

# 2025 ESG Facts & Stats

Highlights of our Environmental, Social and Governance  
performance





## Our Sustainability Report

The HCLTech [Sustainability Report 2025](#) provides a comprehensive account of the company's environmental, social and governance (ESG) performance for the period from April 1, 2024 to March 31, 2025. It covers all global operations of HCLTech and its subsidiaries, unless otherwise specified. The report is aligned with leading frameworks including the GRI Standards, ESRS, IFRS and integrates relevant aspects of the UN Sustainable Development Goals (SDGs). Disclosures are independently assured by DNV Business Assurance India Pvt. Ltd., ensuring credibility and transparency. For a more detailed view of our sustainability performance, please visit [www.hcltech.com/sustainability](http://www.hcltech.com/sustainability).

### Innovating responsibly, impacting sustainably.

At HCLTech, purpose is at the heart of everything we do. It inspires us to go beyond business as usual—to lead with integrity, act with compassion and drive innovation that uplifts communities and protects our planet. As proud signatories of the UN Global Compact, we continue to align our actions with the Sustainable Development Goals (SDGs), holding ourselves accountable to a global vision for a better, fairer world. Every step we take is a step toward a future where innovation serves humanity and where business is a force for good.

### Our 2024 performance on ESG targets

Focus Areas	SDG Alignment	Targets	Progress in FY24-25
<b>Planet</b> 		<ul style="list-style-type: none"> <li>Achieve net zero by 2040 and reduce absolute scope 1 and 2 emissions by 50% by 2030</li> <li>Transition 80% of electricity usage to renewable energy by 2030</li> <li>Achieve zero waste to landfill at all owned facilities by 2025</li> </ul>	<ul style="list-style-type: none"> <li>Achieved a reduction of 46% in scope 1 and 2 and a 22% reduction in scope 3 emissions, exceeding our SBTi-approved target for 2030, which required a linear reduction of 25% for scope 1 and 2 emissions compared to our FY19-20 baseline to achieve net zero by 2040.</li> <li>Met 34% of our energy requirement from renewable sources in FY24-25. We have made our first-ever equity investment in renewable energy through an Open Access-Group Captive arrangement. Power Purchase Agreements (PPAs) and Subscription Shareholding Agreements (SSHAs) were executed for our Noida and Lucknow campuses.</li> <li>All our owned campus facilities in India are TRUE Zero “Platinum” certified.</li> </ul>
<b>People</b> 		<ul style="list-style-type: none"> <li>Improve the sustainability knowledge and skills of our employees</li> <li>Improve gender diversity with 40% Women by 2030</li> <li>Increase gender representation in senior leadership</li> </ul>	<ul style="list-style-type: none"> <li>16,600+ hours of training completed by employees at HCLTech's Sustainability School.</li> <li>Achieved 28.8% gender diversity.</li> <li>Gender representation increased by 6.2% from FY23-24.</li> </ul>

		<p>levels to 30% by 2030</p> <ul style="list-style-type: none"> <li>Be recognized among the best employers in our key operating geographies</li> </ul>	<ul style="list-style-type: none"> <li>Certified as a Top Employer in 26 countries.</li> <li>Recognized by Forbes as one of the World's Best employers for the fifth consecutive year</li> </ul>
<p>Governance</p> 		<ul style="list-style-type: none"> <li>Strengthen our sustainable supply chain process</li> <li>Integrate ESG with risk management and internal audit processes</li> <li>Establish ourselves as a recognized leader in information security practices and data privacy standards</li> </ul>	<ul style="list-style-type: none"> <li>Integrated ESG criteria into every stage of our supply chain process, from RFPs to vendor assessments, including maturity and risk assessments.</li> <li>ESG risks are integrated into HCLTech's ERM and internal audit processes, with quarterly reviews and oversight by governance bodies, including the audit committee.</li> <li>HCLTech is a leader in information security and data privacy being named a Leader in ISG's Provider Lens™ for Strategic Security Services and in Avasant's Cybersecurity Services RadarView™.</li> </ul>

## Our Material Topics and Goals

HCLTech adopts a holistic, stakeholder-aligned approach to identifying material ESG topics, assessing their significance from both internal and external perspectives. Currently focusing on 12 key areas of impact, risk and opportunity, the company uses a lens of risk, opportunity and responsibility to prioritize action and resource allocation. HCLTech is advancing this process by applying double materiality, evaluating both financial relevance and broader environmental and social impacts, to better align its sustainability strategy with stakeholder expectations. Ongoing stakeholder engagement through surveys and dialogue ensures the materiality assessment remains dynamic and responsive to emerging trends and risks. Our 12 material topics are:

### Environment

- Eco Efficiency
- Climate Change

### Social

- Human Capital
- Local Hiring
- Diversity, Equity and Inclusion
- Talent Attraction and Retention
- Work Environment
- Corporate Citizenship

### Governance

- Sustainable Procurement
- Sustainable Impacts on Clients
- Governance and Ethics
- Cyber Security, Data Protection and System Availability

## **Environmental performance**

- First in the industry to achieve 100% TRUE Zero waste to landfill platinum certification for all owned campuses in India
- Achieved a reduction of 46% in scope 1&2 emissions from the baseline year FY19-20
- 22% reduction in scope 3 emissions from FY19-20
- 83% increase in renewable energy consumption from FY19-20
- Zero waste to landfill in 100% of our campuses
- Near-term GHG emissions targets validated by Science Based Targets (SBTi) aligned to the 1.5-degree pathway
- 11.21 million sq. feet of building spaces of our owned buildings are certified under Green Building Certification programs, including USGBC, LEED, IGBC, BREEAM, CASBEE and NABERS
- 31x water replenished compared to the water we consumed in India in 2024-25
- 32.2% reduction in water consumption in pan-India as compared to 2019-20
- 3.2 million saplings planted and 2087 acres of water bodies rejuvenated
- Signatory to the climate pledge

## Environmental performance

**23%**

less energy  
consumption YoY from  
conventional sources

**Zero Waste**

to landfill in 100% of our  
campuses

**20%**

reduction in Scope 3  
emissions from FY 20

**11.21 million sq. feet**

of building spaces of our owned buildings are  
certified under Green Building Certification  
Programs

**Signatory**

to Climate Pledge

**3.2 million**

samplings planted and 2087 acres of water bodies rejuvenated

## Key highlights

**83%**

increase in renewable energy  
consumption from FY20

**46%**

reduction in scope 1&2 emissions  
from baseline year FY20

**20%**

reduction in Scope 3 emissions from  
FY20

**32.2%**

reduction in water consumption pan-  
India as compared to FY20

**Near-term GHG emissions target validated**  
by Science Based Targets (SBTi) aligned to 1.5-degree pathway

## Environmental management system

HCLTech has implemented ISO 14001 environmental management systems across its global offices. In India, 17 offices are ISO 14001 certified, in addition to offices in Finland, Poland and Germany. Currently, 69% of our offices are covered under this certification, with a target to reach 73% coverage in the near future. All remaining facilities undergo annual internal audits conducted by our in-house team to ensure environmental compliance and continual improvement.

