# TATA COMMUNICATIONS





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# WIRED FOR TOMORROW

SUSTAINABLE DEVELOPMENT REPORT 2020

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# WIRED FOR TOMORROW

The future cannot be predicted, but it can be prepared for. For it is not just what we do today, but also, how we are built today that will determine our tomorrow. While human ingenuity for change has fuelled incredible breakthroughs of our century, it will be our innate resilience and adaptability that will enable us to navigate the tectonic shifts that emerge from time to time. As a global digital ecosystem enabler, we are equipped to transform the disruptive nature of change, into an opportunity for innovation.

Driven by a desire to forge the future, innovation steers us to challenge the norm and redefine the normal. Wired for Tomorrow is our intrinsic ability to identify opportunities early, adapt fast and innovate faster. As we enable global enterprises to spearhead their own digital transformations, we realise our actions and decisions are vital for the preservation of our collective tomorrow. And enabling us in creating a better tomorrow is our resilient framework of strong value systems firmly interlinked with a robust operational ecosystem. In the fast-paced world of communications, this unique ability makes us equally nimble, so that we're prepared and stay ahead of change.

# **RESPONDING TO COVID-19**

The unexpected jolt triggered by the COVID-19 global pandemic has altered the definition of tomorrow for all of us. The global crisis brought businesses to an unprecedented halt, making agility and resilience critical for survival. Throughout this crisis, our top priority has been the safety of our employees and business continuity for our customers and partners.

At Tata Communications, we have been well prepared with a business continuity plan covering all functions, ensuring digital technologies bring us closer virtually in these times of physical distancing. Our operations are built for maximum flexibility ensuring swiftness in adopting new collaborative approaches. We believe that corporate agility, combined with a willingness to adapt to the new dynamic shifts and mindfulness in choosing how we act, rather than react, will hold us and our partners in good stead.

Navigating these turbulent times, requires us to unite as a society. We are grateful to public health organisations, health care workers on the frontlines, the government and all those fighting to keep our world safe and extend our full support in these times of need. In a world experiencing lockdowns, their spirit and dedication inspire us to unlock new avenues of hope and possibilities.

### **ABOUT THE REPORT**

### **TATA** COMMUNICATIONS

This is our maiden Sustainable Development Report covering our non-financial performance for the financial year 2019-20 (1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020).

Communicating how we have fared on the sustainability scale not only increases transparency but also augments our accountability to our stakeholders. This report includes aspects that are most material to our stakeholders and our business, with a focus on Environment, Social and Governance (ESG) issues.



We are determined to publish our Sustainable Development Report on an annual basis.

### **REPORTING BOUNDARY**

This Sustainable Development Report covers Tata Communications and our directly held subsidiaries (as referred to in our Annual Report).

The report provides an organisational overview, strategy, management approach disclosure, performance indicators and our initiatives for the material topics (as highlighted in the Materiality section, page 15) as per the Global Reporting Initiative reporting standards. For all these material topics, the report includes our global operations (America, Europe, India and Asia Pacific), exceptions being the performance disclosures on water, waste, labour management relations, indirect economic impacts and local communities that pertain to our India operations only.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. We endorse and adhere to UNGC, GRI, Sustainable Development Goals, National Voluntary Guidelines, Tata group Sustainability Policy and UK Modern Slavery Act. Wherever necessary, we have explained the assumptions and/or exceptions while reporting on the GRI indicator standards.

The assurance of this report was carried out by DNV GL in accordance with the Protocol for Verification of Sustainability Reporting (VeriSustain). There is an internal approval system in the Company for appointment on external assurance provider and approval of sustainability report.



# MD & CEO



At Tata Communications, we aim to create value for all our stakeholders by striking the right balance between people, planet, and profit. Sustainability is core to our strategy, policies and standards and we seek to embed this thinking across our own operations and our solutions for our customers.

As a long-time supporter of the United Nations Sustainability Development Goals (SDGs), sustainability has always been intrinsic in our DNA where we continually seek to improve our own carbon footprint and dedicate our reach and technology to help our customers transform their business, while conserving resources and harness our digital enablement expertise to drive community development.

Looking at where we are today - 2020 has been a year that has been marked by ecological events including floods, bushfires, typhoons and most recently, black swan events such as COVID-19, which has now evolved into a global pandemic. Much has been said about the opportunities to reset and reshape the world in a more sustainable way as these events bring the debate to the forefront of hearts and minds around the world.

One thing is for sure, all of us as individuals and corporations need to step-up and take ownership of the future. We can reimagine a new world, one in which we can sustain ourselves as envisioned in the SDGs and collectively prosper, if we ask ourselves the tough questions and challenge ourselves to continually do better. This mindset is one that we commit to as a business.

Our sustainability strategy is based on Environmental, Social and Governance (ESG) principles and aims to create long-term stakeholder value and sustainable growth for our business by managing risks and embracing opportunities, implementing robust governance practice and optimisation of the economic, environmental and social performance. Accordingly, out strategy corresponds to the three key pillars - People, Planet and Community, with a robust corporate governance structure.

#### WE ARE 'WIRED FOR TOMORROW'

It goes without saying that changes across the world in working practices, attitudes towards travelling, commuting and consumption will unlock opportunities to drive reduced carbon footprints - this alone, presents a window of competitive advantage for businesses that are agile in their approach, to stay relevant to the changing needs of the new world. And digitisation accelerates the creation of opportunities to fundamentally change the status quo.

This backdrop only strengthens our conviction that digital technology and environmental sustainability go hand-in-hand. We see them as two sides of the same coin, with a shared objective - to bring about efficiencies and growth with considered utilisation of resources, while changing the ways in which we develop and use technologies.

Thus, 'Wired for Tomorrow' is our intrinsic ability to not only help shape the future but also lead our customers towards it. This 'built-in adaptability' dovetails into 'business agility' and helps us embrace what is new.

#### TRANSITIONING TOWARDS RENEWABLE ENERGY

From voice-based, first-generation mobile networks to all-encompassing connectivity via video, IoT, next generation networking solutions, and more, we continuously renew and adapt to stay ahead of the change. However, with increased integration of ICT in our day-to-day lives, there is also an increase in energy consumption and associated  $CO_2$  emissions. To combat this, we have devised a two-pronged approach that includes ensuring high energy efficiency and a significant increase in the use of renewable energy.

In FY20, we sourced approximately 15 million units of renewable energy and are working to increase our renewable energy footprint by 65% (in India) by FY23 end.

# LETTER FROM THE MD & CEO

In parallel, to minimise our water usage and waste generation, we follow the 3R philosophy of Reduce, Reuse & Recycle. Initiatives like installing IoT water meters and Organic Waste Convertors are the catalysts that accelerate our transition towards a cleaner and greener environment.

#### PUTTING OUR PEOPLE FIRST

The environment we work in is as essential as the environment we live in. In an era of technology driven transformation, we realise it is our people - employees and extended teams - who power our growth. We make no compromises when it comes to their health and safety.

#### By ensuring a zero-harm culture, we have achieved zero fatalities for three years in a row.

This also inspires the commitment of our collective workforce, proving to be a valuable asset in our growth and enabling us to secure industry-wide recognition. Whether this be recognition from our customers for the outstanding support our teams delivered through COVID-19, which culminated with a top quartile Net Promoter Score from our customers for FY20, or multiple Best Employer and Great Place to Work recognitions we receive year on year across geographies or even being positioned as a Leader in Gartner's 2020 Magic Quadrant for Network Services, Global, for the seventh consecutive year - it is the strength and commitment of our people that moves us forward.

#### EMPOWERING COMMUNITIES THROUGH TECHNOLOGY

Digital transformations create opportunities that present better social and business value, but it is up to us to leverage it. Our technology-enabled social interventions and CSR initiatives seek to not only connect but also empower our communities.

In the past year, we invested nearly INR 15.51 crore in CSR activities across Tata Communications and its subsidiaries and reached out to ~2 million individuals. Education, employability & sustainable livelihoods and healthcare formed the core of our priority areas. Since 2007, we have adopted the Tata Affirmative Action Programme (TAAP) to fight societal inequities and provide equal opportunities and inclusive growth by empowering those coming from vulnerable and marginalised communities. In FY20, nearly 37 percent of the total CSR budget was spent on Affirmative Action projects. Additionally, through our various employee volunteering programmes across the globe, we've had 11,000 employees touching the lives of nearly 50,000 individuals during the reporting period.

### **CREATING A NEW TOMORROW**

We believe our market success results from our capability to enable organisations to see the big picture and unlock hidden opportunities. We are co-creating a digital ecosystem of solutions that shapes a new world with a new tomorrow, and how we define it will dictate our progress. For us, a new world is an opportunity ready to be seized every day, waiting to be reimagined, but only by those who are ambitious enough to get there.

We're committed to our people, the planet and the communities in which we serve. Our focus remains on ensuring seamless global connectivity and effortless digital transformation for businesses around the world.

And we see greater opportunities ahead, as organisations continue to harness the power of technology to transform their business models and drive competitive differentiation and sustainable development.

Our strategy is strong, underpinned by the talent and commitment of our employees worldwide to execute it. I hope you find our maiden Sustainable Development Report engaging and informative. We will continue to launch platforms, solutions and initiatives that contribute to our as well as our customers' sustainability and through this report, we hope to foster a culture of increased transparency and enriched engagement with you.

Lakshmi Amus

AMUR S. LAKSHMINARAYANAN Managing Director and Chief Executive Officer Tata Communications Ltd.

# COMPANY PROFILE

Tata Communications Limited (referred to as 'Tata Communications' or 'Company') is a digital ecosystem enabler that powers today's fastgrowing digital economy. Our purpose is to Deliver a New World of Communications<sup>™</sup> unleashing new growth opportunities for customers while making a positive, tangible impact on wider society.

With this clear sense of purpose, combined with our digital expertise, we enable the digital transformation of enterprises globally, including 300 of the Fortune 500. We unlock opportunities for businesses by enabling borderless growth, boosting product innovation and customer experience, improving productivity and efficiency, building agility and managing risk - through secure, connected, digital experiences. With our solutions orientated approach, proven managed service capabilities and cutting-edge infrastructure, we are at the heart of enabling the digital ecosystem - driving the next level of intelligence powered by:



Tata Communications carries around 30% of the world's internet routes and connects businesses to 60% of the world's cloud giants and 4 out of 5 mobile subscribers. The Company's capabilities are underpinned by its global network, the world's largest wholly owned subsea fibre backbone and a Tier-1 IP network with connectivity to more than 200 countries and territories.

VISION

TO DELIVER A NEW WORLD OF COMMUNICATIONS<sup>™</sup> TO ADVANCE THE REACH AND LEADERSHIP OF ITS CUSTOMERS AS A GLOBAL DIGITAL ECOSYSTEM ENABLER.



#### **Certified Great Place to Work**

in Canada, Hong Kong, India and United States

# COMPANY PROFILE

# **GEOGRAPHIC FOOTPRINT**

Our major subsidiaries (in terms of revenue) are Tata Communications Transformation Services (TCTS), Tata Communications Payment Solutions Limited (TCPSL), and NetFoundry, along with other holding companies listed internationally as highlighted in our Annual Report FY20.



Tata Communications Limited is listed on the Bombay Stock Exchange and the National Stock Exchange of India and is headquartered in India and Singapore. For more details on our location, please visit our website at https://www.tatacommunications.com/about/offices/



'Leadership with Trust' is our guiding principle. As part of the Tata group, we believe in conducting ourselves with honesty and integrity, both within and outside the workplace. We dedicate ourselves to incorporating these attributes into our day-to-day work. For us, strong governance is a reflection of our culture, values, beliefs and commitments. Inspired by the 150-year-old legacy of transparent and ethical governance of the Tata group, we ensure we live up to the responsibilities that have been articulated in the Tata Code of Conduct.

#### WE SHARE THE FIVE CORE CORPORATE GOVERNANCE VALUES WITH THE GROUP:



#### INTEGRITY

We will be fair, honest, transparent and ethical in our conduct; everything we do must stand the public scrutiny.



#### RESPONSIBILITY

We will integrate environmental and social principles in our businesses, ensuring what comes from people goes back to the people many times over.



#### EXCELLENCE

We will be passionate about achieving the highest standards of quality, always promoting meritocracy.

,

#### PIONEERING

We will be bold and agile, courageously taking on challenges, using deep customer insight to develop innovative solutions.



#### UNITY

We will invest in our people and partners, enable continuous learning and building, caring and collaborative relationship based on trust and mutual respect.

We constantly communicate these values to all our stakeholders, as they are the foundation of our corporate governance policy. We only enter into fair, judicial and sustainable business transactions, both financial and non-financial, with all of our stakeholders. We also prioritise accountability, legitimacy and transparency in our processes, operations and systems.

# COMPANY PROFILE

# **BUSINESS SEGMENTS: VOICE AND DATA SERVICES**

With the endeavour to diversify our presence in the digital ecosystem as well as sustain our long-term growth, we continue to capitalise on emerging opportunities and new possibilities by investing in newer business segments. This enables us to mitigate the risk of being over-dependent on a concentrated portfolio or any one geography. With revenues categorised and spread across the segments of voice and data services, we drive the next level of intelligence powered by our platforms, solutions and services including next generation connectivity; mobility & IoT; collaboration; cloud, Edge and security; NetFoundry, and voice.

82% of the consolidated revenue was contributed by data services in FY20



# PLATFORMS, SOLUTIONS AND SERVICES

Tata Communications drives the next level of intelligence powered by our platforms, solutions and services, helping customers stay ahead of their competition by embracing digital transformation and adopting cuttingedge technology.

Tata Communications' platforms, solutions and services are underpinned by our global network.

It includes one of the most advanced and largest submarine cable networks, which carries around 30% of the world's internet routes, connects businesses to 60% of the world's clouds, and enables businesses to reach more than 200 countries and territories.



# SUSTAINABILITY HIGHLIGHTS



Note: Highlights as on 31st March 2020

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# GOVERNANCE

# COMPLIANCE TO COMMITMENT



It takes integrity and commitment to attain the trust of our stakeholders. Through accountability and transparency, we not only comply to the norms of good governance but also proactively seek to internalise the values that embody it. For us, policies on paper must lead to principles, to practice.

# GOVERNANCE

In any business, good governance powers good performance. At Tata Communications, Corporate Governance is about consistently striving to bring more accountability into our internal operations.

Our corporate governance philosophy aims to maximise value creation by ensuring transparency in operations, timely disclosures and adherence to regulatory compliances. This results in building transparency, trust and confidence among our stakeholders from customers and employees to investors, partners, vendors and local communities. While eliminating all business risk permanently is impossible, robust corporate governance ensures we proactively manage risks, build operational resilience and inculcate organisational efficiency. We believe sound governance plays a crucial role in effective decision-making to create long-term value by delivering world-class products and services. We have adopted governance standards and practices as mandated by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment(s)/modification(s) thereto.

# **GOVERNANCE FRAMEWORK**

#### **BOARD OF DIRECTORS**

We meticulously endeavour for excellence and focus on enhancement of long-term value for all our stakeholders through an effective, informed and independent Board of Directors. Governance at Tata Communications Limited is administered by the Board of Directors, who oversee the compliance of management practices. Operating within a well-defined responsibility framework, the Board of Directors is instrumental in the management, general affairs, direction and performance of the organisation. As of 31st March, 2020, the Company had six directors, one of whom is an executive director and five of whom are non-executive directors. Two of the Company's directors are independent directors and two are nominees of the Government of India.

(For more details, please refer to the website https://www.tatacommunications.com/investors/board/and Annual Report FY20)

# **BOARD COMMITTEES**

To uphold the interest of all stakeholders and create positive value for them, the Board of Directors has identified certain core areas to focus on and has instituted committees to manage those areas objectively. Constituted under the formal approval of the Board, the terms of reference for all Committees are in accordance with the requirements of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment(s) and/or modification(s) thereto. The Committees of the Board handle specific responsibilities mentioned under the applicable laws and empower the functioning of the Board of Directors by delivering swift resolution on diverse issues. The Board of Directors in turn, oversee and ensure the execution of policies by the Committees are in line with industry best practices.

THE STATUTORY COMMITTEES OF THE BOARD INCLUDE:



(For more information on each committee, roles and responsibilities of the directors and the members, please refer our Annual Report FY20.)

# GOVERNANCE

# **RISK MANAGEMENT**

As a digital ecosystem enabler, operating in a complex and competitive environment across diverse markets and geographies, Tata Communications is exposed to multiple threats and risks, from both internal and external sources.

We take all necessary measures and steps to mitigate risks covering all our business operations. A holistic risk management framework - Enterprise Management Framework, ensures rigorous systems are in place to identify any impact of a risk on our operations. We take all possible scenarios into account, to make informed decisions that sustain our market leadership globally.

We have established an Enterprisewide Risk Management (ERM) framework to optimise the identification and management of risks globally and to comply with provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The ERM process takes into consideration well-defined risk management principles, which are based on experience, known best practices and principles of good corporate governance. These risks are evaluated and compiled on a quarterly basis.

We follow an extensive consultation process to identify the material risks related to our business via interviews and meetings with external and internal stakeholders such as Shareholders, Customers, Employees, Suppliers and Regulatory Bodies.

The material risks are identified using bottom to top approach wherein all the identified risks are collated from each of the regional facilities, business functions and external interfacing departments on a quarterly basis. These risks are put under categories such as strategic, financial, operational and compliance wherein defined control measures aim at reducing the likelihood of its occurrence and potential impact. We then develop a comprehensive risk mitigation plan that is tracked and reviewed by the senior management. To mitigate the impact of each of these risks on business, we create and implement a robust business continuity plan.

The members of the Risk Management Committee and the Board of Directors regularly discuss the key risks of the Company and its mitigation and minimisation. The responsibility for effective and efficient implementation and maintenance of the risk management system rests with the Global Management Committee, which comprises the CEO, CFO and key business and operations heads. At Tata Communications, our risk management procedures are subject to a continual improvement process.

(For more information on our key risks, opportunities and action plan, please refer our Annual Report FY20.)

### **BUSINESS EXCELLENCE**

Tata Communications leverages the Tata Business Excellence Model (TBEM), which is drawn up on the lines of Baldridge Excellence Framework, to facilitate systematic evaluation and improvement of performance and attain higher levels of efficiency in our business operations.



The TBEM provides us with a framework to achieve business excellence across multiple parameters covering leadership, strategy, customer, measurement, analysis & knowledge management, workforce, operations and business results.

The model requires us to go through a rigorous assessment of our key processes and associated results every two years. The last assessment was conducted in 2018 by a team of senior Tata executives under the aegis of the Tata Business Excellence Group (a division of Tata Sons).

Tata Communications made its mark in the 'Emerging Industry Leader' category, which indicates effective, systematic, welldeployed processes that are periodically evaluated and improved.

# GOVERNANCE Ethics & Integrity

'Leadership with Trust' is our guiding principle. As part of the Tata group, we believe in conducting ourselves with honesty and integrity, both within and outside the workplace. We dedicate ourselves to incorporating these attributes into our day-to-day work. For us, strong governance is a reflection of our culture, values, beliefs and commitments.

Inspired by the 150-year-old legacy of transparent and ethical governance of the Tata group, we ensure we live up to the responsibilities that have been articulated in the Tata Code of Conduct.



We adhere to the Tata Code of Conduct and company specific policies in all our business transactions. Our Board of Directors and senior management work assiduously to ensure all regulatory, statutory and legal compliance in our processes, systems and operations. The ideals, values and beliefs of the Company and its employees are guided by the Tata Code of Conduct, which also expresses our commitment towards our stakeholders.

# POLICIES

At Tata Communications, every employee is an ambassador of the organisation and must adhere to all the principles, the Tata Code of Conduct and policies within the Company's governance framework. Our policies and practices reflect our commitment to our core values and are easily accessible to all our employees and external stakeholders through our website (https:// www.tatacommunications.com/ policies/). These policies are devised to ensure a healthy and safe work environment and to create an organisational culture that translates into responsibility, transparency and accountability in operations.

The overall effect of these governance policies is to ensure a consistent legal and ethical behaviour across the organisation. Our policies continuously evolve with prevailing regulations and by interactions with stakeholders, and some of the key policies we have devised include:



As with any multinational company (large or small) operating on a global scale, Tata Communications may be exposed to corruption risks from time to time. All our businesses and operations are analysed for risks related to corruption. We have comprehensive policies and procedures in place addressing anti-corruption, antibribery and the prohibition of facilitations payments. Such policies and procedures are applicable to the Company, its subsidiaries, all employees and third parties.

No significant risks related to corruption have been identified through our assessment processes in any particular region or operation.

