



Impact through **Empowerment**



About Tata Consultancy Services (TCS)¹

Tata Consultancy Services (TCS) is an IT services, consulting and business solutions provider that has been partnering with the world's largest businesses in their transformation journeys for the last fifty years. TCS offers a consulting-led, cognitive powered, integrated portfolio of business, technology and engineering services and solutions. This is delivered through its unique, location independent Agile delivery model, a benchmark of excellence in software development.

A part of the Tata group, India's largest multinational business group, TCS has over 394,000 of the world's best-trained consultants in 46 countries. The company generated consolidated revenues of US \$19.1 billion for the year ended March 31, 2018 and is listed on BSE (formerly Bombay Stock Exchange) and the NSE (National Stock Exchange) in India. TCS' proactive stance on climate change and award winning work with communities across the world have earned it a place in leading sustainability indices such as the Dow Jones Sustainability Index (DJSI), MSCI Global Sustainability Index and the FTSE4Good Emerging Index.



Contents

About the Report	1
CEO's Message	2
Organizational Profile	5
TCS by numbers	6
Awards and Recognition	7
Stakeholder Engagement and Materiality Definition	10
Sustainability Strategy:	15
■ Profit	17
■ People	25
■ Planet	42
Contact	48
GRI Standards – Content Index	49

¹102-1, 102-2, 102-5

About the Report²

TCS publishes the Sustainability Report on an annual basis. The last report was published for FY 2016-17. The 12th Sustainability Report, for financial year 2017-18 (1st April 2017 to 31st March 2018), uses the GRI Sustainability Reporting Standards, while focusing on the principles of materiality and stakeholder inclusiveness. This report has been prepared in accordance with the GRI Standards: Core option.

Inputs for this document were gathered through interactions with different stakeholder groups. The report's boundaries and exclusions are listed below:

Data	Basis	Exclusions
Financial	TCS' consolidated global operations ³	None
Human Resources	TCS' global operations, including wholly owned subsidiaries	Subsidiaries not wholly owned by TCS (accounting for 1.9% of the consolidated headcount)
Environmental	Delivery centers in India, UK, Hungary, Singapore, China, Peru, Argentina, Philippines, Brazil, Chile, Uruguay, Colombia, and Mexico	Remaining delivery centers outside India (accounting for approximately 4% of the headcount)

We have highlighted the data measurement techniques employed, and the basis of calculations and estimates in the relevant areas of this report. TCS does not believe there is any substantial divergence from the GRI Indicator Protocols.

The scope, boundaries, and methodology for data analysis in this document remain the same as in the last reporting period. There has been no restatement of information or changes in the material topics or boundaries provided in the prior year's report. The data has been sourced from Ultimatix, our core enterprise platform which runs internal processes related to HR, finance, and project management. This portal is also used by employees to submit their opinions and feedback. All the data is reviewed by relevant third-party auditors as part of ISO and financial audits.

This report has been externally assured by KPMG. The scope and basis of assurance have been described in the assurance letter issued by KPMG. The Board was not involved in seeking this assurance.

²102-8, 102-10, 102-45, 102-48, 102-49, 102-50, 102-51, 102-52, 102-54, 102-56

³Complete list of TCS subsidiaries available in the Annual Report FY 2018, page 218 and 219. (GRI 102-45)

CEO's Message⁴

"We continue to attract, retain, and engage top notch talent across the world. To support the strong growth for our services, we are creating tens of thousands of jobs across the world. Hiring local talent wherever possible has helped us build a young, dynamic and diverse workforce made up of 131 nationalities. Women constituted 35.3% of the employee base."



Dear Stakeholder,

I am happy to present to you the twelfth edition of our Sustainability Report.

This year, we celebrate the completion of 50 years since our founding. Our longevity and ability to navigate and thrive through every new technology cycle over the last five decades is testimony to the resilience and sustainability of our business model. We have accomplished this through our responsiveness, agility and adaptability. Over these last five decades, we spotted trends early, embraced business opportunities, managed risks, consistently cherished our people and discharged our social and environmental responsibilities to deliver longer term stakeholder value. In this journey, the Tata Code of Conduct serves as our governance framework and moral compass.

The TCS of today is very different from the TCS one decade ago, which was different from the TCS before it. And yet, our core values and our customer-centricity have remained unchanged throughout this journey. By working closely with our customers and constantly investing in building newer capabilities that allow us to add value in newer areas of their organization, we have steadily expanded our relationship with these customers while building a deep contextual knowledge of their business. This and our customer-friendly way of working has engendered a very high level of trust among our customers, positioning us as their preferred transformation and innovation partner today.

In FY 2018, we articulated our Business 4.0 thought leadership framework that allows enterprises to

leverage digital technologies to further their growth and transformation agendas. The defining attributes of successful enterprises in the Business 4.0 world are their ability to mass personalize the customer experience – at a very granular, transactional level; foster a mindset of harnessing abundance; actively leverage ecosystems, and embrace risk to deliver exponential value. They are agile, intelligent, automated and on the cloud.

Our Business 4.0 framework is resonating very well with our customers. We signed several mega deals this year that are industry-defining in nature, including the largest Internet of Things (IoT) deal that we signed with Rolls Royce, and the deal with Transamerica to replace their fragmented, legacy core with a modern, cloud-based digital platform – the largest contract signed by TCS till date. Unlike in the past, when large deals mostly consisted of a single service delivered at scale, today's large deals are very large in scope as well, involving multiple services, leveraging the full spectrum of our capabilities.

Revenue from digital engagements accounted for 21.2% of our revenue in FY 2018 and grew 35.3% year on year. The steady increase in the number and size of the digital assignments that customers are giving us is resulting in good growth and increased share of wallet. At an aggregate level, this is evident from the client metrics. In FY 2018, we added 3 more clients in the \$100Mn+ revenue band bringing the total to 37, 13 more clients in the \$50 Mn+ revenue band, 17 more in the \$20 Mn+ band and 40 more in the \$10 Mn+ band.

TCS' culture and people practices continue to differentiate us from the rest. We firmly believe that

⁴102-14

there are no legacy people, only legacy technologies. While we continue to hire talent from outside, we have doubled down on investing in organic talent development at scale, empowering individuals to acquire skills that will keep them relevant in an evolving technology landscape. In FY 2018, over 247,000 employees were trained in digital technologies, resulting in them gaining over 861,000 digital competencies.

We continue to attract, retain, and engage top notch talent across the world. To support the strong growth for our services, we are creating tens of thousands of jobs across the world. Hiring local talent wherever possible has helped us build a young, dynamic and diverse workforce made up of 131 nationalities. Women constituted 35.3% of the employee base.

TCS had 394,998 employees at the end of FY 2018. Our investments in our people, and progressive workplace policies have resulted in best-in-class talent retention rates. In FY 2018, our attrition rate in the IT Services segment was 11%; once again, the lowest in the industry. For the third consecutive year, TCS was recognized as a Global Top Employer by the Top Employer Institute, and as one of the Best Employers globally in the Forbes 2000 list.

Our primary purpose as a business is to help our customers – mostly large global enterprises – leverage technology in ever more creative ways to change the way they do business, become more efficient and gain competitive advantage. In doing so, we create well-paying jobs in every community that we work with, both directly and indirectly, boosting the local economies and generating taxes that support local governance.

Our commitment to community comes from deep within, driven by a purpose-driven worldview springing from our unique ownership structure. 71.9% of TCS equity is held by Tata Sons Ltd, and two thirds of the holding company is owned by the philanthropic Tata Trusts which fund community initiatives in

education, healthcare, nutrition and rural livelihoods. Consequently, much of the profit we generate goes back to the community.

Beyond that, we directly support worthy local causes – in the areas of education and skill development, health and wellness, and environment – under our Corporate Social Responsibility initiatives, mapped to the UN Development Goals. At a corporate level, we continue to support key global initiatives such as the UN Global Compact and the Carbon Disclosure Project. TCS' unique purpose-driven worldview is shared by its employees as well. In FY 2018, TCSers volunteered over 570,000 hours for worthy social and environmental causes in their respective communities.

We have been focused on reducing the societal inequities caused by the digital divide, and have several programs going on across the world in this area. In India, our flagship Adult Literacy Program – now in its 17th year – imparts functional literacy to adult learners using computer based training. Since inception, it has touched the lives of 561,884 beneficiaries.

BridgeIT empowers individuals from underprivileged backgrounds to become digital entrepreneurs. Our BPS and IT

Employability Programs seek to enhance the employability of disadvantaged undergraduate students from rural engineering and science colleges by training them in business skills, general aptitude, and technical skills.

In other parts of the world, across North America, UK, Europe and Australia, we are taking on the problem of skill deficits and gender imbalance in STEM head on, and working out longer term structural solutions to address these issues. Our programs – like goIT, IT Futures and Ignite My Future – focus on school students – particularly girls – and encourage them to pursue STEM education and careers in technology.

Health and wellness is another key area of focus. In addition to fostering a culture of wellness among our

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employees through programs like Fit4Life, we promote fitness in the community by sponsoring over 10 marathons and running events across the world.

We do a lot of pro bono work for leading hospitals in India, leveraging technology to transform healthcare and make it more accessible to the less privileged. Our transformation of the Outpatient Department services at the All India Institute of Medical Sciences has helped eliminate overcrowding and reduce waiting time. We have partnered with the Tata Memorial Cancer Hospital to set up a Translational Cancer Research Centre to develop technology for clinical trials, risk adapted treatment, and predictive outcome biomarkers in the treatment of cancer.

In partnership with the Ministry of Health and the Tata Trusts, we have set up the Digital Nerve Centre (DiNC), an innovative digital platform that connects four major cancer hospitals to allow for better collaboration among experts, knowledge sharing and to extend access to cancer treatment even in remote locations.

On the environmental front, we pride ourselves on our environmental stewardship. In addition to organizing employee engagement initiatives such as clean up campaigns across the world, we have been very focused on reducing our own carbon and resource footprint. Ten years ago, we had set an ambitious target to halve our specific carbon footprint by 2020.

It gives me immense pride to inform you that we exceeded our 2020 target two years ahead of time, reducing our specific carbon footprint by 52.5% compared to baseline year 2008. We accomplished this by embracing green IT, green buildings and by embracing our own digital solution for Remote Energy

Management which has helped us bring down our energy consumption through the use of IoT and machine learning.

In addition to our own carbon footprint, we also engage with our customers to use our technology capabilities to rein in their ecological footprints too. Whether it is mobile apps that help consumers view their energy consumption data and optimize or IoT-based systems that use machine learning to optimize boiler control systems in power plants and bring down NOx emissions, we are continually pushing the boundaries on how technology can be used to save the planet.

Our work, our values and our transparency with all stakeholders has won us their trust and immense goodwill. That shows up in our business performance, in customer satisfaction surveys, best-in-class retention rates, and investor polls.

Our work, our values and our transparency with all stakeholders has won us their trust and immense goodwill. That shows up in our business performance, in customer satisfaction surveys, best-in-class retention rates, and investor polls. That and our energized marketing efforts have significantly elevated our brand, putting us firmly among the top 3 brands in IT services globally. In FY 2018, TCS was the fastest growing brand by value, crossing the \$10 Bn mark and growing 14.4% year on year.

Looking forward, we see even greater reliance by enterprises on leveraging technology to differentiate themselves. We expect to further broaden and deepen our participation in their transformational spend, and grow while keeping sustainability at the heart of everything we do.

Thank you,

Rajesh Gopinathan
Chief Executive Officer and Managing Director

Organizational Profile⁵

Industry practice forms the primary business segments for TCS. Our five key verticals are: Banking, Financial Services, and Insurance (BFSI); Retail and Consumer Business; Communication Media and Technology; Manufacturing; and others. The last category includes Life Sciences and Healthcare; Energy; Resources and Utilities; and more.

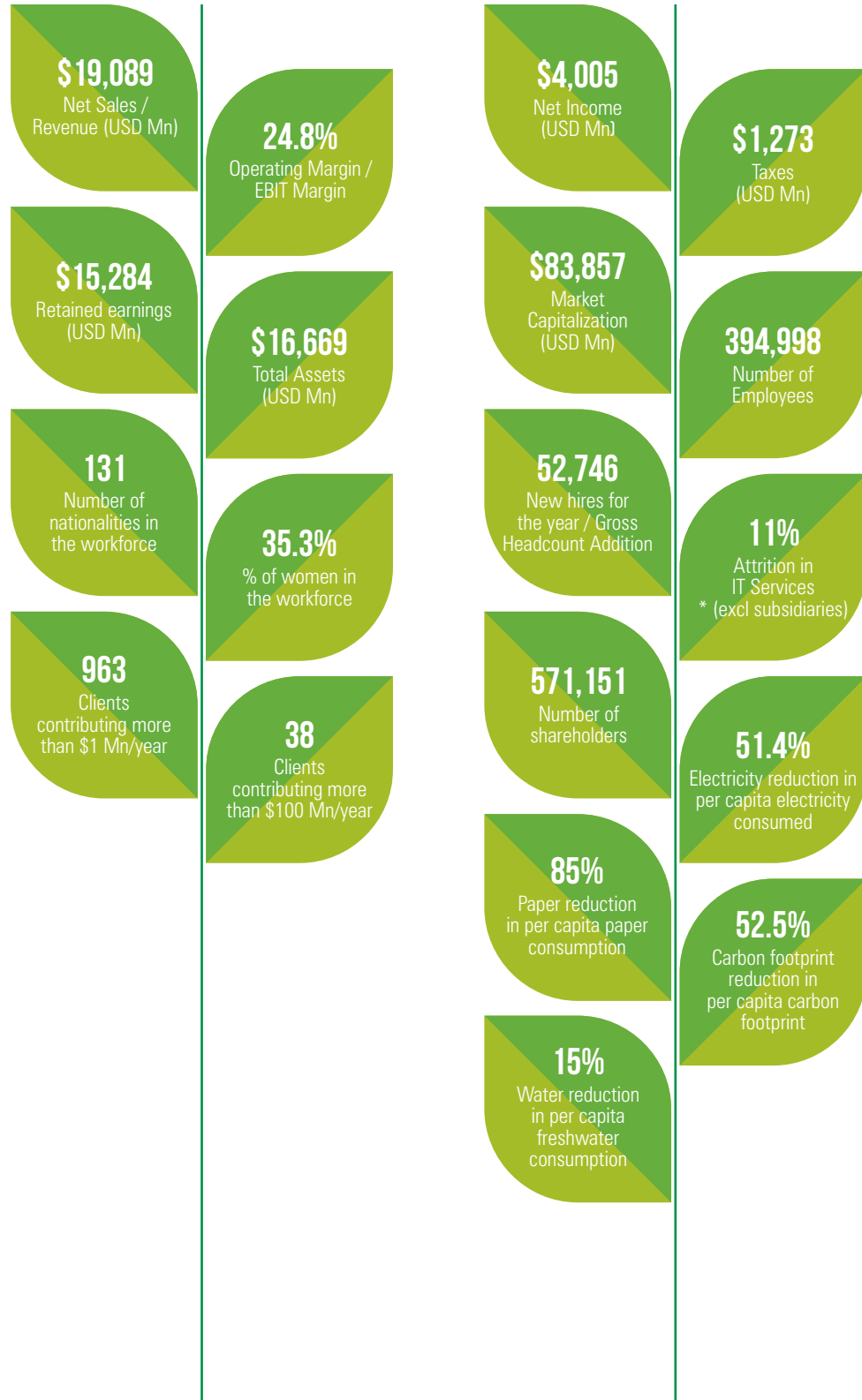
Our geographic footprint consists of North America; Latin America; United Kingdom; Continental Europe; Asia Pacific; India; and Middle East and Africa. Figure 1 provides the office distribution and revenue break-up by geography as on March 31, 2018.