## Energy

HCLTech is committed to reducing its scope 1 and scope 2 emissions by 50% by 2030. To achieve this ambitious target, the company has established a comprehensive decarbonization plan focused on improving energy efficiency and scaling up renewable energy adoption. As part of this plan, HCLTech aims to transition 80% of its electricity usage to renewable energy by the end of FY29-30. The details of the decarbonization plan are provided in the [Sustainability Report 2025](#).

**Data centre efficiency** – In the reporting period, our total energy consumption across data centers was 34,166.74 MWh of which 98% was sourced from renewable energy. We strengthened our focus on energy efficiency by implementing a series of smart, sustainable upgrades, including the optimization of Uninterruptible Power Supply (UPS) systems and the fine-tuning of HVAC operations to minimize energy waste. As a result of these initiatives, we improved our data centres' power usage effectiveness (PUE) by 0.3, a gain that, when maintained substantively, will result in operational efficiency that will continue to reflect major progress in reducing both energy consumption and environmental impact.

Table 1: Energy consumption details

Energy consumption (in GJ)	FY22-23	FY23-24	FY24-25
Renewable Energy Consumption	178,785.52	187,403.10	323,444.62
Non- Renewable Energy Consumption	838,712.00	797,769.32	617,248.35
Total Energy Consumption	1,017,497.52	985,172.42	940,692.97

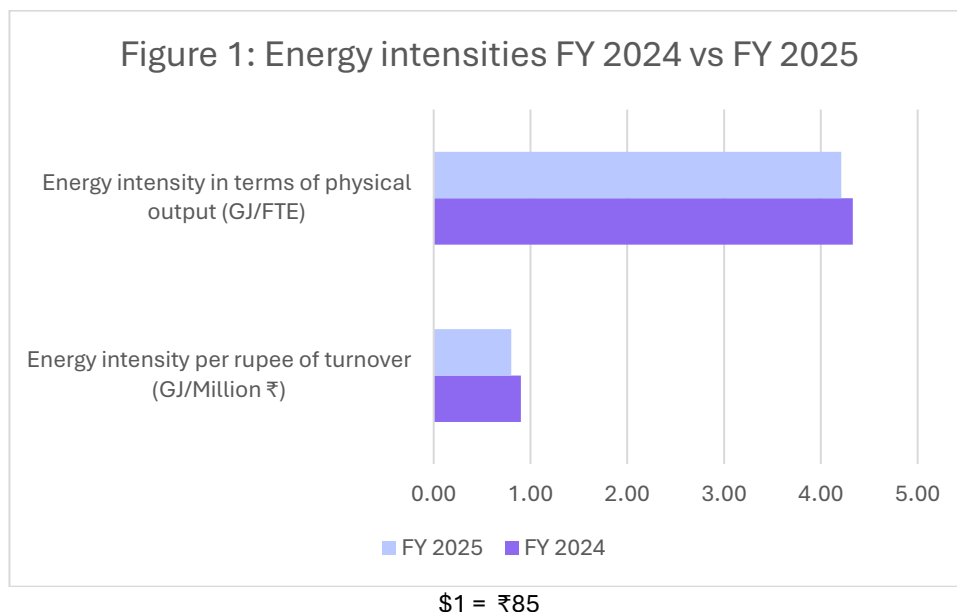
Table 2: Energy mix-FY24-25

Energy mix	FY24-25	Energy mix ratio
Renewable Energy Consumption (GJ)	323,444.62	34.4%
Non-Renewable Energy Consumption (GJ)	617,248.35	65.6%
Total (GJ)	940,692.97	100.0%

Table 3: Energy intensity

Energy intensity	FY23-24	FY24-25
Energy intensity per rupee of turnover (GJ/ Million ₹)	0.90	0.80
Energy intensity in terms of physical output (GJ/FTE)	4.33	4.21

\$1 = ₹85



## Greenhouse Gas Emissions:

HCLTech calculates its greenhouse gas (GHG) emissions in alignment with the GHG protocol, utilizing a combination of activity-based and spend-based methodologies, supported by globally recognized emission factors. In FY24-25, the implementation of energy efficiency and technology improvement initiatives across our infrastructure played a pivotal role in reducing our carbon footprint. As a result, we achieved a combined 46% reduction in scope 1 and scope 2 emissions from our base year and a 27% reduction YoY, marking a significant stride towards net zero. In addition, we have also achieved a 22% reduction in scope 3 emissions compared to our base year 2020.

Table 4: Greenhouse gas emissions (**MtCO<sub>2</sub>e**)

GHG emissions	FY22-23	FY23-24	FY24-25
Scope 1	15,878	12,508	12,901
Scope 2	157,865	154,918	109,074
Scope 1&2	173,743	167,426	121,975
Scope 3	277,267	247,460	269,567
Total emissions	<b>451,010</b>	<b>414,886</b>	<b>391,542</b>



Table 5: Category-wise scope 3 emissions (**MtCO<sub>2</sub>e**)

Category	FY22-23	FY23-24	FY24-25
Category 1- Purchased Goods and Services	4,875.00	5,949.00	5,712.15
Category 2- Capital Goods	58,653.00	26,660.00	24,343.17
Category 3- Fuel and Energy related	33,551.00	33,015.00	17,471.59
Category 5- Waste Generated in Operations	30.00	23.00	10.06
Category 6- Business Travel	68,765.00	66,290.00	68,582.67
Category 7- Employee Commute	108,331.00	115,414.00	153,345.18
Category 9- Downstream Transport	114.00	110.00	102.58
<b>TOTAL</b>	<b>274,319</b>	<b>247,460</b>	<b>269,567</b>

