

Task Force on Climate Related Financial Disclosures

Cyient Limited FY 2022-23



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1. About the Company

Established in 1991, Cyient is a prominent global technology solutions company with a core mission of facilitating customers in their quest to scale and attain sustainable growth by enhancing their capabilities. This objective is accomplished through a consulting-first, industry-centric approach, meticulously ensuring that the unique requirements of customers are comprehensively understood and addressed.

Headquartered in Hyderabad, India, Cyient was publicly listed on the National Stock Exchange (NSE: CYIENT) and the Bombay Stock Exchange (BSE: 532175) in March 1997. Dedication drives the design and delivery of innovative solutions that cater to a diverse client base across the globe. The convergence of leading-edge engineering and technology competencies is catalyzed to design, build, and maintain innovative solutions that address existing and emerging business needs for a diversified base of over 250+ customers in 22 countries.

We at Cyient, are committed to designing a sustainable tomorrow by working with our clients on their sustainability challenges and opportunities, accelerating engineering and technology convergence across products, processes, plants, and networks.

Recognizing the importance of a robust Environmental, Social, and Governance (ESG) framework, we understand that it should be firmly rooted in stakeholder needs and closely aligned with our business goals. This alignment allows us to effectively balance the interests of the 3Ps i.e., people, planet, and profitability.

Our sustainability framework is pivotal in safeguarding our business against the escalating risks of climate change, founded on the principles of:

- Responsibility
- Equity
- Accountability

This framework is underlined by a robust policy to foster long-term sustainable value generation for stakeholders and navigate the path toward a carbon-neutral future. In all aspects of Environmental, Social, and Governance (ESG), we aspire for excellence and aim to lead the way in adopting sustainable business practices.

2. About this Report

In line with our commitment to accountable and responsible corporate practices, Cyient is pleased to announce its adoption of the recommendations put forth by the Financial Stability Board's Task Force on Climate-Related Financial Disclosures (TCFD). We are pleased to publish this report in alignment with the TCFD's guidelines.

This report serves as a valuable addition to our existing shareholder engagement initiatives and forms an integral part of our commitment to transparently disclose the climate-related risks and opportunities that impact our business. Employing the TCFD framework, we conducted a comprehensive climate risk assessment. Our worldwide sites were reviewed for the transition risk analysis, while the physical risk assessment was specifically performed at our Indian offices, as enumerated below.



S.No.	City	State	Ref. Code
1	Kakinada	Andhra Pradesh	A1
2	Vizag	Andhra Pradesh	A2
3	Bangalore	Karnataka	K1
4	Mumbai	Maharashtra	M1
5	Pune	Maharashtra	M2
6	Pune	Maharashtra	M3
7	Gachibowli	Telangana	T1
8	Madhapur	Telangana	T2
9	Manikonda	Telangana	Т3
10	Uppal	Telangana	T4
11	Warangal	Telangana	T5
12	Noida Sector 63	Uttar Pradesh	U1
13	Noida Phase 2	Uttar Pradesh	U2

Table 1. Cyient Asset locations

To facilitate easy understanding, each location has been assigned a reference code. The first letter of the code represents the initial letter of the state, followed by the city's alphabetical ranking.

We anticipate regular updates to this disclosure as our understanding of the effects of climate change on our planet, communities, business operations, and the broader economy continues to evolve. Furthermore, our internal actions and governance practices will adapt in response to this evolving landscape.

The report covers the core elements of recommended climate-related financial disclosures and is structured into four distinct sections: Governance, Risk Management, Strategy, and Metrics & Targets. These sections align with the TCFD's recommended disclosures, offering a comprehensive perspective on how we perceive, assess, and address the risks and opportunities linked to climate change within Cyient.



