Infosys®

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ESG is an Opportunity

ESG Data Book 2022-23 ❯

Index

Reporting boundary

The reporting boundary for all our environment, social and governance disclosures, covers the operations of Infosys Limited and its subsidiaries, unless otherwise stated. Infosys is an IT company and has company-owned offices, leased offices, and employees working in client offices. Infosys has defined topic boundaries based on the significance of the impacts and the potential for reductions that could be undertaken / influenced by the organization. The significant location for our operations is India based on our employee strength.

Boundary for environment data disclosure

The topic boundary for each environmental aspect has been defined, taking into account the impact and potential for reduction.

1. Disclosure boundary for energy, water and waste

Type	Owned space - India	Leased space - India (No operational control)	Owned space - Overseas	Leased space - Overseas (No operational control)	Services
Energy	Yes[1]	Yes[2]	Yes[1]	Yes[2]	NA
Renewable Energy (RE)	Yes	Yes	Yes	Yes	NA
Water	Yes	Yes[3]	Yes	Yes[3]	No
Waste	Yes	Yes	Yes[4]	Yes[4]	No

[1] Includes grid electricity and fuel

[2] Includes grid electricity based on bills or the EPI method

[3] Based on actual bills or computation based on seating capacity and per capita

[4] Only E-waste

Virtual office and guest house – out of scope for energy, water, and waste.

2. Disclosure boundary for Green House Gas (GHG) emissions

In line with the principles of the GHG protocol, Infosys has adopted the 'Operational Control' approach for the consideration of GHG emissions. The boundary for GHG emissions therefore includes all of owned offices and leased offices world wide.

All emissions associated with energy consumed in leased space are included under Scope 2 as per the clause 5.2.1 in GHG protocol Scope 2 guidance. Until fiscal 2022, this component was reported under Category 8 of Scope 3 emissions, as part of 'upstream leased assets emission'.

In leased offices, where electricity bills are not available, we calculate based on the energy estimated from EPI approach for Scope 2 emissions and location - based average data for Scope 1 emissions.
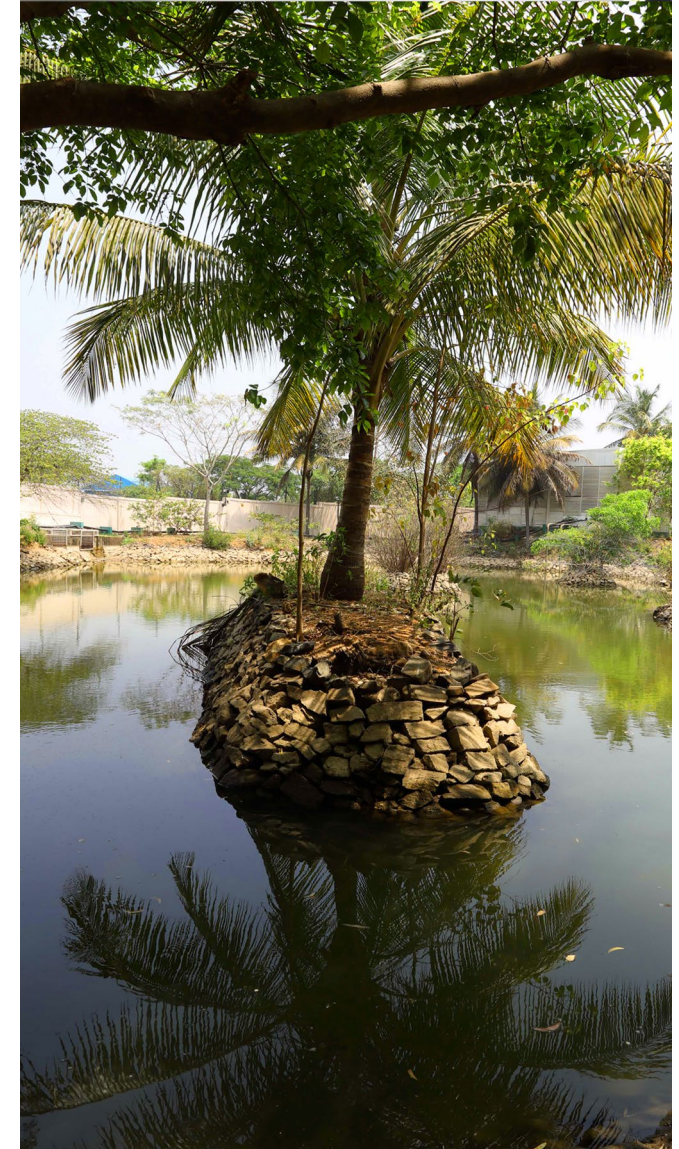
Data center management strategy