Figure 2: Scope 3 Category-wise emissions

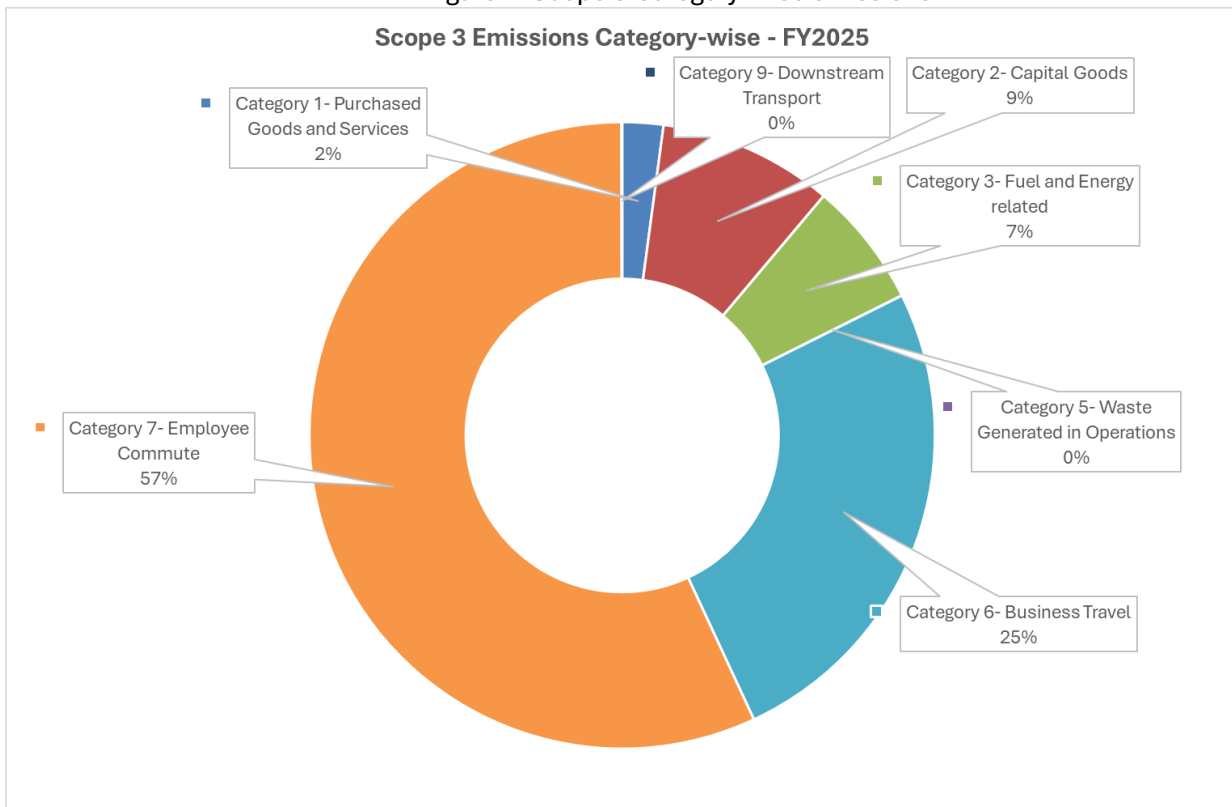


Table 6: GHG emission intensity

Parameter	Unit	FY23-24	FY24-25
Total scope 1 and scope 2 emission per rupee of turnover	Metric tons of CO <sub>2</sub> equivalent/million ₹	0.15	0.10
Total scope 1 and scope 2 emission intensity in terms of physical output	Metric tons of CO <sub>2</sub> equivalent/FTE	0.74	0.55
Total scope 3 emission per rupee of turnover	Metric tons of CO <sub>2</sub> equivalent/million ₹	0.23	0.23
Total scope 3 emission intensity in terms of physical output	Metric tons of CO <sub>2</sub> equivalent/FTE	1.09	1.21

\$1 = ₹85

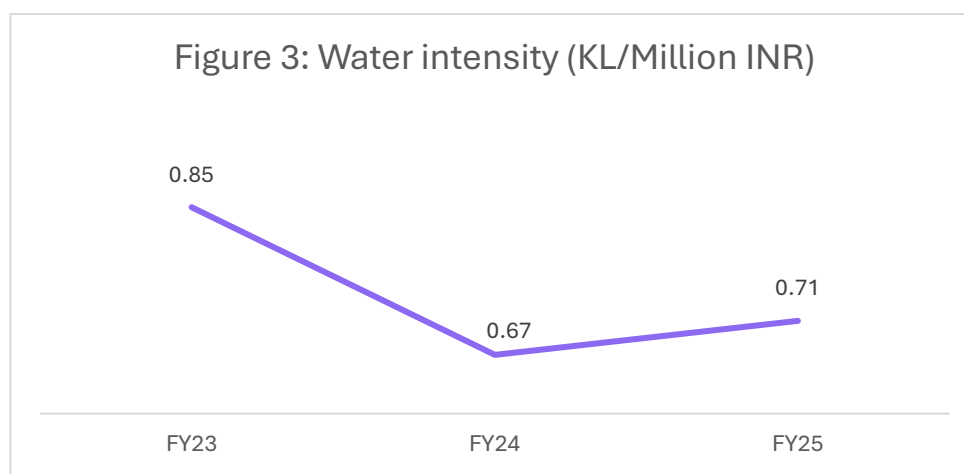
## Water

### Water withdrawal and monitoring

At HCLTech, every drop of water matters. On our campuses, water is used solely for essential human needs, with 100% sourced from high-quality municipal freshwater (TDS below 1,000 mg/L). But with growing awareness of water scarcity, we're going further, turning commitment into action.

**Our water consumption intensity is 10.2 liters per day per employee, 35% lower than our comparable peers.**

We now recycle 100% of our wastewater onsite through advanced closed-loop systems and we've upgraded our water infrastructure to enhance efficiency at every level. With smart water metering, we monitor usage in real time, detect leaks instantly and continuously lower per capita consumption.



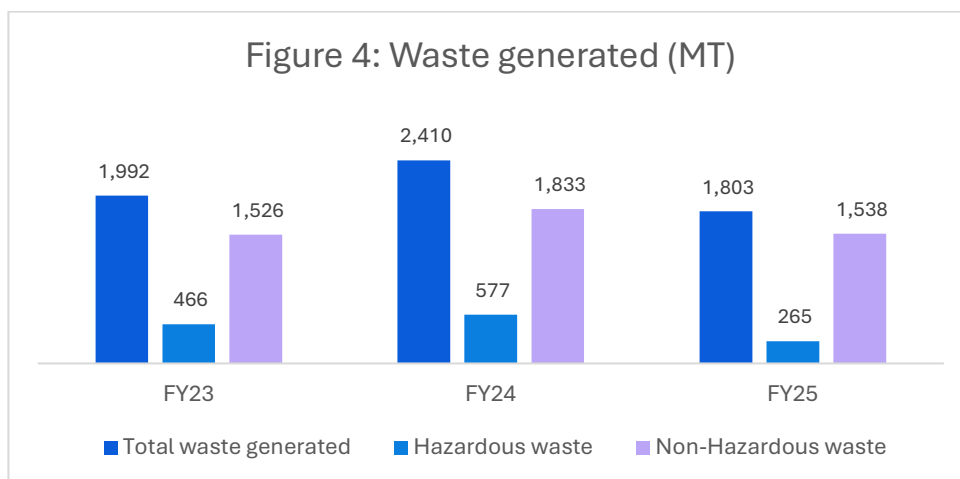
\$1 = ₹85

Table 7: Water withdrawal, consumption and discharge by source in water-stressed areas (in kiloliters)

Water parameters	FY24-25 (Value in KL)
Surface water	-
Groundwater	258,963.42
Third-party water	332,277.49
Seawater / desalinated water	-
Others	249,362.50
Total volume of water withdrawal	840,603.41
Total volume of water consumption	824,688.16
Total volume of water discharged (to third party)	15,915.25

## Waste

One of our most notable accomplishments is **achieving zero waste to landfill in 100% of our owned campuses in India five years ahead of industry targets**. This milestone reflects our dedication to waste reduction and resource optimization. Through rigorous waste management practices, employee engagement and innovative recycling solutions, we have successfully diverted 99% of our waste from landfills. This achievement underscores our leadership in sustainable waste management and our commitment to a circular economy.