Figure 1: Core elements of recommended climate-related financial disclosures

3. Governance

The company firmly believes in and practices good corporate governance, committing to adoption of ethical practices to deliver value in all of its dealings with all stakeholders encompassing associates, customers, vendors, regulators and shareholders at all times. Cyient firmly believes that corporate governance is an integral means for the existence of the company. The company's governance strategy encompasses the effective management of climate change and sustainability concerns.

3.1 Board Oversight and Compliance

Cyient's board has the overall responsibility of providing oversight and setting future goals for the sustainability agenda. Board of Directors plays a pivotal role in overseeing climate risk and its associated impact on business, and etching climate change and sustainability related aspects in the Company's core business strategy.

The board has the overall responsibility for the governance and strategic direction of the Company, including aspects related to climate change. Board of directors through various committees have close oversight of the functioning of the organization. The board members meet at regular intervals to provide strategic directions and review initiatives towards climate change across the organization.

At the board level, comprehensive sustainability governance framework drives the company's sustainability goals which majorly includes three positions/committees responsible for addressing climate -related issues.

Positions/Committees	Responsibilities for climate-related issues
Cyient's Board of Directors	 Acts as apex committee, providing oversight and setting future goals for our sustainability agenda
	 Provide oversight with the support of ESG Committee, on ESG and climate related issues and priorities, long-term sustainability strategy targets, and performance of the company
	 Consider Climate-related issues when formulating organization's business plans and strategies; Climate related issues are annually scheduled on the board of directors' agenda.
ESG Committee	 Ensures the integration of sustainability related aspects across the organization; responsible for identifying, assessing, and managing climate-related risks and opportunities.
	 Oversees Cyient's ongoing efforts around environmental, health and safety, corporate social responsibility, inclusion and diversity, sustainability, and all other matters pertaining to public policy.
	 Evaluates the utilization of ESG as a growth strategy for Cyient's offerings and operations
	 Oversees goal setting and reporting processes
	Works closely with the Risk Management Committee to identify, monitor, and evaluate climate-related risks

	 Oversees the organization's ESG and climate strategy implementation, offering strategic guidance for managing climate-related risks and impacts
Working Group	 Constitutes representatives from different functions responsible for implementing sustainability and climate related initiatives within their respective areas
	 Manage on-ground teams, gather essential data, and provide inputs on various sustainability programs
Table 2: ESG committee: Board leve	el positions/committees responsible for addressing climate-related issues

The committee oversees Cyient's key sustainability initiatives, such as enhancing the share of renewable energy, boosting energy efficiency, transforming offices into green buildings, and eliminating single-use plastic. The company has also devised an emission reduction roadmap.

Company ensures the robust management of climate change related issues by linking the Key Result Areas (KRAs) with the compensation of the CEO, other executive officers, business unit manager to material ESG and climate factors. We promote sustainability among employees by rewarding them with recognition for sustainable activities they adopt outside our organization. Additionally, we foster increased associate participation in advancing sustainability through innovative gamification programs.

4. Strategy

Our overall management strategy actively integrates an approach to identifying and managing climate-related risks and opportunities for our organization. Our strategic planning revolves around timeframes specific to 2030, 2040, and 2050, and is formulated based on various representative concentration pathway (RCP) scenarios. We have considered the best-case scenario (RCP 2.6) and the worst-case scenario (RCP 8.5), as well as intermediate and business-as-usual scenarios (RCP 4.5 and RCP 6.0). Based on these scenarios and timelines, we conducted physical and transition risk assessments, considering a range of risk and opportunity categories relevant to each distinct scenario and timeframe.

The assessment of physical risks includes natural hazards like heatwaves, water stress, heavy rainfall, droughts, floods, cyclones, landslides, and rising sea levels. In contrast, the transition risk evaluation encompasses risks related to current and emerging regulation, policy and legal risk, technology risk, market risk, and reputation risk.

We define a substantive financial or strategic impact as an effect that could significantly alter our business environment, financial condition, or operational process. When determining the substantive financial impacts of risks and opportunities, we assess all potential occurrences across our operations and locations. For several of these risks, we have assessed the financial implications on our business.