Our anti-corruption policy and procedures are communicated to the Board, all Global Management Committee (GMC) members and business partners across the globe.

# **GOVERNANCE** Ethics & Integrity

Further, all GMC members and employees globally receive regular communication to remain fully aware of all the latest updates and are required to attend an annual training on anti-corruption requirements and procedures.

We also have a due diligence process in place, which outlines the screening and awareness process that we must follow before engaging any thirdparty intermediary. In case of any incidents of non-compliance, we are prompt in addressing the issue in line with the relevant local laws. In FY20, zero cases of corruption were reported or came to our notice. Further, 98% of full time employees undertook training on Tata Code of Conduct and Dignity at Workplace followed by an examination.



Our whistle-blowers policy enables employees, customers and third-party intermediaries to disclose complaints related to violation of the Tata Code of Conduct and any unethical behaviour confidentially and anonymously without any fear of retaliation, discrimination or any other adverse effect on their employment.

In FY20, we have received 39 complaints (includes 21 complaints which are under investigation) out of which 10 complaints were found to be valid and duly acted up on.



We have zero tolerance for sexual harassment and have adopted a charter on prevention, prohibition and redressal of sexual harassment in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and complied with all provisions detailed under the Act, including constituting the Internal Complaints Committee. In FY20 (as on 31st March, 2020), the Company received four sexual harassment complaints, of which three complaints were redressed with appropriate action. Investigation for one complaint, received in February, 2020 is in progress as of 31st March, 2020.



GLOBAL DIGNITY IN THE WORKPLACE POLICY

Our Global Dignity in the workplace policy ensures respect for all individuals without any bias is applicable across all geographies. For more details on the policy, refer the Human Rights section in this report.

# COMPLIANCE

At Tata Communications, we ensure that all regulations are respected in letter and spirit. We abide by all international and national laws and uphold the global standards of transparency and accountability.

During the reporting period, no significant fines or non-monetary sanctions for non-compliance have been levied on the Company. Nor has there been any legal action regarding anti-competitive behaviour or violation of anti-trust or monopoly legislation.

### PUBLIC POLICY AND ADVOCACY

The Company participates in stakeholder consultations with the Department of Telecommunications (India), Telecom Regulatory Authority of India and also interacts with industry associations like FICCI, ISPAI and relevant ministries, to support long term policy formulation in the Telecom sector, as well as in dealing with critical operational and business issues.

This year we participated and provided our views on the consultation exercise organised by TRAI to bring transparency in its decision-making process on important issues pertaining to the Telecom sector. The Company performs the function of policy advocacy in a transparent and responsible manner when engaging with all the authorities, and in doing so it considers both its corporate interest as well as the larger interest of the nation.

# **GOVERNANCE** Managing Sustainability

Driven by our purpose to 'Deliver a New World of Communications', we aim to create a better world, not just a new one. To achieve this, we believe a business must adopt a holistic approach that recognises the link between:



As a new normal emerges, we embark on a strategic shift that redefines our role as a digital ecosystem enabler and puts sustainability at the core of our growth plan. Building on the strong foundation of our digital ecosystem, we will embed sustainability, along with innovation and AI to power the new-age digital transformations.

Our goal is to make a positive, tangible impact on the environment and wider society through our actions and through our products & services for our customers.

### SUSTAINABILITY APPROACH

At Tata Communications, we aim to create value for all our stakeholders by striking the right balance between people, planet, and profit. Connecting global and local megatrends with initiatives that have a significant positive impact on people and the environment - while also enriching the lives of our stakeholders - is intrinsic to our business. We are dedicated to using our reach and technology to help solve some of the world's most pressing challenges such as climate change and resource conservation, and to ensure inclusive growth by extending the capabilities, choices and freedoms of women, children and youth from underserved communities.



We are committed to creating value through the economic development of the countries we operate in. We do not undertake any project or activity which would be detrimental to the wider interests of any community. Our management practices encourage a code of conduct which benefits countries, localities, and communities as much as possible, while adhering to the local laws of the land.

# SUSTAINABILITY STRATEGY

Our sustainability strategy is based on Environmental, Social and Governance (ESG) principles and aims to create long-term stakeholder value and sustainable growth for our business by managing risks and embracing opportunities, implementing robust governance practice and optimisation of the economic, environmental and social performance, and enhancing the quality of life of the communities we serve. Accordingly, our sustainability strategy stems from and corresponds to three key pillars - People, Planet and Community, which in turn is strengthened by robust Corporate Governance.

CORPORATE GOVERNANCE To conduct business in an ethical and transparent manner, following compliances, robust board committees and diversity, risk management, anti-bribery and corruption practices.



#### PEOPLE

To provide a safe and healthy work environment, characterised by equal opportunities, promoting diversity, skill development and a learning culture.

#### COMMUNITY

To harnesses our expertise in digital enablement to address some of the fundamental concerns of the society and improve the quality of life of the communities PLANET

To work towards environmental protection, climate mitigation strategy, optimising our resources reduce, reuse, recycle and its safe disposal.

# GOVERNANO

# SUSTAINABLE DEVELOPMENT COMMITTEE

At Tata Communications, we already have in place different committees to ensure that our Corporate Social Responsibility (CSR) and Health & Safety (H&S) performance are vigorously reviewed on a continuous basis, with mechanisms to promote shared learning across the different geographies and thus, facilitate performance improvements.

Along similar lines, we are now in the process of formulating a new committee called the 'Sustainable Development Committee' headed and participated by MD, GMC members and cross functional representatives from EOHS, HR, CSR, Customer/ Product, Supply Chain, International Operations and more.

The Sustainable Development Committee will oversee the progress on business sustainability and aspects related to community development, health & safety, environment - climate change and resource conservation, employee engagement & development, supply chain management, customer requirement & compliances, and human rights.



With the deep domain knowledge of professionals from diverse disciplines, the committee will be able to embed robust sustainable practices in our business operations. The Sustainable Development Committee will be functional by FY21 Q1.



to sustainability performance

involvement of the employees at all levels

# **PRIORITISING OUR STAKEHOLDERS**

At Tata Communications, we strongly believe that regular engagement with our stakeholders is crucial for the success of our business. Our stakeholders include anyone who has an interest in our business and who can affect or is affected by our business.

We believe that effective engagement with stakeholders helps develop organisational goals, which can form the basis of an effective business strategy.



Sustainability workshop at Dighi, Pune

We have developed numerous platforms for communication with our stakeholders that give us the opportunity to get insights into their expectations, exchange views on our sustainability priorities, practices and performance, and explore partnerships to achieve our goals. Our team regularly collaborates with stakeholders to discuss pressing issues that need our attention, and during times when we may not be in a position to address all the issues that our stakeholders raise within a given time frame, we openly acknowledge all of them and explain our position on each issue.

# STAKEHOLDER MODE OF ENGAGEMENT

#### **CUSTOMERS**



INTERFACING GROUP/TEAMS

Sales/Presales | Marketing Account Manager | Delivery Teams Senior Management

#### ENGAGEMENT MODE BY FREQUENCY

As needed: Targeted customer interaction, feedback sessions, CXO connect, bid review process, sales and account manager feedbacks, Gartner peer insights, mailers

**Continuous:** Website, social media platforms

Annual: Customer satisfaction survey, customer connect

#### MATERIAL TOPICS/KEY CONCERNS

- Investments and capabilities in digital technologies
- · Data privacy and security
- Ethical behaviour
- Customer growth and transformation
  opportunities
- · Fair business practices
- ESG practices

#### **EMPLOYEES**



INTERFACING GROUP/TEAMS

HR Senior Management Corporate Communications Team

#### ENGAGEMENT MODE BY FREQUENCY

As needed and continuous: Town halls, webcast, project or operations reviews, video conferences, audio conference calls, GMC roadshows, newsletters and events

Quarterly: Coaching reviews

#### MATERIAL TOPICS/KEY CONCERNS

- Training & skill development
- Capacity building
- Safe work environment
- Diversity
- Employee friendly practices

#### **INVESTORS & SHAREHOLDERS**



INTERFACING GROUP/TEAMS

Investor Relations Company Secretary Senior Management

#### ENGAGEMENT MODE BY FREQUENCY

As needed: Press releases and press conferences, email advisories, facility visits, in-person meetings, investor conferences, non-deal roadshows, conference calls

**Quarterly:** Financial statements, earnings call, exchange notifications and press conferences

Annual: Annual General Meeting, Annual Report

#### MATERIAL TOPICS/KEY CONCERNS

- Financial returns
- Ethical business practices
- Regulatory or governance issue
- Environmental and social risks
- · Future strategy and growth

#### REGULATORS



**INTERFACING GROUP/TEAMS** 

PR & Corporate Affairs Legal and Corporate Strategy Team Business/Operational Teams Finance Teams : CSR & EOHS Team Senior Management

#### ENGAGEMENT MODE BY FREQUENCY

As needed and continuous: Statutory compliances filings & meetings, new engagement, HR & labour compliances, senior management and PR team meetings

#### MATERIAL TOPICS/KEY CONCERNS

- Compliance with corporate law
- Good governance
- Ethical practices
- Society/CSR expenditure
- Transparent reporting
- National and international agenda

#### **SUPPLIERS**



#### COMMUNITY & NGOS



INTERFACING GROUP/TEAMS

Senior Management CSR Teams & Partners Employees

#### ENGAGEMENT MODE BY FREQUENCY

As needed and continuous: CSR team and partner meets, volunteering, engagement exercises like DRIVE Week, baseline and benchmark studies

#### MATERIAL TOPICS/KEY CONCERNS

- Job creation
- Skill development
- Volunteering
- SDG implementation: health, school, poverty

#### INTERFACING GROUP/TEAMS

HR | Business Teams,

SCM/Procurement Teams

#### ENGAGEMENT MODE BY FREQUENCY

As needed: RFIs/RFPs, empanelment process

#### **MEDIA & ANALYSTS**



**INTERFACING GROUP/TEAMS** 

Communications and Corporate Affairs Teams Analyst Relations Team Senior Management

#### ENGAGEMENT MODE BY FREQUENCY

As needed and continuous: Press releases and press conferences, media interviews, email advisories, exchange notifications, media or analyst events, analyst briefings, relationship building meetings, website and social media posts and updates

Quarterly: Financial statements and earnings call

Annual: Annual General Meeting, Annual Report

#### MATERIAL TOPICS/KEY CONCERNS

- · Company news and updates
- Business strategy, milestones, industry recognition
- Regulatory or governance issue
- Public disclosure and transparent reporting
- Future strategy, growth and new products/service launches

**Continuous:** Transactional meetings, periodic reviews, surveys

#### MATERIAL TOPICS/KEY CONCERNS

- Continued relationship
- Ethical practices Payments
- Human rights Competitive pricing

# MATERIALITY ASSESSMENT

In 2018, with the help of an external facilitator, we engaged with our internal stakeholders through formal consultation and captured external stakeholders' views by interviewing our employees who managed these external stakeholder groups. Through workshops, interviews and ranking exercises with internal leaders and managers of specific operational teams, we were able to identify and prioritise material issues most pertinent to Tata Communications.

The material issues managed, measured and disclosed in our sustainability report are: Data Privacy & Security, Customer Experience & Loyalty, Health, Safety & Wellbeing, Supplier Management, Economic Value Creation, Human Capital Development, R&D and Innovation, Corporate Governance and Ethics, Environment Management and Community Development. This year, we revisited these material aspects and interacted with relevant internal Single Point Of Contacts (SPOCs) from legal, corporate secretarial, HR, customers, products, R&D and innovation, CSR, finance and IT & security. Each of the SPOCs were given the context and relevance of the chosen material aspects. The SPOCs agreed to the importance and relevance of all these aspects for sustainability reporting for the period of FY20 as well. Next year, the Company will revisit the materiality assessment with a third-party consultant.

The matrix below shows our most material issues. We have constructed it to map the issues that will have significant business impact on Tata Communications' operations and that have been identified as key aspects by our stakeholders. These have been prioritised and assessed based on Tata Communications' and our stakeholders' priorities using a scale of 0-5. The high priority material issues appear in the top-right quadrant of the matrix.



IMPORTANCE TO TATA COMMUNICATIONS

# **GOVERNANCE** Managing Sustainability

# SUSTAINBILITY ROADMAP

DBJECTIVES FY21-23	TARGETS FY21-23	STATUS FY20 (Baseline)
	65% increase in use of Renewable Energy for India (Non-IDC operations) by FY23	Renewable Energy procured in FY20 was 145 lakh units (RE footprint-16.4%)
CLIMATE CHANGE MITIGATION	7% (YoY) reduction in power consumption for India (Non-IDC operations) by FY23 through enhanced energy efficiency	Energy consumption in FY20 was 880 lakh units
	Assess GHG emissions reduction at customer end, arising due to our products and services by FY21	Assessment study to be undertaken in FY21
	Achieve Climate Change score/band 'B' in the Carbon Disclosure Project (CDP) by FY23	Awarded 'C' Grade in FY20
	15% reduction in water consumption by FY23	Water consumption in FY20 wa 4,62,309 kl and water recycled was 77,616 kl
RESOURCE CONSERVATION	20% increase in rainwater harvesting by FY23	126 kl water conserved throug rainwater harvesting
	Ban on single use plastic within our facilities, effective from FY21	Implementation in progress - all facilities use glassware in meeting rooms at present

People		
OBJECTIVES FY21-23	TARGETS FY21-23	STATUS FY20 (Baseline)
$\mathcal{O} \mathcal{O} \mathcal{O}$	Increasing gender diversity to 24% by FY22	Achieved 21.5% in FY20
	Become 'Great Place to Work' in all major geographies by FY22	Certified as 'Great Place to Work' in India, Canada, US & Hong Kong
NURTURING HUMAN CAPITAL	Achieve an average of 7 learning person days/year* in skills enhancement and people development	Achieved an average of 7.4 learning person days/year

\*Note: Reduction due to COVID-19 lockdown

# **GOVERNANCE** Managing Sustainability

#### People

OBJECTIVES FY21-23	TARGETS FY21-23	STATUS FY20 (Baseline)	
$\bigcirc$	No fatalities across our operations	Zero fatalities	
	50% reduction in lost time injuries by FY23	15 loss time injuries in FY20	
ZERO HARM	All major facilities to be externally certified as per Occupational Health and Safety (ISO 45001:2018) by FY23	OHSAS 18001/ISO 45001 certification for 6 facilities (4 in India and 2 in Singapore)	



Community				
OBJECTIVES FY21-23	TARGETS FY21-23	STATUS FY20 (Baseline)		
EMPOWERING COMMUNITIES	Reach out to 10 lakhs lives by FY22 - directly and indirectly	Achieved beneficiary outreach of 1.93 lakh		
	Increase percentage of women and young girls in the total outreach to 75% by FY22	In FY20, direct female outreach was at 69%		
	Participation in Tata Affirmative Action Programme (TAAP) assessment in FY21 and aim to cross the 450 mark (currently in the score band of 400-425)	Tata Communications recognised by TBExG under education and leadership category at the TAAP Convention in September, 2019 Assessment to be undertaken in FY21		
	Achieve 10% (YoY) increase in number of employee-volunteers globally	11,029 volunteer participation globally in FY20 (-18% YoY decrease)*		
S'/ SALEMPLOYEE VOLUNTEERING PROGRAMME	Achieve 15% (YoY) increase in the total volunteering hours globally	58,670 volunteering hours at the end of FY20 (-2.7% YoY decrease)*		
	Increase per capita volunteering hour to 6 hours per volunteer by FY22	Achieved 5.3 hours per volunteer		

\*Note: Reduction due to COVID-19 lockdown.

# PROFIT

# GAIN TO GROWTH



Z TÍR

# MANAGEMENT APPROACH

Value creation that leads to not just economic growth but also holistic growth, is the defining cornerstone of our business model. We constantly strive to create value for all our stakeholders by ensuring sustainability of operations, continuous innovation and effective communication. Equipped with these intrinsic capabilities, we explore new opportunities that go beyond short-term gains and pave way for lasting growth.

As a global communications and enterprise IT service provider, we have a strong foothold in emerging markets. With an annual revenue of INR 17,137 Crores, our company is listed on the Bombay Stock Exchange and the National Stock Exchange of India, and is the flagship telecom arm of the Tata group.

Our focus on generating and communicating economic value is reflected in our financial performance in FY20.

# ECONOMIC PERFORMANCE DASHBOARD

#### Economic value generated\*

	FY18	FY19	FY20
Revenue	17,031	16,585	17,138

\*Revenue figures are inclusive of other income and other operating income

#### Economic value distributed

	FY18	FY19	FY20
Operating cost	13,181	12,762	12,969
Employee wages & benefits	2,978	2,960	3,039
Payments to providers of capital/dividend paid	550	551	624
Payments to government by country/tax paid	456	370	309
Community investments	17	17	16

#### Economic value retained<sup>#</sup>

	FY18	FY19	FY20
Amount	-150	-74	181

# Economic value retained is 'Economic value generated' less 'Economic value distributed'.





(in ₹ crore)

(in ₹ crore)

(in ₹ crore)

# **GENERATING LASTING VALUE**

The value we create economically results in amplifying our efforts to grow sustainably. Be it planet, people or community, our actions across all three spheres aim to create long-term stakeholder value.

#### PLANET - GENERATING ENVIRONMENTAL VALUE

Rewiring our consumption patterns to mitigate the impact of rapidly changing weather patterns is the need of the hour to limit the rise of global temperatures. While the ICT sector's high energy demand is a significant source of greenhouse gas emissions, increasing use of renewable energy, mostly wind and solar, is helping combat climate change. The sector on the whole also has the biggest potential to accelerate and scale innovating solutions that could decarbonise the entire global economy.



A changing climate brings risks and opportunities for our business, and we are responding to both. We have listed here, the key drivers, which provide business risk and opportunities due to climate change.



#### RISK/OPPORTUNITY DRIVER

Policy and legal: Increased pricing of GHG emissions, mandate/regulation of existing products and services



#### RISK

Considering the adverse effects of the Green House Gas (GHG) emissions, GHG reduction measures have been announced by various countries. This could be a direct financial implication for implementation of these regulations in future, which will require investment in infrastructure and initiatives to meet the guidelines.

Phasing out high Global Warming Potential (GWP) refrigerants and changing technology used as fire suppressants and cooling in our data centres and network equipments, will increase our capital as well operational expenditure.

#### TYPE OF IMPACT

Increased pricing of GHG emissions will increase the operating cost (e.g. higher compliance costs, increased insurance premiums) and compliance cost by approximately 20% as compared to existing cost.

#### **OPPORTUNITIES**

We strongly feel that as a business, we will need to focus on an accelerated transition to low-carbon energy products, as well as pragmatic investment in renewable energy options, in an attempt to mitigate the ongoing large-scale combustion of coal, oil and gas. We are continuously increasing our renewable energy footprint and have completed our Renewable Energy Assessment for all our operations and are now working towards increasing our renewable energy footprint in India, along with using low carbon technologies products and services in our operations to reduce our GHG emissions.

#### RISK/OPPORTUNITY DRIVER

Reputation & brand: shifts in customer preferences.

#### RISK/OPPORTUNITY DRIVER

Physical risks like rise in mean temperature, reduced/heavy rainfall and rise in sea level.



#### RISK

Change in customer preference towards sustainable product and brand is not only prominent for retail and consumer companies but ICT companies also face broader challenge and heat in terms of protecting their brands by promoting green products and services, along with standing and committing towards health, safety, ethical and environmental standards along the full length of their value chains.

#### TYPE OF IMPACT

Reduced revenue and customer relationship, damage to company's brand.

#### **OPPORTUNITIES**

We believe in developing and delivering green solutions for our customers to help them enhance their competitiveness and to allow their supply chains to be environmentally friendly. We offer and are further developing range of low carbon products and services from our Network, IOT, MES, Cloud, Business Collaboration streams to our customers, which helps them in conserving their energy and reducing their GHG emissions. This year, we are conducting a formal study to identify and quantify the sustainability benefits we are providing to our customers through our products and services.

#### RISK

Climate change and higher concentration of GHG have resulted in higher average temperature across the globe leading to high/reduced rainfall and rise in sea level. These changes could lead to higher operating cost due to erratic supply of water and submerging of cable landing stations near to sea.

#### TYPE OF IMPACT

Higher operating cost and additional capital.

#### **OPPORTUNITIES**

With erratic precipitation patterns, there has been a shift towards use of non-water consuming cooling technologies, which use ambient temperature or opt for a geothermal cooling solution, which uses the water cooled technology without any evaporative wastes. The company has installed geothermal plants and other technologies in this aspect.

We are also focussing towards reducing our water footprint and increasing our rainwater harvesting capacity.

