videos.

Basis for opinion and conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*, and ISAE 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under those standards are further described in the “Our responsibilities” section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other information

Additionally, we have performed a reasonable assurance engagement on SEBI BRSR Core attributes and issued an independent assurance report on 08 May 2024.

Our report thereon is included with the other information.

Our limited assurance opinion on the ISI does not extend to other information that accompanies or contains the ‘ISI and our assurance report’ (hereafter referred to as “other information”). We have read the other information, but we have not performed any procedures with respect to the other information.

Other matter

Select BRSR and GRI attributes of the Company for the year ended 31 March 2023 were assured by the previous assurance practitioner who had expressed an unmodified opinion on 09 June 2023.

Our opinion is not modified in respect of this matter.



Intended use or purpose

The ISI and our limited assurance report are intended for users who have reasonable knowledge of the BRSR attributes and GRI attributes, the reporting criteria and ISI and who have read the information in the ISI with reasonable diligence and understand that the ISI is prepared and assured at appropriate levels of materiality.

Our opinion is not modified in respect of this matter.

Responsibilities for Identified Sustainability Information (ISI)

The management of the company are responsible for:

- designing, implementing and maintaining internal control relevant to the preparation of the Identified Sustainability Information that is free from material misstatement, whether due to fraud or error;
- selecting or developing suitable criteria for preparing the Identified Sustainability Information and appropriately referring to or describing the criteria; and
- preparing the Identified Sustainability Information in accordance with the reporting criteria.

Those charged with governance are responsible for overseeing the reporting process for the company's ISI.

Exclusions:

Our assurance scope excludes the following and therefore we will not express a conclusion on the same:

- Operations of the Company other than those mentioned in the "Scope of Assurance".
- Aspects of the BRSR and GRI attributes and the data/information (qualitative or quantitative) other than the ISI.
- Data and information outside the defined reporting period i.e., 1 April 2023 to 31 March 2024.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

Inherent limitations

The preparation of the company's sustainability information requires the management to establish or interpret the criteria, make determinations about the relevancy of information to be included, and make estimates and assumptions that affect the reported information.

Measurement of certain amounts and BRSR and GRI attributes, some of which are estimates, is subject to substantial inherent measurement uncertainty, for example GHG emissions, water footprint, energy footprint. Obtaining sufficient appropriate evidence to support our opinion/conclusion does not reduce the uncertainty in the amounts and metrics.



Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain a limited assurance about whether the ISI is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Directors of TCS.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgement and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence that is sufficient and appropriate to provide a basis for limited assurance conclusion.

Limited assurance conclusion

Our procedures selected depended on our understanding of the information subject to limited assurance and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, we:

- assessed the suitability of the criteria used by the company in preparing the information subject to limited assurance;
- interviewed senior management and relevant staff at corporate and selected locations concerning policies for occupational health and safety, and the implementation of these across the business;
- through inquiries, obtained an understanding of TCS's control environment, processes and information systems relevant to the preparation of the information subject to limited assurance, but did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness;
- made inquiries of relevant staff at corporate and selected locations responsible for the preparation of the information subject to limited assurance;
- undertook ten site visits out of which seven were physical site visits and three were virtual site visits; we selected these sites based on the relative size of the workforce of these locations to the total workforce, unexpected fluctuations in the information subject to limited assurance since the prior period, and sites not visited in the prior period;
- inspected, at each site visited, a limited number of items to or from supporting records, as appropriate;
- applied analytical procedures, as appropriate;
- recalculated the information subject to limited assurance based on the criteria; and



- evaluated the overall presentation of the information subject to limited assurance to determine whether it is consistent with the criteria and in line with our overall knowledge of, and experience with, the company's occupational health and safety.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

A handwritten signature in blue ink, appearing to read 'Shivananda Shetty', written over a horizontal line.