We have analysed the financial impact on our operations due to increased productivity costs associated with a rise in global temperatures. Under scenarios of global warming levels rising by 1.5 degrees Celsius, 2 degrees Celsius, and 2.5 degrees Celsius, we project that the respective additional work hours required will see a notable, incremental increase. The upsurge in productivity costs as a result of rising temperatures is in direct correlation with the additional work hours, leading to a significant financial impact.

Technological improvements or innovations that support the transition to a lower-carbon, energy efficient economic system can have a significant impact on organization. As part of our mission of designing a sustainable tomorrow together, we are committed to reducing our carbon footprint. Furthermore, we strive to secure green building certification for all our sites as part of our comprehensive sustainability strategy. Based on these strategic considerations, we have projected financial impacts of technology risks.

Additionally, we have quantified the financial consequences arising from the legal risks associated with the introduction of carbon pricing, as well as the market risks stemming from customer inquiries about ESG related information which is foreseen as revenue cost for Cyient.

These findings underscore our commitment to climate-resilient operations and form the basis of our strategic planning to mitigate climate-related risks.

5. Risk Management

Cyient recognizes the complex operating environment it operates in, with factors such as intense competition, technological advancements, data security concerns, and unpredictable weather conditions. To address these risks, Cyient has implemented a comprehensive Enterprise Risk Management (ERM) Framework designed on industry-leading standards underlines our operations to identify and mitigate risks proactively.

The company integrates the materiality assessment findings into the organizational Enterprise Risk Management (ERM) process to ensure that material issues are considered in the company's overall risk management framework, enabling proactive identification and mitigation of risks associated with these issues.

This framework also encompasses various areas, including operational, financial, reputation, regulatory, employee, and customer risks. that identifies, assesses, and mitigates risks across its operations, value chain and geographic locations.

ERM process and framework overview: Our ERM framework encompasses policies, procedures, and systems that proactively identify and respond to climate-related risks and opportunities. The company applies the risk management framework at all its operation sites. The Executive Committee, consisting of representatives from various functions, is responsible for risk identification, monitoring, and management, led by the CEO. Risk oversight is maintained at the board level through the Risk Management Committee, supported by the ESG Committee, which reviews management submissions on strategic risks, identifies critical risks, and approves action plans to prioritize risk mitigation.

5.1. Risk Categorization

In line with the TCFD recommendations, Cyient has carried out a comprehensive risk assessment review to identify climate-related physical and transition risks. The categorization has been done as per below:



Figure 2: Classification of climate risk as per TCFD

5.2. Scenario analysis – Physical Risks

5.2.1. Physical Risks

Physical risks arise from either event-driven or long-term changes in climatic patterns that can lead to asset damage or disruptions in the supply chain. Our analysis encompasses an examination of historical trend and future projections of diverse climate hazards, including temperature fluctuations, precipitation changes, and water stress. Through this assessment, we aim to comprehend the potential effects of a changing climate on our Cyient India locations.

Acute physical risks refer to those that are event-driven, including increased severity of extreme weather events, such as cyclones, floods & droughts. Chronic physical risks refer to longer-term shifts in climate patterns such as high temperature, rainfall, and water stress.

Cyient has conducted geography wise identification of its sites that are under risks from acute and chronic events.

5.2.2 Scenario Analysis of Physical Risks

The primary objective of conducting scenario analysis within this report is to gain insight into how our business might perform under a variety of future conditions, thereby assessing its resilience and robustness. This approach involves the evaluation of a wide array of hypothetical outcomes, each aligned with different plausible future scenarios, all while adhering to a predefined set of assumptions and constraints.

Cyient uses scenario analysis to inform its strategic thinking and strategy formulation. The associated physical risks for the sites were identified and baseline and scenario analysis were performed, considering the Representative Concentration Pathway (RCP).