Geography	Offices	Revenue Breakup %
North America	29	52
Latin America	26	2
UK	28	14
Continental Europe	36	13
India	134	6
Asia Pacific	29	10
MEA	14	3

Figure 1: Office distribution and revenue break-up by geography

⁵102-2, 102-4, 102-6

TCS by numbers⁶



⁶Information on direct economic value generated and distributed on an accrual basis is reported on page 111 and details of spend on community initiatives are reported on page 100 of TCS' Annual Report 2017-18 (GRI 201-1, 102-7)

TCS' IFRS Annual Report: <https://www.tcs.com/content/dam/tcs/investor-relations/financial-statements/2017-18/q4/IFRS/Consolidated-USD.pdf>

TCS Factsheet: <https://www.tcs.com/content/dam/tcs/investor-relations/financial-statements/2017-18/q4/Presentations/Q4-2017-18-Fact-Sheet.pdf>

Awards and Recognition



Sustainability

- Named in **Fortune's** annual list of the **Top 50 Companies that are changing the world**, for mKrishi®
- Awarded the **Gold rating** certificate by **EcoVadis** fourth time in a row
- Included in the **Global Dow Jones Sustainability Index (DJSI)** for the fifth consecutive year
- Included in the **FTSE4Good Emerging Index**
- Recognized as a **Leader in Climate Change efforts** by CDP
- Won the **Social Responsibility Project of the Year** for the second year in a row at the **North American Employee Engagement Awards**
- Named as One of America's **Civic 50** by **Points of Light**
- Awarded Gold for the **BridgelT Program** at the India Digital Awards 2017, under the Best Use of Internet for Social and Economic Development category by the Internet and Mobile Association of India
- TCS' **Passport Seva** won two CSI Nihilent eGovernance Awards 2017 at the 52nd CSI annual convention
- Won the **Project of the Year – Contribution to Community** for the BridgelT program at PMI India Awards 2017
- Won the 2018 IBM Beacon Award for **Outstanding Community Service** for the **Adult Literacy Program**.
- Three TCS facilities won awards at the 18th National Award for **Excellence in Energy Management 2017**, organized by CII, India – TCS Centre – Kochi (Excellence in energy management), Deccan and Synergy Park – Hyderabad (Energy efficient unit award).
- TCS Garima Park, Gandhinagar won the prestigious **Bombay Chamber Civic Award 2017** under category Sustainable Environmental Initiatives.
- TCS Kalinga Park, Bhubaneswar received **Meritorious Performance in Energy Management Award** for IT industries in the Odisha State Energy Conservation Award 2017

Employer

- Ranked as a **Top Employer** globally for the third year running by the Top Employer Institute, including in leading regions such as North America, UK, Europe, and Latin America
- Named among the **Top Job Creators** in the US IT Services Sector by The Cambridge Group
- Recognized as one of the Achievers **50 Most Engaged Workplaces™** in North America, for the fifth consecutive year
- Won the Editor's Choice Award for Best Learning Execution at the Chief Learning Officer Magazine's 2017 Learning Elite Awards
- Won the **Innovation in Talent Development Award** and **Excellence in Practice** recognition at the Association for Talent Development Conference in Atlanta
- Won a Gold Stevie® for **Achievement in Employee Engagement** in the Americas, and two Silver Stevies® for **Achievement in Recruitment** and **Employer of the Year** at the Stevie® Awards for Great Employers
- Won the 2017 Canadian National HR Award for Best Recruitment Campaign from the Canadian HR Reporter for the third straight year
- Named as one of the Best Companies to Work for Women in India by Working Mother Media and Avtar Group
- Won the **WILL Best Employers for Women** award from the WILL Forum India
- Received Eight Brandon Hall Group Awards covering **Excellence in Learning, Leadership Development, Talent Management, and Talent Acquisition**
- Named as **Best Company for Diversity and Inclusion** at the 2018 Women in Technology and Data Awards, hosted by Waters Technology
- Recognized as **Most Admired Knowledge Enterprise** at the KM India Summit organized by CII



Business

- Ranked as the **fastest growing IT services brand** by brand value, and as one of the **Top 3 Global Brands in IT Services in 2018** by Brand Finance
- Recognized as one of the **Top Regarded Companies** and one of the World's Best Employers on the Forbes 2017 Global 2000 list
- Ranked **#1** in Europe for Customer Satisfaction for the fifth consecutive year by Whitelane Research
- Ranked No. 1 in the **BT 500 list of India's Most Valuable Companies 2017**
- Topped the **BW 500 Real rankings** in the technology space in 2017
- Won the **CII Industrial Intellectual Property Award 2017**
- Won two awards at the **Express IT Awards® 2017** for **IT Innovation in the large enterprise** and **mobility solutions categories**
- Bagged multiple awards at the Asian **Banker Technology Innovation Awards 2017**
- Recognized as a prominent **technology partner** at the **Manufacturing Leadership 100 Awards** for the fourth time
- TCS' Singapore Marathon App won the award for the **Best Mobile App for Media, Entertainment, and Social Media** at GSMA's Asia Mobile Awards 2017
- The TCS New York City Marathon App, named the **Consumer App of the Year** for the second consecutive year, also won the Gold award at the Best in Biz Awards 2017 International



Leadership

- Ranked among the **Most Honored Companies in Asia**, and rated the Best Investor Relations Professional, Best Investor Relations and Best IR website in the region in Institutional Investor's 2017 Annual All Asia Executive Team rankings
- CFO V Ramakrishnan awarded the Creating Shared Value CFO at the Yes Bank-BW Best CFO Awards 2017



Partner

- Won multiple awards at the Oracle Excellence Awards 2017:
Oracle Global Partner of the Year Award for PaaS/IaaS Cloud Specialty, Oracle Customer Advocacy Award for EMEA, Oracle 2017 Specialized Partner of the Year
- Won the **Best Supplier** Award from Ericsson
- Won the **Oracle Integrated Cloud Partner of the Year** Award in UK and Ireland
- Won the **Adobe System Integrator Partner of the Year 2017** Award in India
- Won the **Global Partner of the Year** Award in Business Excellence from Cloudera
- Named the **Global System Integrator of the Year** by Cloudera
- Won the **Pega 2017 Partner Excellence** Award
- Won the **Veritas AMS Global Strategic Partner of the Year** Award
- Named as the Dell Boomi European, Middle East, and Africa Region Implementation Partner of the Year
- Named by CA Technologies as its **2017 Global Marketing Innovation Partner of the Year**
- Recognized as Cisco's **IT Service Provider Partner of the Year** for Cloud Excellence
- Won Perfecto 2017 **Global Partner of the Year**
- Won the 2018 IBM Asia Pacific Excellence Award as a **Top Systems Integrator**



Stakeholder Engagement and Materiality Definition

TCS engages with a broad spectrum of stakeholders – internal and external – to understand their concerns and priorities, and uses these to guide policy formulation and decision-making. Largely, business considerations govern decisions about which stakeholders to engage with, and in what manner and periodicity.

Key stakeholders are identified through a prioritization exercise undertaken in consultation with our company's management. The prioritized list includes everyone from customers, employees, shareholders, and investors to engineering colleges, staffing agencies, and other vendors. A stakeholder interaction exercise with both internal and external stakeholders is then undertaken as part of the development of this report.

Figure 2 describes TCS' stakeholder interaction framework, including the topics of most significance to each group. Some other stakeholders that we closely engage with – such as industry analysts, equity analysts, and the media – have not been mentioned here because they are proxies for other named stakeholders – customers, shareholders, and society at large, respectively.

Stakeholder	Interfacing Group	Engagement Types by Frequency	Material Topics
Customers	Sales/Pre-Sales Marketing Delivery Teams Senior Management	As needed: Project-related calls and meetings; project management reviews; relationship meetings; executive briefings; customer visits; responses to RFIs/RFPs; sponsored events; mailers; newsletters; brochures	Investments and capabilities in digital technologies; financial stability; quality of work; data privacy and security; ethical behaviour; fair business practices
		Continuous: TCS website; social media (LinkedIn, Twitter, Facebook, Instagram, YouTube)	
		Half-yearly: Customer satisfaction surveys	
		Annual: Customer summits, innovation days; executive customer survey	
Employees	HR Senior management	As needed: Town halls; roadshows; project or operations reviews; video conferences; audio conference calls; PEEP; PROPEL (employee forum); one-on-one counselling	Safe and comfortable workplace; diversity; engaging assignments; learning opportunities; career development; compensation structure

Stakeholder	Interfacing Group	Engagement Types by Frequency	Material Topics
		<p>Monthly: @TCS (in-house magazine)</p> <p>Continuous: TCS website; Ultimatix Notice Board; CEO Connect; CTO Blog; Corporate Corner; JustAsk; IdeaMAX; Knome; dipstick surveys; grievance redressal system</p> <p>Annual: PULSE (employee feedback survey); long-service awards; sales meets; Blitz (business planning meet)</p>	
Shareholders	Investor relations Company secretary Senior management	<p>As needed: Press releases and press conferences; email advisories; facility visits; in-person meetings; investor conferences; non-deal roadshows; conference calls</p> <p>Quarterly: Financial statements in Ind AS and IFRS; earnings call; exchange notifications; press conferences</p> <p>Continuous: Investors page on the TCS website</p> <p>Annual: Annual General Meeting; Annual Report</p>	Demand sustainability; financial sustainability; corporate governance; transparency and disclosure; social and environmental sustainability
Academic institutions	HR Senior management CTO	<p>As needed: Academic Interface Program; Co-Innovation Network (COIN™) meetings</p> <p>Continuous: TCS website; academic portal</p> <p>Annual: Sangam (high-level academic conference); campus recruitment</p>	Job creation; curriculum enhancement; internship opportunities; faculty development

Stakeholder	Interfacing Group	Engagement Types by Frequency	Material Topics
Head-hunters; staffing firms; other suppliers	HR	One-time: RFIs/RFPs; empanelment process	Demand sustainability; talent acquisition; ethical behavior; fair business practices; governance; creditworthiness
	Business units Procurement	As needed: Transactional meetings; periodic reviews; surveys	
Partners and collaborators	Alliance management	As needed: Meetings/calls; COIN™ meetings; visits; partner events	Ethical behavior; fair business practices; governance; sustainability of demand; creditworthiness
	CTO	Monthly: Conference calls	
		Quarterly: Business reviews	
		Annual: Partner events	
Industry bodies	Corporate affairs	As needed: Conferences and seminars; working committee meetings; surveys; other meetings	Demand sustainability; financial stability; governance; ethics and compliance; fair business practices
	Finance Senior management	Annual: Conferences; summits	
Governments; NGOs; local communities; society at large	Government business unit	As needed: Governance RFIs/RFPs; presentations; project meetings; reviews; calls and meetings; surveys; consultative sessions; field visits; due diligence; conferences and seminars; surveys; press releases; press conferences; media interviews and quotes; sponsored events	Financial stability; quality of work; data privacy and security; ethical behavior; fair business practices; good governance; ethics and compliance; support for developmental programs; job opportunities; responsible citizenry; environmental impact
	Corporate affairs		
	HSE/Finance teams CSR team Corporate Communications team Senior management	Continuous: TCS website	

Figure 2: TCS' framework for stakeholder interactions and identification of material topics⁷

TCS is a member of a number of industry bodies such as NASSCOM and CII, and works closely with these in shaping policy⁸.

⁷102-40, 102-42, 102-43, 102-44

⁸102-13, 102-42

Material Topics⁹

Stakeholder interactions of the various interfacing groups within TCS result in the identification of a broad funnel of issues important to each of the constituencies. Customer satisfaction surveys, employee surveys, first-hand feedback from investors, and discussions with internal and external stakeholders serve as formal inputs in prioritizing the identified issues to each of the stakeholder groups. Internal stakeholders include senior management members and employees, whereas external stakeholders include shareholders, suppliers, contractors, NGOs, and academic institutions.

During the Sustainability Council's deliberations, senior executives assess the impact of each of the most significant issues in order to arrive at a prioritized list of material topics with significant economic, environmental, and social impacts on TCS' business, reputation, and operations, forming the basis for this report. These topics are listed in Figure 3.

Material Topics	Why this is material	Key aspects	Boundary of Impact	GRI Indicators
Corporate Governance	Strong corporate governance that takes into account stakeholder concerns, engenders trust, oversees business strategies, and ensures fiscal accountability, ethical corporate behaviour, and fairness to all stakeholders is core to achieving the organization's longer term mission.	Governance structure and composition; anti-corruption -Additional aspects: independence of the Board; avoidance of conflict of interest; Board oversight; fiscal oversight; disclosure and transparency; ethics and compliance	Internal	102-18, 102-16
Business Sustainability	A financially strong, viable business that is able to adapt to changing technology landscapes to remain relevant to customers and profitably grow its revenues year-on-year is essential to meet longer term expectations of stakeholders.	Economic performance Additional aspects: demand sustainability; business agility; investments in innovation; financial sustainability	Internal	201-1
Talent management	The company's ability to attract, develop, motivate, and retain talent is critical to business success.	Employment; labour management relations; diversity and equal opportunity; training and education Additional aspects: talent retention; employee engagement; occupational health and safety	Internal	401-1, 3 402-1 403-2 404-1 405-2

102-46,⁹102-47,103-1

Material Topics	Why this is material	Key aspects	Boundary of Impact	GRI Indicators
Social responsibility	Business has to be rooted in community and be aligned with its larger interests. Any adversarial relationship can hurt the company's ability to create longer term value.	Local communities Additional aspects: job creation; taxes generated; education and skill development; health and wellness; environmental stewardship	External	201-1, 413-1
Environmental footprint	Business sustainability is linked to the planet's sustainability. Moreover, good environmental practices result in greater operational efficiency, adding to financial sustainability.	GHG emissions; energy; water management; effluents; waste; compliance; transport; overall	Internal	302-1,3,4, 303-1,2,3 305-1 to 7, 306-1 to 5

Exhibit 3: Material topics, aspects and boundary of impact¹⁰

¹⁰102-44, 102-46, 102-47: Boundary of Impact: Internal includes all TCS offices and campuses, 103-1

Sustainability Strategy

TCS follows the Tata Group philosophy of building sustainable businesses that are rooted in the community and demonstrate care for the environment.

We believe that corporate sustainability extends to the triple bottom line of people, profit, and planet. We have increased the radius of business responsibility beyond immediate benefit to long-term good, while ensuring the sustainability of the organization. TCS enables an environment of greater consciousness through a process of collaboration with employees, suppliers, customers, and the community at large.

Our governance framework is provided by the Tata Code of Conduct (TCoC). We are signatories of the UN Global Compact and we align with its 10 principles. TCS is also one of the first companies in India to participate in the Carbon Disclosure Project (CDP)¹¹.