Shivananda Shetty
Partner

KPMG Assurance and Consulting Services LLP

Date: 08 May 2024

Place: Mumbai



Appendix – 1

Select BRSR and GRI attributes

GRI Indicator	BRSR Linkage	Type of Assurance
302-1-(a), (b), (c)-i, (e) Energy consumption within the organization	P6 E1- Details of total energy consumption (in Joules or multiples)	Limited
302-3 (a) Energy intensity	P6 E1- Details of total energy intensity	Limited
303-3-(a)-I, 303-3-(a)-ii, 303-3-(a)-iii, 303-3-(a)-iv	P6 E3- Provide details of water withdrawal by source	Limited
303-1-(a), 303-2-(a), 303-4	P6 E4- Provide details of water discharged	Limited
303-5 (a)	P6 E3- Provide details of water consumption	Limited
305-1 (a), (b), (c), (d), €Direct (Scope 1) GHG emissions	P6 E7- Provide details of greenhouse gas emissions (Scope 1)	Limited
305-2 (a), (b), (c), Energy indirect (Scope 2) GHG emissions	P6 E7- Provide details of greenhouse gas emissions (Scope 2)	Limited
305-4 (a), (b), GHG emissions intensity	P6 E7 - Provide details of greenhouse gas emissions (Scope 1 and Scope 2) intensity	Limited
306-3-(a) Waste generated	P6 E9- Provide details related to waste generated by category of waste	Limited
306-4-(a), (b-i), (b-ii), (b-iii), (c-i), (c-ii), (c-iii) Waste diverted from disposal	P6 E9 - Provide details related to waste recovered through recycling, re-using or other recovery operations	Limited
306-5-(a), (b-i), (b-ii), (b-iii), (c-i), (c-ii), (c-iii), (c-iv) Waste directed to disposal	P6 E9- Provide details related to waste disposed by nature of disposal method	Limited
403-9-(a-i-v), 403-9-(b-i-v), Work-related injuries	P3 E11- Details of safety related incidents including lost time injury frequency rate, recordable work-related injuries, no. of fatalities	Limited
303-1 Interactions with water as a shared resource	No direct Linkage	Limited
303-2 Management of water discharge-related impacts	No direct Linkage	Limited
303-3-b-(i-iv), 303-4-a-(i-ii) Water withdrawal	P6 L1- Water withdrawal, consumption, and discharge in areas of water stress (in kiloliters)	Limited
303-1-(a), 303-2-(a), 303-4 303-3-b-(i-iv), 303-4-a-(i-iv) Water discharge	P6 L1- Water withdrawal, consumption, and discharge in areas of water stress (in kiloliters)	Limited
303-5 (a) 303-3-b-(i-iv), 303-4-a-(i-ii) Consumption	P6 L1- Water withdrawal, consumption, and discharge in areas of water stress (in kiloliters)	Limited



304, 413-1-(a-ii), 303-1- (a), 303-1- (c) Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	P6 E11- If the entity has operations/offices in/around ecologically sensitive areas where environmental approvals /clearances are required, please specify the location and type of operations and if the conditions of environmental approval / clearance are being complied with?	Limited
304-2, 304-2-a-(i-vi), 304-2-b-(i-iv), 304-3-(a) Significant impacts of activities, products and services on biodiversity	P6 L3- With respect to the ecologically sensitive areas, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.	Limited
305-3, 305-3- (a, b) Other indirect (Scope 3) GHG emissions	P6 L2 – Provide details of total Scope 3 emissions	Limited
305-4- (a), (b), (c), (d) GHG emissions intensity	P6 L2 – Provide details of total Scope 3 emissions intensity	Limited
305-5-(a), (b), (c), (d) Reduction of GHG emission	P6 E8 – Projects related to reduction of Green House Gas emissions	Limited
306-2 Management of significant waste-related impacts	No direct Linkage	Limited

GRI Indicator	BRSR Linkage	Type of Assurance
308-1, 308-1 (a) New suppliers that were screened using environmental criteria	P6 L7- Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts	Limited
401-1 (b) New employee hires and employee turnover	Section A 22- Turnover rate for permanent employees and workers	Limited
401-2, 201-3-b-(i-iii), 201-3-c, 201-3-d, 201-3-e Benefits provided to full-time employees that are not provided to temporary or part-time employees	P3 E1- Details of retirement benefits, for Current Financial Year	Limited
401-3 Parental leave	P3 E5- Return to work and Retention rates of permanent employees that took parental leave	Limited
403-1 (a), (b)	P3 E10- Health and safety management system	Limited