A representative concentration pathway (RCP) is a GHG concentration trajectory adopted by the Intergovernmental Panel on Climate Change (IPCC). The pathways are characterised by the radiative forcing produced by the end of the 21st century. Radiative forcing is the extra heat the lower atmosphere will retain as a result of additional greenhouse gases in the atmosphere caused by natural and/or anthropogenic factors of climate change, measured in Watts per square metre (W/m²).

In the scenario analysis, we considered four RCP scenarios: RCP 2.6, RCP 4.5, RCP 6.0, and RCP 8.5. We assessed current acute and chronic risks arising from drought, tropical cyclone, heatwave, wind speed, riverine flood, coastal flood, precipitation, water stress, rise in sea level for all our sites. We have an overall plan to adapt to potential physical climate risks. By projecting these risks for 2030, 2040, and 2050 under various scenarios, we can anticipate the potential impact of climate-related issues on the organization's business, strategy, and financial planning across the short, medium, and long term: RCP 2.5, RCP 4.5, RCP 6.0, and RCP 8.5. These projections were generated using various tools, including Aqueduct (WRI Beta Version), the Climate Change Knowledge Portal (World Bank), Network for Greening the Financial System (NGFS) and the India Meteorological Department (IMD)

5.2.1 Business Impact, and Mitigation/Adaptation actions

In line with our efforts to recognize and mitigate climate risks, we perform scenario analysis (RCP 2.6, RCP 4.5, RCP 6.0, and RCP 8.5) across all locations, spanning short, medium, and long-term time horizons. The scenario analysis aims to assess a wide array of physical weather phenomena, encompassing droughts, tropical cyclones, wind speeds, heatwaves, precipitation, riverine floods, coastline floods, water stress, and sea level rise.

Impact:

Drought conditions may result in constrained or no access to groundwater withdrawal due to heightened regulatory measures, leading to an escalation in the costs associated with essential resources like water and electricity. Heatwaves contribute to elevated cooling expenditures, heightened costs associated with water sourcing, and diminished productivity stemming from health and safety concerns affecting both internal and external stakeholders. Water stress results in escalated expenses for water sourcing and constrained access to groundwater withdrawal due to regulatory restrictions in water-stressed regions. Heightened precipitation levels pose a risk of damage to both buildings and IT infrastructure, impacting the electricity generation processes from both renewable and non-renewable energy sources.

Riverine flooding can lead to disruptions in power supply, infrastructure damage causing potential data loss and service interruptions, business continuity challenges due to supply chain disruptions, and heightened clean-up expenses following the floods. Coastal flooding may necessitate the permanent closure of offices situated in low-lying areas and infrastructure damage may require employees to relocate, contributing to an elevated attrition rate. Tropical cyclones may disrupt business operations by interrupting the supply chain, reducing productivity due to power disruptions or increased backup power costs, and causing infrastructure damage leading to data loss and service disruptions. High wind speed can disrupt business operations and productivity and may also increase the risk of wildfires in dry regions. Sea level rise may lead to permanent office closures due to coastal flooding, alongside increased operational expenses resulting from disruptions in the supply chain.

Mitigation/Adaptation actions:

Numerous mitigation and adaptation measures are available to address physical risks effectively. Utilizing treated wastewater and rainwater harvesting for drought resilience. For mitigating heatwaves, strategies include integrating green spaces, optimizing cooling loads, developing standard operating procedures for preparedness, and conducting awareness campaigns. To effectively manage the impact of cyclones, companies can implement robust continuity plans, retrofit non-engineered structures, and stay informed with updated information on national climate risks. Managing high wind speed involves measures such as regular data backups, disaster recovery plans, and retrofitting non-engineered structures. Adaptation plans for precipitation encompass elevating electrical panels, utilizing early warning systems, deploying temporary flood barriers, and enhancing structures for rainwater harvesting. To address floods, businesses can establish rescue teams, formulate continuity plans, secure insurance, and improve infrastructure resilience against floods. Alleviating water stress involves implementing real-time water monitoring systems, enhancing water use efficiency, and treating wastewater for reuse. In response to sea-level rise, businesses can enhance resilience by reinforcing boundary walls, establishing evacuation zones, developing flood protection strategies, and maintaining emergency food stock supplies.