In general, we are working to reduce our emissions across our value chain and implementing efficiency measures that save on energy and bills. We are taking steps to improve our operations' climate resilience in the face of more extreme weather that could otherwise prove costly. We are also driving revenue growth with products and services that help customers avoid carbon emissions. *Refer to the Planet section of this report for more details*.

#### PEOPLE - STRENGTHENING OUR HUMAN CAPITAL

We create value for our employees by providing them with a good working environment and making sure they benefit from working for us. Our compensation and employee benefit practices are designed to amplify motivation and satisfaction. The benefits vary across geographies and include Group Medical Insurance, Group Term Life Insurance, Group Personal Accident Insurance, parental leave, awards for employees and retirement benefits for our full-time employees, including Provident Fund, Gratuity, Medical and Pension Benefits in India and other geographies, as applicable. We also sharpen the skill level of our workforce through a range of learning and development programmes for a transforming digital economy.



Employee team bonding, GK-1 Delhi

#### Coverage of the organisation's defined benefit plan obligations

(in ₹ crore)

	FY18	FY19	FY20
Salaries and wages	2,871	2,851	2,926
Defined contribution pension scheme costs	41	45	45
Defined benefit pension scheme costs	65	64	68
Share based payment charge	-	-	-
Total	2,978	2,960	3,039

For FY20, the company has not made any political donation and hasn't received any financial assistance from government.

#### **COMMUNITY - CREATING SOCIETAL VALUE**

We believe in the collective development of all our stakeholders. A business creates true economic value only when it creates societal value. We are committed to responding to the changing needs of the society and proactively address those needs. We are involved in CSR activities across all our global operations. Specifically, in India, we have a CSR policy that has been created in line with the requirements of Schedule 7, Section 135 of the Companies Act, 2013, India. Our social responsibility initiatives encompass education, employability & sustainable livelihoods, healthcare, women empowerment, safety and disaster relief.

Tata Communications also aligns its social initiatives with those of the Tata group to increase their impact. ~INR 15.51 Crore (mandatory 2% spend) was spent on CSR activities across Tata Communications and its subsidiaries and a total community outreach of ~200,000 individuals was achieved.



MPowered participants using their phones to calculate their savings

# PROFIT Customer Experience & Advocacy



TIVF CUSTOMERS in FY20

Won a BRONZE FOR

Recognised as a Leader in the 2020 GARTNER MAGIC QUADRANT for Network Services, Global for the seventh year in a row

Awarded a **BRONZE** AT STEVIE AWARDS for 'Innovation in Customer Service', for the second time in a row

Won the 'BEST CUSTOMER 'BEST CUSTOMER SERVICE' SERVICE PROVIDER' award at CCW Asia Excellence Awards at Telecom Review Summit 2019

In the telecommunications industry, where large companies tend to offer similar services, Tata Communications has differentiated itself by offering customer centric services that don't just prioritise customer experience but are also designed to measure customer success.

As an enterprise that is future-ready, we recognise that the age-old business mantra of 'customer is king' is more than just about good customer service and extends to providing innovative technologies that can navigate disruptions and can offer unparalleled customer experience. Gartner Magic Quadrant put Tata Communications in a leading position in 2020 for Network Services globally, 7<sup>th</sup> time in a row. Our industry recognition, coupled with our Net Promoter Score for the year, which saw us in the top quartile, are testament to Tata Communications' sharp focus on delivering superior customer experience.

# **OUR THREE-WAY APPROACH TO CUSTOMER EXPERIENCE**

Our approach to Customer Experience can be defined in three simple steps:

#### LISTEN

The first step involves listening to the needs of our customers, their challenges and pain points through targeted customer interactions, feedback sessions and periodic reviews during the customer life cycle. We also extend this 'listening & learning' to our analysts, vendors and competitors to analyse the various industry trends impacting our business.





#### **IDENTIFY**

This step is a crucial one and when done right, it is what separates us from the rest of the market. It involves identifying the priorities of our customers and narrowing down areas of intervention to improve the services we offer.



# **MEASURE**

This step involves measuring the satisfaction of our customers against the priorities and requirements identified in the previous step. We have adopted both internal and external (third party) ways to measure customer satisfaction. The results are then discussed by our Global Management Committee (GMC), after which they are shared with all the process owners who initiate service improvement plans.



Fig: Tata Communications - Enhancing value propositions based on customer's emerging needs.

More than 80% of our customers have given us a 4+ (on a scale of 5) for our services on Gartner peer review. To raise the bar for customer experience within our specific customer segments, we have also identified key focus areas to build a stronger affinity between our brand and our customers.

# **MEASURING OUR PERFORMANCE**

When evaluating our performance, our approach is to move beyond simply measuring customer experience, and instead use it as an opportunity to analyse and predict market trends.

Our goal is to understand and reflect on 'Customer Experiences', while simultaneously readying ourselves for 'customer expectations.'

To accomplish the same, we take a series of qualitative and quantitative measures to assess customer experience.



#### Net Promoter Score (NPS)

This a single question survey conducted by an external third party that provides the NPS score based on their likelihood to recommend an organisation to a friend, colleague or business partner.

The survey helps to unravel the causes of customer dissatisfaction and provides specific insights that help create an opportunity for internal actions to improve customer experience. The NPS score has improved year on year, strengthening our position in the top quartile amongst global B2B companies.



#### Customer Effort Score & Gartner Peer Insights

Feedback surveys are conducted across different customer touch points to gain perspective about customers' experiences. For the same, teams in Sales, Service Delivery, Billing and Service Assurance conduct the transaction feedback across different customer touch points. Over and above, the feedback received from Gartner Peer Insights & balanced score cards also enhance our understanding of required improvements. A continuous mapping and tracking of customer sentiment across the service life cycle helps us to proactively address focus areas and develop an effective service improvement plan enhancing customer experience.

#### **CASE IN POINT:**

One of the leading global IT companies that has been in business with Tata Communications since 2013 for networking requirements, rated Tata Communications as 'low' in the annual NPS survey FY19 on the question "How likely are you to recommend Tata Communications to a friend, colleague or a business partner?" because of their dissatisfaction across different functions support.

To resolve this, a joint meeting was arranged with Tata Communications' functional leads and customer's senior management to understand their specific pain points and to plan and execute an action plan on our end. A weekly tracker was shared with the customer's senior management for review until all the actionable points related to all functions were closed. Regular and proactive engagement by addressing the highlighted concerns resulted in improved customer experience, wherein senior management members acknowledged that their overall experience had improved.

The customer shared their revised rating as 'promoter' in quarterly CSAT survey and continues to be a promoter in FY20. Moreover, mid-year and annual NPS survey reviews are conducted on a regular basis to monitor the customer's health index to maintain consistent as well as improved customer experience.

## LEADING THE WAY WITH INITIATIVES & INNOVATIONS

In alignment with our mission of advancing the reach and leadership of our customers and expanding the breadth of our innovative product portfolio, Tata Communications is constantly striving to gain an edge over competitors by making continuous improvements to products and strategies.

Our product development initiatives and technological innovations are deeply rooted in our vision to:

Provide better end-user experience and higher service availability by continuous technology refresh.

Enable faster service delivery through automation and self-servicing.

Provide wider choices by incorporating more technology vendors and adding managed service offerings.

Provide bundled services to deliver solutions that are focussed on customer business imperatives.



Offer analytic tools for performance monitoring of network services.

Enable automation and virtualisation to augment our customer's business transformation journey.



Our growth strategies are built around solving customer challenges and our constant endeavour is to create safe and superior quality products that create stronger brand value.



# SOME OF OUR CUSTOMER CENTRIC INITIATIVES:

- Tata Communications launched its IoT offering in India to provide smart solutions and insights to real world problems. Our integrated approach towards IoT solutions has made us a preferred partner for customers and 2019 has been the year of portfolio expansion and customer validation for us.
- As part of our digital transformation journey, we launched a customer portal that gives our customers unmatched control, visibility and ease of managing their business needs. Through this portal, customers can manage their business online right from buying, receiving and seeking support during the service life cycle. Thereby, significantly improving the ease of doing business with us.
- Tata Communications' solutions are entirely focussed on enhancing our portfolio to be more agile, dynamic, secure, scalable and cloud driven. We continue to expand our internet presence to the newly developed data centres to be near our customers for delivering world-class internet experience to them.
- With businesses increasingly looking at outsourcing their network and IT services to other domain experts, we deliver value through a services portfolio that covers Programme Management, Advanced Solutions Delivery, Service Assurance, Service Management and other personalised support services.
- Customer Success Managers [CSM] With major focus on customer business outcomes and end-user experience, the customer success management function was established in FY20 to help customers in meeting their business objectives by aligning Tata Communications' internal metrics with customer success KPIs.
- All customer contracts are backed by Service Level Agreements (SLAs) and services are managed based on industry leading benchmarks for a great customer experience.

# **MN WORLD**

#### CHALLENGE:

A US healthcare company setting up technology subsidiary in India needed global connectivity and local IT infrastructure for Bangalore and Hyderabad offices. An incumbent telco lacked presence in India, and thus MN World and Tata Communications came riding to the rescue.

#### **ACTION:**

Combined the capabilities of Tata Communications as a digital eco-system enabler with the triple-play expertise and client management skills of MN World. Tata communications along with MN World, integrated its global SIP connect with local infrastructure, allowing cost effective incoming and outgoing local and long-distance calls as well as harmonised numbering enabled desk-to-desk dialing for company-wide collaboration.



C A S E STUDY

We choose to partner with Tata Communications because of its world leading technical competence and the positive can-do attitude of its people. - Herojit N, Director Sales, MN World

#### OUTCOME

MN World and Tata Communications accomplished the entire project in four weeks, enabling the US healthcare company to meet its demanding timescale for setting up the offshore facility. With Tata Communications' Global SIP Connect handling both domestic and international calling, the healthcare technology subsidiary enjoys economical pay-as-you-go pricing. Collaborative working enabled by Global SIP Connect has seen significant productivity improvements.

# THE ROAD AHEAD

Driven by the desire to forge the future, we are currently building tools that enable automated, zero-touch feasibility responses to customers and provide instant, on the spot checks and price quotes. Similarly, at the network end, network coverage planning, bandwidth provisioning, upgrades and maintenance are envisioned to be triggered through data-driven customer and network analytics.

The aim behind our renewed products and services is to provide a superior customer experience and to bring about productivity enhancements through digitisation.



# **PROFIT** Data Privacy & Security

Customer data privacy and security is a top priority for the global ICT industry. At Tata Communications, it is one of the most important issues identified by our stakeholders as part of our materiality review. We realise that maintaining our customers' data privacy and security is not only an integral part of our responsibility towards them but is also crucial to maintain their faith in our business and to sustain their trust in Tata Communications.

#### ADHERING TO THE STRICTEST STANDARDS OF DATA PROTECTION

To uphold our commitment to safeguard businesses towards privacy and security related challenges for the global ICT industry, Tata Communications complies with the General Data Protection Regulation (GDPR), which came into force on the 25 May, 2018, bringing in the most significant changes to the EU data protection laws.

At Tata Communications, we have data protection team headed by the Chief Legal & Compliance Officer supported by Legal Compliance functional team, who look after various compliances across all Tata Communications entities globally.

The team is committed to ongoing review and vigilance of all matters within the scope of GDPR so that a process of continual assessment, risk management and improvement is embedded in our organisation. Additionally, we have and continue to actively develop and implement data protection policies, procedures, controls and security measures for GDPR compliance. The data privacy conditions and principles under the GDPR are the strictest in the world and adhering to such high standards enables us to conform to requirements under local domestic laws of non-EU countries as well.

**PRIVACY POLICY** 

Our privacy policy that applies to Tata Communications and all its subsidiaries elaborates on how we collect, use, manage and disclose information obtained from our customers and website visitors, and has been overhauled to meet GDPR requirements. We have and continue to develop accountability and governance, measures (including privacy by design) to raise awareness of and promote compliance with our data protection obligations and responsibilities. The policy also provides insights on the use of cookies, tracking mechanisms, third-party ad networks, while also outlining the purposes for which user information might be shared with third parties. If personal information is transferred to a Tata Communications company in a country that does not provide an adequate level of protection for personal information, Tata Communications ensures that measures designed to adequately protect information are in place (such as ensuring that transfers are subject to the terms of the EU Model Standard Contractual Clauses). When data transfers involve third party recipients, we also make sure that such recipients implement appropriate safeguards to protect personal data and to safeguard and respect the data subjects' rights, including ensuring the adequate contractual protections are in place.



Participants discussing during the Digital Information and Application Services (DIAS) workshop

We have and continue to develop safeguards and security measures for identifying, assessing, investigating and reporting personal data breaches. Over and above this, we also have physical, electronic and managerial procedures in place to verify user identities, to maintain data accuracy and to prevent unauthorised access.

We provide a user-friendly interface for requesting personal data correction, restricted processing, erasure as well as submitting data processing objections.

A form for such a request can be accessed through our privacy policy available on Tata Communications' website. We have not received any substantiated complaints regarding breaches of customer privacy or customer data losses.

# **PROFIT** Data Privacy & Security

# DATA AND INFORMATION SECURITY

Tata Communications is committed to a robust implementation of Information Security Management. The company is certified for ISO 27001:2013, Information Security standard, with a scope of services covering Information Security Management System, service delivery and support operations of Enterprise IT Services, IT Data Centre Operations and Global Information Security Group. The principles applicable to all the physical and electronic information assets of Tata Communications are defined in the Information Security Policy, which is formulated in line with ISO 27001 Information Security standard.

The policy is applicable to all employees, direct and indirect wholly owned subsidiaries and all suppliers including contractors, sub-contractors, auditors, consultants as well as customers, who have access to Tata Communications' information systems, directly or indirectly.

# THE OBJECTIVE OF OUR POLICY AND PROCESSES IS:

Protection of confidentiality of sensitive information from unauthorised access.

Maintenance of integrity by ensuring accuracy and completeness of information.

Make sure that users are aware of and comply with all current and relevant legal, regulatory and contractual requirements.

Ensure that all users understand their own responsibilities for protecting the confidentiality and integrity of the data that they handle.

Provide the principles by which a safe and secure information systems working environment can be established for all authorised users.

Respond to changes in the context of the organisation as appropriate and initiate a cycle of continuous improvement.



Led by our Chief Information Security Officer, we have an information security organisation structure in place to ensure security of information and information systems, to provide an overall direction to sustain and improve the security posture of Tata Communications and to define and drive the implementation of Tata Communication's information security policies, procedures and standards. Our system, including security programme and structure, are reviewed on a periodic basis along with internal audits and external certification process as per requirements.

# PROFIT R&D & Innovation

Driven by the motive of 'delivering a New World of Communications<sup>™</sup> to advance the reach and leadership of our customers', Tata Communications is constantly on the quest to overcome barriers and erase boundaries that limit the opportunities of our customers achieving new heights. To achieve this, we approach Research & Development and Innovation not just to aid our goal, but in fact, as an asset that drives our ability to keep up with the disruptions and transformations in the ICT industry.

Our key objectives behind our focus on Research & Development and Innovation:

- Create new customer experiences and serve unaddressed needs through value added offerings to help accelerate momentum and leverage technology innovations.
- Create a sustainable IP led value proposition for the long term, incubate disruptive business ideas internally and collaborate with leading universities on fundamental multi-disciplinary research.
- Be the catalyst for creating an innovative and collaborative culture in Tata Communications.
- Proactively engage customers in helping them enable digital innovation.
- Digital innovation by leveraging the transformative power of emerging technologies.
- Study impact of disruptive technologies like AI and IoT
- on future of work, industry at large and society in general, in collaboration with industry thought leaders.



To stay relevant and be able to offer advanced services and new business models aligned to digital transformation led needs of our customers also helps us push the boundaries of knowledge that impact the industry and society at large.

# **OUR APPROACH**

At Tata Communications, we follow a multifaceted approach to drive innovation. Over and above depending on internal capability building, we are leveraging external innovation from the most innovative startups and technology players, as well as universities focussed on multi-disciplinary research, to develop advanced solutions to business problems and facilitate innovation. This is made possible through our partnerships with a wide range of ecosystem players across major global innovation hubs, from VC firms such as Northgate, Jungle Ventures, Andreessen Horowitz, etc., to corporate innovation and venturing teams, universities such as Harvard, Wharton and Berkeley, accelerators such as NUMA and Rocketspace, and industry bodies like CII, NASSCOM, ONUG and Telecom Council of Silicon Valley to source innovation. Our diverse and flexible partnerships allow us to create collaborative relationships that add value to our customers in their digital transformation journey. Within the Tata Communications' Corporate Strategy team, the Corporate Venturing and Innovations Group (CVIG) looks after all the components of the Open Innovation process.

This team is committed to achieve the goals set by Tata Communications under Innovation.

This year, we have set a goal to successfully implement 50% of our FY21 innovation initiatives. Teams have identified and more than 100 innovation initiatives have been planned, including 50+ AI initiatives, with a strategic focus on creating capabilities (products, services, processes and people) of the future to serve the jobs (emerging customer needs, new consumption models, new markets, platforms) of tomorrow. The CVIG team works collaboratively with multiple business stakeholders across all products, engineering and functions, as well as external partners, to enable and drive high priority innovation projects.

The CVIG team is responsible for keeping an active technology watch and bringing valuable external perspectives to build winning partnerships and solve business problems.
### PROFIT R&D & Innovation

#### EXTERNAL VENTURING: PARTNERSHIP LED INNOVATION

At Tata Communications, we are continuously exploring multiple innovation themes, aligned to our short term as well as long term business and customer priorities. We complement our internal build efforts with a very strong focus on disruptive technology partnerships to create sustainable impact through innovation. Innovation themes are derived from a mix of CVIG led proactive disruptive technology scanning through interactions with start-ups, VCs, universities and accelerators, and BU defined product and operation capability transformation challenges. Specifically, while the CVIG team manages the start-up scouting and partnership process, the technical and business evaluation process is taken care of by product and functional teams.

The programme has created 30+ strategic partnerships (includes both customer facing and internal deployments) in the last 2 years, which have translated to a new order book of INR 1.36 billion till FY21 Q1.

We follow a methodology that has been specifically designed to manage start-up engagements in a way that takes care of contracting, evaluation, proof of concept (PoC) and commercialisation through an AGILE NPI process with focus on iterative market fit and scaling.

### INTERNAL INNOVATION: 'SHAPE THE FUTURE' PROGRAMME

Our 'Shape the Future (STF)' programme was initiated with the goal of encouraging a culture of innovation within the organisation. As a part of this programme, we organise employee start-up competitions within Tata Communications and lead the incubation, mentoring, acceleration, funding and scale-up of innovative start-up ideas that show potential for creating an IP led new disruptive product or business for Tata Communications.

All the ideas sourced from across our global employee base are backed by an early customer validation of the proposition and need, during the design and MVP stages. These ideas are curated by participating teams and go through multiple rounds of evaluation by a cross functional judging panel comprising of the CVIG leadership, key product heads and external advisors. The best ideas are pitched to the CEO/MD and the top management committee and the most promising ones are selected for incubation. Ideas which lack the required potential are given feedback to help better them for other opportunities in the future.

Twelve internal startup challenge winning ideas that have been incubated so far, were selected from 975+ crowd sourced ideas. These winning ideas are provided incubation support, evolve into specific Minimum Viable Product (MVP), in which a new product is developed with sufficient features to create value propositions with a focus on early stage customer Proof of Concept (PoC) validations, eventually moving to kill or scale decision driven by meeting the product-market fit criteria.

Eventually, successful ideas are either merged with an existing Business Unit (BU) or spun out or licensed out and patents are also created in the process. 26 patents have been created so far by the incubated teams, which in turn has created INR 1.34 billion in new order book till FY21 Q1. Netfoundry, IoT India and Ijura are some of the products that have successfully emerged from the programme.



Last year we launched the 'Innovators Club' with regional chapters, wherein enthusiastic and passionate people come together to discuss problem statements, potential solution ideas and gain exposure to external perspective facilitated by the CVIG team.

### PROFIT R&D & Innovation

### **UNIVERSITY PARTNERSHIPS**

To gain from the domain knowledge and expertise of researchers in universities like Harvard, Wharton, University of Penn and Berkeley, we collaborate with them on technology and business research. We share our research briefs with the University Alliance managers and work with them to identify researchers who have interest and experience in the identified domains, often multi disciplinary in nature. Post this, we closely work with professors to help create a preliminary approach note that forms the basis of initial discussions with the Business Unit (BU) Heads. We work with the legal teams to ensure that the contracting process is concluded and issues relating to IP protection, data transfer or data sharing protocols and data security are clearly called out. The CVIG programme managers review the progress of the project engagements through regular cadence calls based on critical milestones to take timely go/no-go decisions.