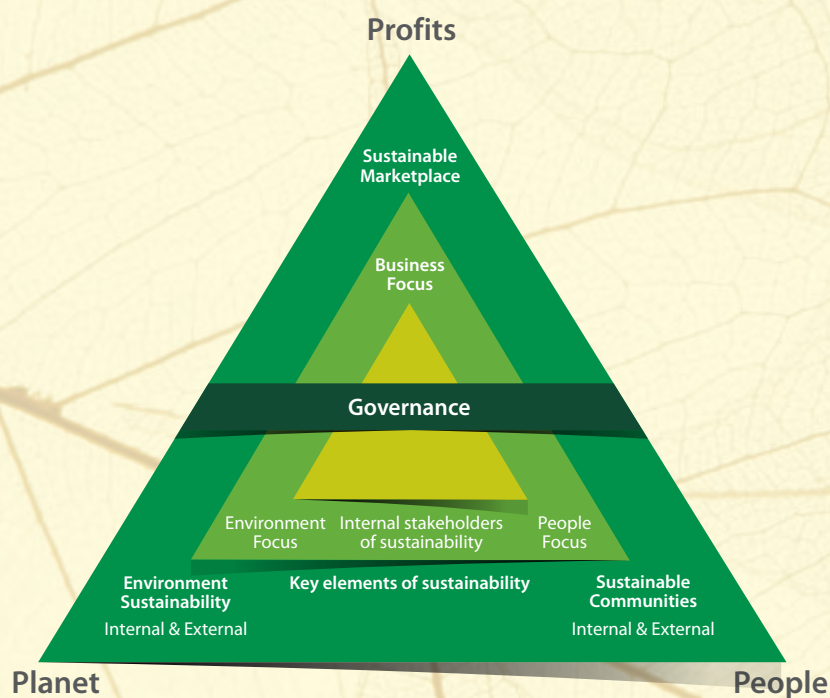


Exhibit 4: Our Sustainability Approach

¹¹102-12

TCS' CSR initiatives in the areas of Education and Skill Development, Environment and Health are aligned with the UN's sustainability development goals as below:

NO POVERTY

- Women of Waze
- BridgeIT



ZERO HUNGER

- TATA Trusts - Malnutrition
- Mkrishi



GOOD HEALTH AND WELL-BEING

- AIIMS OPD Transformation
- Hospital Management System at CI, Chennai & TMC, Kolkata
 - E-partogram
- Society for Rehabilitation of Crippled Children (SRCC)
 - Tata Translational Cancer Research Centre (TTCRC)



QUALITY EDUCATION

- Adult Literacy Program
 - Launchpad
 - Insight
- Teacher Empowerment
 - BridgeIT
 - Lab on bike
 - Sarvam IT LAB
 - TCS ki Paathsaala
- Udaan and North-East initiative
- Computer Operator and Training Assistant Training (COPA TTT)
 - EKLAVYA School – Jawahar
- Advanced Computer Training Centre (ACTC)
 - MSc program in Big Data Analytics
 - Research Scholar Program
 - Manuski
 - Science Lab Project
 - TATA Strive
 - SASTRA
- Global STEM initiatives



GENDER EQUALITY

- Adult Literacy Program
 - BridgeIT
 - WAZE



CLEAN WATER AND SANITATION

- Clean India Initiative- Swachh Bharat
 - Siruseri Lake Rejuvenation Project
 - Kasalganga Rejuvenation
- Internal water management programs towards maintaining zero water discharge campuses



AFFORDABLE AND CLEAN ENERGY

- Installation of LED bulbs and tube-lights in Hydrabad government schools
- Installation of solar powered street lamps in 5 villages of Bangalore
- Installation of 3.55 MW of roof top solar across TCS campuses
- Sourcing power from renewable sources



DECENT WORK AND ECONOMIC GROWTH

- Bridge IT
- IT Employability
- BPS Employability
- Advanced Computer Training Centre (ACTC)
- Udaan and North East Initiative



INDUSTRY, INNOVATION AND INFRASTRUCTURE

- Digital Impact Square
- Green Buildings office spaces with resource efficiency built by design



SUSTAINABLE CITIES AND COMMUNITIES

- Sahapedia



RESPONSIBLE CONSUMPTION AND PRODUCTION

- Onsite waste management at TCS campuses to achieve zero waste to landfill



CLIMATE ACTION

- TCS carbon management program towards decoupling business growth and impact on environment through climate change mitigation measures
- Biodiversity conservation and enhancement program across TCS campuses to preserve and nurture flora and fauna



LIFE BELOW WATER

- Biodiversity conservation and enhancement program across TCS campuses to preserve and nurture flora and fauna



Profit¹²

Effective corporate governance practices make up the strong foundation on which successful commercial enterprises are built to last. Our corporate governance philosophy guides our business strategies and ensures fiscal accountability, ethical corporate behavior, and fairness to all stakeholders – regulators, employees, customers, vendors, investors, and society at large. Strong leadership and effective corporate governance practices – inherited from the Tata culture and ethos – have been our hallmark.

TCS has a strong legacy of fair, transparent, and ethical governance practices. We have adopted a Code of Conduct for our employees, including the managing director and the executive directors. In addition, TCS has adopted a Code of Conduct for its non-executive directors, including a Code of Conduct for independent directors that suitably incorporates their duties as laid down in the Companies Act, 2013 ('Act').

Corporate Governance

Our corporate governance philosophy has been further strengthened through the Tata Business Excellence Model, the TCS Code of Conduct for Prevention of Insider Trading, and the Code of Corporate Disclosure Practices ('Insider Trading Code'). TCS also has an Information Security Policy in place that ensures proper utilization of IT resources

Aspect	Approach
Avoidance of Conflict of Interest	<p>Conflict of interest between the Board's executive function and the supervisory function is minimized by making the chairmanship of the Board a non-executive role, and keeping it separate from that of the CEO and MD.</p> <p>TCS has a Code of Conduct for non-executive directors, requiring them to always act in the interest of the company and ensure that any other business or personal association that they may have does not involve any conflict of interest with the operations of the company and their role therein.</p> <p>Similarly, all employees, including the MD and executive directors, are prohibited from freelancing or accepting any position of responsibility – with or without remuneration – with any other company without TCS' written approval. For executive directors and the MD, such approval must be obtained from the Board.</p>

¹²103-2, 103-3, 102-18

Aspect	Approach
Board independence and minority shareholders' interests	<p>Independent members – representing minority shareholders – make up more than 50% of the Board strength, ensuring protection of minority shareholders' interests. The TCoC, which defines the governance philosophy at TCS, emphasizes fairness and transparency to all stakeholders. The company also has a variety of channels through which minority shareholders can interact with the management or Board and express their concerns.</p> <p>We organize regular global investor outreach programs, where investors can interact with the management. Minority shareholders can move their private resolutions for discussion by the Board of directors, or even requisition a General Body Meeting.</p> <p>Small shareholders can interact with the Board of directors in person at the Annual General Meeting and have their queries or grievances resolved. They can also communicate any grievance to the company secretary's office, where complaints are tracked to closure. At the Board level, a Stakeholders' Relationship Committee, consisting of two independent and two non-independent directors, oversees the redressal of these complaints.</p>
Intra-group transactions	<p>TCS does not derive any material revenue from Tata Sons Ltd. or any of the other Tata Group companies. Employees and resources (including cash) are not shared between group companies.</p> <p>Independent directors make up more than half of the Board. Dealings with Tata Sons or with a group company are done on an arm's-length basis and have to be approved by the Board. Transactions, if any, are reviewed closely by the Board to ensure that shareholder interests are protected. Transactions with related parties are disclosed in TCS' Annual Report for FY 2018 (page 214-216).</p>
Board oversight of the sustainability agenda	<p>To ensure governance focus in business sustainability, our Board of directors meets seven to eight times a year instead of the statutory four times. While four of these meetings are for the review and approval of financial results, the remainder is for more detailed oversight of business, strategy, and sustainability matters.</p> <p>This ensures that the Board's focus goes beyond financial performance and covers various operational and strategic issues, including sustainability aspects. We have in place a Health, Safety, and Sustainability Committee of the Board, which undertakes the framing and implementation of Broad guidelines and policies with regard to the health, safety, and sustainability activities. The Board-level Corporate Social Responsibility Committee is responsible for formulating, recommending to the Board, and monitoring a CSR Policy indicating the activities to be undertaken, while also recommending the expenditure to be incurred on CSR activities.</p> <p>There are dedicated teams for Corporate Social Responsibility and Health, Safety, and Environment, each headed by specialists in the respective domains. Their goals are determined by the senior management in line with our overall sustainability objectives, and performance on these two specific aspects of TCS' sustainability agenda is reviewed by the Board on an annual basis. Details of the evaluation of the Board are disclosed in TCS' Annual Report for FY 2018 (page 37-38).</p>

Aspect	Approach
Fiscal oversight	<p>An Audit Committee consisting of non-executive directors oversees TCS' disclosure process to ensure that sufficient and credible information is disclosed, and that the published financial statements reflect a true and fair position of the company's finances.</p> <p>Typically, the committee meets at least four times a year to approve the quarterly accounts, and another one or two times as needed for an in-depth consideration of internal audit reports and other matters. The Audit Committee also actively ensures that the internal audit processes provide adequate support in making the company more efficient and cost-effective.</p> <p>As an additional governance control on access to the company's cash, TCS has a Bank Account Committee of directors, which approves the opening and closing of bank accounts of the company, and authorizes persons who can operate these accounts.</p>
Independent and effective validation	<p>An independent third-party firm of chartered accountants, Ernst and Young LLP, oversees and carries out internal audits of TCS' operations as per an internal audit plan, which is reviewed by the Audit Committee in consultation with the statutory auditors.</p> <p>In line with international practices, the planning and execution of internal audits is oriented towards the review of controls in the management of risks and opportunities in the company's activities. Our external auditors are BSR & Co. LLP, who do not have any undue dependence on TCS.</p>
Disclosure and transparency	<p>Benchmarked against global peers, TCS discloses significantly more operational and financial metrics on a quarterly basis. The quarterly, half-yearly, and annual results are published in leading Indian newspapers, emailed to analysts and investors who subscribe to the service, and posted on our website. Half-yearly results are sent to shareholders, along with a message from the MD on the company's performance.</p> <p>The quarterly earnings release is accompanied by a press conference, which is streamed live on our website. We also organize an earnings call that is webcast on our website, where the management briefs investors and analysts on the quarter gone by, and takes questions. Any material developments in the course of the quarter that might impact revenue or earnings are intimated to the stock exchanges and through our website.</p> <p>Through our robust investor outreach program, TCS' management meets investors at our premises or at investor conferences, and addresses their queries and concerns.</p>

Aspect	Approach
Ethics and compliance ¹³	<p>Integrity is the first core value that underpins all our business activities. TCS has earned its reputation for trustworthiness and has been able to build a strong, highly successful global business by adhering to the high standards of principled conduct.</p> <p>The Tata Code of Conduct (TCoC), which every employee signs at the time of joining the company, outlines our commitment to each of our stakeholders. It serves as a guide and governing framework for responsible corporate citizenship and for principled behaviour.</p> <p>Procedures have been established to deploy the TCoC widely and thus enable employees to understand the code and follow it in letter and in spirit. The TCS leadership team has personally communicated the emphasis on TCS' values that underpin TCoC to all employees. Local ethics counsellors have been appointed at every company location to advise and guide employees on ethics concerns.</p> <p>Customers and suppliers are made aware of the TCoC principles in contract discussions, and through inclusion of specific clauses in proposals and contracts. The TCS Supplier Code of Conduct is shared with suppliers as part of the procurement process and is published on the TCS website. Employees with access to privileged information are required to comply with an additional code for the prevention of insider trading. A global policy on the prevention of sexual harassment at the workplace has been implemented to prevent instances of harassment and to provide avenues to employees to log complaints.</p> <p>At the Board level, the Ethics and Compliance Committee oversees TCS' adherence to the TCoC. Periodic reports are submitted to the Board committee on matters relating to the TCoC.</p>
Board composition and selection of board members	<p>The Nomination and Remuneration Committee, comprised of two independent directors and one non-independent director, including the chairman, makes recommendations regarding the composition of the Board, identifies suitable individuals who can be inducted as independent directors, and takes steps to refresh the composition of the Board from time to time.</p> <p>The supervisory capability of the current Board has been significantly boosted by the inclusion of highly capable individuals with global management perspectives, broad corporate experience, specific expertise in corporate governance, and compliance as independent, non-executive directors.</p>

¹³102-16, 102-18

Aspect	Approach
Employee access to the board	<p>TCS employees are empowered with a culture that encourages open communication and offers various channels for communicating concerns and grievances. Larger concerns are presented to the Board by the executive directors. In addition, individual senior-level employees are also invited to present to the Board on specific topics under discussion from time to time.</p> <p>The company has a Whistle Blower Policy, with the necessary mechanism in place for employees to directly report concerns about unethical behaviour to the chairperson of the Audit Committee without fear of reprisal or victimization.</p>
Sustainability and risk management	<p>TCS has an enterprise compliance management framework and process that has been deployed across the company. A digital platform provides an enterprise-wide view of compliance across global locations. Major risks are regularly identified and systematically addressed through mitigating actions.</p> <p>We ensure compliance to all applicable laws globally, including those relating to employment and immigration; taxation; forex and export controls; health, safety, and environment; company laws; establishment; SEZ regulations; data privacy; anti-bribery and anti-corruption regulations; and IT security. A committee at the corporate level oversees and monitors the deployment of the compliance function.</p>
Succession planning	<p>Business sustainability requires consistency in management vision and minimization of impact when there is a leadership change. Therefore, succession planning is an important element in ensuring smooth transitions. At TCS, this occurs at every level – corporate, business unit, account, and even project.</p> <p>At the highest level, succession planning of senior management is directly reviewed by the executive committee of the Board. Business or unit heads are invited to Board meetings from time to time to update the Board. This provides an opportunity for the Board to interact with senior executives periodically and assess values, competencies, and capabilities that can help them identify suitable internal successors</p>
Remuneration policy	<p>The company follows a compensation mix of fixed pay, benefits, and performance-linked variable pay. Individual performance pay is determined by business unit performance as well as individual performance (measured through the annual appraisal process) and mapped to business performance across quarters.</p> <p>The performance evaluation criteria for independent directors, remuneration policy, and details of the remuneration paid out to members of the Board in FY 2018 are disclosed on page 79-80 of the Annual Report.</p>

Exhibit 5: Details of our aspect and approach to various corporate governance requirements¹⁴

The full text of the Tata Code of Conduct is available at: <https://www.tcs.com/tata-code-of-conduct>

The Code of Conduct for Directors is available at the link: <https://www.tcs.com/tata-code-of-conduct>

Details of Board-level committees are on pages 76-79 of the Annual Report, which is available at: <https://on.tcs.com/AnnualReport2018>

¹⁴102-18

Demand Sustainability

In FY 2018, the global market for software and services is estimated to have grown to \$1.3 trillion, as per NASSCOM Strategic Review FY 2018. Within that, outsourced IT-BPM services grew by 2.6% over the prior year. IT services is estimated to have grown by 2.4% year-on-year, driven by digital demand, while BPM grew by 4% over the prior year on account of greater implementation of automation.

Global growth is projected to strengthen from 3.8 percent in 2017 to 3.9 percent in 2018 and 2019¹⁵, with mixed trends in advanced markets, and a pickup in emerging and developing economies. Among advanced markets, US and Eurozone are expected to accelerate in 2018, while Japan, UK and Canada are expected to decelerate modestly. Industry analysts have forecasted a modest acceleration in IT services spending globally in 2018.

TCS expects customers to continue investing in digital as part of their Business 4.0 journeys. The broad theme of revamping the core is expected to result in bigger digital projects and more large transformational engagements. Solutions encompassing advanced analytics, internet of things, APification, blockchain, drones, and cybersecurity are expected to gain more traction.

The focus on delivering superior customer experiences is expected to result in greater demand for digital marketing, design, human-machine interaction, and virtual/augmented reality. Additionally, there is expected to be greater adoption of Agile/DevOps. At the same time, cloud adoption, automation, and simplification will continue to be key initiatives towards greater back-office efficiency.