5.4 Scenario Analysis - Transitional Risks

Transition risks are classified into four categories: Policy and Legal Risk, Technology Risk, Market Risk, and Reputation Risk.

5.4.1 Business Impact, Mitigation Actions, and Opportunities

Policy & Legal

Business Impact:

The prospect of carbon pricing poses potential financial risks for companies, as increased costs may arise from higher emissions. Particularly, serving key clients in sectors covered by the EU Emissions Trading System (ETS) may expose Cyient to future market risks, including emission limits and the implications of carbon pricing. At the national level, adherence to renewable energy requirements is crucial, as non-compliance may result in reputational damage and higher costs. Non-adherence to ESG disclosure standards exposes companies to potential damage to their reputation, regulatory fines, and a loss of trust from both investors and customers. While banks face investment risks when companies they invest in fail to comply with TCFD guidelines.

Mitigation/Adaptation Actions :

By actively developing an emissions reduction strategy to achieve net-zero targets through stringent policies. Companies can closely monitor new regulations, maintaining ongoing dialogues with authorities to comprehend the impact of the evolving carbon market. Increasing energy efficiency and conservation through raised awareness and continuous monitoring. Transitioning to renewable energy sources and ensuring strict adherence to local regulatory laws to avoid penalties. Participating in discussions with regulatory bodies, monitoring evolving regulations, and remaining current on disclosure protocols.

Opportunities:

Proactive engagement in carbon market not only ensures compliance with future regulations but also provides a competitive edge, positioning Cyient as a leader in sustainability practices. Adhering to national commitments can enhance reputation, mitigate legal expenses, and cultivate growth opportunities amidst a constantly evolving regulatory environment. Additionally, ESG disclosures bolster credibility, appealing to conscientious investors and clients.

Technology Risk

Business Impact:

Adoption of low carbon technology into internal operations and processes may entail significant impacts, such as capital investments and research and development expenditures aimed at optimizing efficiency. Moreover, challenges may arise concerning the underutilization of assets due to shortages in skilled manpower. The advancement of technology to cater to conscientious consumers may result in several impacts. These include heightened susceptibility to technology failures and cyber threats during the transition to a low-carbon environment. Additionally, there may be potential climate vulnerability stemming from insufficient design practices, as well as financial implications due to project delays resulting from non-resilient climate practices. The transition to clean energy sources may present challenges related to assessing compatibility, particularly as existing technologies may not seamlessly integrate with emerging options such as hydrogen fuel cells.

Mitigation/Adaptation Actions:

Mitigation strategies for risks associated with transitioning to low carbon technology include shifting towards green energy sources to reduce carbon emissions, implementing robust data security measures to mitigate technology-related risks, devising an advanced budget plan for technology upgrades, establishing an in-house carbon pricing mechanism for financial planning, and transitioning operational processes to green energy sources to minimize carbon footprint.

Opportunities:

The opportunities arising from adopting low carbon technology, technology enablement for customers, and transitioning to green energy include the infusion of services with low-carbon technology for market distinction, client appeal, and innovation. This also opens avenues for collaboration on emerging low-carbon technology projects and meeting the increasing demand for environmentally conscious products and services, thereby strengthening our market presence and enriching client relationships. Furthermore, the shift to clean energy has the potential to reduce Cyient's costs, support our carbon neutrality objectives, and attract environmentally conscious clients.

