

# **The Taskforce on Nature-related Financial Disclosures Report**

**FY 2023–24**





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## About LTIMindtree

LTIMindtree, a company of the Larsen & Toubro Group, is a global IT services and consulting company that provides customized software, IT, and business solutions to many of the world's largest businesses. The company has 81,650 skilled employees spread across 38 countries in the world.

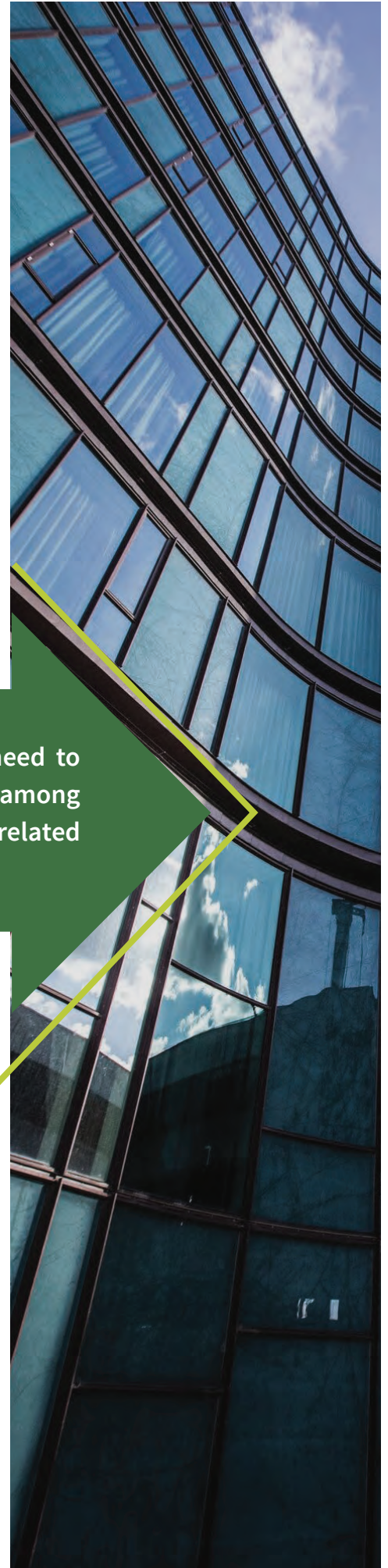
Our commitment to sustainability is evident across various dimensions of Environmental, Social, and Governance (ESG), with a focus on reducing our carbon footprint and dependence on natural resources, especially water, and minimizing waste.

We ensure adherence to ethics and human rights through our Code of Conduct and human rights policy, which apply to all stakeholders. Our community initiatives drive positive societal change. We employ a multi-framework sustainability approach to track and monitor our progress continuously. This sustainability approach, along with accountable governance and transparent disclosures, has earned us significant recognition. We have been ranked in the global leadership league by the Carbon Disclosure Project (CDP) for the fourth consecutive year and featured in The Financial Times' "Climate Leaders Asia-Pacific" for the third year in a row.

With a forward-thinking approach and the need to stay ahead of the curve, we take pride in being among the early adopters of the Taskforce on Nature-related Financial Disclosures.



LTIMindtree is the only Indian company to be listed as Early Adopter from among handful of global organizations in 2024.



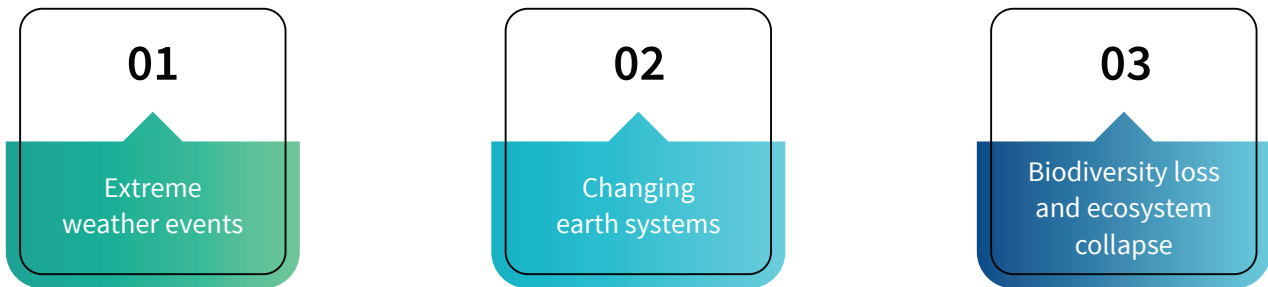


# About the TNFD

The accelerating loss of nature and biodiversity is a global crisis. Our planet’s ecosystems are under unprecedented pressure, with a significant impact on wildlife, habitats, and the human societies that depend on them. This crisis, often referred to as ‘Nature loss’ is driven by a range of factors, including habitat destruction, pollution, climate change, and overexploitation of natural resources.

Nature loss poses substantial risks to businesses and financial institutions. It can lead to supply chain disruptions, regulatory changes, reputational damage, and shifts in market demand, among other impacts. Therefore, understanding and addressing nature-related risks is crucial for long-term sustainability and resilience.

According to the World Economic Forum<sup>1</sup>, the top three risks for the coming decade are:



Furthermore, among the top ten identified risks over the next ten years, half are associated with environmental issues, particularly those related to climate change and biodiversity loss. All living entities, ranging from businesses to societies, rely on the services provided by nature. However, the rapid deterioration of the environment is obstructing the availability of these services. It is imperative for businesses and society to not only combat climate change but also to protect and restore vital ecosystems. This approach would also be advantageous for businesses as it would result in risk mitigation.

## Global risk ranked by severity

### 2 years

1 <sup>st</sup>	Misinformation and disinformation
2 <sup>nd</sup>	Extreme weather events
3 <sup>rd</sup>	Societal polarization
4 <sup>th</sup>	Cyber insecurity
5 <sup>th</sup>	Interstate armed conflict
6 <sup>th</sup>	Lack of economic opportunity
7 <sup>th</sup>	Inflation
8 <sup>th</sup>	Involuntary migration
9 <sup>th</sup>	Economic downturn
10 <sup>th</sup>	Pollution

### 10 years

1 <sup>st</sup>	Extreme weather events
2 <sup>nd</sup>	Critical change to earth systems
3 <sup>rd</sup>	Biodiversity loss and ecosystem collapse
4 <sup>th</sup>	Natural resource shortages
5 <sup>th</sup>	Misinformation and disinformation
6 <sup>th</sup>	Adverse outcomes of AI technologies
7 <sup>th</sup>	Involuntary migration
8 <sup>th</sup>	Cyber insecurity
9 <sup>th</sup>	Societal polarization
10 <sup>th</sup>	Pollution

### Risk Categories

- Economic
- Environmental
- Geopolitical
- Societal
- Technological

Source: World Economic Forum Global Risks Perception Survey 2023-2024

<sup>1</sup>[https://www3.weforum.org/docs/WEF\\_The\\_Global\\_Risks\\_Report\\_2024.pdf](https://www3.weforum.org/docs/WEF_The_Global_Risks_Report_2024.pdf)



## The TNFD framework enables businesses to:



Provide an understanding of nature-related issues through assessment and various tools to measure the significant impact on the ecosystem.



Identify risks, impacts, and opportunities that can be leveraged and managed.



Drive more sustainable decision-making and contribute to the broader goal of halting and reversing nature's loss.

### Global commitment to nature-related disclosures

320 organizations from 46 countries with US\$14 trillion in Assets Under Management (AUM) and US\$4 trillion in market capitalization.

**LTIMindtree is the only Indian company to be an Early Adopter cohort.**







## About the Report

This is LTIMindtree's first exclusive TNFD Report, designed to communicate how nature-related Dependencies, Impacts, Risks, and Opportunities (DIOR) are identified and managed transparently and accountably at our operations with various stakeholders.

We have also incorporated relevant TNFD-related disclosures into our Sustainability Report in a brief and precise manner, including nature-related challenges, risks, and opportunities. Our Sustainability Report can be read in detail here: <https://www.ltimindtree.com/sustainability-report.pdf>

We are aware of the growing prominence of aligning climate and nature disclosures with other business and sustainability disclosures. This TNFD report presents the next step in that journey—using the TNFD framework to provide additional context to our Sustainability Report disclosures.

We framed the responses in the report using the final recommendations from TNFD released in September 2023. The tools and assessments aim to identify various nature-related issues. Notably, a few of these disclosures include commitments for future action. LTIMindtree is committed to enhancing its processes for ongoing improvement.

We have grouped the report into four areas of disclosure that represent the core elements of how we operate, offering insights on Governance, Strategy, Risks, Impacts, and Opportunities Management. The report highlights our performance through environmental-related Metrics and Targets from the financial reporting period, i.e., April 1, 2023, to March 31, 2024.

Through the TNFD report, we reinforce our commitment to environmental stewardship and aim to be the harbingers of positive change, bring more awareness on nature-related issues and shape the future of technology and business.



# CSO Statement



I am excited to share our first Taskforce on Nature-related Financial Disclosures (TNFD) report. This milestone reflects our proactive approach to managing crucial nature-related risks. By providing a clear view of these risks and opportunities, we offer our stakeholders valuable insights into the environmental dimensions and their impact on our business operations.

The TNFD framework equips us with the tools to assess the resilience of our organizational strategy. By identifying and analyzing nature-related risks, we can make timely and informed decisions that enhance our operational effectiveness in the short, medium, and long term.

While TNFD recommendations are currently voluntary, we recognize the growing trend across nations, investor groups, and business partners to adopt these guidelines as mandatory. As nature-related issues become increasingly significant in mainstream reporting, early adoption of TNFD standards highlights our commitment to forward-thinking practices.

Embracing these standards not only demonstrates our readiness for future regulations but also enhances our ability to understand and address nature-related risks. Notably, we are the sole Indian company and one of the few global companies to be an Early Adopter of the TNFD. This proactive stance underscores our commitment to sustainability and responsible business practices, ensuring that we remain resilient and competitive in a rapidly changing environmental landscape.

**I look forward to your feedback and continued support in helping LTIMindtree reach its goals and continue to set benchmarks in corporate sustainability reporting.**

**Paneesh Rao**  
Chief Sustainability Officer







# General Requirements

## Scope of Our Aligned Disclosures

The disclosures aim to address all the fundamental recommendations of TNFD outlining our strategy to manage risks and opportunities related to nature, especially those that pertain to our assets and direct operations.



## Location Specificity of Nature-related DIOR

The report primarily concentrates on our operations in India, as it is the site of our most substantial employee base and environmental impacts. The location specificity of nature-related DIOR is outlined as follows:



## Stakeholder Engagement

Engaging stakeholders meaningfully is a cornerstone of our business operations. We highlight our significant accomplishments in publicly accessible reports and on our corporate website. Our interactions with stakeholders occur through various channels, including town halls, surveys, social media, mailers, newsletters, proactive consultations, collaborations, and open feedback mechanisms. However, additional efforts are needed to specifically involve stakeholders in evaluating and responding to Dependencies, Impacts, Risks, and Opportunities related to nature.



## Approach to Materiality

At the core of our sustainability commitment is a rigorous process to identify material issues. Aligned with our mission to balance societal impact with operational excellence, we prioritize input from all stakeholders in our decision-making.

Our systematic approach to materiality assessment adheres to globally recognized standards such as the GRI Universal Standards 2021. Our management approach outlines how we effectively manage the Economic, Environmental, and Social (EES) implications of our key material concerns.