Data centers have been key to the operation of our shared digital IT infrastructure core that enables business, employees, partners and clients to connect, collaborate and accelerate business-led innovations and digital business initiatives across the world. With the advent of cloud and microservice-led design approaches, enterprise data centers are moving to be the edge of the cloud and distributed architecture patterns of hybrid clouds are evolving to the next level.

Sustainability is an inextricable part of how we design and operate our data center facilities and IT services. An enterprise strategic initiative has been undertaken to modernize the data centers to help us drive sustainable Total Cost of Ownership (TCO) reductions, increase server density per rack by 12x, and establish a future-ready clean and green data center managed at scale.

Over the last 12 months, we have consolidated 13 small data centers / server rooms through virtualization and elimination of individual facilities, resulting in the freeing up of 150+ racks and the associated optimization of power, cooling and space.

Data Center Infrastructure Management (DCIM) provides data on the environment (temperature, humidity, air flow), power (at the device, rack, zone and data center level) and cooling. This information is used to alert the data center management when thresholds are exceeded, reducing repair time and increasing availability. In addition, data center standards are revised with a focus on delivering industry-best Power Usage Effectiveness (PUE). This will be integrated with the DCIM

through smart Power Distribution Units (PDU) to provide a unified view of IT and facility subsystems.

Data centers at Infosys campuses account for 11% of the total power consumption of our global operations annually.

Over the years, we have implemented several measures to improve the efficiency of our data centers.

New data centers are designed in a very efficient manner, including arrangement of racks, hot aisle and cold aisle containment, efficient air conditioning strategies and lighting, and Uninterruptible Power Supply (UPS) systems. Passive cooling technologies are also used.

Existing data centers are being retrofitted by rearranging and consolidating server racks, replacing old air conditioning, lighting systems and UPS systems with new efficient ones.

The introduction of a building management system with the capability to remotely monitor key operational parameters like rack level temperature and real-time PUEs has helped to ensure the reliability and efficiency of our data centers.

The PUE of our data centers across India locations ranges from 1.31 to 2.22, with a weighted average PUE of 1.59.