In all of the above-mentioned partnerships and collaborations, progress updates, issues and solutions, and new potential engagements are discussed on fortnightly or monthly review calls with key stakeholders that include BU sponsors. We also encourage the technical resource person from the BU team to work closely with University Research Team and CVIG programme manager.



Success of these partnerships is measured through the number of problem statements we find solutions to, number of POCs done, number of contracts signed and time taken to close the deal. We have also started measuring the impact post implementation in terms of order book & revenue generated, customers won via the partnership and savings or benefits achieved for internal use cases.

### **INTERNAL BUILD**

Internal build is either product-led or customer/partner requirement led. The product led initiatives are either enhancements in existing product offerings/features or launch of completely new products and platforms, mostly in alignment and driven by product roadmap or emerging market needs. The customer/partner led are building a new proposition or improving an existing offering driven by a specific customer or partner stated need. Such needs emerge primarily from our customer and partner conversations or based on RFPs/RFIs or workshops and point towards gaps in our offerings. There are many examples of these across various business units. For example, in UCC/Mobility, such requirements are sourced from likes of Microsoft, CISCO or strategic customers, often involve working with OEM partners and internal engineering team to build and integrate the required capability with our core offerings.



### **PROFIT** Supply Chain Management

Tata Communications approaches Supply Chain Management as an art & science that guides the way we source the equipment and services required to effectively satisfy the product and service-related needs of our customers. The Company considers its suppliers an integral and indispensable part of the business and believes that a reliable and sustainable supply chain is critical to establish an organisation that is efficient and responsible. We expect our suppliers to act ethically and responsibly in compliance to the requirements mentioned in the Tata Code of Conduct at minimum and ensure that we treat them fairly and provide them support whenever required.

Our business relies on Indian and international supply chains that span across multiple tiers. We procure equipment from original equipment manufacturers, either directly or from their authorised distributors and for general services, we depend on contractors who undertake end to end responsibility for projects. All our suppliers are expected to meet and comply to our environmental, ethical and social requirements as detailed in our contracts, as mentioned under the Tata Code of Conduct and Mandatory Safety Standards (MSS). We hold our suppliers accountable for managing risks in their operations and we expect them to hold their own suppliers accountable to the same high standards.



Our spend is spread across various categories based on business and customer needs. These categories are':



Network equipment and services spanning 308 suppliers.



Managed services (standard and non-standard purchases for customers) spanning 312 suppliers.



IT equipment and spend spanning 309 suppliers.



suppliers.

Access (last mile off-net and backbone) spanning 229 suppliers. Services procurement (includes purchases for OSP [Outside Plant Procurement], corporate services and purchase of passive infrastructure) spanning 2,137 suppliers.

We spend in excess of INR 3,850 crore for the procurement of equipment and services, with over 3,000 direct suppliers around the world<sup>2</sup> geographically distributed as -

INDIA	EUROPE	AMERICA	AMEA
(45.97%)	(21.04%)	(16.88%)	(16.10%)

to support our operations and meet our customers' needs.

We also categorise our suppliers based on their wallet share of spend in Tata Communications. Suppliers are divided into 3 categories, where the % of supplier in each category<sup>3</sup> is: Category A (7%), Category B (18%) and Category C (75%).

<sup>&</sup>lt;sup>1</sup> Tata Communications' total supplier base is 3006 suppliers. However, the same supplier supplies to multiple categories based on product applicability. Tata Communications has 289 such suppliers.

<sup>&</sup>lt;sup>2</sup> Tata Communications' total supplier base is 3006 suppliers. However, the same supplier supplies to multiple regions. Tata Communications has 113 such suppliers

<sup>&</sup>lt;sup>3</sup> ABC analysis is used to place suppliers in 3 categories. Where suppliers covering 80% of spend are considered in Category A, spend between 80% to 65% are considered in category B and the balance in Category C.

### PROFIT Supply Chain Management

#### REQUIREMENTS

All our equipment suppliers and service providers are required to adhere to the Tata Code of Conduct and MSS requirements as applicable from time to time. Our suppliers are also bound by human rights laws such as the Modern Slavery Act. Over and above this, our suppliers are required to include regular operational mandates and features relating to quality, productspecific requirements, occupational health and safety as well as legal and ethical compliance. While choosing a new supplier or continuing a relationship with an existing supplier, we assess each supplier's compliance with our rules on health, safety and responsible behavior in conjunction with our assessment of commercial factors such as quality, cost and ability to deliver on time. Suppliers of passive infrastructure are also regularly evaluated for their environmental performance. This is an important criteria for selection of a supplier, along with other commercial aspects.

We also organise regular vendor meets with OSP (outside plant) suppliers, wherein there is a review of their performance, health and safety compliance, reporting of any incidents or deviations as well as evaluation and felicitation through awards.

### SUPPLY CHAIN ASSESSMENT

With the objective of understanding the adequacy and controls of our tier 1 suppliers and service providers towards Health, Safety and Environmental aspects, we conducted an HSE supplier assessment to analyse our supply chain partners' database and to find out if they can be classified as responsible partners having effective HSE processes and controls deployed in their organisation. We have conducted an assessment of our service partners to find out their compliance to our MSS/HSE requirements. To achieve the same, an 'HSE assessment checklist' was rolled out and our tier 1 supply chain partners were evaluated on the parameters of Policy, Control, Performance and Communications.

### TAKING LOCAL TO GLOBAL

Tata Communications recognises its role and responsibility of supporting and encouraging smaller, local companies as well as those that are under-represented in the industry. Though our main suppliers are multinationals, we aim to create sustainable livelihoods through our operations by emphasising on local procurement of goods and services and by creating a diverse supplier base. In the reporting year, we spent INR 3,850 crore on orders, out of which procurement spent of India region includes 45.97% of the total procurement budget. This was spent on purchasing goods and services locally.

SCM Vendor meet: Telecom Malaysia team Simultaneously, we are also working to develop our robust Supply Chain Sustainability Framework comprising of pre and post-selection sustainability risk assessment for our supply chain.

Response on the assessment checklist was sought from the suppliers and further sample online search was done to validate their responses. For suppliers who failed to respond, answers were filled in through online research and by studying their company's website. Results of the HSE supplier assessment confirmed that more than 90% of suppliers are responsible suppliers.



# **REJUVENATION TO RENEWABILITY**



In a world of depleting resources, we adopt greener processes to help rejuvenate the planet. By enhancing energy efficiency, managing scarce resources and reducing water and waste, we enable everyday business to combat climate change one of the most pressing challenges of our time.

# P L A N E T

We believe that digital transformation does more than making a switch to upgraded technology, it enables a shift to a sustainable reality. It pushes us to relook at the way things are and create alternate solutions to make things better. As one of the three key pillars of our Sustainability strategy, the Planet and its health is vital for our collective future. With the right balance between planet and people, we believe sustainable growth and prosperity for all are inevitable. We are dedicated to use our capabilities to help mitigate the impact of climate change and enhance resource conservation. Gathering insights from global and local megatrends, we design initiatives that have a significant positive impact on the environment.

We understand that the nature of our operations and sector may not have critical implications for the environment and natural resource management as compared to other sectors like manufacturing, real estate, automobiles, mining and processing.

We are committed to minimising our environmental footprint and have an Environment Policy in place which articulates our commitment to design services which are safe to use and do not cause any environmental hazards.



Solar panels installed at Ambattur, Chennai facility

At Tata Communications, we believe in focussing our efforts to minimise the use of energy and other resources, and to enable recycling or reuse of resources. We commit to prevent pollution, conserve resources, comply with applicable legal and other requirements relating to environment, and to continually improve our environmental performance.

### MANAGEMENT APPROACH

As a continual improvement plan, we have established Environmental Management System (EMS) in accordance with ISO 14001:2015 requirements and all 14 major Indian facilities have been certified for the same. The implementation of ISO 14001 standard help us to regularly review the EMS, with programmes in place to mitigate the identified environmental performance and impacts of our operational activities and services. Review of management system requirements ensures that all the policy commitments are upheld in our operations, and it has proved fruitful for evaluation of legal compliance and ensures we follow the national and regional laws. Furthermore, no environment incidents such as spills and non-compliances with environmental laws and regulations have been reported for FY20.

The system also helps us to review the environmental objectives and targets, training plans and needs and expectations of our stakeholders in a comprehensive manner. The review and governance mechanism of EMS includes Top Management Review (annually), Management Representative (MR) and deputy MR review (half-yearly), and routine review with Corporate Services (monthly).

We have adopted the Tata group climate change policy. As per this policy, we engage actively in climate change advocacy and seek to incorporate green perspectives in all key organisational processes. Over the years, our teams have planted ~20,500 trees and saplings aiming to sequester CO, soon.

### C A S E STUDY

### THE GARDEN THAT'S GOOD FOR THE ENVIRONMENT AND FOR THE COMMUNITY

#### CHALLENGE

Maximising the office space in an innovative manner by building a garden in a space that is unsuitable for regular architecture and conventional gardening.

#### **INTERVENTION**

With expert advice from MicroHabitat - an organisation which specialises in developing gardens in unfit spaces, and the constant support of volunteering employees, the team at Tata Communications, Montreal, devised a unique gardening solution.

Large-sized canvas pods designed to grow vegetables and plants while avoiding contact with the ground were used for the urban garden project. With neither chemical pesticides nor Genetically Modified Organisms (GMO) products being used, the garden was developed completely based on principles of ecological farming, using only natural fertilisers and an ecological automatic irrigation system approved by Leadership in Energy and Environmental Design (LEED).

The plant-remains, after the harvest, are used to fertilise the soil for the next season. In addition to this, four workshops on urban agriculture techniques were conducted to encourage employees to start urban gardens in their own homes.





#### OUTCOME

#### 65 volunteering hours | 157 kg of fresh produce | CAD 945 (INR 52,230) raised

Transforming an unusable open space in the office into a garden also helped reduce the urban heat island effect while sustaining the insect biodiversity of the city. The vegetables were sold on a pay-what-you-can basis and the money raised was handed over to a local charity 'Operation Pere Noel', that focusses on creating a great Christmas for underprivileged children. The team also won 'Tata North America Sustainability Award 2019' by Tata Sons America, for this initiative.

### CLIMATE CHANGE & ENERGY

We recognise that we have both social and economic responsibility to reduce our footprint and to engage constructively on climate change issues. By understanding the risks and opportunities of climate change, and how these affect our company (refer CDP submission), we can reduce our own impact on the environment and make a positive contribution to the cause.



Our approach on Energy and Climate Change management is governed by the company's Environment Policy, the group's Tata Code of Conduct and the Tata group climate change policy. Our innovation efforts are focussed on enhancing our energy efficiency and finding more carbon-neutral solutions for network operations including data centres.

Going forward, we will be enhancing the share of renewable energy in our energy mix and making significant investments in energy efficiency technologies across our facilities to improve energy productivity and combat climate change while driving sustainable growth.

### **INCREASING RENEWABLE ENERGY FOOTPRINT**

We consume nearly 6.3 lakhs gigajoule (GJ) of energy, mainly comprising of indirect power supply (89%) from the national grid, while the rest comes from the conventional sources and renewable energy sourced from third parties. We understand that our main impact on carbon or other greenhouse gas emissions comes from using indirect energy, hence our primary focus area is to reduce these indirect emissions. To reduce such emissions, there is an on-going move to use renewable energy at key locations of Tata Communications.



# In our operations across the globe, nearly 8% (~52,000 GJ) of the electricity used in the reporting period was sourced from either wind or solar energy.

The major locations harnessing green energy are Delhi, Chennai, Bengaluru, Hyderabad and Pune. In order to meet the increasing energy demand for customer services as well as our own facilities as on date, we have 10 MW (1.8 crore units) capacity agreement of renewable energy with third party providers, out of which nearly 1.3 crore units were consumed in FY20 whereas our in-house solar power generation capacity amounts to 5 MW (on site for both IDC and non-IDC) out of which nearly 14 lakhs units in FY20 were consumed.

In 2019, we also completed the Renewable Energy Assessment studies (prefeasibility studies) with the help of expert consultants like Deloitte and PTS: Schneider Electric for India and international regions (UK, Guam, North America, Japan, Portugal, Spain and Singapore) respectively. The exercise was planned in two phases, of which maximum focus was placed on India region, primarily on account of the large infrastructure space and high energy consumption pattern. The study confirmed that Tata Communications has a scope to expand the existing Renewable Energy (RE) capacity by ~16.5% to 32% (3.43 crore units per annum). This year, we are undertaking a feasibility study for the same which will be completed by FY21.

#### **REDUCING GHG EMISSIONS**

We have established an accounting mechanism and calculate our Green House Gas (GHG) emissions i.e. Scope 1 (emissions from DG sets energy and fugitive emissions from ODS) and Scope 2 (emissions from purchased electricity) emissions data in accordance with GHG Protocol Corporate Accounting and Reporting Standard that accounts for our global emissions. The  $CO_2$  emissions published national factors were used to calculate emissions from our operations. In the absence of any such national data, IPCC conversion factors have been used for the calculation of GHG emissions.



#### Absolute GHG emissions

Note: • Emission factors source: IPCC 2006, CEA V14, EPA 2018, DECC V1, NEA V1

 $\bullet$  The GHG intensity stands at 7.41 (tonnes CO\_2e per unit revenue in /INR)  $^{*10^7}$ 

• For FY20, Scope 1 emissions includes fugitive emissions from ODS (R134= 86kgs, R22= 2,245 kgs , R407C= 617 kgs)

We periodically report on environmental stewardship and actions in managing climate change through the Carbon Disclosure Project - CDP (a network organisation which works with shareholders and corporations to disclose the GHG emissions of major corporations). Tata Communications has received a score of 'C' Grade, which is within the 'awareness' band. Our CDP submissions are available on www.cdp.net/en.



Electric vehicles at Dighi campus, Pune

# INITIATIVE

### GOODBYE TRAVEL EMISSIONS



Tata Communications' UCaaS simplifies customers' collaboration experience and removes the pain of managing complex UC (Unified Communications) while delivering great user and customer experience regardless of location and devices. We enable seamless collaboration with video, voice, messaging, presence and teams space delivered through a single platform. The services are underpinned by our global network and SIP trunking coverage, which have extensive reach enabling customers to connect where ever their business needs to.

Our global footprint of cloud nodes, security nodes, SIP services and cable infrastructure have given us the ability to service 99.7% of the world GDP and help our customers solve their business problems most efficiently.

Whether customer's choice of UC services is Cisco, Microsoft or both, our global PoPs, voice gateways and in-region experts helps design a unique, unparalleled solution that will meets our customer's current and evolving needs and benefit their business by ensuring

Secure remote working solutions

Ensuring cost effective and consistent global quality of experience

Enhanced productivity and growth

Business Continuity during uncertain times

Avoidance and reduction of GHG Emissions related to travel for meetings

### **ENERGY EFFICIENCY**

In FY20, we consumed 17.5 crore kWh units in our operations across the globe. Our energy intensity over the years has decreased to 11.3 (MWH/Revenue in INR)\*10<sup>-7</sup> as we have expanded mainly due to our focus towards optimising our energy efficiency.

We aim to continuously measure our energy consumption, while also identifying any leakages in our operating procedures. Last year, our Indian operations identified a total of 56 opportunities involving projects related to HVAC, SMPS & UPS efficiency enhancement/optimisation and consolidation, smart lighting (conversion of conventional lighting into LED), usage of IoT (Internet of Things) and reduction in State Electricity Board (SEB) contract demand. Out of the 56 identified opportunities, 37 (66%) projects stand completed, and we have achieved savings of around 8.04 lakh units with annual savings of INR 7.85 crore.

\* Revenue considered for calculations of Energy and GHG intensity is INR 15,502 crores which excludes the subsidiaries of Tata Communications.

### **RENEWING THE WAY WE CONSUME ENERGY**

Often, large energy savings can be achieved by simple actions like adopting energy-efficient solutions available today. We implemented a host of measures aimed towards optimising energy consumption and enhancing efficiency of existing machinery and processes. Mentioned below are a few of those initiatives that powered massive savings.



LED powered peripheral lighting at KIADB, Bengaluru facility

LED lighting installed at Dighi campus, Pune

### LEDing the way to savings

Replacing halogen and mercury lamps with LED lights at KIADB, Bengaluru, led to energy saving of 24.6 kWh per day, nearly 51% of energy savings per month and a cost savings of INR 1,02,734 annually. Similarly, replacement of conventional FL/CFL lights with LED lights at VSB, Delhi, led to energy savings of 1,16,454 kWh per year and annual cost savings of INR 11,15,592.

### When movement is the switch

Motion sensor lighting saves thousands of hours of run time per year. At KIADB, Bengaluru, motion sensor lighting was installed in all meeting rooms. At VSB, Kochi, LED lightings led to a total savings of 1,279 kWh and a cost savings of INR 11,754 since its installation.

### Bringing down the curtain on energy wastage

At ITMC & SAFE Room, VSB Kochi, nearly half of the data centre was unoccupied with no separation between cold air from HVAC supply and hot air from racks. The whole arrangement (mixing of air streams and wastage of cooling) was leading to additional load on AHU/PAC for maintaining the required room temperature. To prevent the mixing of air, PVC curtains were installed resulting in energy savings of 1,038 kWh with a cost savings of INR 9,541.

## P L A N E T

#### Efficiently uninterrupted

Replacement of 200 kVA with 125 kVA new modular Delta UPS with higher efficiency and optimum capacity at Dighi, Pune, resulted in energy savings of 69,002 kWh and cost savings of INR 9.66 lakh over a period of six months.

#### Chilling while saving

Chillers may keep things cool, but an inefficient, outdated equipment is damaging on many levels. With the aim of enhancing the efficiency of such chillers, we undertook the following steps at various locations:

- Replacement of 240 TR Chiller in VSB Fort, Mumbai, led to cost savings of INR 80 lakh annually and annual cost reduction of INR 5 lakh for AMC & R&M.
- Installation of Variable Frequency Drive (VFD) Retrofit for 140 TR Chiller at VSB, Kochi, enabled energy savings of 6,360 kWh in 24 days and cost savings of INR 58,448.

- Discarded outdated GCSC Bluestar chillers and instead augmented the chilled water line supply and return connection from the new chiller plant to avoid energy wastage at Dighi, Pune. Energy savings of 14,344 kWh and cost savings of INR 1.4 lakh achieved over the span of two months.
- Comfort ACs replaced by Precision Air Conditioning (PAC) units in ITMC room at VSB, Kolkata, resulted in cost savings of INR 5,88,982 within 3 months.

#### Leading the PAC with efficiency

- Replaced two old PAC units with energy efficient, latest technology PAC units equipped with digital scroll compressors, EC fans and with green gas at VSB, Chennai. Achieved energy savings of 2,10,403 kWh per annum and cost savings of INR 19,98,830 per annum.
- Replaced four PAC Units EOL assets at KIADB, Bengaluru - ITMC server hall with new highefficiency machine of 28 TR without any shutdown and business impact and achieved cost savings of INR 12.57 lakh per annum

### **GOING GREEN ACROSS THE GLOBE**

Our international operations have also worked towards energy conservation projects and have completed two big projects - installation of Variable Frequency Drives on IT room HVAC units in Wall, New Jersey, US, resulting in annual savings of ~82,000 kwh and installation of EC (Electronically Commutated) fans on Stratford, London Colo room CRAH units, resulting in annual savings of ~30,600 kWh. Further, the team installed Electric Vehicle (EV) charging station at Wall, New Jersey - this allows employees to utilise EVs to commute to work and facilitate a shift to electric mobility in the future.



EV charging stations at Toronto, Canada

### POWER USAGE EFFECTIVENESS (PUE) ENHANCEMENT

Growth in every sector of business has been driven by a high demand for computation capabilities fuelling the need for large data centres to manage current internet and business applications. Every data centre is home to thousands of servers and requires substantial amount of power to operate. This results in massive energy consumption, underutilisation of installed equipment, and emission of greenhouse gases. Power Usage Effectiveness (PUE) is a metric used to determine the energy efficiency of a data centre. To calculate PUE, a facility's total power delivered is divided by its IT equipment power usage level. It is expressed as a ratio, with overall efficiency improving as the quotient decreases toward 1. At Tata Communications, we are constantly updating our data centres with more efficient technologies to enhance the PUE value of our facilities.

During the reporting period, we identified one network floor (Kochi, India) as a pilot project for PUE enhancement from current level of 2.09 to 1.78 (20% improvement).