Strategy for Business Sustainability

TCS' customer-centric strategy is built on continually investing in building newer capabilities to expand our participation in our customers' spend, and to stay relevant to them at every point in their business cycle while being technology-agnostic and broadening our addressable market.

Customer-centricity is at the core of TCS's strategy, organization structure, and investment decisions. The philosophy has been to expand and deepen customer engagements by continually looking for new areas in the customer's operational value chain where TCS can add value, and to proactively invest in building newer capabilities to participate in those opportunities. Details of this strategy are provided on page 60-61 of the FY 2018 Annual Report. The strategic risks faced by TCS, and the company's approach to mitigating them, are summarized on pages 68 to 71 of the FY 2018 Annual Report.

Structured for Agility

TCS is pioneering the location-independent model of Agile, which allows for deployment at scale, and helps customers whose own organizations are globally distributed to execute large transformational programs quickly while ensuring stability and quality.

Investing in Innovation

Our Research and Innovation (R&I) efforts strengthen the company's sustainability by scanning emerging technologies, identifying trends, and building capabilities in relevant areas. Our R&I team not just collaborates with the industry solution units to create a pipeline of new offerings, but also creates thought leadership in new technologies and improves the company's revenue mix and profits. Some notable outcomes are:

¹⁵World Economic Outlook, April 2018, International Monetary Fund

Integrated Solutions for Elderly Care (Singapore)

TCS and Singapore Management University (SMU) extended their research partnership until 2020 to focus on intelligent, inclusive, and integrated solutions for urban challenges. The TCS-SMU iCity lab was established in 2011, and launched a very successful pilot project called SHINESeniors in Singapore. SHINESeniors uses non-intrusive sensor technologies to remote-monitor senior citizens living independently at 100 housing development board homes, providing them personalized, sustainable, and tech-enabled care.

Accessibility Platform for Digital Publishing (India)

Access Infinity is a technology platform from TCS Research and Innovation that powers the Sugamya Pustakalaya (<https://library.daisyindia.org/>), a pan-Indian ecosystem for real-time publishing of accessible media. The platform provides real-time availability of accessible content in many languages, meeting all the regulatory and security compliances. The platform brings together an entire accessible literacy ecosystem for the country, creating a national catalogue of lakhs of books.

TCS Research Scholarship Program (India)

The TCS Research Scholarship Program (RSP) is focused on increasing research in areas related to computing as well as innovation, in order to enrich India's technology landscape. TCS has identified and shortlisted 66 top-ranking institutes and universities across India with active PhD programs in Computer Sciences. Applications from PhD students are invited for a scholarship, and the selected research scholars receive a competitive stipend. The scholars and their guides are also awarded significant funds for national and international travel to attend and present their research work. This program is currently in its fourteenth cycle, covering 261 PhD scholars across India.

Digital Farming and Fishing (India)

TCS' Digital Farming initiative mKRISHI® has progressed both technically and along impact dimensions. It has developed an agricultural analytics engine called agEYE™, along with a web-based application that provides historic, current, and future data on crops. The application offers crop health, soil moisture, weather forecast, disease severity forecast, and disease identification at a village level to farmers and other stakeholders in the agri value chain. These parameters are derived from near real-time remote sensing data and weather data from third-party services. In addition, there is also the mKRISHI® fisheries service, which has a built-in advance warning and message alert service to help fishermen remain safe during weather events.

CSPathshala (India)

The Association for Computing Machinery (ACM) India started an education initiative, CSPathshala (www.cspathshala.org) in 2016, to teach computing as a science in all schools. The key objectives are to popularize Computational Thinking (CT) and influence education policy to enable its introduction into the curricula.

TCS Gandhinagar, in partnership with Ahmedabad University and Google, trained 93 teachers from 53 government schools in Sabarkantha, Gujarat in Computational Thinking and use of CSPathshala teaching aids over two days.

Pan IIT Alumni Leadership Series (PALS)

PALS (<http://www.iitalumni.org/pals/>) is a major initiative by the IIT Alumni Center, Chennai, aimed at benefiting students and faculty of engineering colleges in Tamil Nadu. TCS has a number of IIT Alumni who are a part of PALS and they participated actively in various programs. TCS researchers gave talks at PALS' partner-engineering colleges on industry perspectives on emerging technologies. TCS researchers were adjudicators at INNOWAH 2017, an innovation competition for undergraduate engineering students and gave feedback on how to take their products/ideas to the market.

Financial Sustainability

Our business model is characterized by strong cash generation, low capital needs, low working capital requirements, negligible debt, and attractive return on equity. TCS is a near zero-debt company, and we fund our growth entirely through internal accruals. The structural attributes of our business model are sustainable, and we continually scan the environment for potential threats using our robust risk management framework.

Our pricing and our operating margins have been stable, evidencing the resilience of our business model and the value attributed by our customers to our services. TCS continues its commitment to the highest levels of quality, superior service management, robust information security practices, and mature business continuity management. Details of the shareholder equity, debt levels, cash and equivalents, operating cash flow, and dividend payout are provided in our FY 2018 Annual Report from page 113 onwards¹⁶.

Information Security and Data Privacy

TCS has implemented a comprehensive Information Security Management System (ISMS) based on the globally recognized ISO 27001:2013 ISMS standard. This framework covers cyber security, privacy, and physical/environmental and personnel related controls, thereby covering people, process, and technology.

The information security professionals at TCS have industry-recognized credentials such as CISA, CISM, CISSP, CEH, and CBCP. They possess experience in subjects such as application security, infrastructure services, networking, forensics, law, and compliance. TCS considers all client information confidential, and has implemented rigorous processes to protect the same.

TCS' security policy has been framed to comply with all international privacy and information security laws. Collection, processing, and dissemination of any personal data is done under highly controlled conditions. In addition to third-party products, TCS has also developed in-house tools to ensure that all aspects of security are addressed.

¹⁶In keeping with TCS' shareholder friendly capital allocation policy the Board implemented a share buy-back program under which \$2.4Bn was returned to shareholders, resulting in the extinguishment of 2.85% of the total paid up equity share capital (GRI102-10)

People¹⁷

Talent Management

Our business is extremely people-centric, and therefore the ability to attract, develop, motivate, and retain talent is critical to our sustainability. At a time of profound and rapid technology change, TCS' HR strategy is focused on providing our global, diverse workforce with a stimulating environment that is flexible, nurtures social contract, fosters innovation, builds a result-oriented, high-performance culture, and motivates today's multi-generational and mobile workforce to develop itself personally and professionally.

Our employee-friendly workplace and HR policies have resulted in consistently high retention levels and a strong employer brand. We are one of the 10 companies worldwide to be rated as a Global Top Employer, with certifications in 25 countries across our key markets in North America, Europe, Asia Pacific, the Middle East, and Latin America.

TCS has a highly educated workforce whose technical skills are greatly valued globally. The total number of employees (including external subsidiaries) as on March 31, 2018, was 394,998. Our workforce is predominantly young, with an average age of 30.2 years. A break-up of the workforce by region and gender is presented in Figure 6.

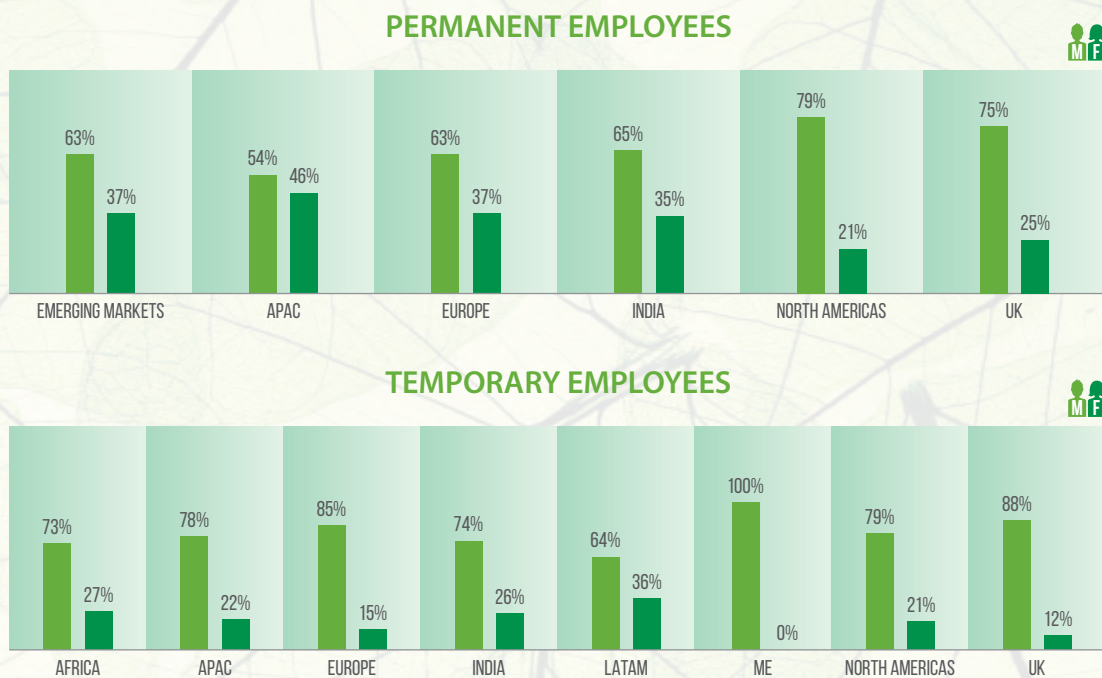


Exhibit 6: TCS employees sorted as per region, and gender¹⁸

¹⁹Employment is at will, with three months' notice from either side required for termination. Less than 0.02% of the workforce is unionized in India, which is our largest region of operation. Most of the organizations activities are carried out by full time employees. In addition, TCS also uses contractors, especially for assignments that are of a short-term nature, or which require skills not readily available internally. In FY 2017-18, TCS spent \$1,394 million (7.3% of revenue) on fees to external consultants, compared with \$1,319 million (7.5% of revenue) in FY16-17.

TCS has been leveraging digital technologies extensively to reimagine its talent acquisition, talent development, and engagement functions. This, and our traditional philosophy of empowering individuals and helping them realize their potential, has made TCS' HR processes and outcomes an industry benchmark.

¹⁷103-2, 103-3

¹⁸102-8, 102-41

¹⁹402-1

Talent Acquisition²⁰

TCS' talent acquisition strategy is to hire the right competencies required by the business at the right time.

A break-up of the new hires by region, employee age, and gender is presented in Figure 7.



Exhibit 7: Break-up of new hires by region, employee age, and gender

Besides being the largest IT recruiter in India for many years, we believe we are also the largest net recruiter in the IT-enabled services industry in the US in FY 2017-18. Also TCS has been recognised for industry leading job creation in the American IT Services sector over the past 5 years. TCS continues to remain the preferred employer at leading engineering campuses across India. Our college recruitment efforts in USA, Canada, Latin America, China, and Hungary have been progressing well, with very encouraging outcomes. TCS has also been recruiting graduates from the Top 10 B-Schools in the US for key business roles.

Academic institutes are key partners in TCS' talent acquisition strategy. Our Academic Interface Program (AIP) is a structured approach towards building strong, enduring relationships with top universities globally. In FY 2017-18, our AIP outreach covered 1,085 institutes worldwide through both student- and faculty-focused activities

²⁰ 102-9,401-1

such as workshops, internships, sponsorship of contests, faculty development programs, research scholarships, curriculum review, establishing technical institutes and so on.

Campus Commune, our unique student engagement portal that helps students collaborate and network with their peer groups globally, now has over 1.4 million students in 21 countries as registered users. It also helps them in Digital learning through webinars, educational videos, and blog posts by experts in various fields, grooming them for professional life.

We use programming contests such as TESTimony, EngiNx, GameOn, and CodeVita to spot and hire top talent. In FY 2017-2018, we recruited over 860 expert programmers through this gamified approach. CodeVita, the global programming competition organized through Campus Commune, has found its place in the Limca Book of Records. Having completed six successful seasons, it witnessed more than 210,000 registrations from across 3,800 colleges in 42 countries in FY 2018 alone.

Talent Diversity

At TCS, we recognize that a diverse and inclusive workforce is necessary to drive innovation, foster creativity, and guide business strategies. TCS is an equal opportunity employer and subscribes to the Tata Code of Conduct in embracing diversity in race, nationality, religion, ancestry, marital status, gender, age, ethnic origin, physical ability, and sexual orientation. TCS has a global policy on Diversity and Inclusion. We have fair and transparent policies that promote diversity and equality.

Compensation levels are merit-based and are determined by qualification, experience levels, special skills, if any, and performance. Gender and any of the other diversity parameters do not play a part in determining compensation levels. Our talent acquisition strategy has resulted in greater diversity of gender, geographic locations, and academic discipline. In 2015, TCS reached a significant milestone to become one of the few global organizations employing more than 100,000 women. Today, we are one of the world's largest employers of women.

Shifting the dial on gender has been one of our key priorities, and we have created unique programs to support career advancement of women employees. We have 43% women working at the junior level, 29% at the middle level, and 12% at the senior level. Our aim is to increase the number of women at every level through focused interventions. Our focus has been on improving gender diversity by design: TCS not only hires a higher number of women, but also is able to develop, motivate, and retain them. We have one of the lowest attrition rates in the industry at 11.8%.

At TCS, Gen Y comprises a large chunk of the workforce. This age diversity is embraced to create a collaborative work culture, while promoting learning and reverse learning to build stronger teams. Our Center of Excellence for Accessibility works on IT solutions for persons with disabilities, aiding their integration into the workforce. In addition to building diversity within our own workforce, TCS also works actively to encourage greater diversity in the communities we work in.

Talent Development

At a time of profound and rapid technology change, our talent strategy is focused on providing our global, diverse workforce with a stimulating environment that is flexible, nurtures social contract, fosters innovation, builds a result-oriented, high-performance culture, and motivates today's multigenerational and mobile workforce to develop themselves personally and professionally.

Our contextual knowledge, combined with proficiency in new technologies, is our unique competitive edge and is of tremendous value to our customers. As our customers rapidly adopt agile methodologies, automation, and cloud technologies, we continue to do the same internally. Our enterprise-wide talent strategy enables us to

develop employees across all levels in response to future business needs and projections and the talent/skill gaps assessed. The core of the talent strategy is to build capabilities internally through reskilling, upskilling and right skilling.

In FY 2018, TCS focused on internal talent development at scale, making large investments in a digital learning platform that empowers employees to acquire new skills and stay relevant at a time of immense technology change. At an overall level over 247,000 employees were trained in digital technologies, resulting in them gaining over 860,000+ digital competencies.

All the learning programs are offered in a digital mode. Our digital learning platform offers an integrated ecosystem that combines virtual, physical, and experiential learning infrastructure with high quality-content. The platform offers courses on a multitude of different digital tools, technology platforms, and skill sets, and allows individuals to pick what they want to learn, learn it the way they want to, and to the extent or depth that they require for a particular role, resulting in greater operational efficiency and cost optimization.

An **inclusive learning pyramid** has been designed for learners at every level, including new hires, middle managers, and technical architects, with programs defined across technology, leadership, domain, and languages. With 21,298 courses available for nearly 400,000 employees spread across 46 countries, every employee across the organization gets a chance to play diverse roles, apply their learnings, and grow. Employees at every level are encouraged to upskill themselves in digital technologies and develop their **T-Factor**, a patented approach to measure the breadth and depth of their knowledge.

In a technology-based organization like ours, there is a strong dependency on subject matter experts with invaluable contextual knowledge of the customer’s products, services, and processes. Enabling the **5As of learning** – Anyone to learn Anytime Anywhere using Any content delivered on Any device – is the key differentiator in translating the contextual knowledge.