Parameter	Fiscal 2023	Fiscal 2022	Fiscal 2021
PUE	1.59	1.67	1.62

On the governance front, we have implemented security cadence and information security practices, heightened vigilance in protecting the digital core, and improved defences against emerging threats in the new era of remote working.
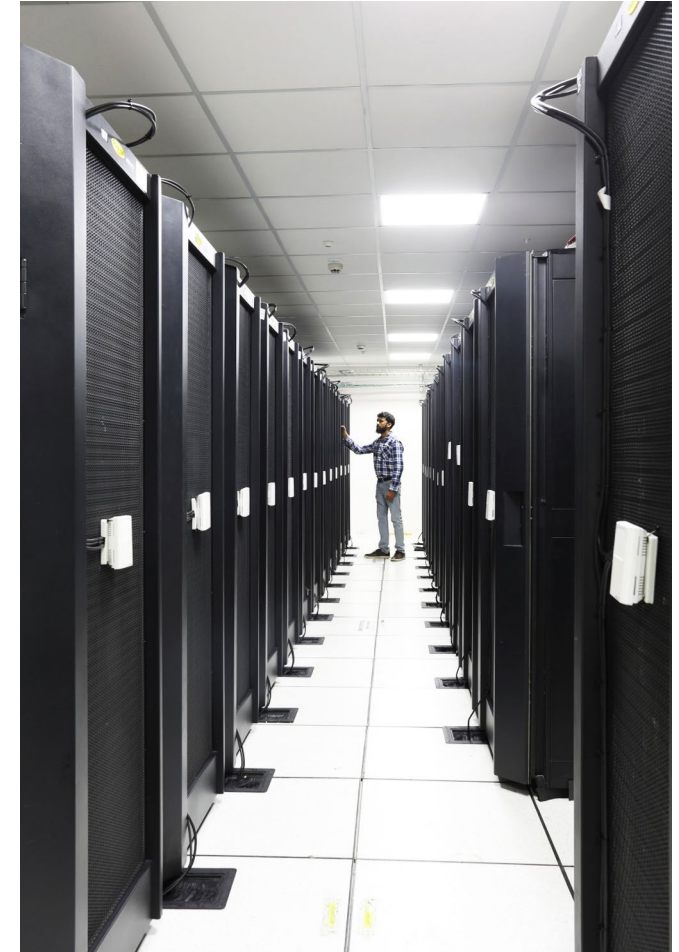
Climate change risk and opportunities assessment and management
Aligned with the Taskforce on Climate-related Financial Disclosures (TCFD) Framework

1. Governance

There are three committees of the Board that have oversight on climate-related issues at Infosys.

1. ESG Committee
2. Risk Management Committee
3. CSR Committee

ESG Committee

The Board appointed the Stakeholder Relationship Committee to guide the creation of Infosys' ESG Vision 2030, which articulates the Company's ambitions on climate-related issues. Infosys' ESG Vision 2030 was launched in October 2020. On April 14, 2021, an ESG Committee was appointed to oversee the Company's ESG Vision and ambitions. The Committee has three independent directors and assists the Board and the Company in fulfilling the ambitions committed in the ESG Vision of the Company. The Committee meets once a quarter.

The Committee has overall responsibility for

(i) endorsing the ESG vision and goals set out on an ongoing basis

(ii) monitoring progress against the stated vision and goals

(iii) reviewing any statutory performance obligations on sustainability / ESG.

Read the ESG Committee's charter here

Risk Management Committee

Climate change risks and opportunities are part of the Company's strategic and operational risk which are reviewed by a Board-level committee–the Risk Management Committee (RMC). The Committee comprises six independent directors, including the Chairperson of RMC.

CSR Committee

The Board has appointed the CSR Committee to oversee the implementation of the Company's CSR policy. The Chairperson along with other Board members oversee the implementation of the CSR Policy including climate action-related projects. The Committee meets quarterly to track the progress of our climate change commitments and the budgets required to mitigate and build resilience against climate change effects.

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Describe where in the organizational structure position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored

At the Board level, the ESG Committee, and the CSR Committee guide and review performance on climate action priorities during their quarterly meetings. The Risk Management Committee (RMC) reviews risks related to climate change.

At the business and operational level, the Chief Financial Officer (CFO) leads our climate change efforts. Under the direction of our CFO, the sustainability leadership team including Head-Global Infrastructure and Head-Facilities, prepares and oversees projects to meet climate goals. These goals are cascaded to various Business Unit (BU) heads, who are responsible for identifying, approving budgets, implementing and monitoring the projects. The BU Heads collaborate with the Corporate Facilities, Green Initiatives, and location-wise HSE / Facilities teams for implementation. In this way, climate action is driven both top-down and bottom-up. The project requirements and progress are provided by the location-level teams, which are then reported to the BU Head, Sustainability Leadership team, and the CFO for allocation of funds.