Occupational health and safety management system		
403-2 (a), (b), (c), 403-4 (a), 403-6 (a) Hazard identification, risk assessment, and incident investigation		
403-5 (a), 404-1 (a-i), 404-2 (a) Worker training on occupational health and safety	P3 E8 -Details of training given to employees and workers	Limited
403-6, 3-3-(d-i-iii), 403-2-(a-i-ii), 403-9-(c-iii), 403-9-(d), 403-10-(c-iii) Promotion of worker health	P3 E12 -Describe the measures taken by the entity to ensure a safe and healthy workplace	Limited
404-1, 403-5-(a), 404-1-(a-i), 404-2-(a), 2-24-(a-iv), 205-2-(e), 403-5-(a), 404-1-(a-i-ii), 410-1-a Average hours of training per year per employee	P3 E8 -Details of training given to employees and workers P5 E1 -Employees and workers who have been provided training on human rights issues and policy(ies) of the entity	Limited
404-3 (a) Details of performance and career development reviews of employees	P3 E9 -Details of performance and career development reviews of employees	Limited
405-1 Diversity of governance bodies and employees	Section A 21 - Participation/Inclusion/Representation of women	Limited
405-2, 2-19-(a-i-v), 2-21-(a) Ratio of basic salary and remuneration of women to men	P5 E3 -Details of remuneration/salary/wages	Limited
2-25-(e), 406-1-(a) Incidents of discrimination and corrective actions taken	P5 E8 - Number of Complaints made by employees on sexual harassment, discrimination at the workplace, child and forced labour, wages and other human rights related issues	Limited
304-1-(a-i-v), 413-1-(a-i-iii), 203-1, 3-3, 2-25-(b), 413-1-(a-viii), 2-12-(b), 2-13- (a, b), 2-29-(a), 2-29-(a-i-iii), 3-3-(d-i-ii), 413-1-(a-iv), 203-1 Operations with local community engagement, impact assessments, and development programs	P6 E11 - If the entity has operations/offices in/around ecologically sensitive areas where environmental approvals /clearances are required, please specify the location and type of operations and if the conditions of environmental approval / clearance are being complied with? P8 E1 - Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year P8 E3 -Describe the mechanisms to receive and redress grievances of the community P8 L1 -Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments P4 L1 -Provide the processes for consultation between	Limited



	stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board. P4 L3 -Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.	
414-2 (a) Negative social impacts in the supply chain and actions taken	P3 L5 - Details on assessment of value chain partners.	Limited
2-7-(a), 2-7-(b-i & ii), 405-1-(b-iii) Employees	General Disclosures 20 a - Employees and workers (including differently abled):	Limited
2-8 (a) Workers who are not employees	General Disclosures 20 a - Employees and workers (including differently abled):	Limited
2-21 Annual total compensation ratio	No direct Linkage	Limited
3-2 List of material topics	No direct Linkage	Limited

[illegible]

[illegible]

Stakeholder Engagement



Customer

Asia Pacific
Customer Summit



Employee

Employee Townhall

Vendor Partners

AWS rings the
closing bell at
Nasdaq with TCS

(Photo credit:
Nasdaq, Inc. / Vanja Savic)



Government

Texas Governor
visit to Executive
Briefing Centre,
Mumbai, India



Industry Bodies

CEO speaking at
Nasscom Technology
and Leadership
Forum '2024



Local Community

BridgeIT

Local Community

goIT



International organizations, Forum Partners, Media

TCS joining global
leaders at WEF in
Davos, Switzerland



TCS Safe Harbor Clause

Certain statements in this release concerning our future prospects are forward-looking statements. Forward-looking statements by their nature involve a number of risks and uncertainties that could cause actual results to differ materially from market expectations. These risks and uncertainties include, but are not limited to, our ability to manage growth, intense competition among global IT services companies, various factors which may affect our profitability, such as wage increases or an appreciating Rupee, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on cross-border movement of skilled personnel, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which TCS has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, unauthorized use of our intellectual property, cyber attacks or security breaches, pandemics, natural disasters and general economic conditions affecting our industry. TCS may, from time to time, make additional written and oral forward-looking statements, including our reports to shareholders. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements.

IT Services
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