Creating the optimum learning and learner experience has helped engage and inspire learners – creating the “pull” factor for learning that engages the multi-generational workforce.

AVERAGE TRAINING HOURS PER ASSOCIATE

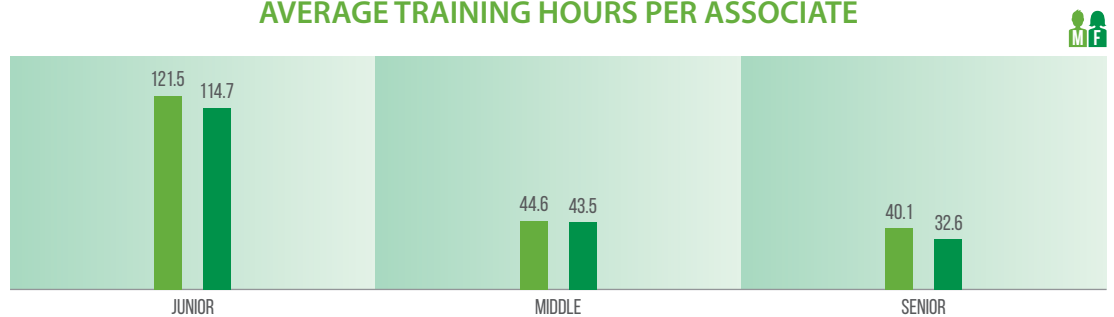


Exhibit 8: Average training hours per associate across grades ²¹

²¹404-1

Competitive Compensation

TCS has to attract and retain talent in a highly competitive market. Most of our workforce consists of software engineers who hold graduate and post-graduate degrees in engineering, and possess technical skills that are highly valued in the global market. We regularly benchmark our compensation plans and benefits with peers to ensure competitiveness.

There is also a skill-based allowance for employees possessing niche skills, designed to motivate employees to acquire marketable skills, thereby benefiting themselves as well as TCS. Compensation structures are driven by prevailing practices in each country we operate in. But across the enterprise, remuneration is the same for men and women working full-time, in the same grade, in the same role, at the same location ²².

In India, in addition to a fixed component of the salary, there is a variable component linked to the performance of the company, the business unit, and the individual. This alignment of our company's and employees' interests has the effect of strengthening team spirit and improving collaboration among teams.

Career Management

TCS has launched multiple initiatives to help employees grow in their careers:

- **CareerHub:** A platform enabling capture and fulfillment of career aspirations of employees, and providing them a mentoring platform. Employees can choose their own mentors based on a match with their aspirational skill sets.
- **Inspire:** A specialized program used to groom and provide fast-track career progression to high-potential employees.
- Structured coaching programs at senior leadership levels to help people realize their full potential.
- Leadership review and assessment profile of all leaders to ensure the maintenance of a healthy succession pipeline.

Talent Engagement

Some of the platforms and initiatives we have at TCS to enhance and enrich employee engagement are:

- **Cara:** AI-based HR assistant that answers employee questions on HR policies
- **Milo:** A chatbot that facilitates the mentoring process
- **Knome, KnowMax, GEMS:** Platforms for social collaboration, learning, sharing, and reward and recognition within the organization.
- **Safety First:** Initiative focused on employee safety and security.
- **Fit4life:** Builds a fraternity of health- and fitness-conscious employees and creates a culture of fitness.
- **Purpose4life:** Forum for volunteering for community projects in the areas of education, health, and the environment.
- **Maitree:** Helps in improving employee bonding within the organization and promoting work-life balance, thereby increasing employee retention.
- **PULSE:** Our annual employee engagement and satisfaction survey; the organization's formal listening forum.

²²405-2

Talent Retention

TCS' employee retention record has been an industry benchmark, with our attrition rates being the lowest in the industry. In FY 2017-18, TCS' attrition rate was 11.8% (11.5%, in FY16-17).

²³In FY 2017-18, a total of 9,604 employees availed parental leave, of which 17 were men and 9,587 were women. Of these, 13 men and 7,201 women employees were still employed with us twelve months after their return to work post their parental leave ending, amounting to a retention rate of 75%. Although the majority of parental leave was taken by female employees, 12 of the 26 employees who opted for adoption leave were men.

Occupational Health and Safety

Under the aegis of the Tata Group Safety Policy and its Occupational Health and Safety (OHS) Policy, TCS has well-defined processes to ensure the safety and well-being of its employees. The Board-level Health, Safety, and Sustainability Committee and the Corporate Sustainability Council review the health and safety performance on a regular basis.

TCS is certified to Occupational Health and Safety management systems for 113 locations worldwide. Effective safety management is ensured through stated objectives and targets, which are internally monitored. The objectives are (1) building a culture of safety and inculcating safe work practices among associates and contractors through engagement and training, (2) providing a safe workplace to associates, and complying with the health and safety management system beyond regulatory requirements, and (3) reporting incidents and implementing remedial measures by ensuring 100% resolution of all incidents reported.

An online safety incident reporting application is available to all TCSers, empowering them to identify and report workplace accidents. In FY 2018, there were zero workplace fatalities and 24.98 lost time injuries per 100,000 employees²⁴.

Community Initiatives²⁵

The interdependence between business and community is central to maintaining a flourishing presence in the market. TCS takes responsibility for communities both within the company, in areas around where it operates as also within society at large. The goal is to have impact through empowerment. Empowerment is seen as the ability of communities to take a lead in their own lives and enhance the quality of their existence. TCS through its programs that use core competency and volunteers seeks to enable this empowerment. Programs are conducted by the company in partnership with other Tata Companies, Tata Trusts, NGOs, State and Central Governments. Each Geography addresses the needs of communities in an organic manner, thereby designing programs that are relevant to local issues

Science Lab at the Doorstep

Today's children are tomorrow's innovators and engineers. Inspired by this maxim, TCS' programs provide children from low-income, disadvantaged communities with fun learning opportunities to enable them to pursue careers in Science, Technology, Engineering, Mathematics (STEM) fields. TCS' science lab programs are a major step forward towards democratizing the access to science education, thereby enabling equity in education.

²³401-3

²⁴403-1

413-1

²⁵103-2, 103-3



The lab of bike -Science Session at Government Higher Primary School, Kannamangala, Bangalore

Launched in 2014 in association with Agastya International Foundation, the **Lab on Bike** program involves a travelling educator and a curriculum offering quality, hands-on education to promote creative thinking and communication skills in students from Class. 5-10. Every day, an instructor travels to a different government school, carrying a set of science experimental kits to conduct fun, practical lessons in physics, chemistry, and biology over a half/full day.

A similar initiative in South Odisha, the **TCS School and Community Science Project** is a step in the right direction, since it provides 250 government school students an opportunity to access quality STEM education. The program has also helped to build the capacity of teachers and local stakeholders in using homegrown tools to teach STEM subjects.

Launched in April 2017, the project is a collaborative effort between TCS and Tata Trusts, where the latter acts as an advisory and supervisory partner.

Under this program, five state-of-the-art mobile science labs, visit five different blocks of the State to provide hands-on training in basic science. These labs are fitted with audio-visual equipment, solar panels to provide back-up support for audio-visual communication, library books to promote reading and research among students and teachers alike, and GPS trackers to track van movement for project management.

The project has reached a total of 20,850 students, 10,327 local stakeholders and 935 teachers till date.



School and Community Science Lab Project at Odisha

A Tech-friendly generation

TCS has been running programs like InsignT and Launchpad in schools and colleges across India to enhance IT skills among students. InsignT is an awareness and enablement initiative for senior school students (age 15-17 years), but accessible to all. Covering over 52 educational institutes in 2017-18, across India and overseas (Muscat), the course has reached around 18,366 students since its launch, 52% of whom are girls. Rolled out in 2006, with students from the computer science stream, InsignT works as an IT camp, providing fun learning experiences through a unique combination of practical and life skills and IT proficiency.

TCS Launchpad on the other hand is a pioneering initiative that runs innovative programs for middle school (10-13 years) children, introducing them to coding, logic in C++, and Python programming. A gamified solution based on a rocket launch makes it easier for the children to adopt a programming methodology, while simultaneously developing a logical thinking approach. Launchpad acts as a preparatory course for InsignT, with a goal to cultivate independent learning among students. This innovative program has reached out to 11,181 students across India and overseas, namely Singapore and Muscat.



Launchpad Orientation session for students at SNDJA Vivekananda Vidyalaya School, Chennai

The "Avasara Academy" in Pune promotes learning among girl children through support to the development of the TCS Centre for Entrepreneurship in Pune. The applications, are chosen after the girls qualify in written tests, group and individual interviews. As part of the admission process, the parents are also briefed about their child's dreams.

The 'TCS Centre of Entrepreneurship' is being actively used as the first and main academic and administrative block. TCS also supports the construction of the GAINS (Girls Advancing in STEM) Academy. Avasara aims at providing twenty-first century skill-building for girls (skills such as exposure to coding and critical writing).



Priyanka, a grade 11 student at the Avasara Academy is keen on pursuing engineering from a reputed university in India. When Priyanka joined Avasara from a low-income private school, she was not as motivated, as you would expect a teenager to be. Though curious, she never expressed excitement for the world around her, or the things she was doing. When asked, about her attitude and outlook, her reply was often "Oh, I know I have always been this way, I can't change it."

During her time at Avasara, there was a transformation in Priyanka from an apathetic observer of the world around her, to a proactive change agent through one of her projects. As part of her Business Studies course, she had to create an entrepreneurial venture. When her original idea of a tuition center didn't materialize, she didn't lose hope and turned her efforts to a new plan. Her new venture "Cookie & Crump" was a baking business that sold cookies and chocolates in residential societies. Priyanka and her team members were able to apply the cost-differentiation business strategy to run their business which they learned in school. She and her teammates had to become better at convincing potential clients. Through this project, Priyanka's apathy transformed to engagement and her shyness transformed into a calm confidence and determination.

Says Priyanka "After coming to Avasara, I have become more determined. I used to be lazy and could never imagine such a drastic change in myself. I also have gained a lot of confidence and I can speak up when needed."

No limits to learning

Illiteracy is often synonymous with poverty. The ability to read and write goes a long way in empowering marginalized communities. Also, as per the UNESCO report of 2014, India has 287 million illiterates, or 37 percent adult illiterates in the world.

With the belief that literacy is related to economic development, TCS worked on a paradigm shift using Information Technology, where the learning hours were shortened to 50 from 200, if done manually. Traditional manual methods had led to a high dropout rate of learners. TCS' Computer Based Functional Literacy program was and is successful in sustaining the interest of learners and has achieved literacy in high numbers. In FY 2018, ALP reached 173,876 learners, with a total reach of 561,884 beneficiaries since its inception, up to end March, 2018.

TCS partners with government and jail authorities, NGOs, Group Companies and other corporates for the successful implementation of the program.

The lack of a school nearby prevented Nilendri from attaining primary education. Driven by the desire to become literate, she joined Computer Based Functional Literacy (CBFL) classes and was quick to learn successfully completing the course. She went on to become the leader of the learners' club and enhanced her knowledge through club meetings, reading newspapers and notices from the panchayat office. With gained confidence, she contested the panchayat elections and became a ward member. When panchayat officials had visited to install solar street lights, one light was installed in her ward and three were to be installed in other ward. Nilendri got the documents and read aloud to the villagers about the government order to install 2 street lights per ward. The officials had no other option, but to provide the mandated two street lights in her ward. She was hailed for this achievement.



Spreading the light of literacy through TCS' CBFL at Luhurapali.

TCS' BridgeIT program uses digital tools to address access and competency gaps between marginalized communities and mainstream society. Launched in 2014, the program uses IT as a key enabler for school education, adult literacy and entrepreneurship in villages across Central and East India. The focus is to utilize technology to educate rural communities, as well as provide a platform to develop ideas and skills that can help increase employability and ultimately, the standard of living.

Nandini Rana is 24 and the youngest in her family. When the Bridge IT project was initiated in 2014, she was among the first trainees to join, going on to learn extensively about computers. In the days prior to BridgeIT, her father used to help people with their pension work, get them their age certificate etc., with all its extensive paper work. Now, Nandini can do all that online, along with her father. She was able to set up a small shop, operating from her home, to offer online services. This fetches her an average income of INR 5,000 per month. NACDAOR also invites her to conduct trainings during the orientation of new entrepreneurs, especially to share her experience on running an enterprise. She receives a remuneration of INR 500 per day for this training.



Digital entrepreneur Chandrasekhar Semri at his computer center in Chiragaon block of Jhansi, Uttar Pradesh.

Employability Programs

India is likely to have the world's largest workforce by 2027 – close to a billion-strong. It also has a large number of unemployed citizens – 18.6 million – according to the International Labour Organization (ILO), which forecasts a 3.5% unemployment rate in 2018. Much of this human resource is undereducated and unskilled, and needs to be shaped into productive employees and dynamic entrepreneurs. A key reason for the lagging employment figures and skill levels among the youth is their limited access to the right opportunities, more so in regions that have seen less development.

To address these access challenges, TCS runs two innovative programs. The **BPS Employability Training program** has provided 100 hours each of well-rounded education to more than 76,000 youth from marginalized communities including 28,570 students from the Affirmative Action communities, until March, 2018. The **IT Employability program**, running in 33 engineering colleges and 5 science colleges in 12 states, on the other hand has trained close to 3,034 students in technical and business skills and general aptitude, including 980 from socially and economically disadvantaged communities, until March, 2018.

Srinivasan Murugesan, eldest of three children of a farmer family from a village in Thiruvannamalai, tragically lost his parents during his childhood. Thiruvannamalai is one of the six most backward districts in Tamil Nadu with a literacy rate of 74% as per the 2011 Census data.

Srinivas worked hard at educating himself and attended the University at Ramanathapuram. Despite his good academic record Srinivas continued to have a fear of communicating with strangers or speaking in front of an audience.

When TCS conducted its IT Employability sessions at his college in 2015, Srinivasan was one of the two students selected for the program. "The training helped me build confidence and gave me exposure to technical concepts and business communication," he says.

An assistant systems engineer at TCS Chennai, Srinivasan now has a monthly income of around INR 40,000; he can educate his siblings and dream of a future for all of them.

When Titus Premkumar gained admission in the B.Sc. Computer Science degree in the famous

A. V. C. College in Mayiladuthurai, Tamil Nadu, he was far from overjoyed. The younger son in a family of four from Thirupungur village in Tamil Nadu, Titus' father was a farmer who could scarcely afford his college fees. It was only by working part-time as a cook at various events and functions, that Titus was able to pay his college fees.

In his final year at college in late 2010, Titus learned from his friend about the free BPS Employability training at A. V. C. College, organized by TCS.

Never short of enthusiasm, Titus regularly attended the TCS Affirmative Action training in etiquette and communication and soon gained the necessary confidence to face interviews

Upon conclusion of his training, Titus was selected for a job in TCS' Business Process Services through the recruitment process held in his college. His biggest achievement is that, at the age of 27, he has managed to construct a new home for his parents.



Global Resource Management Head interacting with IT Employability students at SKSVMACET, Laxmeswar – Karnataka.

To help enhance employability of people by improving their English language, capability and communication skills, TCS runs quite a few programs such as **ConverStation, Teacher Empowerment Program and Empower**.

ConverStation is a dynamic series of 30 modules, covering vocation, such as Security Guards, Sales Persons, Telephone Operators, Service Technicians, Restaurant staff. The program includes general topics such as opening a bank account and preparing for interviews. Short animations with accompanying text help the learner relate words and situations to everyday life. Modules are user-friendly and designed, so that future instructors emerge from each group at every location.