Material topics are prioritized based on feedback from critical stakeholders, both internal and external, and through internal deliberations conducted during management meetings. Significant material topics are thoroughly reviewed at the Board level by dedicated committees. Our Enterprise Risk Management (ERM) team evaluates our management strategies using risk assessments, audits, and performance reviews, with outcomes reported to the Audit Committee at the Board level for approval.

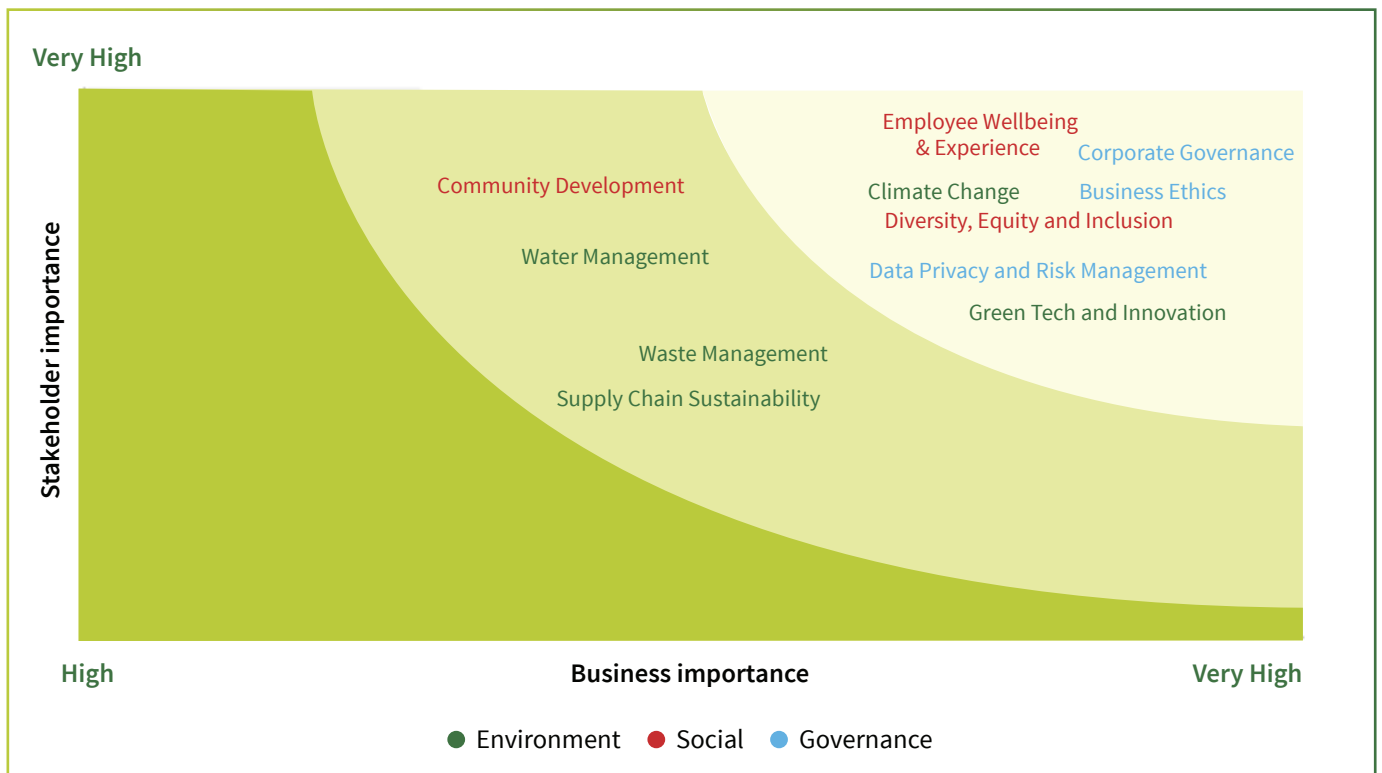
Key Performance Indicators (KPIs) are closely aligned with functional heads, departments, and processes, supporting our strategic planning efforts and long-term incentive programs. Our ESG performance is regularly reviewed by customers through various indices and rating bodies like CDP. Additionally, independent third-party audits assess our performance against established norms and benchmarks.

Internally, we scrutinize leadership changes, strategic initiatives, and intricacies of our business model. Externally, we analyze economic trends, environmental challenges, and evolving stakeholder needs. By integrating internal insights with external benchmarks, we effectively address current concerns and anticipate future trends.

A pivotal aspect of our materiality assessment is the proactive identification and evaluation of emerging ESG risks. We recognize the dynamic nature of material issues and integrate multiple factors into our assessment framework. These include evaluating the direct economic impacts of our business model, alignment with organizational values, benchmarking against industry standards, addressing stakeholder concerns, and navigating emerging societal challenges.

We conduct Materiality Assessment once in 2 years and the results are approved by our Board of Directors and Executive Management.

## LTIMindtree's ESG Materiality Matrix



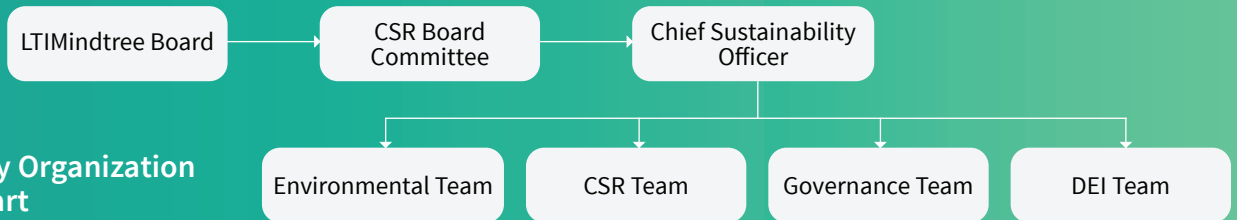


# Governance

## Board-level Oversight

At LTIMindtree, the Board of Directors, chaired by our Chairman hold the highest authority for strategic direction and decision-making. The Board ensures governance through various committees comprising Executive, Non-Executive, and Independent Directors.

Sustainability Organization oversight chart



## The following are the Committees set up by the Board:



Each of these committees meet at regular intervals to review the relevant focus areas and take into account the feedback and concerns of our stakeholders. The Chairperson of each of these committees is an Independent Director who reports to the Board on the relevant focus areas.

The Corporate Social Responsibility Committee (CSRC) reviews and monitors the company's CSR and sustainability agenda, including biodiversity and climate-related issues, which plays a crucial role in aligning the organization's initiatives with its environmental goals and commitments.

The Risk Management Committee (RMC) reviews and monitors external and internal risks, disruptive trends, including ESG risks, climate-related risks, social risks, and disclosures including nature-related ones. It also explores emerging risks in alignment with the organization's future vision.

## Management Oversight



**Our Chief Sustainability Officer (CSO)** leads ESG and CSR initiatives at the executive level. The ESG and CSR teams are comprised of experienced professionals led by the CSO and are responsible for the identification and implementation of various initiatives under the board-approved ESG Vision and CSR policy. The CSO keeps the Board constituted CSR Committee, CEO and MD, executive leadership team, and other stakeholders informed of the initiatives, progress, and outcomes.

The ERM and ESG teams play a crucial role in identifying the key issues and tracking their progress by assigning risk owners. The risks are monitored and reported quarterly, four times a year to the Risk Management Committee.



The ESG team works under the guidance and supervision of the CSO. They actively engage in various cross-functional activities and collaborate with different departments to evaluate the current status and advancement across the ESG pillars. The primary responsibility includes monitoring progress and reporting it to stakeholders, including investors and regulatory bodies.



The CSR team provides guidance to locational CSR team members to ensure that all CSR programs are aligned with the company's CSR and recommends the programs to be undertaken during the fiscal year. The CSR team implements various engagement activities for local communities in the domains of education, empowerment, environment, health & nutrition.

As a conscious organization, LTIMindtree has initiated several key programs such as the watershed program, mangrove conservation, and biodiversity conservation and has stepped forward to preserve and protect precious natural resources.

The Enterprise Risk Management (ERM) team identifies and evaluates climate and nature-related risks through a systematic internal assessment process. The CSR and ESG teams highlight their respective departmental risks, such as extreme weather events due to biodiversity loss or climate change, and relay these to the ERM team for inclusion in the risk register. The Chief Risk Officer submits these findings to the Board, ensuring comprehensive risk identification and mitigation strategies.



Human rights policies and engagement activities are held and positioned to respect and support internally recognized human rights principles such as the UN Guiding Principles for Businesses and Human Rights. While the Board is accountable for oversight of the overall governance process, including ESG and CSR, the Executive Management is responsible for implementing the policies and procedures to imbibe a culture of good governance in the organization.

All our employees undergo mandatory training annually, on various topics including Sustainability, EHS, Diversity, Human Rights, Anti Corruption, workplace harassment, non-discrimination etc.

LTIMindtree is an annual business participant of UNGC and provides an update on its progress through a Communication on Progress submission that includes initiatives related to environment/nature conservation/climate change.

We pledge our commitment to avoid any violations and fulfill our responsibilities to the local governments, communities, suppliers, and other relevant stakeholders. We have no negative social impact on our local communities, and we have an internal practice to procure goods and services from marginalized/vulnerable groups with a focus on women owned enterprises. These have been analysed in DIOR and are also detailed in 'Actions that Nurture – Our Community Initiatives' section of our Sustainability Report and Principle 8 of Business Responsibility and Sustainability Report FY 2023-24.



# Strategy

Our responses to the TNFD disclosures represent our commitment to identifying nature-related issues and designing a strategy to tackle them. The initial assessments aim to identify various nature-related issues. Notably, many of these disclosures include commitments for future action. LTIMindtree is committed to enhancing its processes for ongoing improvement.



We have assessed all our campuses in India using the LEAP [Locate, Evaluate, Assess, Prepare] approach, which is voluntary and recommended by the TNFD, to identify the 'nature-related issues' consisting of four aspects of DIOR. Three distinct assessments were conducted to comprehensively analyze nature-related issues and forecast potential challenges. We have referred to tools as recommended by the TNFD, like the World Wildlife Fund's Biodiversity Risk Filter (WWF-BRF) and the World Resource Institute – Aqueduct Water Atlas . In addition, we have also used secondary data and information that include the laws and regulations around forests and protected habitats in the country, and wetlands identified and assessed by the Ministry of Environment, Forest and Climate Change, Government of India.

This report adheres to the TNFD guidance document and states the impact drivers, opportunities, and risks associated with our operations, which were identified using the methods stated above.



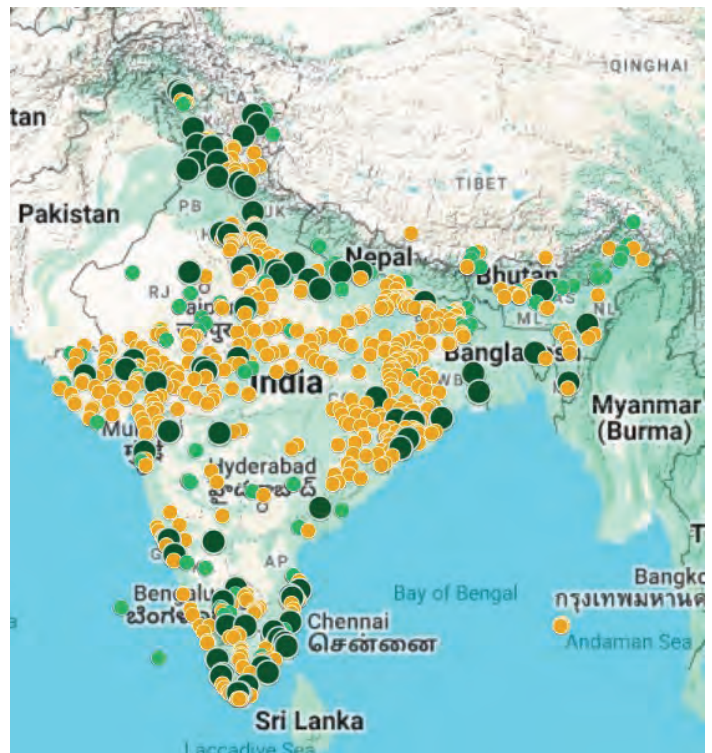
## Biodiverse Area Assessment

The biodiverse area assessment was conducted by locating and identifying important wetland areas and Ramsar sites. The rationale for selecting wetlands and Ramsar sites for biodiversity assessment is that wetlands are rich reservoirs of biodiversity, essential for the well-being of both humanity and nature. About 40% of the world's plant and animal species depend on wetlands. Wetlands are home to many threatened amphibians and reptiles, host migratory and resident water birds, and nurture thousands of plant species.