We will be working towards similar PUE enhancement projects in our other facilities to achieve the industry benchmark of 1.59. Overall, the Facilities Infrastructure Management (FIM) team manages 26 critical networks/business locations where the average current PUE is 1.8.

### COLD AIR CONTAINMENT PROJECT IMPLEMENTED

#### CHALLENGE

To overcome major air losses in areas providing cooling for ITMC 2 and ITMC 3 network areas due to lack of pre-defined hot and cold aisle containment at VSB, Delhi.

C A S E STUDY

#### **INTERVENTION**

Communications network cooling requires transmission accuracy and 100% uptime. A Precision Air Conditioning (PAC) unit is a key component for ensuring smooth operations. However, with no designated cold air containment, the PAC units operated on full load, resulting in high energy usage. Cold Aisle Containment (CAC) deploys aisle door and, in some designs, a roof system to contain cold supply air for IT equipment. CAC prevents mixing of cold supply air with hot exhaust air and prevents 'cycling', a phenomenon in which hot exhaust air is pulled back into the intake of IT equipment. CAC also ensures stable and uniform delivery of cold air all the way to the top of each rack. This supports total utilisation of RU space in every rack. Additionally, CAC is also easier to install as it does not interfere with overhead cable trays.

Apart from improving efficiency, installing CAC allows for greater control of the air temperature and eliminates hot spots. This ensures a greater control of the data centre cooling system and helps predict and manage change far more easily and with greater accuracy.



#### OUTCOME

Total energy saving achieved after installation of CAC amounts to 72,821 kWh with a cost saving of INR 6,38,324.

We achieved a net power reduction of 24 kW to support the network/ business growth. Enhanced our PUE category from 'average' category to 'efficient'. The current PUE value is 1.61 and 1.57 in ITMC 2 and ITMC 3 respectively.

### WATER

A vital natural resource for human life, as well as business continuity, we recognise the value of water as an increasing global concern and are conscious of the impact of its use in our operational activities. As we continuously work towards reducing our usage of fresh water, some of our ongoing efforts include installation of IoT water meters, rainwater harvesting, and sewage treatment plant for recycling wastewater.

### WATER FOOTPRINT

Our facilities in India exist in areas that face water scarcity wherein water usage is mainly for office and catering facilities or in HVAC to support cooling equipment.

Although our operations are not as water intensive as those of manufacturing industries, we consider it to be a material aspect and have undertaken multiple steps for water conservation across our facilities.

Since most of our international operations facilities are on leases or have abundance of water supply in the region, we consider water as a material issue for our Indian operations only.

During the reporting period, we withdrew (including requirement for STT-GDC, an associate company) nearly 4.62 lakhs kilo litres of water, of which 72.5% was from municipal facilities, 25% from third-party tankers and bottled water, and the remaining 2-3% through rainwater harvesting and ground water. Water recycling accounts for 17% of the total water withdrawal. For smaller sites where recycling and treating installation is not feasible, the wastewater is discharged in the municipal drainage system after appropriate approvals from the authorities.

### WATER RISK ASSESSMENT

To map impacts of water consumption in our direct operations, we conduct a Water Risk Assessment exercise periodically. The assessment survey includes information pertaining to the facility's water intake, water conservation, water sourcing, sustainability of water supply, and water balance. This helps us to improve processes and facilitates identification of inefficiencies in water usage or distribution system.



This year, we revisited our Water Risk Assessment exercise for all major facilities wherein all facilities, especially those falling under high risk areas, were asked to set up objectives and targets along with plans in order to conserve and improve water management in their region.

### WATER MANAGEMENT STRATEGY

We are committed to reducing our water footprint through the 3R resource management strategy -

WATER	Tata Communications is committed to reducing our water					
MANAGEMENT	footprint throughout our operations by optimising water					
STRATEGY	consumption and increasing our recycling capacity.					
Need and risk	Consumption	Resource	Minimising	-		
assessment	monitoring	allocation	waste			
We map our complete operations and carry out a demand estimate for future consumption.	We continuously monitor our operations for any improvement in water consumption efficiency and ascertain compliance of water policy.	Depending upon our water management goal, we determine the share of fresh water and reused water in our total water consumption.	We have an efficient mechanism for wastewater recycling and we are working towards enhancing our resource capacity.			



Sensor based taps installed in the restrooms of all major facilities.

### Reduce

Water reduction plans mainly consist of optimising the use of water in our facilities primarily through technological interventions. Keeping track of water usage with updated and innovative technology and equipment maximises water savings significantly. With an aim to reduce our water consumption we have installed water meters at all withdrawal points in all our facilities.

To further account for our consumption at each activity level, we are automating and increasing water metre installations at all our facilities. Apart from measuring the withdrawal and consumption, we also held awareness sessions with our employees on best practices to prevent water wastage. At our major facilities, we installed sensor-based water taps at all restrooms and cafeteria to reduce our water consumption.



Water treatment plant at Ambattur, Chennai facility



### C A S E STUDY

CONSERVING WATER THROUGH IOT WATER METER AT DIGHI

### CHALLENGE

Determining the exact amount of water consumption and losses across the sprawling Dighi campus.

#### **INTERVENTION**

With the aim to measure building-wise water consumption at Dighi, we decided to install IoT water meters. The only water meter installed at MIDC water inlet was operated on manual reading and was prone to errors.

With a larger life span and accuracy compared to conventional non-MID (Measuring Instrument Directive) water meters, IoT water meters have various features like remote water meter reading, built-in data logging, records leakage information, records backflow, and tampering. Additionally, IoT water meters have a battery life of five years and less routine maintenance cost.



IoT water meters installed at Dighi campus, Pune

#### OUTCOME

We achieved reduction in water loss from 15% to 3% within a span of five months, mainly due to identification of pipeline leakages, replacement of the damaged/leaked pipeline and waterproofing tanks with leakages. Additionally, this helps monitor demand and supply of water from municipal and other water sources.

#### Reuse

Conserving by reusing treated water from the STP of nearly 77,000 kilo litres in volume for other processes, such as landscaping and gardening, has not only resulted in cost savings but also minimised the freshwater withdrawal dependency for such activities.

**Geothermal cooling:** Tata Communications, Pune, is equipped with a geothermal cooling system for our Heating, Ventilation and Air Conditioning (HVAC) plants. This reuses water and minimises losses from leaks and evaporation.

**Rainwater harvesting:** Rainwater harvesting creates a buffer stock of water, which can then be consumed as an alternative to freshwater supply. We collect and save nearly 126 kilolitres of water through rainwater harvesting at VSB, Kochi. In other campuses, such as GK - New Delhi, Dighi - Pune and Ambattur, rainwater is directly utilised to recharge ground water aquifers.

### Recycle

In a water-stressed country like India, the recycling and efficient use of water is crucial. Therefore, we have installed wastewater treatment plants at most of our facilities. Also, to enhance the efficiency of our cooling system, we conducted a feasibility study for a geothermal cooling system - using a water-cooled HVAC technology that loses almost no water to evaporation. Further, our major facilities have been designed to be 'zero discharge', where the generated wastewater is treated through Sewage Treatment Plants (STPs) and recycled for cooling and other domestic applications such as gardening, water sprinkling etc.

During FY20, we recycled nearly ~77,000 kilo litres of water back into gainful use - that is nearly 17% of our total water requirement.

### **USING STP TREATED WATER**

Every month at KIADB, Bengaluru, around 80 to 90 cubic metres STP treated water is used for gardening and washing of outdoor AC unit. By using the STP treated water instead of tanker water, we achieve monthly savings of INR 10,710. In FY20 a total of 1,267 kilo litres of STP treated water used led to total raw water saving of 2,67,894 kilo litres.

### WASTE

At Tata Communications, waste management is based on the 3R philosophy. With large infrastructures across our facilities, effective waste management is an integral part of our sustainability strategy.

We focus primarily on waste minimisation to reduce our overall waste generation. We also practice efficient and environment friendly end-of-life disposal methods to ensure the impact of the waste generated is minimum and also reduce waste that enters landfills.



Waste management not only generates savings but is an opportunity for value-creation through improved process efficiency, higher savings through resource conservation and optimal reuse of raw materials.

### WASTE FOOTPRINT

In our operations, we categorise waste as non-hazardous and hazardous waste. Non-hazardous waste mainly consists of municipal solid waste (paper, food, dry leaves, cartons, plastic etc.) generated and can be easily recycled. On the other hand, hazardous waste is generated mainly from high-end equipment which are required to operate the facility and require authorised treatment procedures. For both types of waste, it is ensured that the recycling and disposal is done through authorised vendors.



### Hazardous waste

Apart from the non-hazardous waste generated from day-to-day operations, hazardous waste, such as used oil, oil filter and oil-soaked cotton from DG sets, used batteries from energy utilities and e-waste, is generated from equipment such as computers, laptops and other office and IT equipment. We ensure adequate storage with secondary containments during the collection and handling of such hazardous waste and ensure proper training of the waste handlers as well. The waste is disposed to authorised recyclers and processors through Metal Scrap Trade Corporation Limited and is ensured to follow all the regulatory requirements of waste management rules of the regions or countries.



### Non-hazardous waste

Most of the non-hazardous waste generated at our facilities is municipal solid waste which is collected and segregated into various categories such as paper, food, plant thrush, plastic, metal, cartons, and more. Subsequently, we dispose the non-hazardous waste generated at our facilities through various channels such as recyclers and municipal corporations. For paper waste generated in the form of newspapers, printed papers and cartons, we have tied up with various NGOs such as Samarthanam Trust and Green Yatra, that work towards recycling waste while providing livelihoods, where -47 tonnes have been sent for recycling.

We have installed Organic Waste Convertors (OWC) in all our major facilities to convert the food waste generated from our cafeterias into manure and reuse it within the facilities which has helped us in composting ~83 tonnes of food waste.

To reduce our waste, we have implemented several initiatives such as replacement of plastic water bottles in our meeting rooms with glass bottles and switched to reusable ceramic or acrylic mugs in our cafeteria. Our corporate services team organises regular 'awareness sessions' for waste handlers within the facility to ensure proper waste management and minimise risk of contamination and spill.

In the FY20, we recycled 43% of our 314 tonnes of waste generated from our operations.

### Non-hazardous waste generated & recycled (metric tonnes)

• Waste generated • Waste recycled





Awareness drive by Greenpeace at GK, New Delhi facilty

Awareness by Greenpeace at KIADB, Bengaluru facility



### ENSURING STANDARDISATION OF ORGANIC WASTE CONVERTOR

#### CHALLENGE

To standardise waste management system using the Organic Waste Convertor by ensuring proper collection and segregation of waste by employees at Tata Communications Dighi, Pune.

### INTERVENTION

An Organic Waste Convertor (OWC) turns large amounts of organic waste such as kitchen waste, food processing waste etc. into rich, safe and fully mature compost that is organic, environment friendly and significantly better than a chemical fertiliser. To optimise and maximise the use of an OWC, we initiated an operational standardisation. We focussed on optimising implementation, ensuring proper distribution and spreading awareness through training and signages.

To ensure right collection and segregation of waste among employees, we created three teams to manage the overall operation of the OWC. The input team for proper segregation and collection of food waste, the operational team for conversion of food waste into compost and the output team for ensuring apt usage of pure compost in the campus garden. To overcome distribution issues of the compost across the vast campus, we allocated a dedicated four-wheeler tempo for appropriate distribution.

Next, we organised routine trainings on topics such as 3R waste management for external stakeholders like OWC Vendors and internal training on topics such as EMS, OWC SOP etc. Additionally, we installed awareness signages on operating the OWC plant, waste segregation, SOP, escalation matrix, emergency response and more.



#### OUTCOME

#### Increased compost production by more than 800 kg from 2,990 kg in FY19 to 3,800 kg FY20.

Apart from controlling soil erosion, the compost from OWC helps in 100% wet waste management. We also achieved higher production of compost by creating three different teams.

The initiative ensured skill enhancement of the operational team as well as higher adherence to standard operating procedure overall. The resulting in-house compost formed is nutrient-rich, organic, safe and fully mature and helps build and maintain the beautiful garden at Dighi campus in Pune.

# PERFORMANCE TO PASSION



We focus on creating a diverse work environment, where performance reflects the passion with which our people work. We invest in our employees by offering learning avenues to bolster their ambitions. To ensure a high standard of living, we foster a culture of respect, safety and well-being.

### MANAGEMENT APPROACH

As we strengthen our business model to build a digital future, our people remain at the core of our business success. The ideas, competence, enthusiasm and commitment of our employees propel our progress and being wired to their learning and development needs is a priority at Tata Communications. Giving us a strong competitive edge, is our dedication in ensuring employee satisfaction, motivation and loyalty, through robust engagement and continuous skills development that are geared towards their well-being and growth. In return, our diverse and highly skilled workforce has made us a leading digital partner for our customers, across the world.

These efforts have consistently led us to be recognised as among the top 100 'India's Best Companies to Work For' consecutively for 4 years in a row. As 92% of our workforce is based in India, it is considered as a significant location for our reporting process.

### WORKFORCE SNAPSHOT

#### Total workforce by gender

Total no. of employees	Permanent	Temporary contract	Total	
Male	9,497	5,940	15,437	
Female	2,610	1,066	3,676	



DRIVE event at VSB Delhi, India

#### Total workforce by employment contract and region

Region	India	APAC	Americas	EMEA
Permanent	10,711	417	492	487
Temporary	6,988	2	1	15

### EMPLOYEE ENGAGEMENT AND BENEFITS

Employees who trust their organisation, propel its growth. A committed workforce is a result of continuous communication. We actively engage with over 19,000 of our employees, solicit their feedback and rely on the same to develop robust processes, policies and initiatives.

Our employee engagement focus at Tata Communications begins from day one, with induction training being the first step towards building strong links between new hires and our organisation. We use a range of engagement methods including GMC roadshows, townhalls, events, newsletters and engagement through other internal channels.



CEO connect with employees on 'Our journey ahead' workshop

All our workplaces are designed with ergonomic comfort, safety and security of the workforce in mind. We make sure that every workplace is hazard-free and maintain a healthy and conducive work environment by providing proper illumination, low noise levels, good ventilation systems, hygienic food and water. At some of our facilities, we also have medical rooms, resting places and visiting doctors' services, along with pantry, break areas and sports facilities.

To ensure satisfaction, motivation and retention of the best talent, we have compensation and employee benefit schemes that are designed to be competitive within the respective geographies of where we operate. The benefits vary across geographies and some of them include Group Medical Insurance, Group Term Life Insurance, Group Personal Accident Insurance, Global Caregiving Leave, awards for employees and retirement benefits for our full-time employees, including Provident Fund, Gratuity, Medical and Pension Benefits in India and other geographies, as applicable.

We also make sure we always adhere to/exceed wages and working hours standards. In India, while preparing our salary ranges, the Compensation and Benefits Team takes inputs from the Compliance Team and accordingly increases the ranges, if required, to ensure that we are above the minimum wage requirement. The ratio of entry level wage to the minimum wage for men and women stands at 5.7 and 5.0, respectively.

### **EMPLOYEE DIVERSITY**

At Tata Communications, we are driven by five basic principles, encapsulated in a one-word philosophy - DRIVE, where D denotes Drive, R - Responsive, I - Inclusivity, V - Venturing and E - Ethics.

Inclusivity, specifically, is the bedrock of our culture and we fundamentally believe that our success as a company depends on mutual respect and support - the strengths that underpin true diversity and inclusion. Diversity is something that we do not just incorporate, but actively seek out and harmonise with, to improve the coherent strength of the business as it strives to create an inclusive culture for all. However, all the recruitments (base level and senior management) and promotions are based on performance, calibre and potential of the candidate.



The company focusses on hiring based on meritocracy and performance. In addition, we ensure adherence to relevant statutory compliances across different regions of the globe with respect to diversity and inclusion. We do not discriminate on the grounds of race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin and disability.

Our strategic business imperative - Winning Mix, is based on the three pillars of building an inclusive culture, creating a diverse talent pool and enabling policies and infrastructure.



### At Tata Communications, new hire diversity has increased from 19% to 33%, whereas women representation in the workforce has grown from 16% to 22% between FY14 and FY20.

This increase has been fuelled by a supportive policy framework, focussed efforts towards diversity hiring and inclusive talent management practices. Since its inception, the Winning Mix programme has brought to life many progressive practices.

### FLEXI-WORK PROGRAMME

The Global Caregiving Policy includes six-month paid leave for primary caregivers (men and women). The global flexi-work offering also includes Work From Home and part-time work options, along with training programmes for managers to be active champions of this flexible work culture. The offering has been enhanced by LEAP - Life Event Assistance Programme, an intelligent online ecosystem designed to support primary/secondary caregivers during critical life events, like parenthood and childcare, through customised support, resource centre, confidential counselling and larger community network access, to help them navigate this journey smoothly.

### **AI-ENABLED MASKING TOOL**

To address the issue of cognitive gender biases that may arise during the hiring process, an Al-enabled tool has been implemented during the initial screening process that masks the candidate's gender, and other data that can indicate gender, such as name, pronouns etc. This enables candidate shortlisting based on merit leading to a diverse talent mix to choose from. The details of the candidate are only made available to the evaluator in an 'unmasked' resume after they are shortlisted. Further bolstering the importance of this endeavour is that it could also inform the evaluator of any unconscious bias they may have carried about the candidate before their gender was divulged to them.

### FOCUSSED INTERVENTIONS FOR PEOPLE MANAGERS AND SENIOR LEADERS

Inclusive leadership has been introduced as an immersive learning journey to help People Managers (including senior leaders) manage a diverse workforce, with the help of webinars from world class D&I leaders and customised e-learning modules with assignments, case studies and online social discussions.

### WOMEN DEVELOPMENT INTERVENTIONS

To ensure creation of a healthy pipeline of women leaders, a Women's Leadership Development programme (UDAAN) has been launched in the largest Business Unit (BU). The four month programme comprises a 2-day experiential learning workshop, virtual learning and action learning projects, designed to help participants understand, transform and challenge themselves. For this same BU, the Success DRIVErs programme focussed on sharpening interpersonal skills and shaping future leadership capabilities among junior women employees has also been introduced. In addition, a Mentoring Programme is also offered to women about to transition into middle management level. These employees are mentored by middle and senior level employees within the company.

### GIVING MOTHERS THE BEST OF BOTH WORLDS

Helping new parents ease back into work, and to not lose their close bond with their children, we have set up day care facilities within our office premises. This is in accordance with the Maternity Benefits Act and is carried out through an external partnership model, where 50% of the expenses incurred for the running of these facilities is borne by the company. The day care centres, in addition to offering care for the children while their parents are at work, also provide nursing rooms with beds for mothers, a fridge and other necessities. The proximity allows new parents to take a break while not upsetting their new borns' schedules, and also enjoy being near their bundles of joy.



In addition to infrastructure, we have also leveraged technology (refer point on Flexi-Work Programme above) through the Life Event Assistance Program (LEAP) to enable employees to strike an optimum balance between personal needs and professional responsibilities.

### Percentage of employee diversity

		AGE GROUP	GENDER			
CATEGORY	LESS THAN 30 YEARS	BETWEEN 30-50 YEARS	ABOVE 50 YEARS	MALE	FEMALE	
Top management	0%	25%	75%	90%	10%	
Senior management	0%	71%	<b>29</b> %	<b>96</b> %	4%	
Middle management	0%	85%	15%	<b>89</b> %	11%	
Junior management	35%	62%	3%	77%	23%	
Non executive	0%	38%	62%	78%	22%	

\*Tata Communications does not identify with the term Minority group for any of its employees.

### TALENT MANAGEMENT AND RETENTION

At Tata Communications, we don't limit our talent management process to just attracting the best candidates to join us, but focus on a continuous process of developing, advancing and retaining these talents. This holistic approach is the reason behind our continued success, and our recognition of each employee's talent helps us create even better opportunities for them to work to the best of their potentials. In line with our group philosophy to foster and nurture a culture of meritocracy and high performance, regular performance and career development reviews are viewed as an important exercise. We have on demand coaching conversation process for our workforce. Employees not only utilise regular coaching conversation for identification of areas of improvement, but also using the feedback provided to focus on Innovation, Collaboration and Future-Skills readiness. All on-roll employees who joined on or before 31<sup>st</sup> Dec are eligible for annual compensation clustering/increment process whereas all employees who are active as on 31<sup>st</sup> March as eligible for Bonus process.

# Employees who received regular performance reviews in FY20

CATEGORY	MALE	FEMALE
Senior management	44%	30%
Middle management	74%	76%
Junior management	86%	90%
Non executive	100%	86%



### LEARNING AND DEVELOPMENT

With technology and communications constantly evolving, we ensure our workforce remains in step with the latest best practices through a range of learning and development initiatives and programmes. Our innovative training methods help build profiles for future job requirements, helping our employees pivot their skills for a transforming digital economy.