Market Risk

Business Impact:

Investors, especially foreign institutions anticipate transparent sustainability disclosure, and the failure to fulfil these expectations or meet ESG commitments may pose a potential investment risk. Additionally, customer preferences have shifted towards companies that actively demonstrate climate commitments and employ strategies for sustainable, long-term value creation. The impact of climate-induced supply disruptions extends beyond operational challenges to encompass reputational risks and increased costs. Moreover, reliance on suppliers located in climate-risk regions introduces a further layer of operational vulnerability. Associations with high-emission suppliers also bring about the prospect of heightened costs, particularly in the context of emerging carbon taxes and evolving regulatory landscapes.

Mitigation/Adaptation Actions:

Mitigation measures for climate-related market risks encompass several strategies. Regular and transparent disclosure of ESG data, coupled with robust risk management strategies, can enhance stakeholder confidence, and mitigate potential impacts. Additionally, focusing on enhanced ESG performance and strategic acquisitions can position a company as a reputable and preferred partner for long-term collaborations. Collaborating with suppliers to procure sustainable materials and promoting their adoption of sustainable practices further strengthens the sustainability profile of the organization. Moreover, proactively diversifying the supply chain can pre-emptively offset potential disruptions, ensuring operational resilience and continuity in the face of climate-related challenges.

Opportunities:

Climate-related market risks present opportunities for proactive companies. The increasing preference of retail investors for companies with strong ESG performance not only enhances capital access but also reflects a growing market trend towards sustainable investments. Leveraging green financing incentives becomes a strategic avenue for securing project funds, aligning financial goals with environmentally conscious initiatives. Companies focusing on decarbonization can tap into new markets dedicated to climate change mitigation, fostering growth and market expansion. Establishing

sustainable supply chains not only offers cost benefits but also provides access to new partnerships and promotes innovation. Embracing green procurement practices contributes to reducing scope 3 emissions, aligning with broader sustainability objectives and enhancing the overall environmental footprint of the organization.

Reputation Risk

Business Impact:

Failing to meet sustainability targets carries the risk of damaging reputation, as stakeholders increasingly prioritize environmentally responsible practices. Neglecting sustainability initiatives not only impacts talent acquisition efforts but also undermines a company's competitiveness in a market where sustainability is a key differentiator. Furthermore, non-compliance with sustainability standards can have far-reaching consequences, affecting brand value, reputation, and ultimately, revenue generation.

Mitigation/Adaptation Actions:

To mitigate reputation risk, organizations can adopt comprehensive strategies such as robust ESG data management, dedicated sustainability teams, ESG training, transparency, and budget allocation for ESG initiatives. These measures promote responsible corporate practices, enhance stakeholder trust, and ensure resilience in the face of sustainability challenges.

Opportunities:

Proactively addressing reputation risks not only strengthens organizational resilience but also facilitates market differentiation, enhances credibility, fosters positive stakeholder perception, and ensures long-term competitiveness. By implementing robust strategies to safeguard reputation, companies demonstrate their commitment to responsible business practices, thereby enhancing trust and loyalty among stakeholders while positioning themselves as industry leaders.

5.4.2 Scenario Mapping

Risk mapping is implemented for transition risks under the IEA Announced Pledges Scenario (IEA APS) and Divergent Net Zero (DNZ) scenarios.

Announced Pledges Scenario (APS) is a scenario which assumes that all climate commitments made by governments and industries around the world by the end of August 2023, including Nationally Determined Contributions (NDCs) and longer-term net zero targets, as well as targets for access to electricity and clean cooking, will be met in full and on time. Whereas Divergent Net Zero (DNZ) is a scenario which reaches net zero around 2050 but with higher costs due to divergent policies introduced across sectors leading to a quicker phase out of oil use.