To conduct the biodiverse area assessment, the wetlands of India Portal by MOEFCC was used. The tool has been designed and developed by the Ministry of Environment, Forest and Climate Change (MOEFCC), a nodal ministry under the Government of India. It is an interactive tool to locate important biodiverse areas, mainly Ramsar sites and wetlands.

The purpose of conducting this assessment is to help us at LTIMindtree understand our proximity to any wetlands or Ramsar sites. Understanding biodiversity can assist an organization in identifying priority locations based on biodiversity richness. Depending on priority location, different initiatives like conservation and restoration of species can be implemented by the organization (if needed).

Moreover, we ensure that all our campuses are built in government-approved industrial areas and comply with all the environmental regulations.





## Water Risk Assessment

Water risk assessment has emerged as a critical practice for businesses in response to escalating challenges related to water scarcity, compromised water quality, and inadequate water governance. At LTIMindtree, we are highly dependent on water as a natural resource due to our large employee base of over 81,000+ people. Water risk assessment was performed using the World Resource Institute's – Aqueduct Water Risk Atlas tool. Four different parameters were taken into consideration for the assessment:



*The below infographics are the result of the assessment*

### Baseline water stress

**78.33%**

of LTIMindtree offices are located in areas that are extremely prone to water stress.

**8.33%**

of LTIMindtree offices are located in areas that are Highly prone to water stress.

**13.33%**

of LTIMindtree offices are located in areas that have Low to Medium-low risk for water stress.

### Inter-annual variability

**23.3%**

of LTIMindtree offices are located in areas that are Medium-high prone to Inter-annual variability.

**61.7%**

of LTIMindtree offices are located in areas that are Low-medium prone to Inter-annual variability.

**15.0%**

of LTIMindtree are located in areas that are Low prone to Inter-annual variability.

### Flood risk

**28.3%**

of LTIMindtree offices are located in areas that are Extremely prone to flood risk.

**31.7%**

of LTIMindtree offices are located in areas that are Highly prone to flood risk.

**5.0%**

of LTIMindtree offices are located in areas that are Medium-high prone to flood risk.

**35%**

of offices are located in areas that are Low or Low-medium prone to flood risk.

### Drought risk

**61.7%**

of LTIMindtree offices are located in areas that are Highly prone to drought risk.

**38.3%**

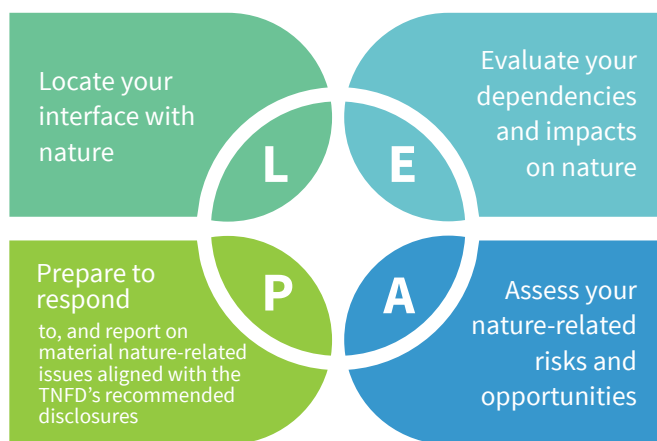
of LTIMindtree offices are located in areas that are Medium-high prone to drought risk.

## LEAP Assessment

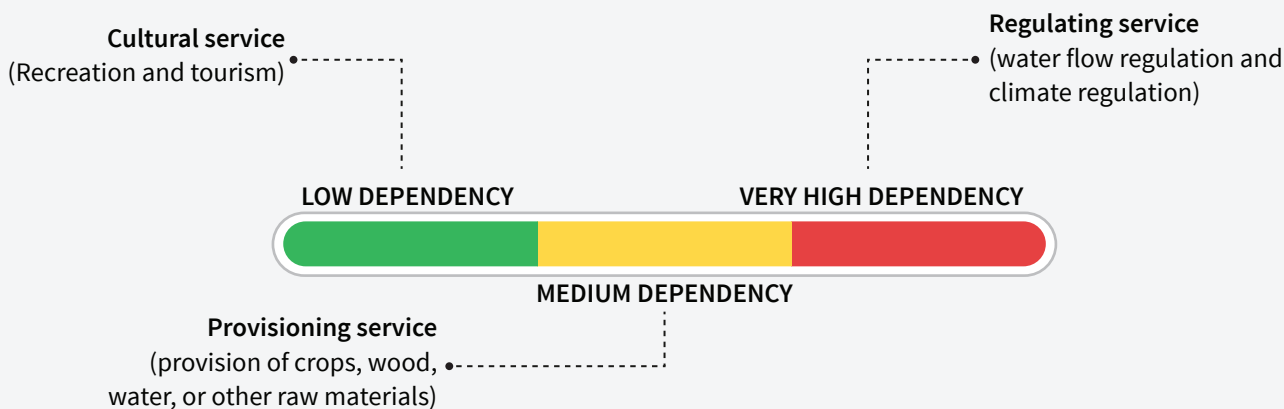
We have used the TNFD-recommended voluntary LEAP assessment to disclose nature-related dependencies.

**LEAP** assessment helps an organization to identify **DIOR**, collectively known as "nature-related issues".

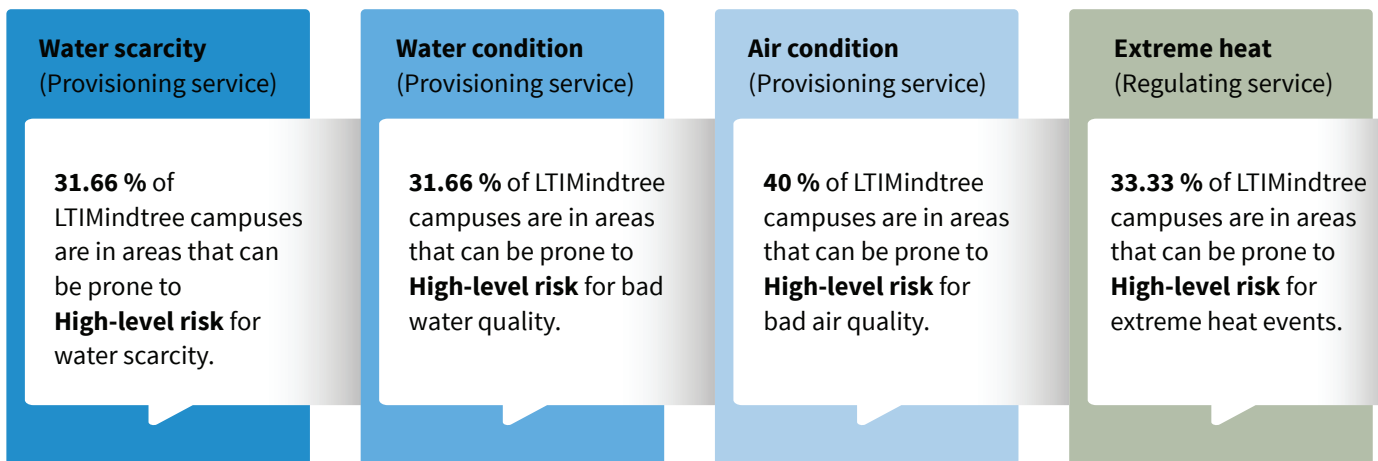
The DIOR findings of all the assessments were collated and viewed in a holistic manner to understand how nature-related issues impact the business operation of LTIMindtree.



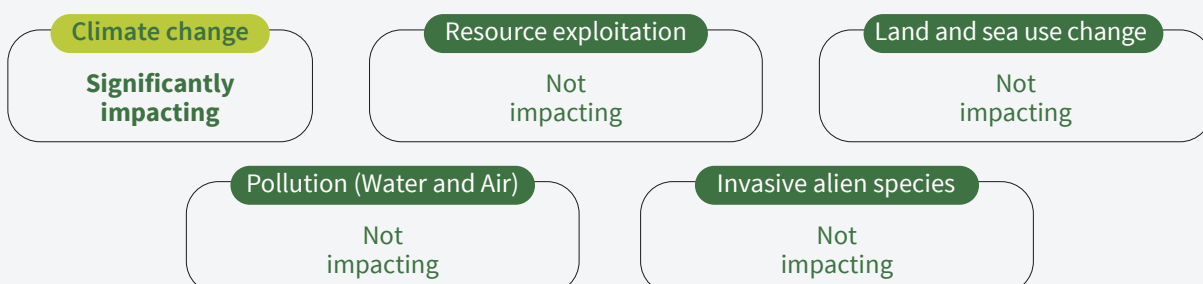
## LTIMindtree's dependency on ecosystem services



## Highlights of LEAP assessment for dependencies on ecosystem services



## Impact drivers of LTIMindtree:





Below is a glimpse of our assessment using the WWF-BRF tool:

1 <=<math>x</math>=> 1.8 - Very Low risk  
 1.8 <=<math>x</math>=> 2.6 - Low risk  
 2.6 <=<math>x</math>=> 3.4 - Medium risk  
 3.4 <=<math>x</math>=> 4.2 - High risk  
 4.2 <=<math>x</math>=> 5 - Very High risk

### Location-wise dependencies with rating

Unique locations	Provisioning services	Water scarcity	Regulating & Supporting services	Water condition	Air Condition
📍 Bengaluru	●	●	●	●	●
📍 Mysore	●	●	●	●	●
📍 Bhubaneswar	●	●	●	●	●
📍 Chennai	●	●	●	●	●
📍 Coimbatore	●	●	●	●	●
📍 Warangal	●	●	●	●	●
📍 Hyderabad	●	●	●	●	●
📍 Mumbai	●	●	●	●	●
📍 Pune	●	●	●	●	●
📍 Nagpur	●	●	●	●	●
📍 Kochi	●	●	●	●	●
📍 Kolkata	●	●	●	●	●
📍 Delhi	●	●	●	●	●
📍 Noida	●	●	●	●	●