### LEARNING NEEDS ANALYSIS

An annual exercise carried out in FY20 with a view to enhance the continuous learning partnership between Learning & Development, Leadership Forum Members and Business HR Partners.

Learning need analysis highlights the gaps between the desired and actual skillsets in each function in line with our company corporate imperatives and business strategy. The learning needs for given year are mapped per function by engaging in discussions with business leaders and solutioned via a range of learning avenues including those mentioned below:

### TATA COMMUNICATIONS LEARNING ACADEMY (TCLA)

TCLA is a one-stop-shop for learning at Tata Communications, that includes digital courses, articles, videos, podcasts, books, as well as links to place certification requests, customised learning requests and access quarterly learning calendars. For us, it is important to equip our employees with the right tools, technology and an ideal environment that provides an enhanced learner experience. Coupled with a user-friendly app that allows for learning on the go, this platform effortlessly facilitates self-paced and continuous learning.

**IMPACT:** Since its launch, TCLA has been adopted by 71% of new users and 52% of repeat users till Mar' 20 (FY20).

#### **GLOBAL CERTIFICATIONS POLICY**

A policy that enables employees to take up relevant certifications on their own and get reimbursed once certified, benefitting both the employees and the organisation. Several of our employees have availed of this opportunity, according to their role requirements or current/future business needs, in a bid to upskill themselves.

**IMPACT:** As per our business imperatives in FY20, we had set a target of 3,050 certifications to be earned across the organisation. We surpassed the target with a total of 5,379 certifications.



CSR team after completing the certification programme on Customer Centricity

### EDUCATION ASSISTANCE POLICY

A policy designed to assist employees to advance their career by encouraging them to pursue relevant education programmes from reputed institutes that support future objectives of both the organisation and the individual.

**IMPACT:** 3 employees were provided with part-time education assistance in FY20 in alignment with the policy guidelines.

### LEADERSHIP DEVELOPMENT

A customised Leadership Development Model that delivers relevant interventions, from best-in-class global learning partners, to the different levels of management.

### **PROJECT MILES 2.0**

An initiative for our Global Network and Operations teams to enhance their skills through training and certifying all employees on new technologies and key services/products offered by Tata Communications such as Business Collaboration, Hybrid Network and Managed Hosting & Security.

**IMPACT:** 191 Certifications completed for Security, SDN and VOIP.

### **GLOBAL CAMPUS PROGRAMME**

Through our flagship programme for talent management, we recruit freshers from across premiere tier 1 and tier 2 business institutes. We also have a Graduate Engineering Trainee (GET) functional induction, to onboard engineering freshers with an innovative bent of mind, who are nurtured through a structured learning journey of over 2 months to help acquaint them to the corporate environment.

IMPACT: Hired 150 freshers in FY20 under GET.

### LEARNING AND DEVELOPMENT DASHBOARD

#### Average man-days of training received by employees in FY20

CATEGORY		-	Senior nagement Management		Middle Management		Junior Management		Non- executives		
		MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
	Number	18	2	190	8	840	105	8,232	2,433	217	62
UNITS	Man-days	1.5 days	1.5 days	4 days	5 days	5.9 days	5.1 days	6.3 days	7.6 days	-	-

## SELLING, THE TATA COMMUNICATIONS' WAY

#### CHALLENGE

To define a new sales methodology and enhance the ability of sales teams to win bids, whilst maximising business outcomes for both customers and the organisation.

#### **INTERVENTION**

The Tata Communications Sales Team recognised the need to redefine its sales methodology and address the needs of a transforming market, rising competition, and changing customer demands. This 12-week intervention was designed primarily for the Field Sales & Tele-Sales employees, with certification carried out in three stages. It focussed on learning skills such as lead generation techniques, building CXO level relationships, value proposition selling, POV methodology, making winning proposals, negotiation skills, voice modulation techniques, lead generation to closure techniques on tele-sales and more.



'Way of Selling' Workshop for Sales team

#### IMPACT

Since its launch in FY19, over 300+ employees are successfully completing their certification journeys over the course of the year.



C A S E STUDY

### HEALTH AND SAFETY







Health and Safety plays an integral role in our value creation process, while also being a business imperative. With the objective of 'zero harm', and an Occupational Health & Safety policy firmly in place, our leadership team strives to lead the way in sustainable health and safety practices, including promoting health and safety for all our stakeholders. Tata Communications, being a labour intensive company, identifies more risks and hazards for its contract workforce in comparison to managerial staff. Further, most of our international operational activities are taken up as planned activities, hence we consider Health & Safety management as a material issue, primarily in the Indian context.



"Safety awareness campaign" at Chennai, India

We follow the Tata group's safety principles in everything we do, and our policies and programmes ensure the group mandatory standards are implemented in line with local laws and regulations.

### H&S MANAGEMENT SYSTEM IMPLEMENTATION

By aligning to the Tata group Health and Safety Management System, as well as OHSAS 18001 requirements, we at Tata Communications, have successfully developed our own management system. In FY20, we successfully completed the annual surveillance audit for four of our facilities (28%) in India. For the remaining facilities, we aim to be certified as per ISO 45001:2018 by FY21.



With regard to international operations, our Australia operations are certified to Health & Safety management system standards as per AS 4801:2001 and two facilities located in Singapore are certified as per OHSAS 18001. We are working to achieve certification as per ISO 45001:2018 for three facilities in Canada by FY21.

With this system, we aim to eliminate or minimise the impacts and risks that come along with our activities and cover all employees (including employees engaged by the sub-contractors) and other interested parties like visitors and neighbouring communities & stakeholders.

### H&S MANAGEMENT SYSTEM FRAMEWORK





National Safety Day campaign at VSB Kolkata

As a part of implementation, we have defined organisational structure, responsibilities, procedures, processes and resources for developing, implementing, achieving, reviewing and maintaining the organisation's OH&S policy.

The scope of H&S Management system not only covers risks and activities pertaining to maintenance of our facility, but also includes business teams like Field Operations, Service Delivery and Wireless & Outside Project Implementation etc., which work outside our facilities or on customer locations. H&S Management System helps all our functional teams to identify hazards, injuries and associated controls of work-related activities. The functional team carries out the Risk Assessment and Job Safety Evaluation while ensuring the mandatory safety standards, work permits, SOPs and imparting training & awareness to personnel. The team periodically reviews the management programmes to mitigate identified hazards, minimising risks and exploring new opportunities in their operational activities and services. The system also assists in reviewing relevant compliances, objectives, targets, training plans, as well as needs and expectations of our stakeholders, in a comprehensive manner.

As a part of implementation, we have devised a process to ensure our worker participation and consultation is done through respective functional SPOCs. Further, a well-documented process and procedure for providing access to and communicating relevant information on occupational health and safety to workers and relevant interested parties, is being followed.

The results/findings of the management system are discussed at the management review meeting, with participation from all the worker representatives and business functional teams. Further, we have a Global Safety Council (GSC), wherein safety performance is reviewed on a quarterly basis. GSC is chaired by the Chief Human Resource Officer and comprises other members, including two senior management committee members, representing all geographies and relevant business functions. Safety performance is reviewed at multiple forums by senior management.



Safety Kiosk at Ambattur, Chennai

### OCCUPATIONAL HEALTH PROGRAMMES

Occupational health is not identified as a key material issue in the pilot ergonomic assessment done in 2015. Occupational health baseline programme is in the pipeline and will be developed involving all business functions and activities. The target date for completion of assessment is FY21.



Employee awareness session at Dighi, Pune

#### AIMING FOR ZERO HARM

All the lead and lag incidents/occurrences are reported through an incident reporting system and procedure. The incident reporting procedure details the complete process by which an incident can be reported, along with processes to investigate and determine corrective actions and improvements for both lead and lag indicators, with no reprisal mechanism for employees and contract workforce. The initial investigation, followed by a detailed investigation, is conducted with the concerned stakeholders and the same is reported to the top management on a monthly basis, as well as discussed in the quarterly GSC meetings.

The health and safety of all employers and contractors is a top priority for us, and the year saw more than 80% increase in the reporting of safety observations. To ensure such ongoing improvements, the safety SPOCs carry out internal and external audits to suggest how technology, processes and behavioural safety can be best achieved. As a critical element of this ongoing focus, over 67,400 participants were trained in a total of 4,662 training sessions in FY20.



#### Safety dashboard

KPIs	FY19	FY20
Fatal incidents	0	0
Lost time injuries	15	14
Near miss/unsafe observations	3,595	1,887

Our risk assessment indicated that OHS risk is primarily in India and not with international operations. In India, the risk is with the contract workforce who carry out the O&M activities, which have a H&S interface. We identify key safety hazards, risks and workers in the high-risk category through safety audits, inspections and assessments of offices and field operation sites, as well as by engaging with business managers and vendor partners of field operations. As part of governance, we have adopted a multi-faceted approach towards safety management, wherein all non-routine, high risk activities are governed through a Work Permit (WP) programme, whereas routine high risk activities are addressed through Mandatory Safety Standards (MSS). The MSS and related penalties for non-compliance are applicable to all supplier personnel who are performing any of the activities listed below, while providing services to Tata Communications and its subsidiaries.

One of the key principles of MSS is to do as much pre-emptive training as possible and 'on the job' training when the alternative is not feasible. Teams further carry out MSS audits to check compliance. From a governance perspective, MSS is part of vendor agreement.





### **TECHNOLOGY ENABLED SAFETY**

We have developed several IT based solutions to ensure OH&S compliance in our facilities, such as:

### Permit to Work (PTW) tool for optical fibre activities

All fibre activities are now undertaken only with a valid work permit which ensures that H&S risks are identified for the related activity and safety briefing (to carry out the work safely) is imparted to the team before undertaking the activity.

### Safety app developed for TCPSL ATM officers

As part of risk mitigation (primarily to address road related risks), a safety app was rolled out to ensure safety for all staff using two-wheeler transport to perform their field jobs. The app captures and monitors information like over speeding, distance travelled, Personal Protective Equipment (PPE) usage - full-face helmet and reflective jacket.

## The use of the app has ensured a 75+% drop in speed burst.

### E-Safety passport for contract workers

Without an E-Safety passport, our staff are not permitted to work in the field. Safety passport is issued to the staff, once he/she has undergone the applicable H&S training.

#### Campus safety

The deployment of Automatic Speed Detection System at Dighi Campus, Pune has helped ensure campus safety. The ASDS primarily detects over speeding - anyone exceeding the campus speed limit of 30 kmph limit receives an email from the system. Deploying ASDS has helped in adherence to speed limits and mitigated the key H&S risks at the Dighi campus.

### Resustain tool

An automated solution to aid business and corporate EOHS teams in automating HSE programmes, including incident reporting & investigation, audit management, reward & recognition and MIS system for the company.



Women safety training at Dighi, Pune

### AUDIT PROGRAMME

To make our facilities as safe as possible, we have developed an audit programme that combines external and internal audits. This regularly assesses and mitigates any risks to health and safety.

During the year, we conducted 252 Mandatory Safety Standards (MSS) audits wherein 100% of the audit findings were closed.

### SAFETY KIOSK: THE GIFT THAT KEEPS GIVING

We conducted a safety awareness campaign at our Chennai facilities through the use of technology, to great success. The campaign was designed as an interactive tool, where participants were presented with three safety related questions at a kiosk. On answering all three questions correctly, the kiosk automatically dispensed a gift for the winners.

The enthusiastic participation has led us to transform these 'safety kiosks' to 'safety centres', where employees can access all safety related videos, at the press of a button. The centre would also double as a reporting mechanism in case any employee has made safety related observations that need attention.



C A S E STUDY

IMPACT: the safety kiosk saw the participation of over 1,300 employees and has encouraged us to carry out the same at our facilities in Delhi, Pune and Mumbai.

### SPEEDING TOWARDS SAFETY

#### **CHALLENGE**

Develop a tool to reduce rash driving that causes over 90% of road accidents in India.

#### INTERVENTION

We installed a Driver Behaviour Monitoring (DBM) Tool in over 700 vehicles of our fibre restoration team for monitoring across India. The tool uses telematics and enables us to monitor vehicles and driving behaviour patterns. Currently, we have restricted our monitoring to track over-speeding, as this was identified as the primary cause of road accidents. The tool has helped to identify and educate aggressive drivers and inculcate a sense of discipline.



#### IMPACT

## Since the project's initiation, tracking and monitoring of vehicles resulted in decreased instances of speeding violations.

We have also increased our fleet twice since the monitoring began in July 2018 and November 2019.

### **HUMAN RIGHTS**



HR team connect at GK-1, Delhi

Tata Communications has a zero-tolerance approach towards human rights violations and modern-day slavery. We are committed to ensuring that human rights abuses do not occur in our workplace or within our supply chain. As a company, we have instituted various policies and programmes to establish our commitment to human rights and ethical behaviour in our work environment.

We have a zero-tolerance policy towards any form of harassment, whether sexual, physical, verbal or psychological, in our organisation. HUMAN RIGHTS assessment completed



ZERO CASE of child and forced labour

**98%** full-time **EMPLOYEES** trained on Tata Code of Conduct and Dignity at the Workplace policy



### **COUNSELLING IN THE TIME OF COVID-19**

The COVID-19 outbreak in early 2020 had a massive impact globally, with millions confined to their homes.

To help employees maintain their emotional and mental well-being in these times of uncertainty and stress, our Employee Assistance Programme provides counselling services to employees across the globe (in partnership with leading vendors).

The confidential support service has been made available at no cost to our employees, and offers timely, qualified assistance and support through a network of professional counsellors and psychologists, who can be contacted toll-free via call or chat.



**INITIATIVE** 

### FRAMEWORK AND POLICIES

The main framework that outlines our Company's values and approach towards human rights is our Tata Code of Conduct (the "Code"). The Code addresses how we expect everyone in our work environment to be treated, and how we expect everyone in our workplace to treat others. It also describes our commitment to combatting human trafficking and rejecting forced and child labour, while confirming our broader commitment towards the human rights of all our stakeholders, including freedom from slavery, servitude and forced labour.



Traditional Day celeberation at Dighi, Pune

Our 'Global Dignity in the Workplace Policy' further elaborates on the Company's commitment to eliminating all forms of bullying, discrimination and retaliation in the workplace. This includes any action that could amount to human trafficking, forced labour, and/or any other behaviour deemed to be modern-day slavery and sexual harassment, under applicable laws.

The policy applies to all workplaces, guests or visitors, employees, casual workers, contractors, probationers and apprentices of the Company, whether working for compensation, on a voluntary basis or otherwise. The policy also applies to all of the Company's corporate offices and other Company workplaces.

Tata Communications also expects all its contractors, suppliers and other business partners to adhere by the standards outlined in the Code. Our contracts require these third parties to agree to abide by the Code and the standard terms and conditions outlined in the Code. Visitors and guests are guided appropriately at the time of entrance in our premises by the security and functional team.

### CHILD AND FORCED LABOUR

Our Human Resource policies also ensure that our employees and contractors are hired and treated fairly and humanely during their employment or contract with Tata Communications. The Company recruits, houses, compensates, and repatriates employees, contractors, and temporary workers of legal working age in accordance with applicable laws. When recruiting and offering employment to its workforce, the Company does not use fraudulent, misleading or coercive practices. Nor does it use recruiters who do not comply with labour laws or charge recruiting fees to the workforce in countries where it is against the law. None of our operations and suppliers across geographies are considered to have significant risk for incidents of child labour or forced labour. Furthermore, we haven't received any complaints or grievance pertaining to child or forced labour in our operations and supply chain from any internal and external stakeholders.

## FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Employees are entitled to join associations or involve themselves in civic or public affairs as per the law of land. They must confirm to the management team on formation of unions at the workplace, as per the 'Conflicts of Interests' clause in our Code of Conduct.

We understand how important collective bargaining can be in avoiding industrial disputes and maintaining peace, and we encourage trade unions at all our locations. Where required, the Company also ensures that employment agreements and other relevant employment documents are in the individual's local language and advises them of their rights and remedies under the applicable laws. Details and notice period (region wise) for employees covered under collective bargaining agreements is included in the GRI content index.

### **AWARENESS & TRAINING**

We have produced a range of Human Resources policies including the Whistleblower Policy, Sexual Harassment Charter (India), Leave Policy - India, and Global Work From Home Policy. All these HR policies, including the Code, are reviewed and revised based on the feedback received in various communication forums, industry benchmarks and best practices. These are communicated to new employees at the time of induction and to all employees in case of any changes and modification. The policies are easily available on the company intranet.

Tata Communications provides its employees with annual trainings on the Tata Code of Conduct and Dignity at Workplace policy, wherein employees certify their commitment to the Code on an annual basis. The Company provides supplementary in-person and virtual training to employees on specific ethics and compliance subjects throughout the year. Last year, 98% of full-time employees undertook training on Tata Code of Conduct and Dignity at Workplace followed by an examination.

### **REPORTING CONCERNS**

Anyone who suspects or knows of any violations of the Code and other Tata Communications' policies can raise their concerns through one of the various channels outlined in the company's Whistleblower Policy. This includes the ability to report concerns confidentially and, if desired, anonymously, to our third party-run Whistleblower hotline that is available in multiple languages.

We have publicised our Whistleblower Policy on our Company's website, and during various trainings and communications efforts to our workforce. Concerns can be raised both, to internal points of contact, as well as to external parties.

Refer Ethics & Integrity section of the report for more details.



### ASSESMENT AND RESULTS

We review all our operations, business teams and supply partners on human rights aspects through implementation of Whistleblower Policy and Sexual Harassment Charter (India). This year, we conducted a Human Rights Due Diligence for all our functions to confirm our adherence with the Tata group draft, Tata Business and Human Rights Policy (TBHRP).

To assess the risk, we developed a Human Rights Assessment (HRA) diagnostic tool, which was designed to help business functions understand and identify the potential human rights violations (Forced Labour, Child Labour, Equal and Fair wages and Non Discrimination, Health & Safety, Data Privacy & Security, Supply Chain risks, Clean Air & Water and Land Rights & Resettlement) caused by the effect of its operations on employees, residents and other stakeholders, including suppliers and customers. The tool was designed to understand the existing frameworks in place (Policy, Process, Governance, Reporting and Disclosure mechanism), to manage the identified potential human rights aspects.

The results confirmed that all these aspects are relevant but have very minimal to low impact for Tata Communications.

## COMMUNITY

# CONNECTING TO SERVE



We believe that the spread of technology and digital connectivity are critical to accelerate human progress. Our community initiatives harness our expertise of digital enablement to extend the capabilities, choices and freedoms of women, children and youth from underserved communities with a focus on affirmative action groups.

## COMMUNITY

### MANAGEMENT APPROACH

At Tata Communications, we believe that as a socially responsible organisation, our values and practices must align with the expectations of our diverse stakeholders. By leveraging our core expertise as a digital ecosystem enabler, we are committed to creating empowered and connected societies for sustainable development through best practices under our three priority areas:



Project participants of Lakhpati Kisan, Nandurbar

Information and Communications Technology has been recognised by the United Nations as one of the key vehicles for driving progress across all the 17 Sustainable Development Goals (SDGs). In alignment with the same, we have adopted the SDGs as an overarching framework for our CSR policy, of which five are our focus (details below). Our CSR policy is also in conjunction with Schedule 7, Section 135 of the Companies Act, 2013. Additionally, the CSR framework of the Tata group and the organisational priorities inform the overall CSR approach.

We have adopted the Tata Affirmative Action Programme (TAAP), a Tata group-level initiative which aims to address structural and social inequities in India by providing equal opportunities and inclusive growth to historically marginalised social groups. Overall, our programmes are designed to enhance the life situations of underserved sections of the community, particularly of women, young girls and youth.

### **ALIGNING WITH THE SDGs**



Ensure healthy lives and promote wellbeing for all, at all ages.



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.



Promote sustained, inclusive, and sustainable economic growth, full and productive employment and decent work for all.



Reduce inequality within and among countries.



Strengthen the means of implementation and revitalise the global partnership for sustainable development.
Our CSR projects are spread across nine states in India (Assam, Bihar, Delhi NCR, Jharkhand, Karnataka, Maharashtra, Odisha, Tamil Nadu and Telangana) including seven aspirational districts, along with an education project in Singapore. All projects are underpinned by robust monitoring and evaluating mechanisms, with multiple processes in place to ensure a constant oversight on project milestones and facilitate listening to the needs of the communities in which we operate.

As a part of our regular **monitoring & evaluation (M&E)** efforts, quarterly utilisation certificates and progress reports are shared by our NGO partners with project managers from Tata Communications' CSR team. Our M&E evaluation agency also conducts annual site visits to check project progress, challenges, data validation and to provide recommendations towards strengthening the programme.