## Climate risk assessment

HCLTech has conducted a comprehensive climate risk assessment to explore both present vulnerabilities and future scenarios across 2030, 2040 and 2050. This assessment was accomplished in alignment with global frameworks and standards such as TCFD and IFRS S2. The summary of the climate risk assessment is below:

<b>Assessment boundary</b>	The risk assessment and adaptation plan for physical climate risks currently extends to 100% of HCLTech's existing and new operations
<b>Time horizons:</b> <b>Short term</b> <b>Medium term</b> <b>Long term</b>	0-5 years 5-15 years 20 years and beyond
<b>Scenarios</b> <b>Physical risk</b> <b>Transition risk</b>	RCP (Representative Concentration Pathway) 4.5 & 8.5 SSP2 "Middle of Road Scenario" and SSP5 "The Weak Policy Scenario"
<b>Physical risks assessed</b>	Water scarcity, heat stress, flooding, cyclone, extreme rainfall
<b>Transition risk assessed</b>	Policy and legal, technology risk, market risk, reputation risk

The ESG committee oversees climate-related issues, which are discussed at least annually during board meetings.

## HCLTech's sustainable solutions

At HCLTech, innovation and sustainability are closely connected, fuelled by a strong commitment to creating meaningful impact. Our teams bring both passion and expertise to develop transformative solutions that address some of the world's most urgent challenges, from combating climate change to protecting essential resources. We have integrated sustainability across our offerings, services, operations and technologies. For details, please refer to page 59 of our [Sustainability Report 2025](#), Section: "Sustainable solutions for our clients".

## Social Performance

**4.03/5**

employee satisfaction  
score

**50,435**

new hires in FY25 marking a  
5.6% increase from FY2024

**100%**

of our employees participated  
in career and performance  
development reviews

**8,257** ideas implemented through our Value Portal  
initiative, delivering **\$1.7 billion** value to clients

**34.4%**

Increase in differently-abled  
employee headcount

While **10,375** employees leveraged parental leave in FY2025, **99.81%** returned to work, and the retention rate for these employees for one year and beyond stood at **75.19%**

## Key highlights

**30%**

female New Hires

**27%**

overall average training hours  
marking a 16% increase from

**97.27%**

employees upgraded their skills  
with dedicated programs

**26 Countries**

where we are top employer

**At 2.21% of revenue**

HCLTech has the highest spend on well-being of employees in the  
industry

## Workforce breakdown

At HCLTech, our global inclusion efforts are more than just initiatives; they are integral to our corporate DNA. We celebrate the uniqueness of each individual and promote an environment where diversity drives innovation. Our strategy encompasses various programs designed to foster a culture of equality and inclusion. The details of employees by gender, age, region and management positions are provided below.

Figure 5: Employees by gender in FY25

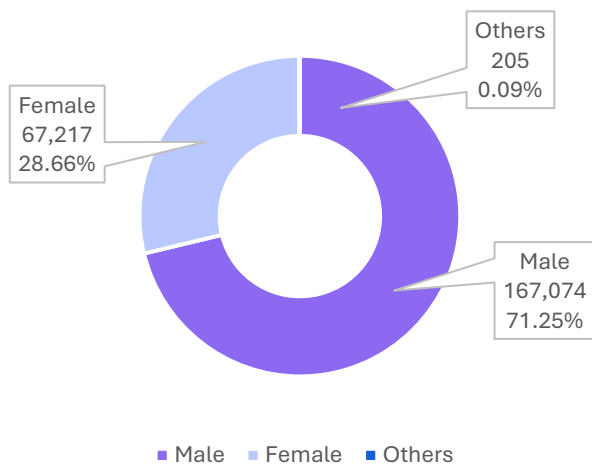


Figure 6: Total employees by age

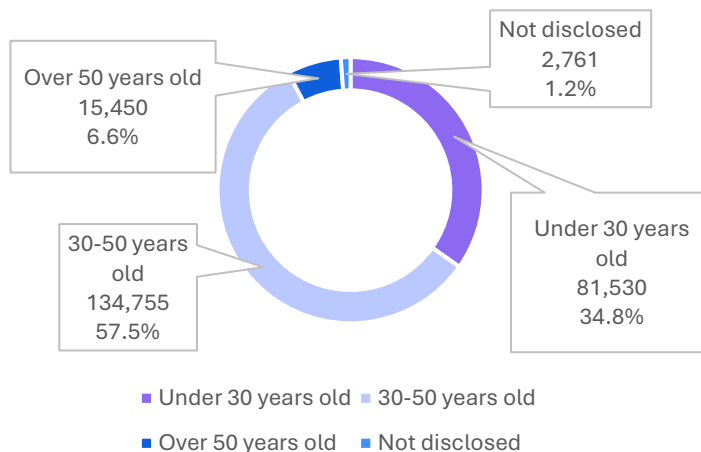


Table 8: Differently abled employees

Particulars	Total	Male		Female		Others	
		No	%	No	%	No	%
Permanent	958	749	78.18%	207	21.61%	2	0.21%
Other than permanent	38	30	78.95%	8	21.05%	0	0.00%
Total employees	996	779	78.21%	215	21.59%	2	0.20%

## Workforce breakdown by region—all employees

The following table provides a breakdown of our permanent and other than permanent employees by region:

Table 9: Workforce breakdown by region—all employees

Employees by region	FY22-23	FY23-24	FY24-25
Americas (USA_LATAM)	<b>33,169</b>	<b>32,131</b>	<b>31,239</b>
Male	24,811	24,136	23,543
Female	8,250	7,886	7,611
Others	108	109	85
APAC_ROW	<b>12,984</b>	<b>14,179</b>	<b>16,028</b>
Male	9,028	9,864	10,769
Female	3,847	4,253	5,192
Others	109	62	67
India	<b>179,425</b>	<b>172,961</b>	<b>169,380</b>
Male	125,689	121,130	119,476
Female	53,733	51,831	49,904
Others	3	0	0
Europe	<b>15,774</b>	<b>17,977</b>	<b>17,849</b>
Male	11,568	13,289	13,286
Female	4,084	4,536	4,510
Others	122	152	53

## Workforce breakdown by region—FTEs

The following table provides a breakdown of our permanent employees (FTEs) by region:

Table 10: Workforce breakdown by region—FTEs

Employees by region	Share in total workforce (as % of total workforce)
Americas (USA_LATAM)	<b>12.04%</b>
APAC_ROW	<b>6.61%</b>
India	<b>74.19%</b>
Europe	<b>7.15%</b>

## Women representation across revenue-generating functions and STEM-related positions:

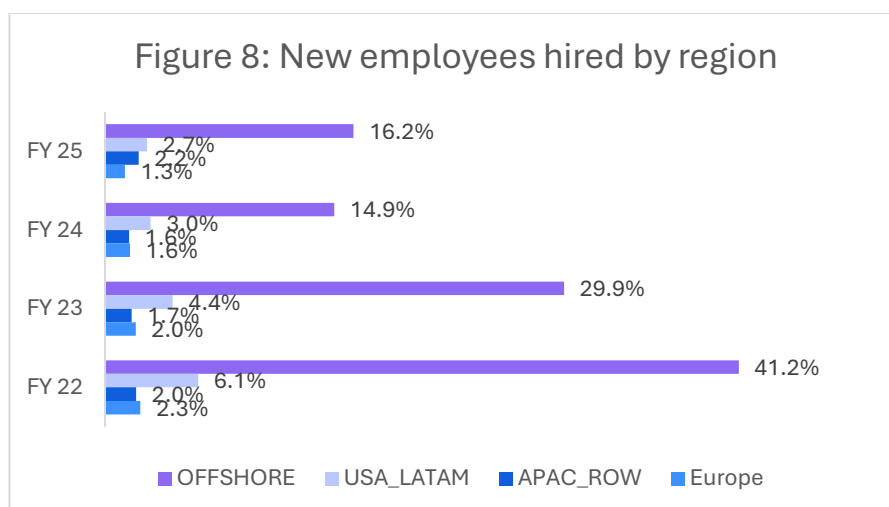
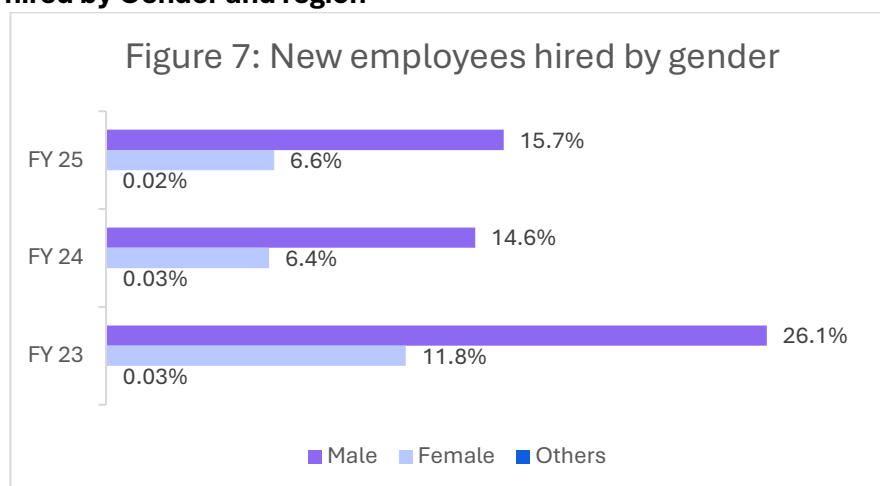
Table 11: Women representation across revenue-generating functions and STEM-related positions

Indicator	FY24-25	Public Target
Share of women in total workforce	28.8%	40% by 2030
Share of women in management positions in revenue-generating functions	14.51%	N/A
Share of women in STEM-related positions	27.13%	N/A

## Hiring and retention

HCLTech's workforce expansion mirrors the pace of its business momentum and transformation. To address the growing demand for a dynamic and agile talent pool, HCLTech has deployed AI-enabled talent acquisition strategies that emphasize both internal mobility and external hiring. At the same time, HCLTech has made strong strides in talent retention, with voluntary employee turnover on a declining trend, underscoring the effectiveness of its employee engagement and retention initiatives and signalling rising levels of employee satisfaction and loyalty.

## New employees hired by Gender and region



## Human capital return on investment

**1.32**

Human capital return on investment (HCROI)

Table 12: Human capital return on investment

	FY21-22	FY22-23	FY23-24	FY24-25
HCROI	1.35	1.33	1.32	1.32

## Turnover Rate

At HCLTech, we don't just attract top talent—we invest in creating a workplace where people feel empowered, valued and inspired to grow. Our deeply people-centric engagement model focuses on nurturing potential, supporting well-being and building a culture of trust and belonging. This commitment is reflected in our results: from FY22-23 to FY24-25, we saw a 33% drop in voluntary employee turnover, a clear sign of rising satisfaction, loyalty and connection to our purpose.

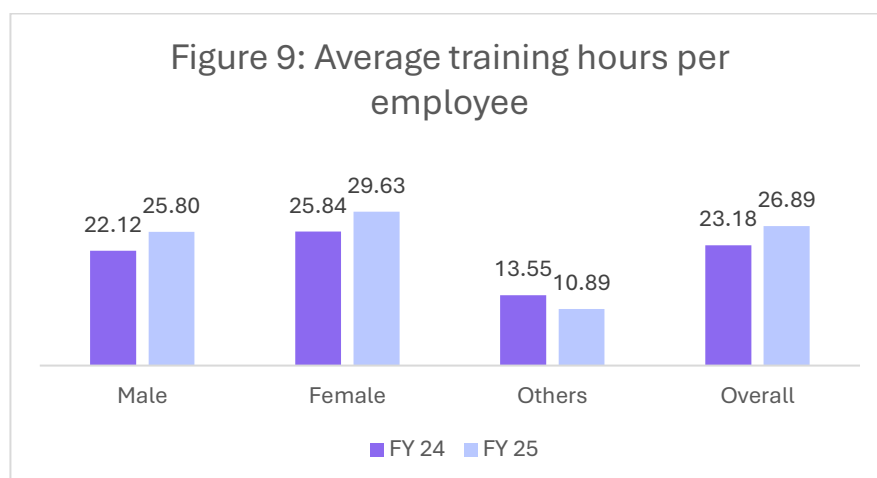
## Voluntary Employee Turnover Rate

Table 13: Voluntary Employee Turnover Rate

Gender	FY22-23	FY23-24	FY24-25
Male	19.83%	12.32%	13.06%
Female	18.60%	12.72%	12.81%
Others	15.67%	7.71%	5.66%
Total	19.50%	12.42%	12.99%

## Training

HCLTech adopts a skill-first, data-driven approach to employee training, moving beyond traditional role-based learning to focus on digital, engineering, cloud and AI specializations. Average training hours per employee continue to show an upward trend, reflecting the company's commitment to continuous learning and career growth. In FY24-25, average training hours per employee increased by 16%.