Rating	Description
Very high	High likelihood of risk event occurring
High	Risk event is likely to occur
Medium	Some likelihood of risk event occurring
Low	Risk of event could occur
Very low	Risk event is extremely unlikely to occur

Likelihood Criteria

Impact Criteria

Rating	Description
Catastrophic	Loss of ability to sustain ongoing operations
Major	Significant impact on the ability to achieve corporate strategies and business objectives
Moderate	Moderate impact on the ability to achieve corporate strategies and business objectives
Minor	Disruption to operations with a limited impact on the ability to achieve corporate strategies and business objectives
Insignificant	No material impact on the ability to achieve corporate strategies and business objectives

The dynamic demand risk from financial institutions and investors is projected to exhibit a medium likelihood and minor impact by 2030, gradually intensifying to a very high likelihood and major impact by 2050 under the DNZ scenario. Conversely, under the APS scenario, the risk demonstrates a low likelihood and insignificant impact by 2030, escalating to a higher likelihood and moderate impact by 2050. Regarding market risk for sustainable supply chains, there is an anticipated medium likelihood and moderate impact by 2030, elevating to a high likelihood and major impact by 2050 under the DNZ scenario. Under APS, this risk reflects a low likelihood and minor impact by 2030, evolving to a medium

likelihood and moderate impact by 2050. Shifting customer preferences in the transition to a lowcarbon future are projected to progress from high likelihood with moderate impact in 2030 to very high likelihood with major impact by 2050 under the DNZ scenario. Conversely, under the APS scenario, these risks start with a low likelihood and minor impact in 2030, increasing to medium likelihood with moderate implications by 2050.

In the DNZ scenario, the adoption of low carbon technology is expected to exhibit a medium likelihood and moderate impact by 2030, escalating to a high likelihood and a major impact by 2050. Conversely, under APS, this risk presents a low likelihood and minor impact until 2030, transitioning to a medium likelihood and moderate impact by 2050. Similarly, technology enablement for conscious consumers is anticipated to have a medium likelihood and minor impact by 2030, and a high likelihood and moderate impact by 2050 under DNZ. In contrast, under the APS scenario, this risk is projected to have a low likelihood and insignificant impact until 2030, shifting to medium likelihood and minor impact by 2050. The transition to clean sources of energy is expected to escalate from a high to very high likelihood and moderate to major impact by 2030 and 2050 respectively under the DNZ scenario. Meanwhile, under APS, it begins with a medium likelihood and minor impact by 2030, increasing to a high likelihood and moderate impact by 2050.

In the DNZ scenarios, carbon market risks are anticipated to exhibit a high to very high likelihood with a catastrophic impact by 2030 and 2050. Conversely, under APS scenarios, the likelihood is expected to rise from medium to high with major and catastrophic impact by 2030 and 2050. Enhanced emission reporting obligations are anticipated to have a high likelihood and moderate impact in 2030, escalating to a very high likelihood and major impact by 2050 for both scenarios. Under the DNZ scenario, the risk of exposure to litigation is forecasted to be high with a moderate impact by 2030, escalating to a very high likelihood with major repercussions by 2050. In contrast, under the APS, this risk starts with a medium likelihood and a minor impact by 2030, but by 2050, it amplifies to a high likelihood with a moderate impact.

Under the DNZ scenario, reputational risks associated with brand value and customer loyalty are expected to have a high to very high likelihood from 2030 to 2050. Similarly, under the APS scenario, the likelihood is projected to range from medium to high during the same period. The impact of these risks, starting at moderate under the DNZ scenario and minor under the APS scenario in 2030, is anticipated to evolve to major and moderate by 2050 under the DNZ and APS scenarios, respectively.

6. Metrics and Targets

Well-articulated goals and targets that form part of our sustainability framework serve as important milestones for us to assess the progress and impact of our actions. With timebound and measurable goals set for each pillar of our framework, we ensure that our progress is effectively paced, enabling us to monitor and adjust our efforts accordingly.

Here are the climate related short-term objectives we aim to accomplish by 2030:



*The baseline scope 1, 2, and 3 emissions for India operations were 2163 tCO₂e, 9451 tCO₂e, and 4264 tCO₂e respectively

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