Further bolstering our M&E efforts, at regular intervals (typically three years), we get our projects evaluated by independent agencies for detailed impact assessments (including Social Return on Investment (SROI) studies, if applicable) to ensure that they are relevant and responsive to the needs of the communities. In FY20, we conducted three independent impact assessments (including an SROI study), of which one is currently underway and several more are set to commence in the coming year.

# GOVERNANCE

CSR at Tata Communications is helmed by the CSR Committee, which oversees the company's social responsibilities. The Committee engages in periodic reviews on policy objectives, while also offering guidance on enhancing scale, quality and impact of the programmes. Additionally, the company's Global Management Committee (GMC) takes complete ownership of all CSR interventions and offers guidance on how to improve impact on ground. CSR forms part of the quarterly report to the CEO, who also reviews and guides CSR from time to time.

Furthermore, the function head conducts annual reviews of all CSR projects in conjunction with the project partner. These reviews entail in-depth discussion of deliverables, milestones achieved, challenges, budget utilisation and the way forward. To this end, we have also set up an Affirmative Action Council that oversees the programme, chaired by the Chief Human Resources Officer.



At Tata Communications, just like our group companies, we adhere to the principle of equal opportunity and inclusive growth for all sections of the society. Affirmative Action (AA) at Tata Communications is based on the philosophy of 'right thing to do' and situated within the framework of 'Diversity and Inclusion' (D&I) of the organisation. The global context of our AA work is constituted by the '5Ps' of the UN SDGs. At an organisational level, DRIVE (Daring, Responsive, Inclusive, Venturing, Ethical) defines the essence and philosophy of our organisation, setting the context for our AA approach.

Our AA policy, which is in line with the Tata group policy, focusses on providing an equal footing to AA communities by creating opportunities through employment and entrepreneurship (inner E's of TAAP), and education, employability and essential enablers (outer E's of TAAP). While the national status of AA communities continues to remain important, the status of women in this sphere has been given primary consideration while drafting Tata Communications' AA approach for CSR. The policy particularly focusses on supporting women and young girls, who undergo a triple burden of economic deprivation, gender bias and caste. Our AA programme is strongly influenced by our core business competence - 'connectivity' and the potential benefits it can bring to communities, and especially women.



Recognition by the Tata Business Excellence Group -Tata Sons with the 'Best Practice' award in the education and leadership categories, at the TAAP Convention 2019

# In FY20, 37.71% of the total CSR budget (INR 15,51,13,286) was spent on AA projects.

Of the 15 projects in India being supported under CSR, two projects are 100% AA, four have significant AA focus (70-90% or more) and two have partial AA focus (less than 50%). In FY20, there was also a 17.8% YOY increase in the number of members of AA communities, who are part of the Tata Communications workforce.

SDG 17 is the very spirit of our CSR approach and is reflected in our approach and projects.

# **COMMUNITY PROJECTS UNDER KEY FOCUS AREAS**



# **EDUCATION**

Education, a fundamental right, is the driving force behind the development of society. While it enhances skills of individuals, it more importantly empowers them to be self-reliant and contributing members of the society. At Tata Communications, we are committed to promoting access to quality education and lifelong learning for all. We do this through strong, multi-year partnerships cumulatively impacting 306 schools and 7 colleges to transform their public education ecosystems through digital enablement, exposure for educators, mentorship for learners and engagement of youth leaders and local education officers. Most of our project participants are primary grade learners, where our focus is to attain grade-level learning assessed through year-on-year increase in student learning outcomes (SLOs).

At Tata Communications, we are committed to promoting access to quality education and lifelong learning for all. We do this through strong, multi-year partnerships cumulatively impacting 306 schools and 7 colleges.



Learners from digital literacy program of Global Citizenship Education using ICT project, Bengaluru

Our key education projects, implemented by NGO partners, are ongoing in Delhi NCR, Maharashtra, Karnataka and Tamil Nadu, together engaging 47,058 students and teachers.

These prime projects also include Network for Teaching Entrepreneurship (NFTE) - our project in Singapore (in partnership with Halogen Foundation) to provide experience-based entrepreneurship education to young learners.

With a focus on Primary and Secondary education, digital enablement remains a cornerstone defining our commitment towards ensuring access to digital literacy and opportunities for reinforcing learning through learner-centric, innovative, simulated and personalised learning modules in all areas including sports. For project participants in higher education, scholarships and academic assistance provide financial support and are bolstered with regular mentorship to facilitate access and exposure to information.



Our education projects, implemented by NGO partners, are ongoing in Delhi NCR, Maharashtra, Karnataka and Tamil Nadu, together engaging 47,058 students and teachers.

Learners of School Enrichment Programme, BMC School, Mumbai

# ANEW (A New Education World View)

ANEW, initiated in 2016, is a school transformation programme aiming to facilitate holistic school reform in 110 government schools across Gurugram District (Haryana) by equipping teachers with evolved teaching practices, integrating technology into the curriculum of first generation learners, improving learning levels of students, reducing dropout rates and enhancing community ownership.

The project is implemented with the support of Gandhi Fellows (passionate and capable individuals between 20 and 25 years old, they are fresh graduates from premier institutions or young professionals, who have chosen to commit to a rigorous fellowship tenure of 2 years). The vision of ANEW requires their consistent engagement with district education officers, head teachers, teachers, children and parent communities to ensure successful and sustainable social impact. The three core components of the project are:

### SCHOOL TRANSFORMATION PROGRAMME

To enhance principals' motivation, build teacher's capacity and engage community to improve student learning outcomes.

### **GANDHI FELLOWSHIP**

To build the next generation of youth leaders by providing them the opportunity to bring change in the public education system.

### **DIGITAL ENABLEMENT OF STAKEHOLDERS**

To establish relevant digital technology solutions to impact operations in 110 schools across Gurugram district.

The key interventions of the project include:



A Gandhi Fellow of ANEW conducting a community immersion session, Gurugram

### Whole School Improvement

- Build capacity of head-teachers and teachers to effectively engage with students and improve their learning outcomes.
- Setup 100% functional school processes, such as libraries with grade appropriate books, participative assembly, painted learning corners and student parliament.

#### **Capacity building** of Gandhi Fellows

- Recruit and train young and passionate college graduates through a 2year residential programme to become advocates of largescale social change.
- Support the fellows through an 8-year extended mentorship programme to help them grow in their respective professional spaces or build their own organisations.

#### Digitisation of Education

• Establish 8 tablet laboratories (Tablabs) with 30 tablets and learning content each, in select government schools.

CASE STUDY

• Train educators to use digital platforms for classroom instructions and data entry and save time spent in administrative tasks.



Participant of BaLA Drive

Learners during the classroom immersion session | Tab-lab session

Learners during the

## OUTCOME

- Third party assessment has shown improved student learning levels from a baseline average score of 51% to an end-line average score of 68% across class 3 and 5 in Math and language in 110 government schools
- 32,000+ students impacted through whole school improvement
- 22 Gandhi Fellows graduated and placed across government, corporate and development sectors
- 110 Headmasters facilitated to use government digital platforms and reduce manual data entry

# EMPLOYABILITY & SUSTAINABLE LIVELIHOODS

With one of the youngest populations in the world, India has a demographic dividend window to utilise towards its socioeconomic development. The youth - crucial to this endeavour - can support this development only if they are equipped with the right skillsets along with the right systems of opportunity and support. While the country's young population holds tremendous potential, the poor labour-force participation of its females is concerning.

CSR projects at Tata Communications focus on equipping underserved youth with demand-led employability trainings and personality development initiatives, with an emphasis on training young girls and women.



Women farmers of Lakhpati Kisan, handing over agri-produce to the local farmer producer company, Nandurbar

The projects also support inclusion of young girls and women in the economy by providing entrepreneurship development trainings and handholding support through enterprise creation. Through our programmes, we have served 1,21,498 individuals, including 13,830 direct participants.

## **EMPLOYABILITY**

In FY20, through 9 centres across 6 cities, Tata Communications and our partner organisations have enhanced the lives of over 45,000 individuals.

(this includes families as indirect outreach, for students, who have been placed in jobs after their training).

As part of this endeavour, 1,905 youth have been trained in trades ranging from BFSI, customer relationship management, retail sales, BPO, Android app development, general duty assistant, electrician, beauty therapist, solar technician and auto sales in Delhi, Maharashtra, Uttar Pradesh, Tamil Nadu and Telangana. Post placement, the average salary secured by a trainee is INR 11,597 per month.

## SUSTAINABLE LIVELIHOODS

During the reporting year, we consistently worked towards enhancing the lives of underserved women and facilitating their inclusion in the economy.

Through our project in Odisha and Jharkhand, 2,800 women were provided smartphones. An initial training in smartphone usage was followed with further support, where they were trained in cultivation, livestock management and financial literacy and a customised livelihood support application.

Further, 580 women (mainly from the Vimukta Jati and Nomadic tribes) from Raigad District, Maharashtra, have been trained on entrepreneurship development to build their entrepreneurial capacity for sustainable income through enterprise creation.

In addition to these efforts, we are driving rural development through our work with 6,825 households (98% being tribal households comprising mainly Pawara and Bhil tribes) in the Nandurbar District of Maharashtra, enhancing the life situations of 40,950 individuals.

As a result of the project, more than 50% households have doubled their income due to improved agricultural practices with an 80% reduction in rural-urban migration. 1075 hectares of land is now an irrigated command area and 4 solar-power driven, hamlet-based drinking water schemes are currently providing potable water solutions. Additionally, the goat mortality rate has reduced from 55% to 5% resulting from improved goat management practices and routine access to veterinary care.

# MPOWERED

(Mobile Connections to Promote Women's Economic Development)

Along with Trickle Up, Tata Communications started the MPowered programme in 2016 to uplift vulnerable and poor women from remote locations of Jharkhand and Odisha, who lived on less than INR 88 per day through interventions that support sustainable livelihood development, and digital, social and financial inclusion.

The methodology adopted in the pursuit of empowering these women include the following:

### **MOBILE PHONES**

Tata Communications has provided 1,000 mobiles and smartphones to the project participants in Jharkhand and Odisha. This will enable them to reap social as well as financial benefits from smartphones and help them get better access to government schemes.

### **SEED GRANT**

Participants were provided INR 3,000 to enable them to start livelihood generation activities, such as animal husbandry, and to adopt better means of cultivation.



C A S E STUDY

Providing said technology needs to be actively supported with a range of training initiatives. Participants are regularly trained on the use and benefits of smartphones and PoP applications.

### POP APPLICATION



Conceptualised during the course of the programme, it was felt that digital inclusion is a strong platform to mobilise project participants on livelihood development and improvement. The application provides modules on organic cultivation techniques with the aim to help project participants grow new vegetables and increase yield of what they are already cultivating.

### SELF HELP GROUPS (SHGs)



New SHGs were created while existing ones were strengthened for participants, to promote financial literacy and social inclusion. All members are required to have bank accounts, contribute to a revolving fund, and can avail a loan from their respective SHG as per their needs.

# **MPOWERED**

(Mobile Connections to Promote Women's Economic Development)



### **OUR 3 STEP PROCESS**

### **Participant Selection**

• Focus on ultra-poor households leading them to benefit from government schemes for poverty alleviation.



### **Training Design**

- Simple and comprehensible, step-by-step support tool in the form of a mobile application - Package of Practices.
- Agricultural support practices developed and designed to support organic farming of locally compatible vegetables.



### Resources

• Extensive training and handholding support with dedicated community resource persons to enable project participants to operate a smartphone with ease for communication, knowledge and entertainment.



### OUTCOME

- 79% of project participants successfully adopted better agricultural practices and business practices through consistent use of the mobile app developed for the project
- With regular support from mobile technology, 77% of project participants witnessed an average annual increase of INR 6,148 in their income. 88% of the participants observed an annual average increase of INR 3,247 in their savings
- 20,800 ultra-poor women benefitted by using customised smartphone application on cultivation, livestock management and financial literacy
- **287 migration sensitive households** chose to stay back with the increase in earnings, seed grant support and capacity-building initiatives
- 98% of the project participants were active participants in community gatherings with 58% of them also participating in panchayat meetings
- A substantial social value equivalent of INR 6.7 was generated for each rupee invested, through MPowered

### **TRANSFERRING LEARNING**

- In our efforts to share knowledge, build a connect amongst industry stakeholders and to inspire more efforts towards the inclusion of women and young girls in the economy, in FY20, we hosted a dissemination workshop, which shared the findings (good practices, challenges and recommendations) from 3 independent evaluation studies of our projects with development sector professionals, academicians, policy-makers and CSR professionals.
- We released a film documenting the change brought in by 'Lakhpati Kisan' - our multi-sectoral livelihood enhancement and food security project focussing on increasing household incomes in the rural households of 41 villages of Nandurbar in Maharashtra.



It can be viewed here: https://www.youtube.com/watch?v=MGhxgaKM07Y

# HEALTHCARE

A key priority area for our CSR projects, our aim is to extend access to quality healthcare services, particularly towards prevention and care of non-communicable diseases in rural areas to ensure healthy lives and promote wellbeing. The lack of health infrastructure, qualified doctors and healthcare workers as well as awareness, often converge to contribute to compromised well-being.

The socio-economic effect of such a scenario is complex and wide-ranging - communities risk losing development gains secured over generations and becoming stuck in a health-poverty nexus, which squanders potential, leading to a loss of capabilities.

Our focus is on breaking this nexus by equipping underserved communities with the necessary equipment, infrastructure, and skills through our two key projects -Assam Cancer Care and Drishti.

Assam Cancer Care focusses on reducing the disease burden of cancer in rural Assam by facilitating early diagnosis and Drishti, launched in FY20, aims to improve care management of bilateral blindness in Bihar (including preventive eye care and setting up of hospital management systems) and to break the gender-health-poverty nexus by equipping community members (girls between 13 and 20 years old) with relevant education and exposure.



## ASSAM CANCER CARE

This project is a pilot project geared towards reducing deaths caused by cancer, by facilitating early diagnosis and removing the dependency on pathologists through supporting the establishment of 'telepathology' infrastructure for diagnostics, which is currently not available in India. It was initiated for the period of March 2018 to February 2019 and was then extended till December 2020. If the pilot is successful, the project will be the first to offer remote histopathology analysis. The objective of the project is two-fold:

To enable pathologists to view and report on the cancer stage in a timely manner



Reduce travel time for a patient from remote locations of Assam



## **CURRENT STATUS**

2 scanners installed in Cachar Cancer Hospital (Silchar) and State Cancer Institute (Guwahati).

Scanner deployed at Histopathology Laboratory, Mumbai installation underway.

## ABOUT EXECUTIVE COMPANY GOVERNANCE PROFIT PLANET PEOPLE COMMUNITY ANNEXURES

# COMMUNITY



# **DISASTER RESPONSE**

Disaster relief efforts (immediate humanitarian relief and rehabilitation) were extended to support disaster-struck, underserved communities in the wake of Cyclone Fani (Odisha), floods in Maharashtra and the outbreak of COVID-19. The unprecedented spread of the COVID-19 pandemic in the last three months, has necessitated combined and concerted efforts towards mitigating and minimising its impact by multiple stakeholders including government, businesses, healthcare sector, civil society organisations and essential service providers, amongst others.

Guided by the core founding values of the Tata group, Tata Communications invoked Business Continuity Management (BCM) in early March with the twin objective of (a) people safety (b) customer success. Additionally, we are striving to safeguard and minimise the impact of the pandemic on our operations, facilities as well as communities. Our efforts towards COVID-19 were guided by a response framework aimed at leveraging our strengths to support communities under three significant areas: extending digital infrastructure support, bolstering healthcare services, and providing relief goods.



Distribution of dry ration in the project community, Bengaluru

## DETAILS OF COVID-19 RELIEF & RESPONSE ACTIVITIES

Supporting communities and NGOs: We partnered with three of our long-term partners and with two Tata group companies (Tata Motors, TP-DDL) to launch COVID-19 relief measures (dry ration kits, basic hygiene supplies) for the communities we operate in, as well as for those in need.

Locations: Mumbai, Pune, Nandurbar, Bengaluru, Delhi. 15,450 families supported till 11<sup>th</sup> July, 2020. Matching and coordinating support from employee contributions across India and 15 other countries. Amount raised (before matching): INR 1,01,86,911

Supporting BMC and Tata Trust in the delivery and management of patient care through our core business solutions; supporting Tata ClassEdge with enhanced digital infrastructure to support schools in accessing the content and platform online during lockdown.

# EMPLOYEE VOLUNTEERING

At Tata Communications, our volunteering initiatives are guided by the ethos of the Tata group and aim to leverage the expertise of our professionals towards contributing positively to the communities around us. These volunteering engagements occur either as part of skillbased volunteering for our CSR projects or short-term cause-based volunteering (as part of quarterly volunteering campaigns) or long-term weekend volunteering through opportunities such as ProEngage (a Tata group structured, weekend volunteering initiative).

Tata Communications' DRIVE Week, a-one-of-its-kind global volunteering campaign for community action, unites all the on-roll employees to volunteer for a cause of choice for a 'better world and workplace'. During this year, we also



Employee volunteers during opening day of the montreal urban garden

launched One in a Million - our first-ever global recognition platform for champion volunteers, with 15 volunteers from India, APAC, Americas and Europe getting the top honours for their effort to inspire volunteering within the organisation.

During the reporting period we have had 173 volunteering events, resulting in 59,194 volunteering hours contributed by 11,030 volunteers with a per capita average of 5 hours per volunteer.

## **IMPACT AND OUTREACH**



### ELDERLY CARE; DISABILITY

Elderly homes visited

Shelter home transformed

Pottery class with elderly

Homes for the specially Abled visited

# ₽

### GENDER EQUALITY AND YOUTH DEVELOPMENT

Female entrepreneurs Mentored on digital literacy

Youths mentored On job readiness

# FOOD AND

Sandwiches and food packs prepared

Lbs fruit donated



### GOOD HEALTH AND WELL-BEING

Children's hospital visited

Yarn wigs created for cancer affected children

Blood donation drives conducted

Volunteers signed up for organ

## ENVIRONMENT; COMMUNITY DEVELOPMENT

Community land covered in farming and plantation

Trash collected from beaches, forest and community park

Solar lamps assembled

Public park renovated

Shelter homes beautified

Plastic bottles and newspapers recycled

Seeds balls created

Saplings planted

Awareness campaign on waste management



## EDUCATION

Schools transformed

Schools teachers trained on digital literacy

Desk-benches created

INR 2,29,542 worth of school material collected and donated

Game sets, playground, tools kits, reading space created for school students

Students mentored in cyber security

Soft toys created and donated to primary schools

\*Aligning with the SDGs

# AWARDS

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	Name of the Award/Recognition	Awarding Organisation/Forum			
Legal	Legal Team of the Year	UBS Forums			
CSR	TAAP Best Practice Award in Leadership and Strategy	Tata Business Excellence Group			
	Innovative Practice in CSR	DX Awards hosted by the CII-Tata Communications Centre for Digital Transformation			
CSR	Highest Per Capita (large company) - Volunteering Hours and for Most Unique Volunteering Activity during Tata Volunteering Week '12	Tata Sustainability Group			
	Special Mention for CSR	The Singapore Human Resources Institute			
	Best Customer Service Provider award	Telecom Review Summit 2019			
Customer	Leader, Gartner Magic Quadrant for Network Services, 2020	Gartner, Inc.			
Satisaction	Won Bronze at Stevie Awards for Innovation in Customer Service	Stevie Awards			
	Won Bronze for Best Customer Service	CCW Asia Excellence Awards			
	Telecommunications award, Clerical award, Administrative award and IT award	Fair Work Ombudsman			
	Best Small & Medium Workplaces in Asia 2020 (Hong Kong)	Great Place to Work			
	Aon Best Employer India 2019	Kincentric (erstwhile Aon)			
	Best Workplaces for Women 2020 (India and Canada)	Great Place to Work			
HR	Best Companies to Work For 2019, India	Great Place to Work			
	2019 Great Place to Work Certified - USA and Canada	Great Place to Work			
	Best Companies for Women in India (BCWI)	AVTAR and Working Mother			
	Leadership Development	Skillsoft & Sumtotal			
	Visionary Leader of the Year 2019 - Ina Bajwa	Future Leaders Summit			
Health & Safety	Gold Award	Grow Care India Safety Award 2019			
Environment	2019 Tata North America Sustainability Award	Tata Sons, America			

## DNV.GL

### Independent Assurance Statement

#### Scope and Approach

DNV GL Business Assurance India Private Limited ('DNV GL') has been engaged by the management of Tata Communication Limited ('the Company', Corporate Identification Number: L64200MH1986PLC039266) to undertake an independent assurance of the Company's performance disclosures in its Sustainable Development Report 2020 ('the Report') in its printed format. The disclosures in this Report have been prepared by the Company based on the Global Reporting Initiative's (GRI's) Sustainability Reporting Standards ('GRI Standards') and its Core option of reporting.