## Employee wellbeing

We prioritize the health and well-being of our employees. At 2.21% of revenue, we have the highest spend on the well-being of our employees in our industry. This commitment to health and wellness is integral to our overall sustainability strategy, as it fosters healthy, productive and engaged employees.

**HCL Healthcare**, an industry-first wellness initiative by HCLTech, has evolved from onsite medical support to become one of India's largest workplace healthcare ecosystems. Combining physical and digital services, it provides integrated, preventive and primary care for employees and their families. By FY24-25, it had facilitated over **153,000 health check-ups** and **250,000 consultations**, including chronic disease and dental care.

HCLTech launched ParentPro to support employees through the critical life transition of parenthood, recognizing its impact on career progression, satisfaction and retention, particularly for women.

**Mum connect:** Peer networking platform for expectant and new mothers

**Manager toolkit:** Resources to help leaders support returning employees

**Buddy program:** Peer mentorship to ease the transition back to work

**Mom care and benefits:** Wellness and insurance information tailored for mothers

**Support for fathers:** Tools to promote shared caregiving and work-life balance

**Employee satisfaction:** The employee satisfaction survey, conducted in 2023 with participation from 86,000 employees, recorded an overall satisfaction score of 4.03 out of 5. The survey, which remains valid for three years, assessed key aspects such as job satisfaction, sense of purpose, happiness and stress levels, reinforcing the strength of our inclusive and supportive workplace.

## Occupational health and safety

At HCLTech, protecting our people is a top priority and we've built a comprehensive Occupational Health and Safety Management System (OHSMS) to proactively safeguard our workplaces and ensure full regulatory compliance. There were zero incidents of fatalities.

Table 14: Human safety performance

Parameter	FY24-25
Fatalities	0
High consequence work-related injury or ill health	0
LTIFR	0.0088843

## Human rights assessment:

Human rights assessment remained a key area of focus in FY24-25. During the year, 73% of our own operations underwent human rights assessments. No significant risks or concerns were identified.

In addition, 72% of our value chain partners were covered under human rights due diligence in FY24-25.

Appropriate training and capacity building are conducted based on the concerns arising from the assessments.

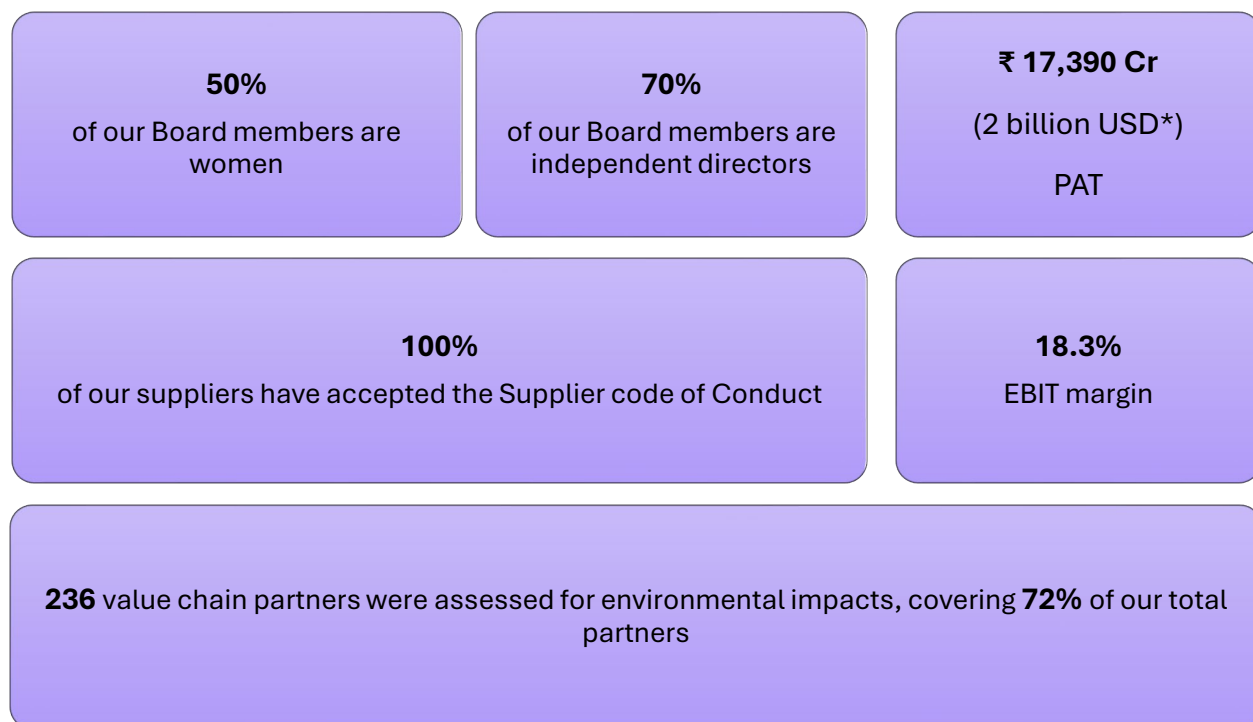
Additionally, HCLTech provides its vendors with an ESG manual and learning platform that outlines its sustainability objectives and expectations, including those related to human rights.

## Privacy protection:

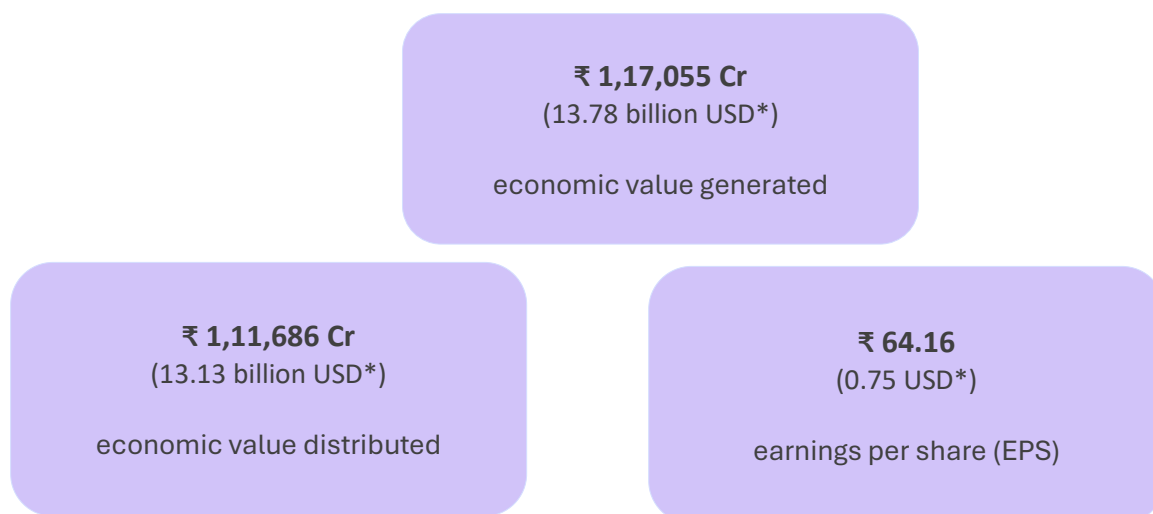
HCLTech is committed to safeguarding customer and employee data through robust privacy protection measures and responsible data governance.