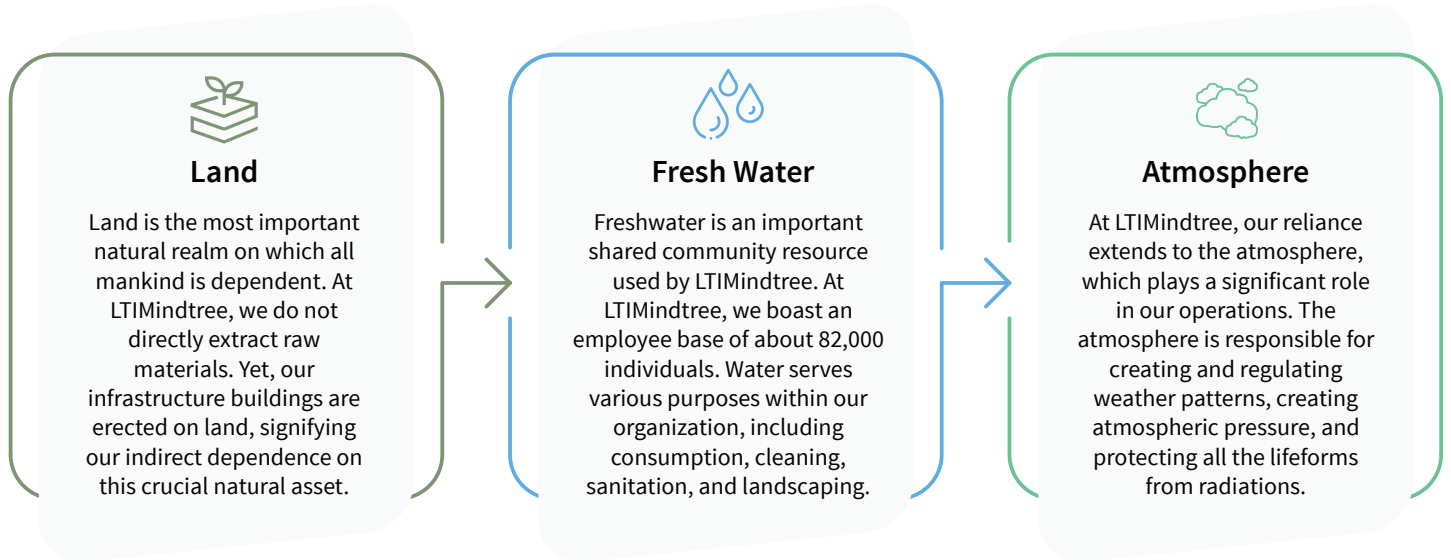
Continuation of above Table: Location-wise dependencies with rating

Unique locations	Regulating Services-Mitigating	Landslides	Fire Hazard	Extreme Heat	Cyclones
📍 Bengaluru	●	●	●	●	●
📍 Mysore	●	●	●	●	●
📍 Bhubaneswar	●	●	●	●	●
📍 Chennai	●	●	●	●	●
📍 Coimbatore	●	●	●	●	●
📍 Warangal	●	●	●	●	●
📍 Hyderabad	●	●	●	●	●
📍 Mumbai	●	●	●	●	●
📍 Pune	●	●	●	●	●
📍 Nagpur	●	●	●	●	●
📍 Kochi	●	●	●	●	●
📍 Kolkata	●	●	●	●	●
📍 Delhi	●	●	●	●	●
📍 Noida	●	●	●	●	●

## Nature-related Dependencies

Dependencies are those aspects of environmental assets and ecosystem services that an organization relies on to function. Dependencies include the ecosystem's ability to regulate the water and carbon cycle and protect against natural hazards like floods, forest fires, etc., and analyzing and measuring the degree to which a business operation is dependent on ecosystem services is beneficial to the organization. Potential changes in natural capital or ecosystem services may affect the operation cost of conducting business. LTIMindtree, as an IT & Software company, is **not dependent on nature for raw materials** but only for **ecosystem services** like water availability, clean water, a clean atmosphere, and protection against hazards like floods, wildfires, etc., provided by natural capital.

### Dependency on materials, natural realm and ecosystem services



### Dependency on ecosystem services

**Provisioning service:** Provisioning services are the products that are obtained from ecosystems for basic human needs. It encompasses products derived from the wetland, including forest products, fisheries, animals for food, fur, products, crops, and clean water. At LTIMindtree, the provision of clean water is crucial for sustaining our large employee base.



**Water scarcity:** Water scarcity poses a significant risk to LTIMindtree due to its current high-water consumption, which stands at 333,724 kl, and is projected to increase by 40% by FY 2030. Despite its relatively low dependency on groundwater and surface water, accounting for only 3.2% of total water withdrawal directly, the company faces challenges associated with water scarcity and deteriorating water quality. The growing population exacerbates these issues, leading to increased competition for limited water resources and a greater strain on groundwater and surface water sources. In a business-as-usual (BAU) scenario, LTIMindtree would likely face heightened dependency on these sources due to decreased availability from third-party suppliers. To mitigate these risks and contribute to environmental conservation, LTIMindtree must implement sustainable water management practices.



**Regulating services-supporting:** The environment offers a multitude of support functions often referred to as ecosystem services. These services are essential for the functioning of ecosystems. A high risk score indicates a decline in these services, which can result in increased operational costs for businesses. Some organizations that depend heavily on natural resources are on the riskier side, but LTIMindtree, an IT Services company, depends on ecosystem services like water conditions and clean air.



**Water quality:** Changes in other regulating and maintenance ecosystem services can pose risks to LTIMindtree due to their interconnectedness with water resources and overall ecosystem health. For instance, alterations in ecosystem regulation, such as deforestation or land degradation, can disrupt the natural water cycle, leading to reduced water availability or increased instances of water pollution.



**Air quality:** Ecosystems help regulate air quality by absorbing pollutants, producing oxygen, and influencing atmospheric composition through processes like carbon sequestration and the release of volatile organic compounds. Forests, grasslands, and mangroves are examples of ecosystems that contribute to air quality regulation. Air condition signifies that air is not fit for human utilization and ecosystems. This measure is primarily determined by the concentration of PM2.5 particles. All our operations in India may be subject to health risks resulting from poor air quality, given that India's major urban areas are particularly vulnerable to it.

**Regulating services-mitigating:** It is the capacity of an ecosystem to prevent/minimize damage from extreme natural events like floods, wildfires, disease outbreaks, or climate change. Regulating services – Mitigating provides a shield against natural calamities. A high-risk score indicates that an ecosystem is fragile and cannot provide protection, and if any natural hazards occur, they can disrupt projects, operations, or entire value chains.



Healthy ecosystems can act as natural barriers against natural disasters such as floods, landslides, and storms. Degradation of these ecosystems increases the vulnerability of LTIMindtree's facilities and assets to such events, leading to potential damage, disruptions, and increased costs for recovery and repair. Changes in ecosystem health and biodiversity can affect climate regulation processes by sequestering carbon dioxide and regulating local temperatures, potentially leading to more extreme weather events that may disrupt LTIMindtree's operations and infrastructure.

**Fire hazard:** This indicator assesses the potential threat of wildfires due to fire weather intensity. Wildfires impose significant risks to human lives, infrastructure, and economic activities. In extreme fire weather events, strong winds and wind-born debris may even weaken the integrity of infrastructure.



**Extreme heat:** Extreme heat has an obvious impact on human health, economic activities, industries, and the environment. With climate change, the frequency and intensity of abnormal weather and extreme temperature patterns have dramatically increased, and the shift to warmer temperatures, driven by climate change, will only exacerbate this phenomenon.

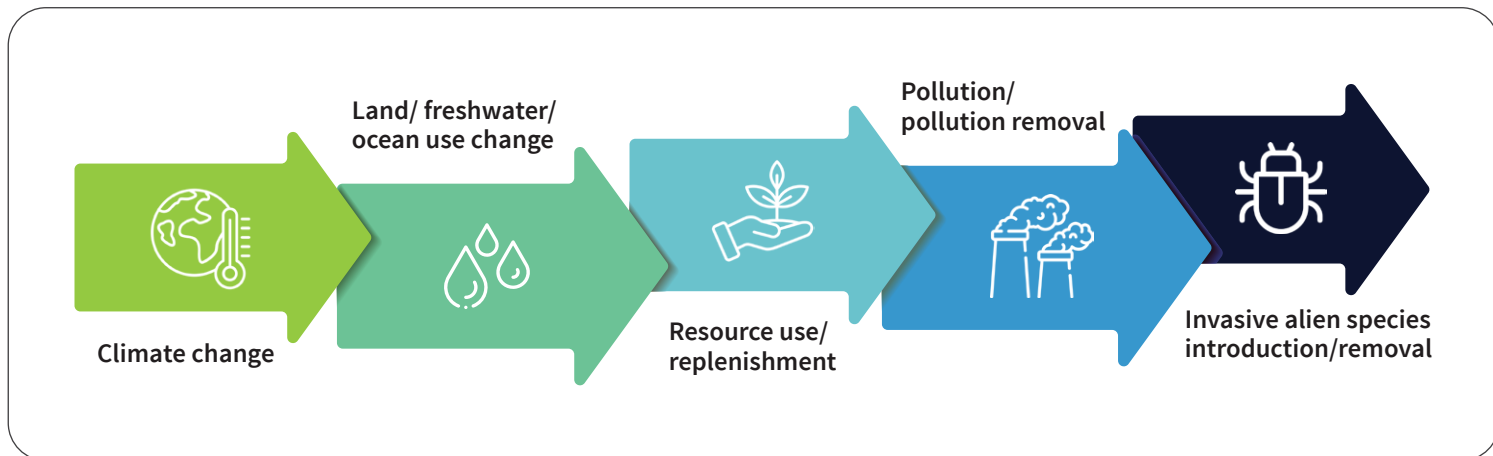


**Tropical cyclones:** Storms or cyclones can impact companies and value chains in a variety of ways, including building and property damage, flooding, or power outages, which may lead to temporary or permanent company closures and loss of revenue.

## Nature-related Impacts

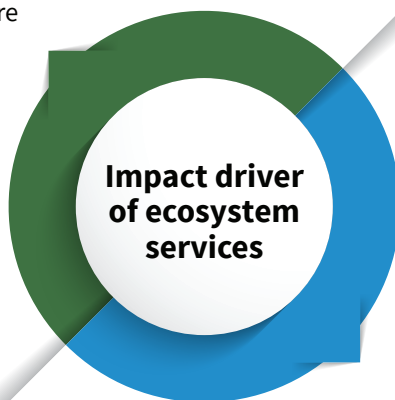
Impacts refer to a change in the state of nature (quality or quantity), that may result in changes to its capacity to provide social and economic functions. In other words, they are the ways in which businesses affect natural capital and ecosystem services, either directly or indirectly, through their operations. Impacts can be direct, indirect, or cumulative.

There are five impact drivers identified by the TNFD, which can reduce the quality or quantity of natural capital and eventually affect the ecosystem services.



### Climate Change

TNFD considers climate change as an important impact driver. Climate change can alter ecosystems – marine, terrestrial, freshwater, etc., as well as the impact on the biological diversity of plants and animals. The melting of glaciers is changing the water profile of oceans and seas, thus altering the behaviors and metabolism of aquatic animals and plants. On land, higher temperatures have forced animals and birds to move at high elevations or altitudes, thus moving them away from the equator to the poles. The quest to limit the global average temperatures below 1.5 degrees Celsius is crucial because the increase in temperature can increase the risk of more species extinctions. According to the United Nations: 41% of mammals will lose their habitat if the global average temperature crosses +3 degrees Celsius.