The **Teacher Empowerment Program** is a TCS run initiative intended to enable and empower teachers to manage the demands of an ever-changing learning environment. Each module is of 8 to 10 hour duration and is conducted as an interactive session. Keeping in mind the busy schedule of teachers, the program recommends the implementation of one module per quarter, as it will allow teachers enough time to implement what they have learnt in their classrooms.

The **Empower program** aims to enhance skills of TCS' support staff. The program is conducted on the office premise for 25 hours, spread across 5 weeks to provide the staff with functional spoken English, basic computers and soft skills training.

A humanities graduate from a West Bengal village and a firm believer in the idiom that no job is too small, Somendu Kundu joined TCS' housekeeping department as contract staff. His work needed interaction with various people, all of whom spoke in different languages. However, having only studied Bengali when he was young, Kundu's spoken English skills were non-existent. Also, two of his supervisors left the organization soon after he joined, leaving him with no time to train himself. Kundu decided to join TCS's Empower initiative, which trains contract staff in basic English and soft skills. Having successfully completed the course, Kundu is now a supervisor. "I feel more confident now, that I am able to communicate and write emails in English," he says. "I can navigate interviews and interactions easily."



TCS contract staff attending an Empower session at Garima Park Gandhinagar

Research and Innovation centers

TCS through its **Research Scholar program**, has been supporting scholars pursuing their Ph.D in computing sciences in India. Scholars have an opportunity to interact with TCS researchers and receive mentoring. Under this program, scholars receive a stipend as well as funds to travel to conferences to present their work.

TCS also addresses India's pressing social problems through its "**Digital Impact Square**" (DISQ). This is an open innovation centre at Nashik, where sponsored innovators work to address real life challenges by engaging with students and entrepreneurs from across India and providing them with internships to build solutions to challenging social issues, using digital technologies and human centric design principles.

The **FC Kohli Center on Intelligent Systems** (KCIS) at IIIT Hyderabad was established to promote research, teaching, and entrepreneurship in the area of broad intelligent systems, especially to carry out sustainable innovation in areas such as natural language processing, robotics, and cognitive sciences.

STEM Skills and Education across the world

Susana Andrea Castro Matute did not have a proper job for nearly two months when she received a life-changing call. "Would you be interested in joining a training session on improving your CV and interview skills?" the caller said. Praying for a breakthrough, the Ecuadorian native signed up right away. At the workshop, volunteers from TCS provided Susana with the skills she would need to rejoin the workforce. When the sessions concluded, Susana got a call for an interview with TCS Ecuador recruiters. By the end of the day, she had the job.

Active in Latin America (LATAM) since 2014, TCS' **ENABLE** focuses on the development and empowerment of disadvantaged members of society. The program focuses on improving employability of the disadvantaged and underprivileged through training sessions, encouraging employers to participate in the process and developing avenues for the education and employment of differently abled people.

In the United States, a joint initiative between TCS and Discovery Education, **Ignite My Future in School**, is a unique training and thought leadership driven program to change the landscape of computer science education, with the end goal of reaching 20,000 educators and 1 million students over 5 years.

Much like critical thinking, computational thinking refers to an advanced methodology, whereby students can decode problems and develop innovative solutions. What sets Ignite My Future In School apart is that it successfully incorporates educational tools and algorithmic thinking into lesson plans, by framing it within the context of core subjects, such as English, Mathematics, Social Studies, Science and Arts.

TCS' **IT Future program**, aims to address the inadequacy in the UK's technical talent pool by raising awareness and building IT skills among students. Working in partnership with schools, universities, industry and the nonprofit sector, the IT Futures program helps young people realize that they can both 'work in and help create' the digital future of our world.

Using student-friendly programs such as coding, application design competitions and various other STEM challenges, as well as classroom teaching, IT Futures engages young people at critical stages of their education, raising awareness of the importance of IT amongst parents, and helps strengthen the ability of educators to deliver effective digital learning and career advice.

A couple of years ago, TCS launched its first European pilot of goIT, a TCS CSR flagship initiative. With goIT, TCS Europe aims to inspire and increase the interest among youth towards STEM education, and make them aspire for a future professional career within the IT & Technology field. TCS' goIT has impacted young people in Finland, Germany, Italy, Norway and Sweden.

Skilling is often considered a sustainable path to empowerment. This is the route that TCS has chosen to meet the aspirations of the youth in South Africa. The company's skills development training program, dating back to 2011, focuses on building strong employable skills. TCS South Africa partnered with the Department of Public Enterprise, to set up an IT learning centre in the rural area of Eastern Cape.

Another TCS initiative, the "IT Training Lab" aimed at training at least a 100 school children is set up in the Eastern Cape. For the last three years TCS South Africa has been sponsoring this IT Training lab to benefit children with basic IT skills. This IT lab is also utilized to train unemployed women of the local community and helps unemployed youth gain employment.

To offer opportunities for young women to become passionate about careers in technology, TCS runs a week-long work experience program in Australia called GoIT Girls for students in grades 10 and 11. Started in 2014, it is now TCS' flagship program in the country. The goal is to provide the girls with an insight into the technology industry and challenge gender-occupational stereotypes.

Says a participant, "It was a very unique experience. It was a rare opportunity to participate in such a program. It really helped me gain an insight into a career in IT and I am more confident of studying IT as a woman."



TCS' goIT robotics program in Canada promotes interest in STEM.

Health

Health is an important dimension that needs significant attention and investment from all sections of society. Being fit & healthy improves the well-being and productivity of the community at large. Keeping this in mind, TCS promotes the health & wellbeing of its associates & society through its several interventions. The use of core competency plays an important role in health programs, since TCS works with hospitals and health organizations to make them more efficient and effective through the use of technology.

TCS provides logistic and operations support to two key health and research institutes. The **Tata Medical Center** (TMC), Kolkata, is a philanthropically operated comprehensive cancer care center. The second premier set-up is the **Cancer Institute** (CI) in Chennai, which provides comprehensive oncology treatment. It is an autonomous, charitable, and regional center for cancer treatment and research for the southern region.

TCS in partnership with Tata Trusts, is deploying the **Digital Nerve Centre** (DiNC), an innovative platform that leverages digital technologies to connect leading cancer research centers and specialists within the National Cancer Grid to reimagine patients' access to cancer care and make it more equitable and affordable.

Through TCS's partnership with **AIIMS**, we launched the transformation of the OPD care delivery with the immediate goal of creating patient-friendly systems and providing easy access to the finest healthcare delivery systems in India. This joint commitment successfully revolutionized the healthcare system in India, setting a benchmark in human effort and competency resulting in the Innovative OPD Process.

At a global level, TCS supports various marathons and health programs which have brought a significant change in the wellbeing of the society. Some of the marathons that TCS supports are, the TCS New York City Marathon, Bank of America Chicago Marathon, Boston Marathon, TCS Amsterdam Marathon, Standard Chartered Singapore Marathon, Tata Mumbai Marathon, and World 10K Marathon Bangalore.

Partnering with the **American Heart Association**, our associates were given an opportunity to learn about heart disease and also raise funds for its research and treatment. TCS United Kingdom & Ireland started a partnership with the **British Heart Foundation** (BHF) to help spread awareness on heart health. As part of the World Blood Donation/ Donors Day, TCS partners with the Philippines and Singapore Red Cross to organize a blood donation drive every year.



TCS supported the Marathon at Amsterdam

Environment

Lakes and rivers are vital for the ecosystem both in urban and rural regions. Rapid urbanization has negatively impacted these water bodies to a great extent. Similarly in rural areas, the issue of maintaining water bodies is closely connected with agriculture and the lives of farmers.

At the **Siruseri** location in Chennai, India, TCS has embarked on watershed management to prevent flooding in the area, including taking on the rejuvenation and maintenance of the Siruseri Lake.

TCS is working towards the rejuvenation of **River Kasalganga** in Solapur, as it remains mostly dry, causing damage to crops which leads to consequential social impact. The project includes rejuvenation of this stream by widening the width of the river and de-silting of the river bed, putting wiers along the stream and plantation along the river sides to arrest soil erosion.

The importance of addressing the pollution of the environment; the value of recycling of waste; the criticality of preserving and planting trees are some of the several issues that TCS focuses on at a global level.

TCS associates, across the world participate in the volunteering activities that positively impact the environment. Volunteers engage in various programs such as paper recycling, village adoption drives, disposal of plastics, agricultural awareness sessions, and tree planting.

In the United States, volunteers work with local departments and other environmental organizations to participate in activities such as park clean-ups, where they work to remove invasive plant species and cleaning up local shorelines.

In the United Kingdom, TCS continues to promote environmental sustainability through **Eco Futures**, a staff awareness program that encourages behavioral change. The focus has been on recycling, energy consumption, and travel.

Thailand's coral reefs, have been destroyed because of Greenhouse effect and growing un-ethical tourism, creating an ill-balance in the marine ecosystem. TCS Thailand realized how serious this issue is and initiated the project to protect the environment and create awareness about eco-friendly tourism in collaboration with the Royal Thai Navy.



Coastal clean-up at Singapore

Planet

Climate change-related environmental risks dominate the list of the most urgent risks in the World Economic Forum's Global Risk perception survey 2018. TCS' environmental sustainability strategy (Figure 9) is based on the precautionary principle and is focused on mitigating climate change-related risks by using scarce resources responsibly and doing more with less. This strategy is supported by processes, performance, and people.

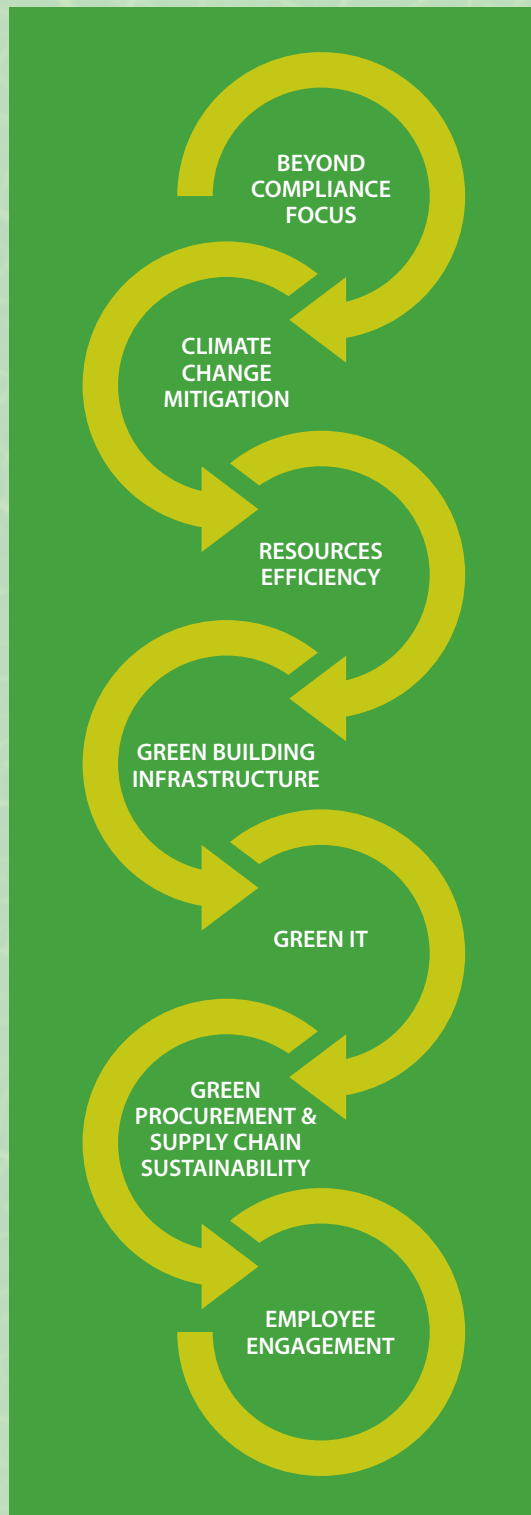
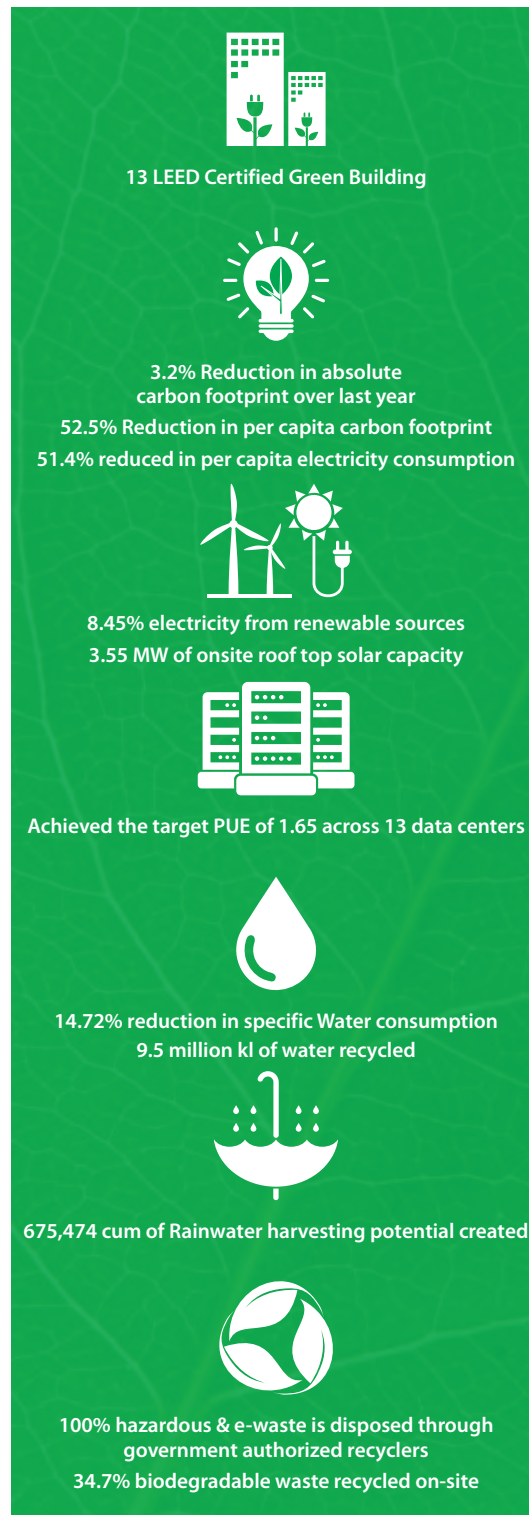


Figure 9: Elements of TCS' Sustainability Strategy

TCS' Environmental Policy focuses on integrating environmental considerations into business processes, aspiring for beyond-compliance leadership, and adopting a lifecycle approach across our value chain. Our environmental stewardship efforts across the four material aspects of our operations are as below:

- Carbon footprint reduction²⁶: Energy efficiency and use of renewable energy
- Water management: Efficient use, recycling, and rainwater harvesting
- Waste management: Reduction, reuse, and recycling
- Supply chain sustainability

We measure, manage, and report on these aspects covering our global operations. The underlying processes and systems comprise the TCS' Environment Management System (EMS) which is certified compliant to the ISO 14001:2015 standard enterprise-wide, covering 113 locations globally. The EMS is based on the principle of Plan-Do-Check-Act, and has a risk-based approach.



**Performance over baseline year 2007-08*

Figure 10: Environmental performance in FY 2018

²⁶102-11,103-2,103-3

Performance

Climate Protection and Energy Innovation²⁷

TCS' leadership had set a bold vision to halve its specific carbon footprint by 50% by 2020 over the baseline year 2008. This year, we achieved our 2020 target, two years ahead of the timeline.