The Operations Risk Council comprising the CFO, Presidents/ Co-Heads of Delivery, Risk Officer (RO), and the General Counsel, oversees the risk management process. The Office of Risk Management reports to the Risk Council regularly on all the major risks related to climate change, among other risks. The Risk Council reviews the adequacy, progress, and effectiveness of risk mitigation measures and also reports to the RMC. Risks related to climate change can lead to potential disruption of our business operations due to disasters such as floods, cyclones, droughts, epidemics, pandemics, etc., in the cities where we operate.

The ESG Committee meets every quarter to review the strategy, progress and future plan of action to meet the ambition set out in the ESG Vision 2030. The committee also reviews project implementation challenges and progress against our carbon neutrality goals and targets.

The CSR Committee meets every quarter to review the strategy, future plan of action, and budgeting for spending on climate-related issues. The Committee also reviews implementation challenges and progress of projects while aligning with the objectives and targets of our carbon neutrality program.

An executive leader heads Phoenix-Infosys' Business Continuity Management System (BCMS) team. The Head of Phoenix is actively involved in analyzing location-wise physical risk data to determine likelyhood and severity in addition to monitoring and managing other climate change-related risks.

The CFO heads the ESG Council and is a member of the Risk Council. The head of ESG Council is responsible for assessing and managing risks related to climate change. The CFO, along with other members of the risk council reviews the adequacy and effectiveness of the risk mitigation plans on Infosys' ESG Vision 2030 based on the inputs from the office of risk management. The capital budget allocation for the risk mitigation plan is reviewed by the CFO.

The Sustainability Leadership team including Head-Global Infrastructure and Head-Facilities report to the CFO. They work in consultation with various internal stakeholders to conduct a techno-commercial evaluation of new projects and monitoring of existing projects to meet the goals and targets set by the ESG committee on climate-related issues not limited to carbon, energy, waste, and water.

This includes collaborating on innovations related to low-carbon initiatives with regard to the supply chain and client services.

The environment and sustainability manager deployed at each facility/location plays a key role in identifying and prioritizing projects to meet the goals and targets set by the ESG Committee. These managers are also responsible for day-to-day operations to meet project goals. The team works closely with the Green Initiatives and Facilities team across locations to provide data on performance for the ESG report and to respective committees. The inputs given by the team is compiled by the corporate team and the resultant metrics are reviewed by the Business Unit Manager and Sustainability Leadership team together with the CFO before it is made available to the Risk Council, CSR Committee and ESG Committee on a periodic basis.

Infosys has well-established robust monitoring systems certified in line with ISO to regularly monitor its operations and risks related to Health, Safety and Environment (HSE) and climate change. Our Enterprise Risk Management (ERM) framework is developed by incorporating best practices based on the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and ISO 31000 and then tailored to specific business requirements. Infosys continues to be certified for ISO 22301:2012, ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018, which help the organization to act smartly on climate-related issues and provide best practices in the sector.

2. Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.

Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term

The time horizon considered by Infosys during the current year for its assessment is as follows:

Time horizon	From (years)	To (years)
Short-term	0	2
Medium-term	2	4
Long-term	4	10

How does your organization define substantive financial or strategic impact on your business:

In defining the substantive financial impact of risks and opportunities, we evaluate all our risks and opportunities across all our operations and geographies that may have an operational, financial or strategic impact on our business. The following guideline is used to define the substantive financial or strategic impact on our business.

» Risks/opportunities that contribute to over 2% (>364 MUSD) of our total revenue are considered critical with a severity of 4.

» Risks/opportunities that contribute between 1.5% to 2% (Between 273 MUSD to 364 MUSD) of our total revenues are considered high with a severity of 3.

» Risks/opportunities that contribute between 1 % to 1.5% (Between 182 MUSD to 273 MUSD) of our total revenues are considered medium with a severity of 2.

» Risks/opportunities that contribute to less than 1% (<182 MUSD) of our total revenues are considered low with a severity of 1.