**Zero**  
material client-impacting security  
breaches reported in FY25

## Governance



## Key Highlights



\$1 = ₹85

## Board type

HCLTech has adopted a one-tier system (companies with a board of directors) comprising of 7 independent directors, 1 executive director and 2 other non-executive directors.

## Non-executive chairperson/ Lead director

The roles of CEO and chairperson are split; the chairperson is non-executive but not independent.

### **Board accountability**

The company ensures accountability of its board of directors through several robust measures:

- 97.65% attendance of directors at the 7 board meetings held during FY24-25.
- Shareholder approval is mandated for any changes to the company's bylaws.
- Nine board members hold four or fewer external mandates, thereby maintaining focus on their fiduciary responsibilities.
- A CEO succession plan is in place to ensure continuity of leadership. Succession planning is part of the charter of the nomination and remuneration committee ("NRC") of the Company.
- The NRC identifies, screens and reviews candidates, inside or outside the Company and provides its recommendations to the board for the directors, chief executive officer and senior management.
- The board, pursuant to the provisions of the act and the listing regulations has carried out an annual evaluation of its own performance, performance of the board committees and of the individual directors (including the independent directors) on various parameters. As per SEBI Listing Regulations, 2015 (Regulation 17), since the chairperson is non-executive and a promoter, it is required that at least half of the board members of HCLTech be independent directors, which remains our annual target.

### **Board average tenure**

The average tenure of board members is 5.7 years.

### **Board industry experience**

All our independent and non-executive directors on the board: Bhavani Balasubramanian, Deepak Kapoor, Nishi Vasudeva, Lee Fang Chew, Simon John England, Vanitha Narayanan, Amitabh Kant, Roshni Nadar Malhotra and Shikhar Malhotra have industry experience.

### **CEO compensation–success metrics**

HCLTech has predefined corporate performance indicators linked to the CEO's variable compensation, which are publicly disclosed in its annual reporting and corporate governance documents available on the company's website. Under the financial returns category, the metrics used include revenues, EBIT, net profit and free cash flow. For Relative Financial Metrics, the company applies Total Shareholder Return (TSR) as well as personal Key Performance Parameters (KPPs). It includes other metrics such as client satisfaction, ESG, Diversity, etc.

### **CEO compensation-long-term performance alignment**

HCLTech has established guidelines on deferred bonus, time vesting and performance period for the CEO's variable compensation.

### **Performance period for variable CEO compensation**

The long-term incentive ("LTI") is paid at fixed intervals (at the end of two years) based on the achievement of milestones/parameters decided by the board. The longest period for performance evaluation is 3.7 years that is granted in the form of performance based RSUs.

### **Time vesting for variable CEO compensation**

The longest time vesting period for variable compensation of the CEO is 3.25 years. Please refer to "Tenure Based RSUs" on page 169 of Annual Report.

## Management ownership - company shares

Position	Name(s)	Multiple of base salary
Chief Executive Officer	Mr. C Vijaykumar	6.40

## CEO-to-employee pay ratio

Table 15: CEO-to-employee pay ratio

Compensation metric	Amount in USD million
Total annual compensation of the CEO	10.85
Median annual compensation of all employees, except the chief executive officer	0.016
Ratio between the total annual compensation of the CEO and the median employee compensation	662.57

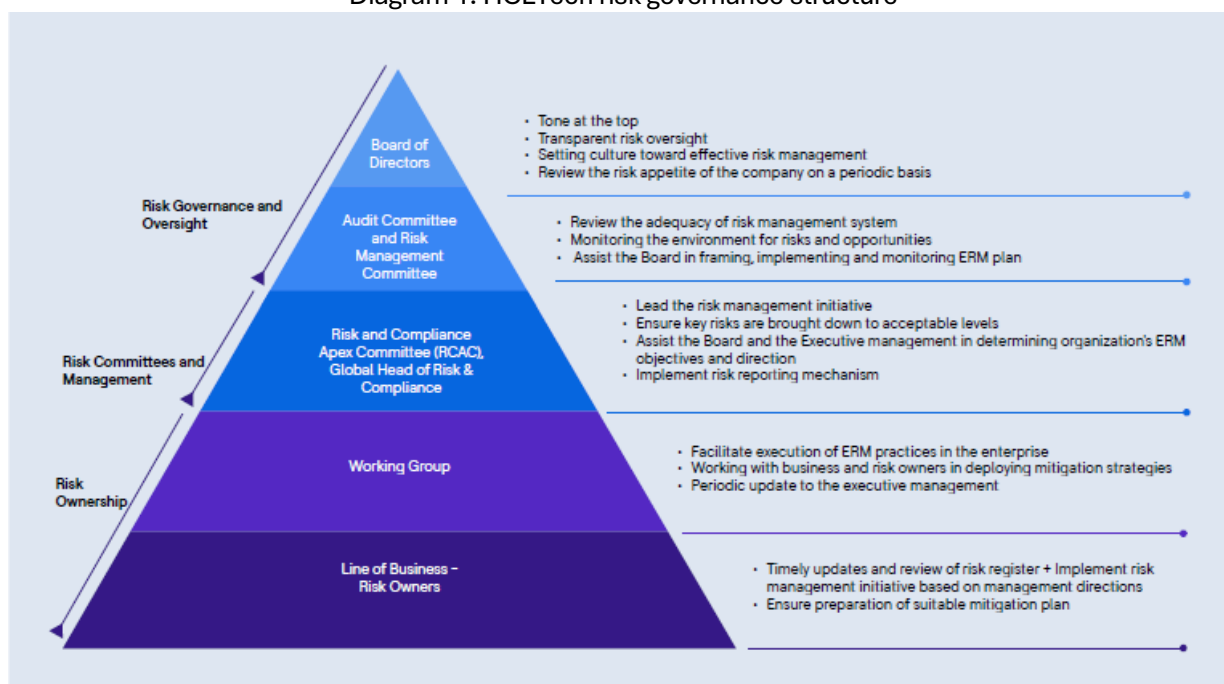
## Risk Management Process

Our Enterprise Risk Management (ERM) program is based on the ISO 31000:2018, risk management standard and the COSO ERM integrated framework, which helps us identify, evaluate and mitigate ESG risks. The company has established risk management processes and strategies to promote a strong and effective risk culture. Risk exposure is reviewed on a regular basis, with assessments conducted at least twice a year or more frequently. An internal audit and an external audit have been completed within the last two years. In addition, the company promotes risk awareness and accountability through multiple strategies: regular risk management education for all non-executive directors, focused training across the organization on risk management principles, integration of risk criteria into the design and development of products and services

## Risk Governance

HCLTech's risk governance follows a clear top-down structure to ensure effective ERM oversight and execution. The board of directors sets the risk tone, approves risk appetite and receives key updates.