In FY 2008, our greenhouse gas emissions (Scope 1 + Scope 2) was 3 tCO₂e/FTE/annum. In FY 2018, Our combined GHG emission (Scope 1 + Scope 2)²⁸ was 1.42 tCO₂e/FTE; 52.5% less than the baseline year FY 2008 and 6.8% less than the last reporting year. The journey over the last decade²⁹ is charted in Figure 11.

Our absolute GHG emissions³⁰ have reduced by 3.2% over the past financial year, the second consecutive year where we recorded a reduction, as shown below:

TCO ₂ E	FY 2018	FY 2017
Scope1	29,701	38,360
Scope2	425,628	432,160

SCOPE 1 + SCOPE 2 EMISSIONS (TCO₂E/FTE/ANNUM)

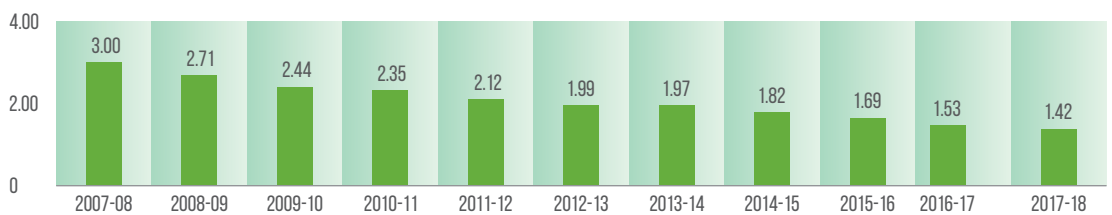


Exhibit 11: Year-wise reduction of carbon footprint (Scope 1 + Scope 2)

Scope 2 emissions, resulting from purchased electricity³¹, make up 90% of our total carbon emissions. Consequently, in working towards reducing our carbon footprint, we have primarily targeted our energy consumption and found ways to make it more efficient and greener through green infrastructure, efficient operations, green IT, and renewable energy. Our overall specific energy consumption reduced by 4.5% over FY 2017, and 51.4% over baseline year FY 2008³².

ELECTRICITY CONSUMPTION (KWH/FTE/MONTH)

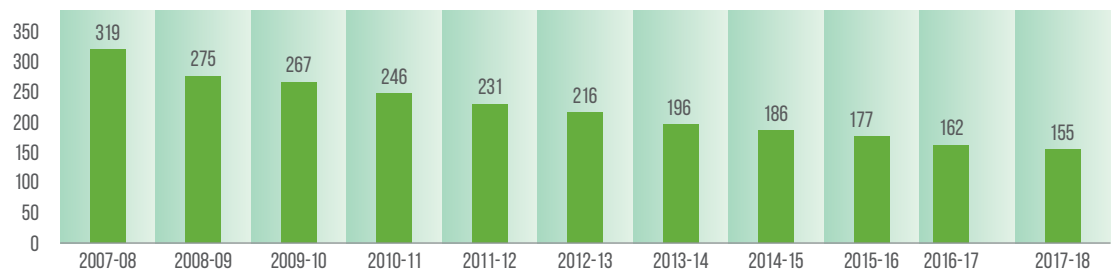


Exhibit 12: Year-wise reduction in electricity consumption

²⁷302-1, 103-2, 103-3

²⁸Scope 1 emissions have been calculated using the emissions factors published by the GHG (greenhouse) Protocol All Sector Tools version released in 2017. For Scope 2 emissions – that is, purchased electricity-related carbon emissions – for India, the source is the emissions factor in the CO₂ Baseline Database for the Indian Power Sector, User Guide, Version 11.0, April 2016, published by the Central Electricity Authority of India. For Scope 2 emissions of locations other than India, emission factors published by DEFRA 2015 have been used.

²⁹305-4, 305-5 ³⁰305-1, 305-2 ³¹In FY 2018, TCS consumed 595 GWh of electricity out of which 8.45% was from renewable sources, 3% from onsite utilities and the remaining was purchased electricity. Total direct energy used was 2.2 Million GJ. The total electricity as well as direct energy usage has also gone down over since year, indicating better controls.

³²302-3, 302-4

This has been possible through focused and sustained efforts by various teams across the four levers – green buildings, efficient operations, green IT, and use of renewable energy.

We have 19.5 million sq ft of office area designed as per green building standards, which is 50% of the total office space we currently occupy. Out of this, 16.7 million sq ft comprises of campuses across India, making up approximately 80% of the total owned workspaces. Energy efficiency is a key criterion even when we lease new spaces. New office spaces that we have leased in Gurgaon, Noida, Kolkata, Mumbai, Pune, and Munich all have green building certification.

The TCS Energy Management program has witnessed rapid scaling up and further maturity during the past year – it now covers over 135 facilities across India. The IoT platform has been significantly enhanced to also acquire asset-level (chillers, air handling units [AHUs], etc.) data, which is analyzed to improve asset efficiency and operations.

The most significant portion of our optimization falls in the area of analytics, leading to aligning/streamlining HVAC operations and set-points (chillers and AHUs) with ambient temperature levels, occupancy levels, associate comfort levels, and scheduling chiller operations to operate more efficient chillers more frequently than less efficient chillers. Associate comfort data relating to cooling and lighting is also monitored and tracked to ensure optimal comfort levels. The Resource Optimization Centre (ROC) in Kochi has successfully blended people, processes, and technology to drive significant energy savings during the year.

TCS India took up a major initiative to change the luminaires to LEDs across 21 locations, which contributed towards significant energy savings. Major retrofits were carried out at some locations with legacy infrastructure to improve the efficiency levels. Renewable energy use in our offices increased to 8.45% compared with 7.25% in the last reporting year, towards achieving the 2020 target of 20% RE in the energy mix. This year, we added 2.05 MW of solar rooftop systems across four locations, taking the total installed capacity to 3.55 MW. The solar rooftop installations across our campuses contribute towards 4,403 MWh of energy.

We have continuously innovated and improved our data center energy efficiency through initiatives such as rack cooling solutions, air-flow management, UPS load optimization through modular UPS solutions, and centralized monitoring, reducing the Power Utilization Efficiency (PUE) of 13 data centers to our target of 1.65. The average PUE across 23 key data centers is at 1.71, compared to an industry average of 1.8. We target to achieve the value of 1.65 across all these 23 data centers by 2020.

TCS also accounts for its Scope 3 emissions, which comprises of indirect carbon emissions. This comes to 1.67 tCO₂e/FTE/annum for the reporting year. The emissions under various Scope 3³³ categories are given below³⁴.

- **Category 1: Purchased Goods and Services:** Carbon footprint from the purchase of (non-capitalized) ICT equipment. Services procured for infrastructure management are delivered from within TCS premises and hence covered under Scope 1 and Scope 2.
- **Category 2: Capital Goods:** Emissions from (capitalized) office machinery, equipment, furniture, computer, servers, and electrical machinery.
- **Category 3: Fuel- and Energy-related Activities³⁵:** Emissions from upstream extraction, production, and transportation, and T&D losses due to the electricity consumed in TCS offices.
- **Category 4: Upstream Transportation and Distribution:** Upstream transportation and distribution emissions from the purchase of IT assets such as desktops, laptops, and servers, quantified based on the lifecycle data published by key suppliers to TCS.

³³ Emission factors used are from DEFRA 2017 and DEFRA 2012 – GHG conversion factors, GHG Protocol All Sector Tools 2014, and Lifecycle GHG assessment studies published by key suppliers of ICT equipment to TCS.

³⁴ 305-3

³⁵ Not included in Scope 1 and Scope 2.

- **Category 5:** Waste Generated in Operations: Emissions associated with waste disposal, taking into consideration recycled quantities, waste treatment, and disposal methods.
- **Category 6:** Business Travel: We have reduced greenhouse gas emissions from business air travel (Scope 3) by more than 58% over the baseline year, thanks to strict controls and promotion of audio and video conferencing.
- **Category 7:** Employee Commuting: Travel in hired vehicles provided by the company or in personal or public transport. The distance traveled is monitored for company vehicles by type of vehicle and fuel, and used to calculate the associated emission. For employees commuting by personal or public transport, the number of employees using personal transport (two-wheelers or cars) is collected from the parking pass issue records, and it is assumed that the rest use public transport. It is assumed that on an average, a person travels 30 km a day for work, based on the average distance of the offices in each city from the geographical center. Emissions are accounted for based on the kilometers travelled and the emission factor for passenger cars, motorbikes, buses, and trains. This data is reported only for India, representing over 90% of our total employees.

Category	2015-16	2016-17	2017-18
Category 1: Purchased Goods and Services	35,064	26,090	47,810
Category 2: Capital Goods	81,027	53,783	60,845
Category 3: Fuel and Energy-related Activities ³⁶	179,811	181,953	174,972
Category 4: Upstream Transportation and Distribution	1,854	1,644	3,185
Category 5: Waste Generated in Operations	2,693	3,073	3,487
Category 6: Business Travel	135,097	120,673	131,139
Category 7: Employee Commuting	232,406	254,943	238,357
TOTAL	667,952	642,159	659,795

Exhibit 13: Scope 3 carbon performance in tCO₂e/ annum

Other Emissions

TCS is committed to using zero-ozone depleting potential (ODP) refrigerants in its operations. New facilities coming up at TCS have HVAC systems based on zero-ODP refrigerants. All ODP refrigerant gases shall be phased out and replaced with zero-ODP refrigerants, in line with country-specific timelines agreed to as per the Montreal Protocol and local regulations.

Ozone depleting substance emissions³⁷ are primarily in the form of system losses or fugitive emissions during maintenance and repair of air-conditioning systems. The ODP of the total refrigerant emissions to the atmosphere in FY 2018 was 0.23 ton of CFC-11 equivalent. Diesel generator sets used as a source of power during power outages emit oxides of sulphur (SO_x) and nitrogen (NO_x), total emissions for which were 1.64 ton and 198 ton, respectively³⁸.

³⁶ Not included in Scope 1 and Scope 2.

³⁷305-6 ³⁸305-7

Water Conservation

We strive to optimize our water consumption through conservation, sewage treatment and reuse, and rainwater harvesting. All our new campuses are built for 50% higher water efficiency, 100% treatment and recycling³⁹ of sewage⁴⁰, and rainwater harvesting. Sewage is treated using state-of-the-art technologies and recycled for use in HVAC cooling towers, flush tanks, and irrigation (in that order of preference).

Employee engagement also plays a big role in our water sustainability strategy. In FY 2018, consistent water management measures have helped us sustain our water consumption performance at nearly constant levels compared to FY 2017. Implementation of rooftop collection systems, storage tanks, and recharge trenches and pits has led to a 13% increase in the rainwater harvesting potential at TCS sites in FY 2018 over the previous year.

Of the 4.04 million kL⁴¹ of fresh water consumed by TCS in FY 2018, 54% came from municipal sources, 31% from tankers, 14% from borewells, and 1% was bottled water. Consistent water efficiency measures have helped us reduce fresh water consumption by 15% over baseline year FY 2008. Total treated sewage recycled as a percentage of the total sewage generated was 69% in FY 2018⁴².

Wealth from Waste⁴³

Being an IT services and consulting organization, the waste coming out of our facilities is limited to municipal solid waste and smaller quantities of electronic and electrical waste and hazardous wastes such as lead-acid batteries and waste lube oil. In FY 2018, we generated 199 tons of paper waste, 2,509 tons of dry waste, and 3,237 tons of canteen waste: all adding up to 22.9 kg/FTE/annum of waste.⁴⁴

TCS' waste management practices seek to ensure that less than 5% of non-hazardous/municipal waste is sent to landfills by 2020 by ensuring segregation at source, reuse and recycle, wherever possible. All the hazardous and regulated waste is disposed through government-authorized vendors as per the regulatory requirements. Engaging employees and raising awareness to encourage responsible consumption is a key lever in our strategy.

Biodegradable waste is treated onsite for biogas recovery or manure generation through bio-digesters or composting. At locations where there is limited space for putting up these systems, the waste is disposed of as fodder for livestock, or to the municipal waste collection system. The choice is based on the space available and the quantum of food waste generated.

In FY 2018, 34.7% of the total wet waste generated across all TCS facilities was treated through onsite composting, a significant increase over the last financial year. The percentage of food waste recycled within our campuses, where we have space availability and better control, was 59%. Over 150 tons of compost was generated from garden waste in FY 2018.

In FY 2018, 18,727 items of obsolete or defunct electronic and electrical equipment classified as e-waste⁴⁵ were disposed of through government-authorized handlers or recyclers, in accordance with the regulations of each country⁴⁶. For India operations, hazardous wastes (as defined by regulations) are handled and disposed of as per the Hazardous⁴⁷ Waste (Management and Handling) Rules, 2008, only through government-authorized⁴⁸ vendors.

In FY 2018, 34,217 liter of lube oil from diesel generator sets and 8,167 batteries from UPS systems were disposed of through government-authorized recyclers.⁴⁹ All used printer cartridges and photocopier toner bottles are sent back to the manufacturers for proper disposal.

As a part of our 'duty of care' and to ensure that electronic and hazardous waste are handled and recycled appropriately, our recycling service providers undergo a stringent due-diligence audit process to ensure compliance with health, safety, and environment (HSE)-related regulations in letter and spirit. A desktop review is followed by a detailed site audit to verify adherence to HSE practices.

103-2,103-3,³⁹ 306-1 ⁴⁰306-5 No significant impact on biodiversity of water bodies or related habitats from discharged water and run-off. ⁴¹303-1,303-2, ⁴²303-3 ⁴³306-2 ⁴⁴Data given is only for India, since most overseas locations are multi-occupancy facilities, where waste handling and disposal is handled by the building authority, and hence is not under TCS' control. ⁴⁵Data for all geographies. ⁴⁶Data for all geographies. ⁴⁷ 306-3 ⁴⁸ 306-4 There were no reported spills of hazardous wastes in FY 2018. 0% of the waste is shipped internationally and none is deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII. ⁴⁹ In all geographies, we follow local regulations. Since most of the facilities outside India are typically leased and operated by landlords, the generation of such waste is marginal and is appropriately handled through the landlords.



As a result of TCS' focus on resource use and waste reduction, per capita paper consumption has come down by 9% over the prior year, and 85% over the baseline year. The success of this drive can be attributed to automation and paperless operations, enforcement of printing discipline, and awareness amongst associates. Paper waste is carefully segregated, shredded, and sent for recycling. TCS continues to achieve 100% recycling of its paper waste.⁵⁰

People Engagement across the value chain

People are at the core of our value chain. We engage our employees through various awareness campaigns and communication to sensitize them towards nature, the need to conserve resources and, in general, be environmentally responsible. We work with our customers to help them achieve their sustainability aspirations through IT innovation. We motivate our suppliers to adhere to 100% regulatory compliance, adopt environmentally responsible practices, and strive for better environmental performance as a part of our Supply Chain Sustainability program.

Compliance to legal requirements is set as the minimum requirement, while additional elements include mandatory sign-offs on TCS' Supplier Code of Conduct and contractor HSE requirements, assessments and audits for high-risk vendors, integration of sustainability metrics in vendor reviews, and training and capacity building. Site or process audits are conducted for high-risk vendors with direct impact on TCS, while desktop assessments are conducted for those whose impact on TCS is indirect. Together, all these efforts illustrate TCS' overarching commitment to environmental sustainability.

Contact⁵¹

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⁵⁰ Data given is only for India, since most overseas locations are multi-occupancy facilities, where waste handling and disposal is handled by the building authority.