Infosys' assessment of the substantive impact on our business (company-wide) is guided by two aspects: 1) how the identified risk/opportunity impacts our ESG strategy and 2) what financial impact it has on our business.

The risk and opportunity categories considered by Infosys during the fiscal 2023 for its assessments are as follows:

	Relevance and inclusion	Explanation
Current regulation	●	The Securities Exchange Board of India (SEBI) has mandated the top 1,000 Indian listed companies (by market capitalization) to report on Environmental, Social, and Governance (ESG) parameters as part of their annual financial reporting since fiscal 2019. In addition, the new Business Responsibility and Sustainability Report (BRSR) is applicable to the top 1,000 listed entities (by market capitalization), as reporting is now mandatory from fiscal 2023. BRSR disclosures include environmental indicators like GHG emissions and related dimensions. Any mandatory emission reporting requirements in countries where we operate outside India are a potential risk. In addition, there are specific disclosure requirements for listed companies in different countries with regard to climate change management for listed companies. Risks arising from threats to our financial, organizational, or reputation standing resulting from potential violations of or non-compliance with laws, regulations, codes of conduct, or contractual compliance are considered a significant risk category for Infosys. Regulatory requirements related to climate change are therefore regularly tracked and monitored by the Infosys team.

● Relevant

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	Relevance and inclusion	Explanation
Emerging regulation	●	Following the Paris Agreement, member countries have offered emission reduction commitments in the form of Intended Nationally Determined Contributions (INDCs).
		As part of its INDC, India has committed to the following goals towards climate action: Achieve 500GW of non-fossil energy capacity by 2030; Meet 50% of energy demand through renewable energy by 2030; Reduce total projected carbon emissions by one billion tonnes from 2021 till 2030; Reduce carbon intensity of the economy by less than 45% by 2030 and, Achieve Net Zero by 2070. This is expected to be reflected in future regulations for businesses in India.
		Given our global presence, this could have an impact on Infosys' direct operations. In the event that these targets are passed on to various industry sectors, either in the form of a carbon tax or emission reduction or RE intake, Infosys sees a risk to its business and operations. To mitigate the risk, Infosys sees a significant financial implication. Emission reduction targets or a carbon tax passed on to our clients in sectors such as oil and gas, mining, energy, etc., may impact our business and growth.
		Also, the Government of India, through the Ministry of Corporate Affairs, has rolled out new Business Responsibility and Sustainability Reporting (BRSR) requirements for the top 1,000 companies listed on SEBI. These includes specific disclosures on the company's management of climate change risks and opportunities in addition to the performance in these areas. In addition, US-SEC proposes rules to improve and standardize climate-related disclosures for investors. Therefore, emerging global regulations such as these are closely monitored as they could become compliance requirements in the coming years.
Technology	●	There are two aspects to technology-related risks and opportunities – how they effect our clients and how effect us.
		Clients: Over the past decade, Infosys has been leveraging technology to build and run some of the most efficient buildings and campuses in the world. Campuses conserve energy, save water, and manage waste responsibly. Infosys campuses are 'living labs' for clean technology.
		Infosys facilitates its clients in their transition to combat climate change through business-driven IT solutions around CCUS, energy storage, innovative and sustainable next-generation products and services, renewables, energy efficiency, brownfield modernization and transformation, clean energy generation and trading, and electric mobility. Our efforts are focused two goals: of developing products and solutions that are cleaner; and improving underlying processes through the effective use of advanced technologies such as IoT, AI, and robotics.
		The Sustainability Practice Unit (SPU) leverages our expertise to provide the following sustainability solutions: (1) Circular PLM (2)Decarbonization (3) Energy Transition (4) Smart Spaces (5) Sustainable Supply Chain (6) ESG Data and Analytics (7)Green IT (8) Sustainability Advisory / Organizational Change Management (9) Create a prioritized roadmap of valuable sustainability initiatives to transform your business (10) Sustainable Human Experiences and Behaviours (11) Sustainable Procurement Supply Chain for Scope 3.
		Infosys: We were early adopters of technology to combat climate change. From using simulation tools to achieve high-performance design of buildings to a central command center for smart operations, Infosys has at all times used the latest technologies to reduce operational resource consumption and, in turn, emissions. In addition to software tools, we have always been at the forefront of adopting latest technologies in buildings such as, chillers, lighting, building automation and other electric equipment like pumps, motors, etc.
		By using these latest technologies, Infosys has achieved one of the lowest energy and lowest water consumption in buildings.