Diagram 1: HCLTech risk governance structure



HCLTech categorizes its principal enterprise risks into five distinct areas:

Diagram 2: HCLTech risk universe



## Reporting on breaches

Table 16: Number of breaches

Reporting areas	Number of breaches in FY24-25
Corruption or bribery	0
Discrimination or harassment	55
Customer privacy data	0
Conflicts of interest	0

## Contributions and other spending

HCLTech contributed over US\$ 277,000 in membership fees in FY24-25 to various industry and trade associations, supporting engagement with trade bodies and tax-exempt groups such as think tanks to advance industry dialogue, policy advocacy and knowledge sharing. HCLTech maintains a strictly apolitical stance, making no contributions to political entities. Instead, we only make charitable donations to support sustainability, local charities and cultural or sporting events that are legal and ethical under local laws and practices and within the corporate governance framework of the organization.

## Largest contributions and expenditures

We have 36 affiliations with trade and industry chambers/ associations. Namely of the trade and industry chambers/ associations are with Confederation of Indian Industry (CII), National Association of Software and Service Companies (NASSCOM), World Economic Forum (WEF), Federation of Indian Chambers of Commerce and Industry (FICCI).

Some of our largest contributions are made to organizations like USISPF (\$100,000), NASSCOM (\$73,000), USIBC (\$50,000), UNGC (\$25,000), WRC (\$20,000) and Assocham (\$5500).

## Lobbying and trade associations - climate alignment

We have a dedicated governance structure to align our actions towards our goals, which include lobbying and other trade association memberships, aligned to our commitment to the Paris Agreement. We have a dedicated ESG and DEI committee that meets quarterly to review progress on our goals and our GHG emissions reduction targets. There is an executive-level committee established to oversee ESG and sustainability issues. Alongside the executive leadership team and the sustainability core team, the committee promotes a culture of sustainable and responsible business throughout the organization. For more details on the public policies advocated, please refer to page 238 of our Annual Report under principle 7 of BRSR.

In 2022, HCLTech signed the climate pledge, committing to achieve net zero carbon emissions by 2040. We partnered with project JOULE from the climate pledge to create shared EV charging stations powered by renewable energy and collaborated with ChargePoint to develop cutting-edge EV software, in line with our commitment to renewable energy adoption as per the Paris Agreement. As a part of our net zero strategy, we are committed to limiting greenhouse gas emissions aligned with the 1.5°C pathway by 2030 and to achieving net zero by 2040. Our long and short-term targets are validated by SBTi. The HCL ClimaForce fund aims to accelerate low-carbon innovations in India's cooling, buildings and freight mobility sectors. Over five years, the INR25 crore fund will take 20+ high-impact solutions to scale, through targeted grants, technical support and access to markets.

The impact of climate change on water needs no introduction. Our commitment to water runs deep, with the HCL Group investing USD 15 million over 5 years through the WEF Uplink Aquapreneurs initiative. We are the first company headquartered in India to join the Water Resilience Coalition (WRC) and we endorse the CEO Water Mandate, a collaboration between the UN Global Compact (UNGC) and the Pacific Institute, aimed at promoting corporate water stewardship globally. We have also pledged to lead the water stewardship in the Yamuna basin as a part of the WRC. We have received enthusiastic response for the HCLTech Americas Grant initiative that supports path-breaking climate action programs by NGOs in the Americas. We are a regular member of the UNGC. We implement additional advocacy work on climate through our membership with WEF, NASSCOM and other industry chambers and associations. Our governance framework for public policy engagements such as these ensure clear accountabilities up to the executive level.

## Information security governance and management programs

The company maintains strong governance and oversight of information security, with the board's risk management committee and the chief information security officer (CISO) providing structured leadership. Board expertise is further enhanced by a member with an IT background. Governance details are disclosed in annual reports and on the corporate website. Security resilience is ensured through continuous validation, including vulnerability assessments, penetration tests, cyber simulations and a comprehensive Continuous Threat and Exposure Management (CTEM) framework. Independent external audits, aligned with international standards like ISO 27001, further strengthen assurance.

## Consolidated tax disclosures

HCLTech operates in several tax jurisdictions and publishes a statement containing salient features of the financial statement of all its subsidiaries companies in form AOC-1 in our Annual Report FY24-25 on page 417. HCLTech also publishes standalone audited financials of its subsidiaries on its website. A summary of our consolidated tax disclosure is as below:

Table 17: Tax details – FY24-25

Particulars	Unit	Value
Earnings before tax	USD	2735M
Reported Taxes	USD	693M
Effective Tax rate	%	25.34%
Cash taxes paid	USD	502M

## Our policies

HCLTech drives innovation and sustainable growth by integrating environmental, social and governance principles across its global operations. The list of our ESG policies is as follows:

1.	<a href="#">Board Diversity Policy</a>
2.	<a href="#">Code of Business Ethics and Conduct</a>
3.	<a href="#">Corporate Social Responsibility Policy</a>
4.	<a href="#">Familiarisation Programme for Independent Directors</a>
5.	<a href="#">Prevention and Redressal of Sexual Harassment at Workplace Policy</a>
6.	<a href="#">Remuneration Policy</a>
7.	<a href="#">Whistleblower Policy</a>
8.	<a href="#">Terms of Reference of the Committees of the Company</a>
9.	<a href="#">Anti-Bribery and Anti-Corruption policy (ABAC)</a>
10.	<a href="#">Anti-Money Laundering Policy-Global</a>
11.	<a href="#">Conflict of Interest Policy-Global</a>
12.	<a href="#">Energy Policy</a>
13.	<a href="#">Business Gift and Entertainment Policy- Global</a>
14.	<a href="#">Grievance Redressal Protocol</a>
15.	<a href="#">Environmental Sustainability Policy</a>
16.	<a href="#">Disciplinary Policy Global</a>
17.	<a href="#">HCLTech Group Tax Strategy — Global</a>
18.	<a href="#">Procurement Policy</a>
19.	<a href="#">Supplier Code of Conduct</a>
20.	<a href="#">Human Rights Policy</a>
21.	<a href="#">Occupational Health &amp; Safety Policy</a>

Looking ahead, HCLTech remains committed to advancing its ESG journey through bold innovation, enhanced transparency and inclusive growth. By embedding sustainability into every facet of its operations, the company aims to create long-term value for stakeholders while driving measurable environmental and social impact.

**HCLTech** | Supercharging  
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