⁵¹ 102-3, 102-53

For the GRI Content Index Service, GRI Services reviewed that the GRI content index is clearly presented and the references for all disclosures included align with the appropriate sections in the body of the report.



GRI Standards – Content Index ⁵²

GRI Standard	Disclosure	Page No.	Omission
GRI 101: Foundation 2016 (GRI 101 doesn't include any disclosures)			
General disclosures			
Organisational Profile			
GRI 102: General Disclosures 2016	102-1 Name of the organisation	Inside cover page	
	102-2 Activities, brands, products and services	Inside cover page, 5	
	102-3 Location of headquarters	48	
	102-4 Location of operations	5	
	102-5 Ownership and legal form	Inside cover page	
	102-6 Markets served	5	
	102-7 Scale of the organisation	6	
	102-8 Information on employees and other workers	1,25	
	102-9 Supply Chain	26	
	102-10 Significant changes to the organisation and its supply chain	1,24	
	102-11 Precautionary principle or approach	43	
	102-12 External initiatives	15	
	102-13 Membership of associations	12	
Strategy			
GRI 102: General Disclosures 2016	102-14 Statement from senior decision maker	2 to 4	
Ethics and Integrity			
GRI 102: General Disclosures 2016	102-16 Values, principles, standards, and norms of behavior	20	
Governance			
GRI 102: General Disclosures 2016	102-18 Governance structure	17 to 21	
Stakeholder Engagement			
GRI 102: General Disclosures 2016	102-40 List of stakeholder groups	10 to 12	
	102-41 Collective bargaining agreements	25	
	102-42 Identifying and selecting stakeholders	10 to 12	
	102-43 Approach to stakeholder engagement	12	
	102-44 Key topics and concerns raised	12,14	
Reporting Practice			
GRI 102: General Disclosures 2016	102-45 Entities included in the consolidated financial statements	1	
	102-46 Defining report content and topic boundaries	13,14	
	102-47 List of material topics	13,14	
	102-48 Restatements of information	1	
	102-49 Changes in reporting	1	
	102-50 Reporting period	1	
	102-51 Date of most recent report	1	

⁵² 102-55

GRI Standard	Disclosure	Page No.	Omission
GRI 102: General Disclosures 2016	102-52 Reporting cycle	1	
	102-53 Contact point for questions regarding the report	48	
	102-54 Claims of reporting in accordance with the GRI Standards	1	
	102-55 GRI content index	49 to 52	
	102-56 External assurance	1	
Material Topics - Economic			
GRI 201 - Economic Performance			
GRI 103: Management Approach 2016	103-1 Explanation of the material topics and its boundaries	13,14	
	103-2 The management approach and its components	17	
	103-3 Evaluation of the management approach	17	
GRI 201: Economic Performance 2016	201-1 Direct economic Value generated and distributed	6	
Material Topics - Environment			
GRI 302: Energy			
GRI 103: Management Approach 2016	103-1 Explanation of the material topics and its boundaries	14	
	103-2 The management approach and its components	43	
	103-3 Evaluation of the management approach	43	
GRI 302: Energy 2016	302-1 Direct (Scope 1) GHG Emissions	44	
	302-3 Energy intensity	44	
	302-4 Reduction of Energy Consumption	44	
GRI 303: Water			
GRI 103: Management Approach 2016	103-1 Explanation of the material topics and its boundaries	14	
	103-2 The management approach and its components	47	
	103-3 Evaluation of the management approach	47	
GRI 303: Water 2016	303-1 Water withdrawal by source	47	
	303-2 Water sources significantly affected by withdrawal of water	47	
	303-3 Water recycled and reused	47	
GRI 305: Emissions			
GRI 103: Management Approach 2016	103-1 Explanation of the material topics and its boundaries	14	
	103-2 The management approach and its components	44	
	103-3 Evaluation of the management approach	44	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG Emissions	44	
	305-2 Energy indirect (Scope 2) GHG emissions	44	
	305-3 Other indirect (Scope 3) GHG emissions	45	
	305-4 GHG emissions intensity	44	
	305-5 Reduction of GHG emissions	44	
	305-6 Emissions of ozone-depleting substances (ODS)	46	
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	46	

GRI Standard	Disclosure	Page No.	Omission
GRI 306: Effluents and Waste			
GRI 103: Management Approach 2016	103-1 Explanation of the material topics and its boundaries	14	
	103-2 The management approach and its components	47	
	103-3 Evaluation of the management approach	47	
GRI 306: Effluents and waste 2016	306-1 Water discharge by quality and destination	47	
	306-2 Waste by type and disposal method	47	
	306-3 Significant spills	47	
	306-4 Transport of hazardous waste	47	
	306-5 Water bodies affected by water discharges and/or runoff	47	
Material Topics - Social			
GRI 401: Employment			
GRI 103: Management Approach 2016	103-1 Explanation of the material topics and its boundaries	14	
	103-2 The management approach and its components	25,30	
	103-3 Evaluation of the management approach	25,30	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	26,27	
	401-3 Parental Leave	30	
GRI 402: Labor/Management Relations			
GRI 103: Management Approach 2016	103-1 Explanation of the material topics and its boundaries	13	
	103-2 The management approach and its components	25	
	103-3 Evaluation of the management approach	25	
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	25	
Material Topics - Social			
GRI 403: Occupational Health and Safety			
GRI 103: Management Approach 2016	103-1 Explanation of the material topics and its boundaries	13	
	103-2 The management approach and its components	30	
	103-3 Evaluation of the management approach	30	
GRI 403: Occupational Health and Safety 2016	403-1 Workers representation in formal joint management-worker health and safety committees	30	
GRI 404: Training and Education			
GRI 103: Management Approach 2016	103-1 Explanation of the material topics and its boundaries	13	
	103-2 The management approach and its components	27	
	103-3 Evaluation of the management approach	27	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	28	

GRI Standard	Disclosure	Page No.	Omission
GRI 405: Diversity and Equal Opportunity			
GRI 103: Management Approach 2016	103-1 Explanation of the material topics and its boundaries	13	
	103-2 The management approach and its components	27	
	103-3 Evaluation of the management approach	27	
GRI 405: Diversity and Equal Opportunity 2016	405-2 Ratio of basic salary and remuneration of women to men	29	
GRI 413: Local Communities			
GRI 103: Management Approach 2016	103-1 Explanation of the material topics and its boundaries	14	
	103-2 The management approach and its components	30	
	103-3 Evaluation of the management approach	30	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	30 to 35	



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Independent Limited Assurance Statement to Tata Consultancy Services Limited on its Sustainability Report for Financial Year 2017-18

To the Management of Tata Consultancy Services Limited, TCS House, Raveline Street, 21, DS Marg, Fort, Mumbai – 400001, Maharashtra, India

Introduction

Tata Consultancy Services Limited ('the Company' or 'TCS') has requested KPMG in India ('KPMG', or 'We') to provide an independent assurance on its Sustainability Report for the FY 2017-18 ('the Report').

The Company's management is responsible for identifying its material topics, engaging with its stakeholders and developing the content of the Report.

KPMG's responsibility is to provide limited assurance on the Report's content as described in the scope of assurance.

Reporting Criteria

TCS applies its sustainability reporting criteria, derived from the 'In-accordance Core' option as per Sustainability Reporting Standards of GRI as detailed in the 'About the Report' section of the Report.

Assurance standards used

We conducted the assurance in accordance with

- Limited Assurance requirements of International Federation of Accountants' (IFAC) International Standard on Assurance Engagement (ISAE) 3000 (revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information,
 - Under this standard, we have reviewed the information presented in the report against the characteristics of relevance, completeness, reliability, neutrality and understandability.
- Type 2, Moderate level assurance requirements of AA1000 Assurance Standard 2008 by AccountAbility.
 - Under this standard, we have reviewed the nature and extent of adherence to the AA1000 AccountAbility Principles and the quality of publicly disclosed information as part of the Report limited to disclosures required by the Reporting Criteria as mentioned above.

Scope, Boundary and Limitations

- The scope of assurance covers the sustainability disclosures of TCS for the period 01 April 2017 to 31 March 2018 limited to the disclosures as mentioned in the table below.
- The boundary of assurance covers the economic, environmental and social performance of TCS's global operations along with exclusions as stated in the 'About the Report' section of the Report. We have carried out assurance visits and discussions at the following locations:
 - ◆ Mumbai – Yantra Park, Kensington B
 - ◆ Pune – Sahyadri Park
 - ◆ Bangalore – Global Axis
 - ◆ Chennai – Siruseri and ChennaiOne
 - ◆ Kolkata – Gitanjali Park
 - ◆ Ahmedabad- Garima Park
 - ◆ Delhi- Gurgaon 5 and Noida 2
 - ◆ Mexico
 - ◆ Phillipines

KPMG, an Indian partnership firm and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity



Our assurance process was subject to the following limitations:

- Verification of claims was limited to data and information presented in the Report for the period 01 April 2017 to 31 March 2018.
- Any statement/ remarks/ comments indicating intention, opinion, belief and/ or aspiration by TCS were excluded from the scope of assurance.
- KPMG did not perform any role in determining which if any, recommendations should be implemented.
- The Assurance Statement does not include verification of financial performance indicators/information that was sourced from TCS's FY 2017-18 Annual Report.

The General and Specific Standard Disclosures subject to assurance were as follows:

Universal Standards	Topic Specific Standards
<p>General Disclosures</p> <ul style="list-style-type: none"> • Organizational Profile- GRI 102-1 to 102-4, 102-7 to 102-8, 102-10 to 102-13 • Ethics and integrity- GRI 102-16 • Governance- GRI 102-18 • Stakeholder Engagement- GRI 102-40 to 102-44 • Reporting Practice- GRI 102-45 to 102-55 <p>Management Approach</p> <ul style="list-style-type: none"> • Disclosure on Management Approach (GRI 103-1 to 103-3) 	<p>Environment</p> <ul style="list-style-type: none"> • Energy 2016 (GRI 302-1, 302-3, 302-4) • Water 2016 (GRI 303-1, 303-2, 303-3) • Emissions 2016 (GRI 305-1, 305-2, 305-3, 305-4, 305-5, 305-6, 305-7) • Effluents and Waste 2016 (GRI 306-1, 306-2, 306-3, 306-4, 306-5) <p>Social</p> <ul style="list-style-type: none"> • Employment 2016 (GRI 401-1, 401-3) • Labor Management Relations 2016 (GRI 402-1) • Occupational Health and Safety 2016 (GRI 403-2) • Training and Education 2016- (GRI 404-1) • Local Communities (GRI 413-1)

Assurance procedures

Our assurance processes involve performing procedures to obtain evidence about the reliability of specified disclosures. The nature, timing and extent of procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the standard disclosures whether due to fraud or error. In making those risk assessments, we have considered internal controls relevant to the preparation of the Report in order to design assurance procedures that are appropriate in the circumstances. The procedures performed in a limited assurance engagement are less in extent than for a reasonable assurance engagement.

Our assurance procedures also included:

- Assessment of TCS's reporting procedures for sustainability reporting regarding their consistency with the application of GRI Standards.
- Evaluating the appropriateness of the quantification methods and models used to arrive at the data presented in the Report.
- Verification of systems and procedures used for quantification, collation, and analysis of sustainability disclosures included in the Report.
- Understanding the appropriateness of various assumptions, estimations and materiality thresholds used by TCS for data analysis.
- Discussions with the personnel responsible for the evaluation of competence required to ensure reliability of data and information presented in the Report.



- Discussion on sustainability with senior executives at the different locations and at the corporate office to understand the risk and opportunities from sustainability context and the strategy TCS is following.
- Assessment of data reliability and accuracy.
- For verifying data and information related to TCS's financial performance and a few other select statements we have relied on the information published in the Company's audited annual report for the FY 2017-18.
- Verification of key performance data through site visits on an annual basis for
 - Testing reliability and accuracy of data on a sample basis
 - Assessing of the stakeholder engagement process through interactions with relevant internal stakeholders and review of relevant documentation
 - Reviewing of the processes deployed for collection, compilation, and reporting of sustainability disclosures at corporate and site level

Appropriate documentary evidence was obtained to support our conclusions on the information and data verified. Where such documentary evidence could not be collected due to sensitive nature of the information, our team verified the same at TCS's premises.

Conclusions

Based on our review and assurance procedures performed, as described above, nothing has come to our attention that causes us not to believe that:

- The Report does present TCS' sustainability performance covering its operations as mentioned in the scope.
- The Report is in accordance with the GRI Standards

As per AA1000 AS 2008 principles:

- **Principle of Inclusivity:** TCS has identified its significant stakeholder groups based on the level of influence and impact the company has on these stakeholder groups as well as the impact that the stakeholders have on TCS. It engages with the selected stakeholders to seek their feedback on strategic priorities with the objective of enhancing value creation.
- **Principle of Materiality:** TCS has reported on their identified material topics across economic, environmental and social aspects. The methodology of materiality determination used for the Report considers the perspectives of senior representatives from various functions at TCS and various stakeholder groups. The methodology for prioritization of material topics can further be extended to the full range of stakeholders such as investors, key suppliers, customers and regulatory authorities.
- **Principle of Responsiveness:** TCS has identified its various stakeholder groups and the engagement mechanism for each of them. TCS has responded on material topics that have been discussed with the stakeholder groups during the engagement process. TCS has also provided information on specific actions taken through disclosure of its overall performance.

Nothing has come to our notice for us to believe that the data presented in the Report and verified by us as per the scope of this engagement is not reliable. Data transcription and calculation errors were detected but the same was resolved during the assurance process.



Independence

The assurance was conducted by a multidisciplinary team including professionals with suitable skills and experience in auditing environmental, social and economic information in line with the requirements of the ISAE 3000 (revised) standard. Our work was performed in conformance to the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) as well as the assurance firm (assurance provider) be independent of the assurance client, in relation to the scope of this assurance engagement, including not being involved in writing the Report. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence and due care, confidentiality and professional behavior. KPMG has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence. The firm applies International Standard on Quality Control (ISQC) 1 and the practitioner complies with the applicable independence and other ethical requirements of the International Ethics Standards Board for Accountants (IESBA) code.

Responsibilities

TCS is responsible for developing the Report contents. TCS is also responsible for identification of material sustainability topics, establishing and maintaining appropriate performance management and internal control systems and derivation of performance data reported.

This statement is made solely to the Management of TCS in accordance with the terms of our engagement and as per scope of assurance. Our work has been undertaken so that we might state to TCS those matters for which we have been engaged to state in this statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than TCS for our work, for this Report, or for the conclusions expressed in this independent assurance statement. The assurance engagement is based on the assumption that the data and information provided to us is complete and true.

We expressly disclaim any liability or co-responsibility for any decision a person or entity would make based on this assurance statement. By reading this assurance statement, stakeholders acknowledge and agree to the limitations and disclaimers mentioned above.



Prathmesh Raichura
Director
KPMG in India
21 December 2018



Awards & Recognition



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About Tata Consultancy Services Ltd (TCS)

Tata Consultancy Services is an IT services, consulting and business solutions organization that delivers real results to global business, ensuring a level of certainty no other firm can match. TCS offers a consulting-led, integrated portfolio of IT and IT-enabled infrastructure, engineering and assurance services. This is delivered through its unique Global Network Delivery Model™, recognized as the benchmark of excellence in software development. A part of the Tata Group, India's largest industrial conglomerate, TCS has a global footprint and is listed on the National Stock Exchange and Bombay Stock Exchange in India.

For more information, visit us at www.tcs.com

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