● Relevant

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	Relevance and inclusion	Explanation
Legal	🔴	Infosys has committed to climate goals and ambitions with clearly implementable action plans based on its ESG Vision 2030. Moreover, Infosys' emission data is third-party verified according to global standards. Apart from this, Infosys conducts an internal audit every quarter to verify its climate actions through reviewing processes and GHG metrics. In this way, Infosys continuously strives to maintain the completeness, accuracy and reliability of its climate data and measures. Infosys has implemented a strong HSEMS built on the foundation of a strong compliance adherence. All applicable legislative requirements in the regions in which we operate are identified, complied, and tracked for adherence. These include environmental, and health and safety regulations. There have been no instances of monetary or non-monetary sanctions for non-compliance or environmental grievances reported to us in fiscal 2023. Infosys continues to proactively review all current or emerging regulations to minimize legal risks.
Market	🔵	In response to increasing awareness of climate change and other related socio-environmental issues, our clients increasingly requesting for our climate-related disclosures and commitments through global platforms such as CDP and Science Based Target Initiative (SBTi). These global disclosures are used as a benchmark for most customers and potential customers use them as a filtering criterion in the bidding and evaluation phase. We respond to multiple sustainability supplier assessments from our clients each year, including the CDP supply chain response.
Reputation	🔵	Having taken some early actions, including a commitment at the UN to become carbon neutral, Infosys has maintained its carbon neutrality since fiscal 2020. Infosys has established itself as a leader in its climate action. This has not only built our reputation but also given us an edge over our peers /competitors. The ESG Vision, which describes our 10-year plan for climate action and other areas of ESG, was another such commitment. Our sustainability efforts and net zero approach focused on energy and water have resulted in significant resource savings, giving Infosys one of the lowest Energy Performance Index in the IT sector and achieve water sufficiency. Our efforts enable us to meet the ever-increasing expectations of our clients, who consider sustainability as a key performance indicator and also our own employees and prospective employees. This helps us to attract talent and retain our business relationships. Non-achievement of our climate goals or failure to maintain leadership in global disclosure ratings may pose a significant reputational risk.
Acute physical	🔵	Acute physical risks are part of our operational risks. As we have a significant presence in India, we recognize that there are direct impacts of climate change arising from (1) physical damage to our building infrastructure and other physical assets and (2) disruptions to a city's functional infrastructure such as transport network and utilities, including electricity and water supply, in the cities where we operate can severely hamper business continuity. Furthermore, extreme weather events can affect employee morale, impacting business operations. Extreme weather events due to climate change can lead to vector-borne diseases and may result in endemics, epidemics or pandemics. For example, drought can lead to an increase in food prices or shortages of certain foods, and floods can cause cholera, diarrhoea, malaria, etc. Changes in the availability of natural resources such as water in regions where we operate could directly impact our operations and employee welfare, which in turn could affect our ability to do business and ensure business continuity. With large operating campuses in major urban cities of India, water stress and scarcity pose a significant near-term risk to us that will impact our ability to do business. Infosys' risk and opportunities are aligned to the 2DS climate scenario analysis, which takes into account the potential impact because of extreme events due to an increase in global average temperature. We are already experiencing such impacts on some of our campuses, and we have put in place a risk management process to minimize the potential impact on our business.
Chronic physical	🔵	Carbon dioxide levels in the atmosphere exceeded the 420 ppm mark in 2023. Global average temperature has already risen by 1.1°C above the pre-industrial level. Despite the Paris Agreement and global climate action, global warming continues unabated. Some of our large office campuses are located in coastal cities that are vulnerable to sea-level rise and consequent business continuity risks. Unabated global warming may lead to chronic water scarcity across our operational locations, particularly in India, leading to operational challenges. Infosys has been carbon neutral across all the scope emissions since 2020 and will continue to maintain the status over the next decade. We have aligned our emissions reduction target in line with SBTi recommendations. Our ESG Vision 2030 aims to reduce our absolute Scope 1 and 2 emissions by 75% against BAU and a 30% reduction in absolute Scope 3 emissions. All these targets are aligned with the global goals committed under the Paris Agreement to limit global warming below 2°C compared to pre-industrial levels.