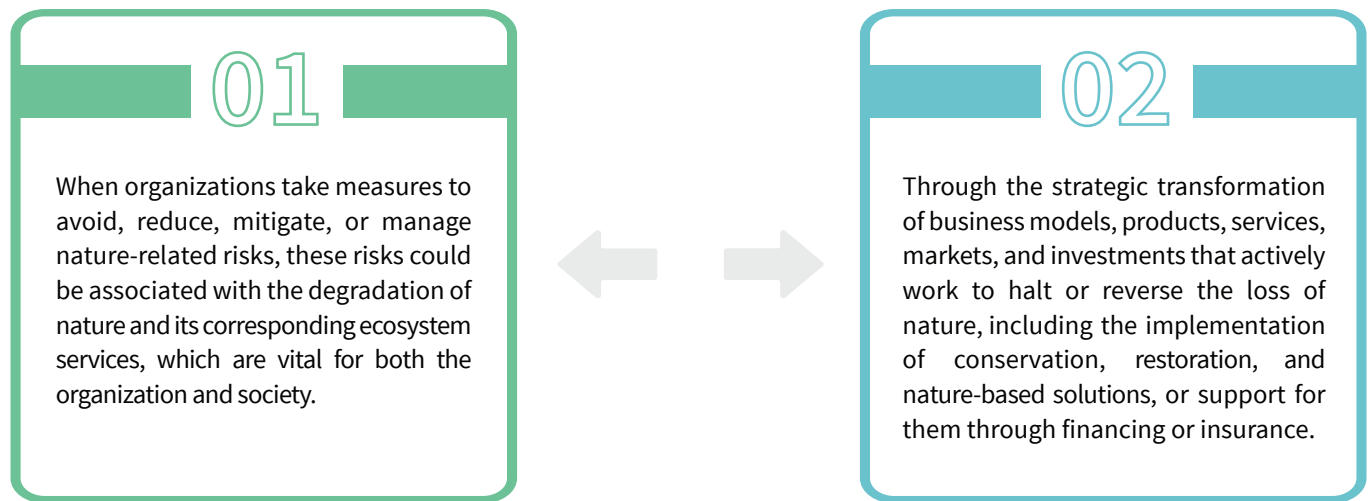
### Fresh Water

Water is indispensable to LTIMindtree's operations, particularly for consumption purposes. Interestingly, the majority of our operations are based in regions grappling with water scarcity. This makes the management of water resources a critical aspect of our operations. Furthermore, the quality of water is of paramount importance for our operations. Therefore, water is not just a resource for us; it is a vital component that influences our operational efficiency and environmental impact.



## Nature-related Opportunities

Nature-related opportunities are actions that yield beneficial results for both organizations and the natural environment by either enhancing positive effects or reducing negative impacts on nature. Nature-related opportunities can occur:



The tables below provides a glimpse of the four identified opportunities of LTIMindtree:

**Opportunity–Direct restoration**

**Opportunities category**

Ecosystem protection, restoration, and regeneration.

**Nature-related opportunities**

Direct restoration, conservation, or protection of ecosystems or habitats.

**Relevance to LTIMindtree**

- Realm:** Land and freshwater
- Organizational level:** Location-specific
- Location:** India
- Purpose of opportunity:** Risk reduction
- Exposure metrics:** Reducing the impact of degraded ecosystem
- Magnitude metrics:** Conserving key biodiversity hotspots

LTIMindtree can actively engage in restoring and protecting ecosystems within its operational areas. This includes reforestation, wetland restoration, and habitat preservation.

By restoring ecosystems, LTIMindtree contributes to biodiversity conservation, carbon sequestration, and overall ecosystem health. It enhances resilience against climate change impacts.

LTIMindtree can actively conserve and protect critical habitats, such as forests, wetlands, and freshwater ecosystems which ensures the survival of unique species, maintains ecosystem balance, and supports sustainable development.

*Please refer to the Biodiversity and CSR sections of our Sustainability Report for more details.*

## Opportunity–Indirect restoration



### Opportunities category

Ecosystem protection, restoration, and regeneration.



### Nature-related opportunities

Indirect restoration, conservation, or protection of ecosystems or habitats.

### Relevance to LTIMindtree

- Realm:** Land and freshwater
- Organizational level:** Location-specific
- Location:** India
- Purpose of opportunity:** Strategic transformation
- Exposure metrics:** Reducing impact drivers
- Magnitude metrics:** Indirect protection of the ecosystem

At LTIMindtree, we actively seize opportunities for ecosystem protection, restoration, and regeneration. Through a series of initiatives and steps, we are committed to minimizing our environmental impact across all our facilities. Our efforts extend to safeguarding land, freshwater, and atmospheric habitats, which not only benefits nature but also aligns with our commitment to sustainability.

*Please refer to the Circular Economy section of our Sustainability Report for more details.*

## Opportunity–Resource efficiency



### Opportunities category

Resource efficiency.



### Nature-related opportunities

Technological innovations that reduce risks related to natural dependencies.

### Relevance to LTIMindtree

- Realm:** Land and freshwater | **Horizon:** Long term
- Organizational level:** Location-specific
- Location:** India
- Purpose of opportunity:** Resource efficiency
- Exposure metrics:** Technological innovations that reduce risks related to natural dependencies
- Magnitude metrics:** Reducing dependency risk

Improving resource efficiency can lead to significant cost savings by reducing energy consumption, water usage, and waste generation. This can directly impact the bottom line, improving profitability and financial performance. Prioritizing resource efficiency enables companies to offer competitive pricing to clients while maintaining profitability and also enhancing their brand reputation. This can be particularly attractive in competitive bidding situations and can help win new contracts or retain existing clients.



Efficient use of resources reduces dependency on scarce resources and mitigates risks associated with price volatility or supply chain disruptions. This enhances operational resilience and reduces exposure to external economic fluctuations.

Pursuing resource efficiency often drives innovation in processes, technologies, and services. LTIMindtree can innovate new solutions and services that are more sustainable, attracting clients who prioritize environmental and social responsibility.

*Please refer to the Water Management section of our Sustainability Report for more details.*

## Opportunity–Reputational capital



### Opportunities category

Reputational capital.



### Nature-related opportunities

Actions that create positive changes in sentiment towards the organization/brand.

### Relevance to LTIMindtree

**Realm:** Land and freshwater | **Horizon:** All of the three (short, medium and long term)

**Organizational level:** Location-specific

**Location:** India

**Purpose of opportunity:** Improving reputational capital

**Exposure metrics:** Amongst top 50 companies by market cap

**Magnitude metrics:** Improving reputational capital

A strong reputation for ethical practices, environmental stewardship, and social responsibility can differentiate LTIMindtree from competitors. Investors as well as customers increasingly value companies with a positive climate and nature-related reputation, which can lead to increased trust, loyalty, and long-term partnerships.

A positive reputation as a responsible and ethical employer can help attract and retain top talent in the highly competitive IT sector. Talented professionals often prefer to work for companies known for their positive impact on society and commitment to sustainability.

Companies with a strong reputation may find it easier to enter new markets or attract clients who prioritize sustainability and corporate responsibility. This can expand LTIMindtree's client base and revenue streams.

LTIMindtree's strong ethical and people practices has won many accolades and appreciation including Economic Times' best organization for women and being placed in the top quadrant of Top 200 companies in India by Stakeholder Empowerment Services.

*Please refer to the ESG accolades section of our Sustainability Report for more details.*

LTIMindtree has implemented various environmental initiatives that increase strengthen nature-related ecosystem services which also benefit the community through its CSR program such as restoration initiatives, afforestation, water conservation and drought resilience. In FY 2023-24, these initiatives included 165,683 beneficiaries, over 55,000 KL of clean water provision, and about 12,520 acres of plantation.

*Please refer to the Community Initiatives section of our Sustainability Report for more details.*

Risks

Physical Risks

Transition Risks

Acute

Policy and Legal

Market

Chronic

Technology

Reputation

Nature-related physical risks are risks to an organization that result from the degradation of nature and consequential loss of ecosystem services. They arise as a result of changes in the biotic (living) and abiotic (non-living) conditions that support healthy, functioning ecosystems. These risks are usually location-specific. They can be acute or chronic.

Physical Risk–Acute



**Risk subtype**

Change in the state of the ecosystem the organization is dependent on.



**Ecosystem service**

Changes in other regulating and maintenance ecosystem services: 1) Water input and output 2) Provisioning services–water resources and air resources.

**Relevance to LTIMindtree**

- Realm:** Freshwater | **Horizon:** Medium term
- Organizational level:** Location-specific
- Location:** India
- Risk generated by:** Change in the state of nature
- Exposure metrics:** Change in abundance of freshwater ecosystem conditions
- Magnitude metrics:** Number of locations exposed
- Risk rating:** High

Water is one of our important focus areas to reduce our environmental footprint and a key material issue important to the organization. At LTIMindtree, we have identified potential water scarcity and quality concerns in several of our locations, primarily attributable to declining biodiversity and ecosystem services. Poor water quality could lead to increased operational costs due to the need for additional water treatment or filtration systems. In response to this, we have strategically implemented several initiatives to reduce water and to optimize water management through resource conservation.

**Mitigation measure:**

4R water conservation strategy | Zero-discharge campuses | Recycled water use | Efficient fixtures | Gold Standard accreditation

Through these initiatives we are 2.8x water positive for FY 2024, however, we have a long-term plan to achieve 5x water positivity and reduce our dependence on water as a resource.

*Please refer to the Water Management section in our Sustainability Report for more details.*



## Physical Risk–Acute



### Risk Subtype

Change in the state of the ecosystem the organization is dependent on.



### Ecosystem service

Changes in other regulating and maintenance ecosystem services: waste treatment.

### Relevance to LTIMindtree

**Realm:** Land | **Horizon:** Medium term

**Organizational level:** Location-specific

**Location:** India

**Risk generated by:** Change in the state of nature

**Exposure metrics:** Change in abundance of freshwater ecosystem conditions

**Magnitude metrics:** Number of locations exposed

**Risk rating:** Medium

The importance of waste management for organizations cannot be overstated. Non-compliance can lead to substantial fines and penalties. Moreover, neglecting proper waste disposal protocols can cause extensive health and environmental harm. According to 2019 data, the global production of electronic waste was approximately 54 million tons annually. This figure is projected to rise to 75 million tons by 2030. It is clear that the issue of waste disposal is becoming increasingly critical. As a company providing IT services, our procurement of raw materials is limited to essential operational items, including office supplies and electronic equipment. Nevertheless, we view waste management as a significant concern and strive to establish an efficient waste management system. Our focus is on creating awareness and encouraging a culture of waste reduction, reuse, and recycling. Interestingly, even as our business expands, we have observed an enhancement in our waste recycling percentage.

### Mitigation measure:

Single-use plastic elimination | High recycling rates | Zero Waste to Landfill certification for four of our key Bengaluru campuses.

*Please refer to the Circular Economy section in our Sustainability Report for more details.*

## Physical Risk–Chronic



### Risk Subtype



Change in the state of the ecosystem the organization is dependent on.




### Ecosystem service


Regulating service – Protection from natural hazards.


### Relevance to LTIMindtree


 **Realm:** Land and atmosphere |  **Horizon:** All of the three (short, medium and long term)

 **Organizational level:** Location-specific

 **Location:** India

 **Risk generated by:** Change in state of nature/change in the flow of ecosystem services/impact on society

 **Exposure metrics:** Declining tree population directly related to less carbon sequestration and increase in global warming and climate change

 **Magnitude metrics:** Increased costs due to interruption of operations

 **Risk rating:** High

Loss of tree cover can change the state of nature and may lead to an increase in heat, change in rain patterns, water scarcity, biodiversity loss, displacement of local people, etc. We have introduced beekeeping at our campuses, including Bengaluru Whitefield – STPI, Bengaluru Whitefield East campus, and Bhubaneshwar. Honeybees play a crucial role in nature conservation in several ways:

**Pollination:** Honeybees are primary pollinators, ensuring the reproduction of many plant species. When bees collect nectar, they unintentionally collect pollen on their legs. As they move from flower to flower, some of this pollen drops off inside other flowers, starting the flower's reproduction cycle. This process, known as pollination, is vital for the survival of many plants, including food crops.

**Biodiversity:** By pollinating various plants, honeybees contribute to biodiversity, ensuring a balanced ecosystem. They help keep grasslands healthy, which are essential partners in maintaining a stable climate.