We performed our work in accordance with the requirements of the International Federation of Accountants' (IFAC) International Standard on Assurance Engagement (ISAE) 3000 (Revised)\* and DNV GL's assurance methodology VeriSustain<sup>™1</sup>. In doing so, we evaluated the qualitative and quantitative disclosures presented in the Report using GRI's Principles for Defining Report Content and Quality, together with the Company's protocols for how the data was measured, monitored, recorded and reported. The performance data and information in the agreed scope of work included the qualitative and quantitative information on sustainability performance which have been disclosed in the Report based on GRI Standards covering its environmental, social and governance (ESG) performance for the activities undertaken by the Company over the reporting period 1st April 2019 to 31st March 2020.

The intended user of this Assurance Statement is the management of the Company. Our assurance engagement was planned and carried out during May 2020 – August 2020. The scope and boundaries of the sustainability performance disclosures covers Tata Communications Limited and its directly held subsidiaries and is as set out in the Report in the sections 'About the Report' and 'Reporting Boundary'.

The reported data on economic performance including expenditure towards Corporate Social Responsibility (CSR) and other financial data are based on disclosures and data from audited financial statements issued by the Company's statutory auditors which is subject to a separate independent audit process and not included in our scope of work.

#### Responsibilities of the Management of Tata Communications Limited and of the Assurance Provider

The Management of the Company has the sole accountability for the preparation of the sustainability disclosures in this Report and are responsible for integrity of all information disclosed in the printed version Report as well as the processes for collecting, analysing and reporting the information presented within the Report and references in the Company's website. The Company is also responsible for the maintenance and integrity of its website containing the referenced sustainability-related disclosures in the Report. In performing assurance work, our responsibility is to the Management; however, this statement represents our independent opinion and is intended to inform the outcome of our assurance to the stakeholders of the Company.

Our assurance engagement is based on the assumption that the Company has provided us data and information during our review in good faith and free from any misstatements. We were not involved in the preparation of any statement or data included in the Report except for this Assurance Statement and Management Report highlighting our assessment findings for future reporting. We expressly disclaim any liability or co-responsibility for any decision a person or an entity may make based on this Assurance Statement.

#### **Basis of our Opinion**

We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our opinion for providing a limited level of assurance. Due to the outbreak of the COVID-19 pandemic, we carried out remote assessments following DNV GL's remote audit methodology, as one-to-one discussions and onsite assurance was not feasible. adopting a risk-based approach, i.e. we concentrated our efforts on the issues of high material relevance to Tata Communications Limited. As part of our engagement, a multi-disciplinary team of sustainability and assurance specialists reviewed sustainability disclosures related to the Company's operations and businesses. We undertook the following activities:

- Reviewed the Company's approach to stakeholder engagement and materiality determination and their
  outcomes as brought out in the Report. We did not have any direct engagement with external stakeholders;
- Interviewed selected senior managers and other representatives at the Company, including data owners and decision-makers from different functions of the Company to validate the disclosures made in the Report. We were free to choose interviewees and interviewed those with overall responsibility to deliver the Company's sustainability objectives;

<sup>&</sup>lt;sup>1</sup> The VeriSustain protocol is available on request from <u>www.dnvgl.com</u>

<sup>\*</sup> Assurance Engagements other than Audits or Reviews of Historical Financial Information.

## DNV.GL

- Performed sample-based review of the mechanisms for implementing the Company's sustainability related policies, as described in the Report;
- Verified the information and claims made in the Report, and assessed the robustness of the data
  management system, data accuracy, information flow and controls for the reported disclosures. We examined
  and reviewed supporting evidence such as documents, data and other information made available by the
  Company related to the disclosures made in the Report;
- Performed sample-based checks of the processes for generating, gathering and managing the quantitative data and qualitative information included in the Report related to the identified material topics;
- Evaluated the Report's adherence to the requirements of the GRI Standards: Core option of reporting.

During the assurance process, we did not come across limitations to the scope and boundary of the agreed assurance engagement.

### **Opinion and Observations**

On the basis of the assurance undertaken, nothing has come to our attention that causes us to believe that the Report does not properly describe Tata Communications Limited's adherence to the GRI Standards. The Company has adopted the Core option of Reporting and the GRI Principles for Defining Report Content i.e., requirements related to the GRI 102: General Disclosures 2016, GRI 103: Management Approach 2016 and the following GRI Topic-specific Standards to bring out its performance related to the identified material topics:

- GRI 201: Economic Performance 2016 201-1, 201-3, 201-4;
- GRI 202: Market Presence 2016 202-1;
- GRI 203: Indirect Economic Impacts 2016 203-1, 203-2;
- GRI 204: Procurement Practices 2016 204-1;
- GRI 205: Anti-corruption 2016 205-1, 205-2, 205-3;
- GRI 206: Anti-competitive Behavior 2016 206-1;
- GRI 302: Energy 2016 302-1, 302-3, 302-4;
- GRI 303: Water and Effluents 2018 303-1, 303-2, 303-3;
- GRI 305: Emissions 2016 305-1, 305-2, 303-4, 305-5, 305-6, 305-7;
- GRI 306: Effluents and Waste 2016 306-2, 306-3;
- GRI 307: Environmental Compliance 2016 307-1;
- GRI 308: Supplier Environmental Assessment 2016 308-1;
- GRI 401: Employment 2016 401-1, 401-2, 401-3;
- GRI 401: Labor/Management Relations 2016 402-1;
- GRI 403: Occupational Health and Safety 2018 403-1, 403-2, 403-3, 403-4, 403-5, 403-7, 403-8, 403-9;
- GRI 404: Training and Education 2016 404-1, 404-2, 404-3;
- GRI 405: Diversity and Equal Opportunity 2016 405-1, 405-2;
- GRI 406: Non-discrimination 2016 406-1;
- GRI 407: Freedom of Association and Collective Bargaining 2016 407-1;
- GRI 408: Child Labor 2016 408-1;
- GRI 409: Forced or Compulsory Labor 2016 409-1;
- GRI 412: Human Rights Assessment 2016 412-1, 412-2;
- GRI 413: Local Communities 2016 413-1, 413-2;
- GRI 415: Public Policy 2016 415-1;
- GRI 418: Customer Privacy 2016 418-1.

Without affecting our assurance opinion, we provide the following observations against the principles of VeriSustain:

#### Materiality

The process of determining the issues that is most relevant to an organization and its stakeholders

Report has articulated the outcome of materiality assessment process carried out in 2018, through formal consultations such as workshops, interviews and ranking exercises with internal stakeholders to identify and prioritise material issues based on business impacts and stakeholder perceptions. These material aspects were reviewed and considered relevant to the Company for the reporting year, through interactions with representatives from various functions within the Company. In our opinion, the Company does not miss out any known material topics for its chosen reporting boundaries.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Materiality nor has miss out any known material topics, however, the materiality determination process may be further strengthened incorporating sustainability context into the process and benchmarking with peers.

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#### Stakeholder Inclusiveness

The participation of stakeholders in developing and achieving an accountable and strategic response to Sustainability. The Report brings out customers, employees, investors and shareholders, regulators, community and nongovernmental organisations, and media and analysts as its major stakeholder groups. Further based on GRI reporting requirements the Report articulates the various formal and informal modes of engagement with each stakeholder group to identify and respond to the expectations, views, priorities and concerns.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Stakeholder Inclusiveness.

#### Responsiveness

The extent to which an organization responds to stakeholder issues

Report has articulated its sustainability performance and responses to various concerns and issues raised by its major stakeholder groups through selected GRI Topic-specific Standards, including the Company's responses to significant stakeholder concerns through strategies, policies, management approach and governance mechanisms as per the requirement of GRI standard for core option of reporting.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Responsiveness.

#### Reliability

The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems

The majority of data and information verified through interactions with the management teams and data owners at the Corporate Office were found to be accurate. Some of the data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation and aggregation errors. These identified errors were communicated and responses from the Company were reviewed, including corrections that were made to the reported data and information.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Reliability.

#### Completeness

How much of all the information that has been identified as material to the organisation and its stakeholders is reported

The Report brings out the environmental, social and governance performance for the Company's operations across the globe through the GRI Standards and its Core option of reporting through disclosures on organizational overview, strategy, management approach, performance indicators and initiatives related to its identified material topics and chosen boundary of reporting for the reporting period.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Completeness with respect to scope, boundary and time.

#### Neutrality

The extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone

The Report brings out disclosures related to the Company's sustainability performance in a neutral tone in terms of content and presentation and also brings out the key concerns and challenges faced by the Company during the reporting period.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Neutrality.

#### For DNV GL Business Assurance India Private Limited

KIRAN RADHAKRISHNAN Lead Verifier, DNV GL Business Assurance India Private Limited, India.

3rd August 2020, Bengaluru, India

VADAKEPATTH NANDKUMAR Head – Regional Sustainability Operations, DNV GL Business Assurance India Private Limited, India.

PRASUN KUNDU Technical Reviewer, DNV GL Business Assurance India Private Limited, India.

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# GRI CONTENT INDEX

GRI Standard No. & Title (2016)	Disclosure Number	Disclosure name	Page no., Information & Omission (if any)						
General Disclosures - 2016	102-1	Name of the organisation	Page 4						
	102-2	Activities, brands, products, and services	Page 4-6						
	102-3	Location of headquarters	Page 5						
	102-4	Location of operations	Page 5, Internal Back Cover, Annual Report						
	102-5	Ownership and legal form	Page 4-5 , Annu	al Report					
	102-6	Markets served	Page 4						
	102-7	Scale of the organisation	Page 4 & 7						
	102-8	Information on employees and	a. Total number temporary) a			by emplo	oyment	contract (pe	ermanent and
		other workers	Total no of employees	Perma	nent		Tempo contra		Total
			Male	9,497			5,940		15,437
			Female	2,610			1,066		3,676
			b. Total number of employees by employment contract (permanent and temporary), by region						
			Region India			APAC	Americas		EMEA
			Permanent	10,711		417		492	487
			Temporary	6,988		2		1	15
			c. Total number of permanent employees by employment type (fu and part-time) and gender						
			Total no of emplo	oyees	es Full-time		Part-time		Total
			Male		9,497		0		9,497
			Female	2,610		0		2,610	
			<ul> <li>d. Whether a significant portion of the organisation's activities are performed by workers who are not employees. If applicable, a description of the nature and scale</li> <li>NA</li> </ul>						
			e. Any significant variationsin the numbers reported in Disclosures 102-8-a, 102-8-b						
			NA						
			f. An explanation of how the data has been compiled, including any assumptions made						
			NA						
	102-9	Supply chain	Page 36						
	102-10	Significant changes to the organisation and its supply chain	No Change, Annual Report						
	102-11Precautionary PrinciplePage 14, Annual Reportor approach								
	102-12   External initiatives   Page 1								

# **GRICONTENTINDEX**

GRI Standard No. & Title (2016)	Disclosure Number	Disclosure name	Page no., Information & Omission (if any)								
General Disclosures - 2016	102-13	Membership of associations	Page 12, 33								
	102-14	Statement from senior decision-maker	Page 2 & 3								
	102-16	Values, principles, standards, and norms of behaviour	Page 5, 1								
	102-18	Governance structure	Page 9 & 14								
	102-40	List of stakeholder groups	Page 15-17	Page 15-17							
	102-41	Collective bargaining	Percentage o	f employees covered by a	collective bargaining a	greements					
		agreements	Region	Total number of employees as reported in 102-41	No of employees covered under CB Agreement	(%) of Employees covered under collective bargaining					
			India	10,711	242	2.3					
			America & Canada	492	36	7.3					
			Europe	428	62	14.5					
			APAC	417	184	44.1					
			MENA	59	0	0.0					
	102-42	Identifying and selecting stakeholders	Page 15-17								
	102-43	Approach to stakeholder engagement	Page 15-17								
	102-44	Key topics and concerns raised	Page 15-17								
	102-45	Entities included in the consolidated financial statements	Page 5								
	102-46	Defining report content and topic Boundaries	Page 1								
	102-47	List of material topics	Page 18								
	102-48	Restatements of information	Not applicable as this is first report								
	102-49	Changes in reporting	Not applica	ble as this is first repo	ort						
	102-50	Reporting period	Page 1								
	102-51	Date of most recent report	Page 1								
	102-52	Reporting cycle	Page 1								
	102-53	Contact point for questions regarding the report	Internal Back Cover								
	102-54	Claims of reporting in accordance with the GRI Standards	Page 1								
	102-55	GRI content index	https://www.tatacommunications.com/about/sustainability/								
	102-56	External assurance	Page 81-82								

# **GRICONTENTINDEX**

GRI Standard No. & Title (2016)	Disclosure Number	Disclosure name	Page no., Information & Omission (if any)
Management Approach - 2016	103-1	Explanation of the material topic and its Boundary	Part of each section wherein material topic is discussed
Economic Performance - 2016	201-1	Direct economic value generated and distributed	Page 22
	201-3	Defined benefit plan obligations and other retirement plans	Page 25
	201-4	Financial assistance received from government	Page 25
Market Presence - 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Page 54
Indirect Economic Impacts - 2016	203-1	Infrastructure investments and services supported	Page 71
	203-2	Significant indirect economic impacts	Page 72-79
Procurement Practices - 2016	204-1	Proportion of spending on local suppliers	Page 37
Anti-corruption - 2016	205-1	Operations assessed for risks related to corruption	Page 11
	205-2	Communication and training about anti- corruption policies and procedures	Page 12
	205-3	Confirmed incidents of corruption and actions taken	Page 12
Anti-competitive Behaviour - 2016	206-1	Legal actions for anti- competitive behaviour, anti-trust, and monopoly practices	Page 12
Energy - 2016	302-1	Energy consumption within the organisation	Page 41
	302-3	Energy intensity	Page 43
	302-4	Reduction of energy consumption	Page 43 & 44
Water and Effluents - 2018	303-3	Water withdrawal	Page 46
Emissions - 2016	305-1	Direct (Scope 1) GHG emissions	Page 42
	305-2	Energy indirect (Scope 2) GHG emissions	Page 42
	305-4	GHG emissions intensity	Page 42
	305-5	Reduction of GHG emissions	Page 42

# GRI CONTENT INDEX

GRI Standard No. & Title (2016)	Disclosure Number	Disclosure name	Page no., Info & Omission (if										
Emissions - 2016	305-6	Emissions of ozone- depleting substances (ODS)	Page 42	Page 42									
Effluents and Waste - 2016	306-2	Waste by type and disposal method	Page 49 & 50										
	306-3	Significant spills	Page 39										
Environmental Compliance - 2016	307-1	Non-compliance with environmental laws and regulations	Page 39										
Supplier Environmental Assessment - 2016	308-1	New suppliers that were screened using environmental criteria	Page 37										
Employment - 2016	401-1	New employee hires and employee turnover	Total number ar gender and region		f new e	emplo	yee hire	es durin	g the re	portin	g period,	by age	group
			Category	Unit	Gen	der	A	ge grou	ıp		Regi	on	
					M	F	less than 30 yrs.	30-50 yrs.	more than 50 yrs.	India	America	APAC	EME
			Top Managemer	nt Nos	2	0	0	1	1	2	0	0	0
			Sr. Management	t Nos	14	1	0	8	7	13	1	1	0
			Middle Management	Nos	82	12	0	74	20	78	4	3	9
			Jr. Management	t Nos	2,652	806	1,761	1,661	36	3,307	33	79	39
			Executive	Nos	2	0	0	2	0	0	1	0	1
			Total manpower 12,107 in the current FY										
			Rate of new hir	e				29.	5%				
			Total number an	Total number and rate of employee turnover during the reporting period						eriod, by	riod, by age group		
			Category	Unit				Age group			Region India Americas APA		
					M	F	less than 30 yrs.	30-50 yrs.	than 50 yrs.	India	America	S APAC	EME
			Top Managemer	nt Nos	8	0	0	4	4	4	0	2	2
			Sr. Management Middle		23	2	0	13	12	10	5	2	8
			Management	Nos	115 1,405	22	0	105	32	71	34	14 102	18 83
			Jr. Management Executive	Nos	24	2	930 0	1,003 1	68 25	1,730 25	86 0	0	1
	401-2	Benefits provided to full-time employees that are not provided to temporary or part- time employees	Page 25	Page 25									
	401-3 Parental leave		entitled to tl parental p leave l	loyees employee tled to that took ental parental		o. of loyee vho urned work fter ental eave	ees employees who ed returned to work after al parental		No. emplo wh retur to w aft pare lea	yees o ned ork er ntal	rees work of employees red that took rk parental r tal		
			F M	F M	F		F	M	F	Μ	F M	F	M
				7 274		M 270		327	26	281	96% 99%		

Note: M-Male, F-Female

# **GRICONTENTINDEX**

GRI Standard No. & Title (2016)	Disclosure Number	Disclosure name		ge no., Information Omission (if any)				
Labour /	402-1	Minimum notice	#	Requirement	RequirementResponse from Process Owner			
Management Relations - 2016		periods regarding operational changes	a	Minimum number of weeks' notice typically provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affect them.	Prior to implementation of any policy change all relevant stakeholders are informed of the change and enough time (typically 2-3 weeks) is provided them them to review the impact policy change will have of them. All such impact is then assessed and according final changes are communicated to employees.			
			b	For organisations with collective bargaining agreements, report whether the notice period and provisions	Yes-Under Section 9A of The Industrial Disputes A 1947, notice will be issued to effect any change in conditions of service applicable to Non-Execut employees (workman) in respect of any mat specified under the provisions of the Act.			
				for consultation and negotiation are specified in collective	The Non-Executive employees (workmen) are covered by collective bargaining agreements executed with Federation.			
				agreements.	The agreements are signed and documented as pa collective bargaining negotiations with Federatio Tata Communications Employees' Unions for I Executive employees (workmen) and are specifie the collective bargaining agreements.			
				All negotiations and settlements are happenin between the Company and the Federation throug collective bargaining. The Federation is the recognise body in the Company who represent the Non-Executiv employees (workmen) which is aimed at reachin agreements that regulate working conditions, wag settlement (salary, allowances and other benefits performance linked incentives, etc., through collectiv bargaining discussions and negotiations. Th agreements are signed and documented as part of Collective Bargaining negotiations with Federation.				
Occupational Health and Safety - 2018	403-1	Occupational health and safety management system	Page 59-62					
	403-2	Hazard identification, risk assessment, and incident investigation	Page 59-62					
	403-3	Occupational health services	Page 59-62					
	403-4	Worker participation, consultation, and communication on occupational health and safety	Page 59-62 Page 59-62					
	403-5	Worker training on occupational health and safety						
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 59-62					
	403-8	Workers covered by an occupational health and safety management system	n Page 59-62					
	403-9	Work-related injuries	Page 59-62					

# **GRICONTENTINDEX**

GRI Standard No. & Title (2016)	Disclosure Number	Disclosure name	Page no., Information & Omission (if any)
Occupational Health and Safety - 2018	403-9	Work-related injuries	Page 59-62
Training and Education - 2016	404-1	Average hours of training per year per employee	Page 57-58
	404-2	Programmes for upgrading employee skills and transition assistance programmes	Page 57
	404-3	Percentage of employees receiving regular performance and career development reviews	Page 56
Diversity and Equal	405-1	Diversity of governance bodies and employees	Page 56
Opportunity - 2016	405-2	Ratio of basic salary and remuneration of women to men	Page 54
Non- discrimination - 2016	406-1	Incidents of discrimination and corrective actions taken	Page 12 & 67
Freedom of Association and Collective Bargaining - 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Page 66 & 67
Child Labour - 2016	408-1	Operations and suppliers at significant risk for incidents of child labour	Page 66 & 67
Forced or Compulsory Labour - 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Page 66 & 67
Human Rights Assessment - 2016	412-1	Operations that have been subject to human rights reviews or impact assessments	Page 66 & 67
	412-2	Employee training on human rights policies or procedures	Page 66 & 67
Local Communities - 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	Page 70
Public Policy - 2016	415-1	Political contributions	Page 25
Customer Privacy - 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 31

## TATA COMMUNICATIONS



FEEDBACK

Your feedback will help us in sharpening our reporting, please send your comments and suggestions to EOHS@Tatacommunications.com

www.tatacommunications.com

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