🔵 Relevant   🔴 Not Relevant

ANNEXURE 3

Based on the risk mapping above, Infosys estimated the financial implications of 3 key risks and opportunities

Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning

The table below captures how the climate change risks, and opportunities have impacted (or not) Infosys' business and strategy by category:

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	✓	As a global leader in next-generation digital services and consulting, Infosys is part of the supply chain ecosystem of its clients. Today, most of our clients expect and demand that Infosys, as their supplier, have a strong internal climate action program and is able to contribute to the client's climate action commitments through the technology and services we offer. In view of the heightened client awareness of climate change and other related socio-environmental issues, clients increasingly request Infosys' climate performance during the Request For Proposal (RFP) or bidding stage. This could prove to be a filtering criterion or a strongly weighted parameter in their decision to work with a particular entity. If Infosys' performance does not match its commitments in these areas, there may be a risk of loosing business to competitors. In view of the heightened client awareness and demand for such services, Infosys sees an opportunity in capitalizing the client requirements. Infosys has therefore set up the Sustainability Practice Unit, aiming to provide services and solutions in the areas of climate change, smart spaces, sustainability, and ESG in fiscal 2021. Realising the potential for Energy-as-a-Service in the backdrop of accelerated climate action and energy transition, Infosys has partnered with bp to create an EaaS platform. Infosys has committed to climate action more than a decade ago. We committed to carbon neutrality and switching to renewable energy as early as 2011. Currently, we are sourcing 57.9% of power requirements in India through renewables. We have built a net-zero strategy around energy efficiency, renewable energy, and carbon offsets. We have set new benchmarks for operational efficiency in the industry and have continued to raise the bar for all stakeholders–consultants, vendors, original equipment manufacturers (OEMs), peers, and government agencies–through our climate change efforts. Infosys has been carbon neutral since fiscal 2020, giving a fillip to our business strategy that includes offering zero-carbon services to our clients. Our 2030 ESG Vision includes our commitment to stay carbon neutral and strengthen our efforts to reduce Scope 1, 2, and 3 emissions through action.

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	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Supply chain and/or value chain	✓	How the climate-related strategy has influenced Infosys and our clients.

Supply Chain:

The Company recognizes that suppliers are valuable stakeholders in its business ecosystem. Its supply chain consists of three broad categories - People, Services, and Products. Most of Infosys' suppliers only provide services/products that ensure sustained operations for the Company and do not contribute directly to Infosys' services/offerings. Therefore, for fiscal 2023, the impact related to climate change risks and opportunities is considered low with respect to the supply chain.

However, from an operational excellence standpoint, Infosys has been pushing its suppliers to innovate and invest in low-carbon technologies. We procure Energy Star rated equipment and evaluate requirements such as REACH and ROHS compliance as applicable to the product category. We use green seal products for housekeeping. Working with the supply chain/vendors on climate goals, have a bearing on efficient operations and our risks and opportunities, which are listed in the risks and opportunities section.

Infosys has always looked out at cleaner alternatives for its energy requirements. It has also constantly pushed its construction/equipment suppliers, to innovate and deliver energy-efficient technologies.

The supply chain plays an important role as it aligns with our climate goals and enables us to realize our ESG Vision 2030.