**Food production:** Three-fourths of the world's flowering plants and about 35 percent of the world's food crops depend on animal pollinators to reproduce. Honeybees account for more than 80% of pollination. Many of the foods we consume, like fruits, seeds and berries rely on honeybee pollination.

**Habitat creation:** Honeybees also increase pollination of some weeds and alter pollination processes in some native plants, creating habitats for other species.

#### Mitigation measure:

Miyawaki forest | Apiculture | Community biodiversity initiative

*Please refer to the Biodiversity section in our Sustainability Report for more information.*

## Transitional Risk–Policies



### Risk Subtype

Policies and regulations




### Ecosystem service


More stringent nature-related reporting obligations


### Relevance to LTIMindtree

 **Realm:** Land, freshwater, and atmosphere |  **Horizon:** All of the three (short, medium and long term)


 **Organizational level:** Location-specific

 **Location:** India

 **Risk generated by:** Increased scrutiny from market regulators and financial institutions

 **Exposure metrics:** One of the top 50 Indian companies as per market valuation

 **Magnitude metrics:** Stricter reporting obligations from financial regulators

 **Risk rating:** Medium

LTIMindtree upholds a steadfast commitment to environmental, health, and safety (EHS) standards, alongside ESG principles. We have policies in place to uphold these standards, and we undergo annual renewals of ISO certifications to ensure compliance and continuous improvement.

In today's world, climate regulations are becoming increasingly important, driven by global agreements like the Conference of the Parties (COP). For example, the 2020 Convention on Biological Diversity (CBD) COP 15 has boosted initiatives like the Taskforce on Nature-related Financial Disclosures (TNFD). These regulations are gaining traction, with SEBI making it mandatory, and India is actively working to meet its climate targets. This means that reporting requirements are becoming stricter, requiring companies to disclose more information about their environmental practices and impacts.

As LTIMindtree, we take pride in the recognition received from various organizations for our efforts in this area. We anticipate that similar regulations will continue to emerge in the future. This underscores the importance of staying proactive and continuously improving our environmental practices to meet regulatory requirements and contribute to sustainability efforts.

## Transitional Risk–Market



### Risk Subtype

Market



### Ecosystem service

Shifting customer/investor values or preferences to products and/or services that have positive impacts on nature/mitigate negative impacts on nature.

### Relevance to LTIMindtree

**Realm:** Land, freshwater, and atmosphere | **Horizon:** All of three (short, medium and long term)

**Organizational level:** Location-specific

**Location:** India

**Risk generated by:** Increased scrutiny from stakeholders, especially customers

**Exposure metrics:** One of the top 50 Indian companies as per market valuation

**Magnitude metrics:** Increased disclosure requests from customers/stakeholders

**Risk rating:** Medium

Stakeholders including customers, investors and local communities are increasingly seeking detailed information about a company's environmental impact, particularly concerning climate and nature-related risks. This shift reflects a growing awareness of the importance of sustainability and environmental stewardship in long-term investment strategies.

As a response to this trend, reporting frameworks such as the Business Responsibility and Sustainability Reporting (BRSR) and the Carbon Disclosure Project (CDP) are evolving to include more comprehensive data on nature-related risks and impacts. These frameworks now require companies to disclose information not only about their carbon emissions but also about their impact on biodiversity, ecosystems, and natural resources.

Being accountable and transparent in our disclosures is important as well as requiring enhanced data collection, monitoring, and reporting processes to meet the evolving disclosure requirements. LTIMindtree has been continuously placed in the global leadership league in the Climate Change and Supplier Engagement Rating categories of CDP. We have robust EHS policy, and our disclosures are aligned to global frameworks including GRI, IIRC, BRSR, UNGC, TCFD, and TNFD demonstrating our environmental stewardship.



## Transitional Risk–Reputational



**Risk Subtype**  
Reputation



**Ecosystem service**  
Shifting customer/investor values

### Relevance to LTIMindtree

**Realm:** Land, freshwater, and atmosphere | **Horizon:** All of three (short, medium and long term)

**Organizational level:** Location-specific

**Location:** India

**Exposure metrics:** Amongst top 50 companies by market cap

**Magnitude metrics:** Improving reputational capital

**Risk rating:** Medium

Reputational risk arises because of increased scrutiny following a change in investors and stakeholders' perceptions about climate-related or nature-related issues. Any inaction or failure to address climate change and nature-related issues like GHG emission reduction and inadequate water and waste management practices can impact brand reputation as well as market capitalization. The UN Environment Programme (UNEP) and S&P Global launched the Nature Risk Profile, a new methodology for analyzing companies' impacts and dependencies on nature, with S&P stating that over 85% of the world's largest companies have a significant dependency on nature, indicating the critical importance of greater transparency.

Moreover, with climate change impacting natural resources, there will be an increase in stakeholder conflict over use of natural resources like water, energy, waste, etc. For LTIMindtree, environmental conservation is an important pillar of our CSR. We implement CSR initiatives like water conservation, food security/ sustainable agriculture, afforestation as climate change and depleting ecosystem services are affecting the society's use of these resources, especially in India.

### How nature-related issues affect our business operation?

The identified nature-related issues will be vetted by the ESG and ERM teams to bolster the risk register. To make sure progress is made towards identified nature-related issues, KRIs would be assigned which would act as a guiding light ensuring progress towards the goal including risk and opportunities.

### Resilience of our strategy to risk and opportunities

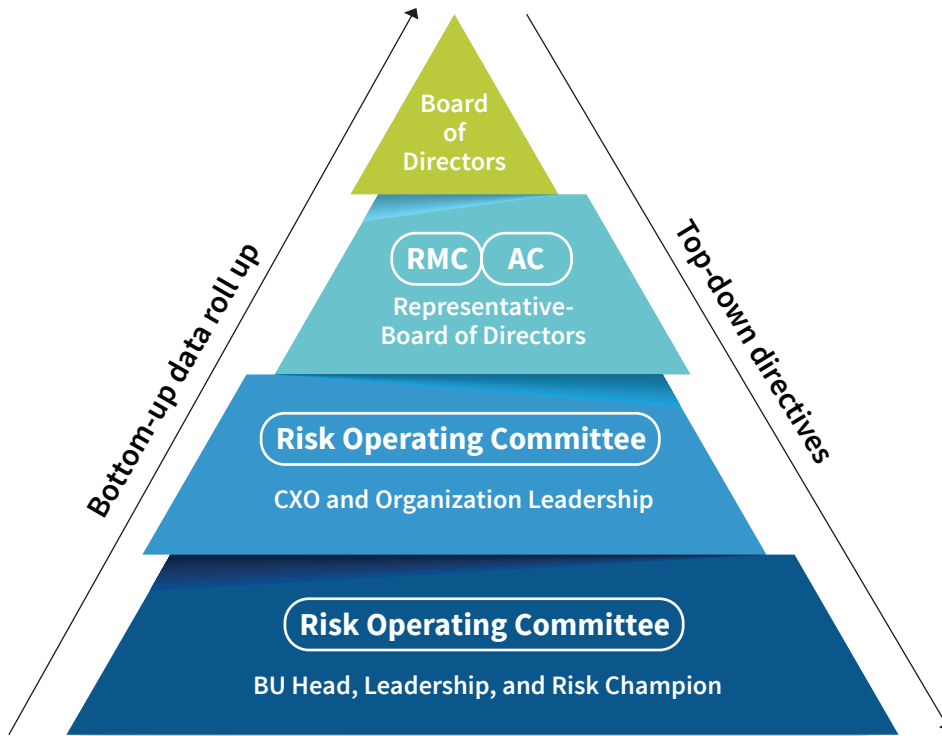
LTIMindtree has recognized several ESG risks and opportunities. To handle these, a dedicated ESG team is in place, who are responsible for overseeing these risks and the advancement of the ESG vision. The risk register undergoes revision as and when newly identified risks and opportunities are mapped. Key Risk Indicators (KRIs) are assigned to ensure that progress is being made towards the set targets, acting as a beacon to guide the journey towards the goal, encompassing both risks and opportunities.



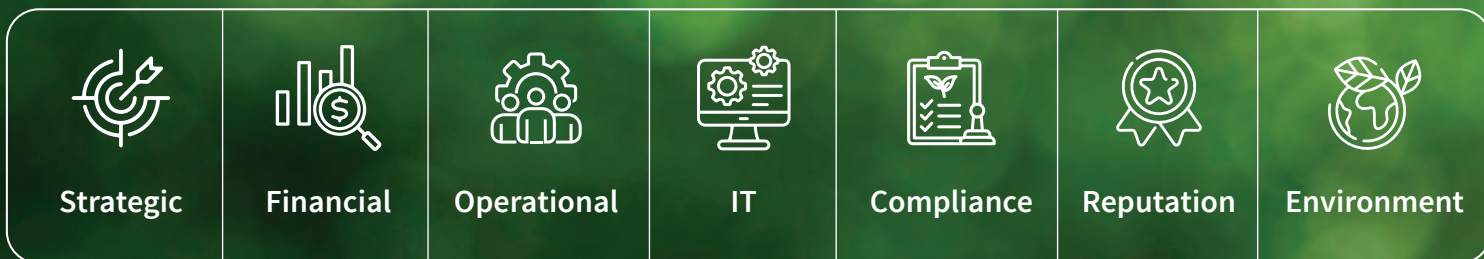
# Risk and Impact Management

## Risk Management

At LTIMindtree, we maintain a robust risk management process aligned with ISO 31000 standards. Two important teams play a key role in the risk management process. The Enterprise Risk Management (ERM) team serves as the custodian of the risk register within LTIMindtree, and the ESG and CSR teams identifies and prioritizes risks across the ESG pillars.



At LTIMindtree, we define and categorize identified risks into:



Note: Sustainability risk is a subcategory of Environmental risk.





## Identifying, assessing, and prioritizing nature-related issues

The risk management process includes - identification, prioritization, analysis, and response to key material topics. ERM uses different methods such as risk assessment, audits, and performance reviews for the evaluation of risk. The outcomes of these assessments are then presented to the Audit Committee for consideration of any necessary modifications or approvals.

The risk management process begins with the ERM team conducting a thorough peer analysis of the industry and identifying the top 100 risks. The most prevalent top 10-15 risks are prioritized and forwarded to the Chief Risk Officer (CRO). Throughout this process, various departments contribute their concerns and insights. CXOs also provide their input in this exercise. There is a top-down approach starting from the Board of Directors to the Risk Management Committee, Audit Committee, and Risk Management Assurance Group until the unit level.

## Impact Management

The Risk Management Committee (RMC) is informed about the risks associated not just with business operations but also climate and nature-related risks that can have a significant impact on business operations. The Enterprise Risk Management team (ERM) identifies and evaluates risks associated with climate and nature through robust internal risk assessment procedures. Risks are identified department-wise, wherein the CSR and ESG teams highlight risks associated with extreme weather events caused by a decline in biodiversity or climate change. The findings are submitted to the Board by the Chief Risk Officer, enabling holistic and robust risk identification and mitigation strategies.



## Monitoring nature-related issues



## Managing nature-related issues

The ESG and CSR teams are responsible for identifying, managing, and monitoring the relevant risks and opportunities related to Sustainability and the three pillars—environment, social, and governance—that fall under it.

The identified risks are monitored and reported quarterly—four times a year—to the Risk Managing Committee. For each risk category, a risk head, i.e., risk owner is assigned to identify, manage and monitor the risk. Key Risk Indicators (KRI) are defined for each risk identified at the enterprise level with short- and long-term focus. Enterprise-level risks are reviewed, monitored, and reported every quarter, and business/enabling unit risks are reviewed, monitored, and reported every month.

## Nature-related risks and opportunities

As a prominent entity in India's IT industry, our company relies on nature's provisioning, regulating and supporting services. We face significant physical risks related to nature, which are closely linked to climate change and biodiversity loss, impacting our IT infrastructure directly. The increasing frequency and severity of extreme weather events like flash floods and heatwaves pose a risk to both the surrounding ecosystems and our infrastructure, potentially causing damage to our facilities and disrupting the smooth functioning of our IT assets. Our assets are at risk from rising sea levels and the escalating frequency and intensity of acute climate events such as tropical storms and heatwaves. We aim to achieve net-zero emissions, contribute to a circular economy, and harmonize our operations with nature. These reflect our dedication to environmental stewardship and our belief in the importance of sustainable business practices.





# Metrics and Targets

## Targets and Goals

At the core of our sustainability strategy is effective management of our material issues, which helps us meet stakeholders' expectations. Looking towards the future, LTIMindtree has aligned its ESG Vision with materiality and a series of strategic objectives identified over the near and long term for the years 2030 and 2040, respectively.

### ESG Vision

Our ESG Vision not only sets our organizational purpose and direction but also fuels our determination to achieve them. This vision embodies our commitment to the triple bottom line of people, planet, and profit, aiming to positively influence businesses and societies. Our objective is to equip them for the future by harnessing the power of technology, guided by the philosophy of mutual growth.

The targets are spread across the three pillars—environment, social, and governance. These targets serve as a roadmap for our operations, helping us navigate the challenges, opportunities, and dependencies that come with our interaction with nature and biodiversity. The preservation and rejuvenation of biodiversity are of utmost importance in our collective pursuit of these sustainability targets.



- **Water Positive** by 2030
- Scale up **Green Tech** offering to clients
- **100% waste recycling** by 2030
- **Net-Zero** by 2040, 85%+ Renewable Energy use by 2030

- **40% women** in workforce & **15% women** in leadership by 2030
- Become **Employer of Choice** for PwD, LGBTQ+, veterans and **Great Place to work** for all; 50%+ local nationalities in major countries of business by 2030
- Promote and create an ecosystem of **diverse suppliers**; 10% supplier base to be minority owned businesses
- Impact **4 Million+** lives positively in the community by 2030

- **Diversity our board** (across Gender and Background)
- Link **ESG to executive compensation**
- Continue to train **100%** associates, partners, and suppliers on business ethics and data privacy
- Maintain robust **compliance, integrity practices, and key certifications**

### Nature-related Goals

We intend to carry out future quantitative scenario analyses to comprehend our future financial exposure and any potential developments where our portfolio could be exposed to physical and transition nature and climate risks. We aim to prioritize risks and opportunities based on their financial impacts and plan to continue this process in the future, including the distribution of revenue exposed to risks. Our commitment to sustainability and risk management guides us as we tackle the challenges posed by climate change and biodiversity loss.

Our mid-term and long-term environmental goals of achieving carbon neutrality and net-zero emissions provide opportunities to harmonize our operations with nature, contribute to a circular economy, and enhance our environmental stewardship through sustainable business practices.

## Tracking and Reporting

We have a detailed process and SOPs to monitor and track the targets and goals as per the ESG vision progress against these identified targets are measured by current year status. Each business unit monitors and reports the progress on the assigned targets.

We understand that achieving these targets requires consistent effort and transparency. Therefore, we are committed to evaluating our environmental performance annually and disclosing the results. This process allows us to track our progress, identify areas for improvement, and ensure accountability.

We regularly report on our progress and performance that made against our targets in our Sustainability Report, presenting an integrated view of our disclosures related to climate and nature using both the Climate-related Financial Disclosure Taskforce ("TCFD") and TNFD frameworks, including our initiatives and positive impacts on climate, nature, and society.

## Performance and Progress

In every aspect of environmental stewardship, we are committed to finding and implementing new, responsible approaches to technology. By uniting our collective strengths, we will challenge and transform our work methods. This will be our foremost priority moving forward.






We actively endorse eco-friendly initiatives that contribute to decarbonization. This, in turn, aids in mitigating the effects of climate change and conserving biodiversity. Our actions are guided by the understanding that our survival and prosperity are intrinsically linked to the health of our planet. Therefore, we strive to operate in a manner that respects and nurtures the natural world, ensuring a sustainable future for all.

ESG Performance Dashboard in our Sustainability Report depicts the exhaustive goals and metrics.

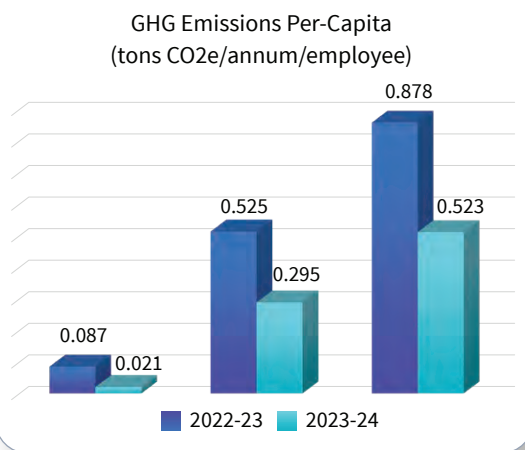
Below is the key snapshot of our actions to transformation towards environmental stewardship for FY 2023-24.

### Emissions Reduction

Reducing emissions has a profound positive impact on biodiversity. It aids in combating climate change, safeguarding habitats, enhancing water quality, and preserving ecosystem services, thereby directly and indirectly bolstering various species and ecosystems. Emission reduction helps decelerate the pace of climate change, curtail habitat devastation, and lessen the damage caused by pollution to the local flora and fauna. By tackling the underlying causes of emissions and advocating for sustainable practices, emission reduction plays a pivotal role in protecting biodiversity, ensuring the sustained health of our planet's ecosystems, and achieving our net-zero emissions ambition.

-  **Targets:** Carbon Neutrality by 2030 and Net-Zero by 2040
-  **Metrics:** Emission Intensity measured in tons CO2e/annum/employee
-  **Impact:** Climate change
-  **Impact driver rating:** High
-  **Ecosystem service:** Regulating and supporting service

**GHG Emissions Per-Capita**  
(tons CO2e/annum/employee)



Year	Category 1	Category 2	Category 3
2022-23	0.087	0.525	0.878
2023-24	0.021	0.295	0.523

**Expenditure**

- Green buildings: **INR 3,081,500,000**
- Installation of efficient environmental technologies: **INR 28,000,948**
- Treatment for emissions: **INR 52,04,576**
- Pollution control equipment: **INR 88,000**
- Other emission reduction initiatives: **INR 11,20,330.42**
- Community projects for emission mitigation: **INR 95,54,000**



## Initiatives

- Increase in LEED-certified green building that would reduce emissions and improve energy efficiency.
- Committed to reducing emissions from business travel.
- Striving to reduce emissions by smart management of lighting, heat ventilation, and cooling, and integrating efficiency into our overall operations through design considerations and operational practices.
- Promoting behavioral changes among our employees to reduce individual carbon footprint.
- At Bengaluru Global Village, Bhubaneshwar, and Mumbai Powai campuses, obsolete AC units with R22 refrigerant have been replaced with eco-friendly R410A and R32, which have zero ozone depletion potential and 50% lower GWP than R22.
- The Routematic App facilitates employee commutes by using AI to select the quickest and most time-efficient routes with the least traffic congestion. It also eliminates the use of paper for trip sheets and compliance paperwork.
- Encouraged public transport, installed charging stations for EVs.



## Energy Efficiency

Energy management is a crucial element for operating our business. Our strategy for reducing our absolute greenhouse gas (GHG) emissions and energy intensity (on a per-capita basis) involves implementing efficiency measures and reduction strategies and transitioning towards more Renewable Energy (RE) sources through on-site plants and power purchase agreements. The augmentation of RE sources forms a crucial part of our roadmap, aiding us in achieving our set targets.



**Targets:** RE of 85% by 2030



**Metrics:** RE % and Energy Intensity measured in GJ/annum/employee



**Impact:** Climate change

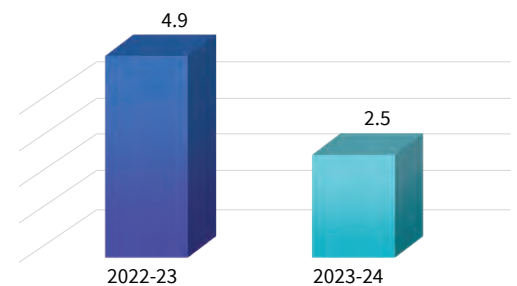


**Impact driver rating:** High



**Ecosystem service:** Regulating and supporting service

Energy Intensity  
(GJ/annum/employee)








## Initiatives

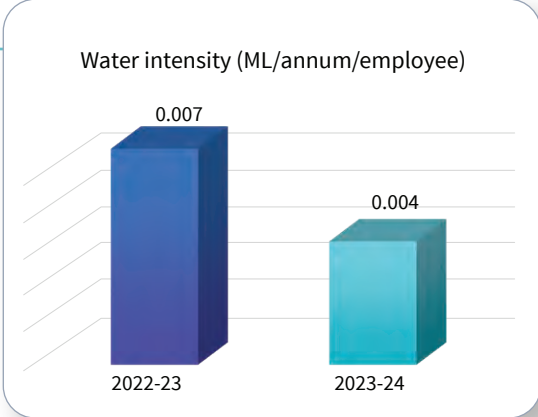
- As a result of our various pan-India initiatives, the total quantity of RE increased by 3837317.62 kWh. RE share in FY24 stands at 44.34%.
- Optimization of Uninterrupted Power Supply (UPS).
- Installation of Electronically Commutated (EC) fans.
- Installed Electric Vehicle (EV) charging stations in our facilities to encourage employees to switch to EVs.
- Currently deployed 1,093.5 kW of solar panels on our campuses in Bengaluru Whitefield STPI, Pune Hinjewadi, Mumbai-Mensa and Airoli facilities, and Bhubaneshwar campuses.
- In Bhubaneshwar facility, the extra power generated from the in-house solar plant is exported back to the grid. LTIMindtree exported a total of 58099.13 kWh in FY24.
- Spent INR 69,609,127 towards installation of rooftop panels for solar energy generation in our owned campuses.
- Strategic financial alignment for diverse renewable energy partnerships and collaborations to support the integration of solar power, hydroelectric power, wind, and other cutting-edge technologies wherever feasible in the rest of our facilities.



## Water Conservation

LTIMindtree is dedicated to reducing water usage and promoting stewardship as a key component of its comprehensive environmental sustainability strategy. We have put in place a variety of measures to decrease water consumption, encourage responsible water management throughout our operations, and actively participate in the preservation and responsible handling of water resources.

-  **Targets:** Water Positive by 2030
-  **Metrics:** Water Intensity–ML/annum/employee
-  **Dependency:** Water scarcity
-  **Dependency driver rating:** High
-  **Ecosystem service:** Provisioning service–Water



**Expenditure**

- Rejuvenating community farm ponds: **INR 35,00,000**
- Integrated watershed development: **INR 2,10,91,829**

Secured Gold Standard accreditation in the GCEES audit & certification, scoring 2.8 on the Water Positivity Index, conforming to ISO 14046:2014 for all centers in India.

**Initiatives**

- Carried out assessments related to water, enabling us to pinpoint locations with high water-related risks.
- Initiatives include the implementation of effective 4R water conservation practices, adoption of water-saving technologies, efficient fixtures, promotion of water recycling and reuse, rainwater harvesting, water recharging and stakeholder engagement to increase awareness about sustainable water practices.
- Launched a pilot project that uses a unique technology to convert atmospheric moisture into water. It generates 500 liters of potable water daily, helping us conserve water and reduce the emissions associated with water supply logistics.
- Transitioned from traditional urinal pots to waterless urinals, resulting in an annual water saving of 4,824 kl and a cost saving of INR 13.67 lakh.
- Installed water tap aerators in 60% of our facilities, leading to an annual water saving of approximately 118,356 KL and a cost saving of INR 11.8 million.
- Several measures to enhance our community-level water availability.

## Circular Economy

LTIMindtree is deeply committed to responsible waste management and strives to go beyond the stipulated regulatory requirements. We ensure that our waste disposal is handled by authorized vendors who employ environmentally friendly and sustainable methods to reuse, recover, or recycle waste. These initiatives not only reduce waste and promote resource efficiency but also help protect water quality, preserve aquatic habitats, and support the functioning of ecosystems, thereby contributing to biodiversity conservation.



**Targets:** 100% waste recycling by 2030



**Metrics:** Waste recycling rate (%)



**Risk Rating:** Medium



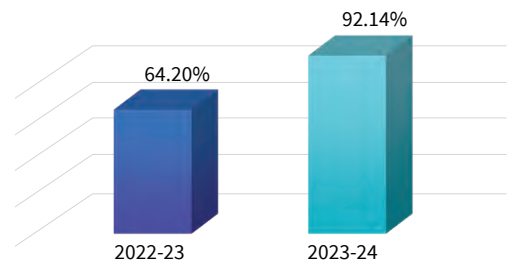
**Ecosystem service:** Regulating and supporting service



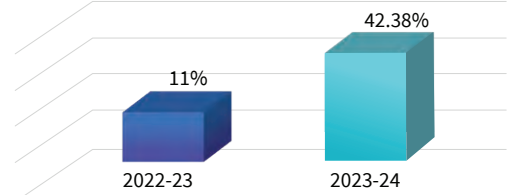
### Initiatives

- LTIMindtree recognizes that the waste generated is a threat to biodiversity, as anthropogenic waste can severely impact and diminish the quality and status of biodiversity.
- Reduction in waste generation is being achieved through the gamut of initiatives like the elimination of hand tissue paper in all restrooms with the installation of energy-efficient and high-speed hand dryers, elimination of paper cups, single-use plastics, composting food waste into organic manure and using it for landscaping.
- Considerable reduction of hazardous waste, at our own sites with utmost diligence and in strict adherence to regulatory guidelines.
- Spend towards waste treatment and recycling – INR 13,81,696.
- We have reduced our dependency on virgin materials in our building projects. 76% of the materials were locally resourced and more than 40% of materials by cost are recycled materials, to reduce the related emissions.
- As part of green procurement practices, encouraged our suppliers to adopt environmentally friendly practices to reduce waste generation promoting sustainable sourcing.

### Waste recycling



### Sustainable Sourcing



Attained Zero Waste to Landfill certification by Intertek for four of our Bengaluru campuses.



## Biodiversity Restoration

By joining hands with local communities, we strive to conserve biodiversity. This includes safeguarding and rejuvenating forest habitats. The driving forces behind our projects are the desire to boost the income of farmers, ensure the protection of the environment, and strive towards carbon neutrality through a range of carbon sequestration activities. The integration of trees into farmlands not only enhances biodiversity but also improves the health of the soil and helps in mitigating the effects of climate change.



**Targets:** Increase of clean water potential and afforestation at the community level resulting in conservation of environment, rejuvenation of terrestrial ecosystems, and revitalization of marine ecosystem promoting sustainable agriculture



**Metrics:** Number of Plantations and Clean water potential (KL)



**Opportunity:** Biodiversity restoration and Reputational Capital

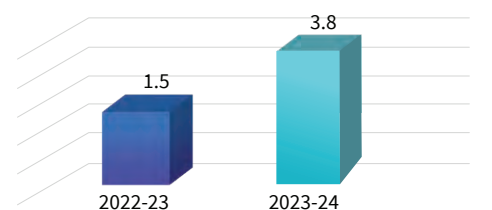


**Purpose of opportunity:** Actions creating positive change



**Ecosystem service:** Supporting service and Resilience

### Afforestation (in million saplings)

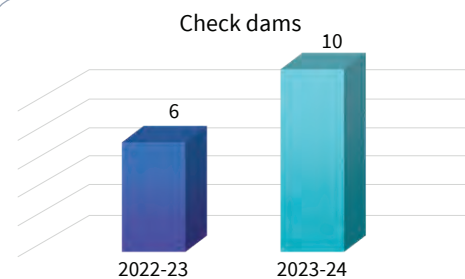






## Initiatives

- Our project, Tree-tings, is being implemented across eight states with the objective of fostering sustainable agriculture on 12,000 acres.
- Mangroves Drive, active in Maharashtra, West Bengal, and Odisha, is centered on the preservation and restoration of mangrove forests along the coastlines of India.
- Our Forest Biodiversity Project, active in Maharashtra, Chandigarh, and Odisha, is dedicated to preserving biodiversity and building climate resilience.
- To curtail greenhouse gas emissions, with emphasis on the restoration of natural resources, conserving and rehabilitating our ecosystems by providing eco-chullha to households with low incomes to make their kitchens climate-smart.
- We have constructed 10 check dams, resulting in the creation of 55,179 KL of clean water potential. This achievement underscores the significant impact of building check dams on water conservation.
- In-campus biodiversity initiatives rolled out in our owned facilities in India with a spend of INR 181,975.







## Conclusion

The TNFD framework plays a crucial role in helping organizations, including LTIMindtree, to align their investment strategies with the broader United Nations Sustainable Development Goals (SDGs). By adhering to the TNFD disclosures, LTIMindtree is heightening awareness and facilitating necessary actions, leading to substantial and positive transformations.

As an IT service provider, LTIMindtree's operations do not directly impact biodiversity. However, like all organizations, we depend on ecosystem services for our seamless business operations. Recognizing the importance of biodiversity in addressing climate change, we have set ambitious goals through our ESG vision. This vision includes various targets and progress tracking, details of which are available in our Sustainability Report.

LTIMindtree is proactively addressing environmental concerns by striving to achieve net-zero emissions. This involves a robust response to climate change and the development of a transition plan. We recognize that as our business activities become more sophisticated and societal transformation progresses, environmental risks and opportunities related to growth may start to emerge. These cannot be addressed solely by measures against climate change due to the interdependencies between climate change and natural capital.

To navigate these challenges and opportunities, LTIMindtree is intensifying its efforts against climate change. We are refining our strategy through a detailed analysis of the relationship between natural capital and our business operations. This strategic approach will guide us in setting measurable objectives that align with our corporate identity. We are enhancing our risk management to meet these targets and endorsing efforts that have a positive impact on nature.

LTIMindtree is committed to emerging as a frontrunner in the conservation and restoration of biodiversity. With the publication of our inaugural TNFD report through the TNFD framework, we strive to boost our transparency and responsibility in environmental stewardship. Our strategic ESG initiatives underscore our dedication to sustainability towards continuous improvement and transparency.

We will continue to integrate strategies that address nature issues including biodiversity, implement the needed actions, formulate the related key performance metrics to achieve our goals more effectively, and communicate transparently to our internal and external stakeholders.

We believe that addressing natural capital issues requires collaboration with our stakeholders, including our customers. It is crucial that they understand our approach to managing natural capital through our business activities. By doing so, we can effectively implement our strategies and contribute to environmental sustainability. We are excited about the journey ahead and committed to making a meaningful contribution to the global environmental goals and effort to combat climate change and preserve our planet's natural resources. We look forward to collaborating with all stakeholders to achieve this vision of a sustainable and biodiverse future.



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B. Describe management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities.	11
C. Describe the organization's human rights policies and engagement activities, and oversight by the board and management, with respect to Indigenous Peoples, Local Communities, affected and other stakeholders, in the organization's assessment of, and response to, nature-related dependencies, impacts, risks and opportunities.	11
<b>Pillar: Strategy</b>	
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A (ii). Describe the organization's processes for identifying, assessing and prioritizing nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s).	9, 16-19
B. Describe the organization's processes for managing nature-related dependencies, impacts, risks and opportunities.	9-12, 26-28
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<b>Pillar: Metrics and Targets</b>	
A. Disclose the metrics used by the organization to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process.	29-34
B. Disclose the metrics used by the organization to assess and manage dependencies and impacts on nature.	30-33
C. Describe the targets and goals used by the organization to manage nature-related dependencies, impacts, risks and opportunities and its performance against these.	29-34

## TNFD Terminologies

### Biomes

Biomes are the types of ecosystems that exist in different locations around the world. Example: tropical rainforest, boreal forest, grassland etc.

### Baseline water stress

It represents the proportion of total water withdrawals compared to the annual renewable surface water resources.

### Cultural services

It is the intangible benefits provided by the ecosystem. Examples: coral reefs for tourism, recreational value of forests, etc.

### DIOR

Dependency, Impacts, Opportunities, and Risks, collectively known as nature-related issues.

### Drought risk

Drought risk measures the likely occurrence of droughts in an area and how they would affect the population and assets.

### Ecosystem services

Ecosystem services are the contributions made by ecosystems that benefit economic and other human activity.

### Flood risk

Flood risk measures the % of the population expected to be affected by flood.

### Intern-annual variability

It measures the average between-year variability of available water supply, including surface and groundwater.

### Provisioning services

It consists of raw material either harvested or extracted from the ecosystem. For example, timber from the forest, freshwater from lakes and rivers.

### WWF-BRF

World Wildlife Fund – Biodiversity Risk Filter.

### TNFD

Taskforce on Nature-related Financial Disclosures

### LEAP

Locate, Evaluate, Assess, Prepare.

### Impact

How businesses affect natural capital and ecosystem services through their business operations directly or indirectly. Impacts can be direct, indirect, or cumulative. There are 5 impact drivers identified by the TNFD, which can reduce the quality or quantity of natural capital and eventually affect the ecosystem services.

### Natural capital

Stock of renewable and non-renewable natural resources, such as plants, animals, air, water, soils, and minerals, combine to yield a flow of benefits to people.

### Nature

Nature is made of 4 realms – Land, Ocean, Atmosphere, Freshwater. Nature offers many ecosystem services like the water cycle, the presence of oxygen in the atmosphere, the carbon cycle, etc. which could have stopped the proliferation of lifeform on Earth if had not been available.

### Regulating-mitigating services

Regulating services mitigating is the capacity of ecosystem to prevent/minimize damage from, extreme natural events like floods, wild-fires, disease outbreaks, or climate change. Regulating services provide a shield against natural calamities. A high-risk score indicates ecosystem is fragile and cannot provide protection, and if any natural hazards occur then it can disrupt projects, operations, or entire value chains.

### Opportunities

The TNFD defines nature-related opportunities as activities that create positive outcomes for the organization and nature. Opportunities can include the following:

Avoiding or reducing the impact on nature | Contributing to the restoration of nature | Mitigating the risk of natural capital and ecosystem services loss | Changing business models | Creating products or services to halt or reverse the loss of nature

### Regulating-supporting services

Support services are provided by the environment as an ecosystem service. A high-risk score indicates decline in service and increase in operating cost for business.

### Transition risks

Nature-related transition risks can arise due to misalignment of the company's vision concerning the vision of an investor's strategy. Government regulations or policy changes, technological developments, market changes, litigation, and changing consumer preferences, can result in transition risks.

### Physical risks

Nature-related physical risks arise as a result of changes in the biotic (living) and abiotic (non-living) conditions that support ecosystem services. Nature-related physical risks are often associated with climate-related physical risks.





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Report Development by Developmatrix Consulting LLP  
Designed by LTIMindtree Digital Studio