Infosys is actively working with the supply chain to drive the climate action agenda through global platforms such as CDP.

Value Chain:

Over the past decade, Infosys has been leveraging technology to build and run some of the most efficient buildings and campuses in the world. These campuses conserve energy and water, and manage waste responsibly. Infosys campuses are 'living labs' for clean technology. Leveraging our expertise, we setup the Sustainability Practice Unit (SPU) in fiscal 2021. The practice collaborates with business units to scale technology-led solutions to tackle climate change, as highlighted in the HFS Research - Infosys' chance to seize the sustainability-first narrative (https://www.infosys.com/ services/engineering-services/insights/sustainability-firstnarrative.html).

The Sustainability Practice Unit (SPU) leverages our expertise to provide the following sustainability solutions: (1) Circular PLM (2) Decarbonization (3) Energy Transition (4) Smart Spaces (5) Sustainable Supply Chain (6) ESG Data and Analytics (7) Green IT (8) Sustainability Advisory/Organizational Change Management (9) Create a prioritized roadmap of valuable sustainability initiatives to transform your business (10) Sustainable Human Experiences and Behaviours (11) Sustainable Procurement Supply Chain for Scope 3. Infosys facilitates clients in their transition to address climate change through business-driven IT solutions in CCUS, energy storage, innovative and sustainable next-generation products and services, renewables, energy efficiency, brownfield modernization and transformation, clean energy generation and trading, and electric mobility. Our efforts are focused on two goals: developing products and solutions that are cleaner; and improving underlying processes through the effective use of advanced technologies like IoT, AI, and robotics.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Operations	✓	The potential fuel-related regulation/taxes and Infosys' reputation (owing to its voluntary carbon neutral commitment) physical climate change risks like extreme weather conditions, floods, cyclones, etc., are expected to present an increased risk to the company, and preparing for climate change adaptation and mitigation is key to its operations. Infosys has also identified climate change as a physical risk to its operations due to extreme weather events, resource shortages such as water scarcity, and changing environmental parameters such as temperature rise, etc. Infosys' strategy to adapt to these challenges is three-pronged: 1) Making operations resilient to these risks through its business continuity management system 2) Reducing its consumption of resources such as energy and water, there by reducing its business risk due to resource scarcity 3) Making itself self-sufficient in its energy and water requirements. In addition, climate change is an integral part of Infosys' own business strategy. Our day-to-day operations are guided by our sustainability policy, which focuses on four tracks: 1) Making the business sustainable, 2) Making the clients' business sustainable, 3) Making the Infosys ecosystem sustainable, and 4) Making our lifestyle sustainable. Infosys has categorized the risks/opportunities related to climate change as short-term, medium-term, and long-term. In line with climate change adaptation strategies related to dealing with extreme weather conditions and water shortages, Infosys has ensured that all our campuses invest in energy conservation, water conservation, recycling and rainwater harvesting. Water consumption is reduced through demand-based measures and 100% of wastewater is recycled at our campuses in India. Our campuses in India have 39 lakes/ponds to collect rainwater with a capacity of approximately 426 million liters and 400 deep injection wells with a potential to inject approximately 20 million liters of rainwater into the ground.

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Climate change risk and opportunity management have had a bearing on Infosys' financial planning by impacting its indirect cost and capital expenditures.

In fiscal 2017, Infosys introduced an internal carbon price to make more informed decisions on investments in clean technologies, lower carbon solutions, renewable energy, and carbon offset projects to reduce/offset its carbon footprint across significant operations. The carbon price originally set was US$10.5, then reviewed in fiscal 2019 and revised to US$14.25, which was set as the benchmark for all our low-carbon initiatives.

As of fiscal 2023, Infosys significantly reduced its reliance on the power grid though a series of energy efficiency projects and green buildings. Today, the total green buildings for Infosys stand at 28.9 million sq.ft, while the overall energy consumption per million-dollar revenue dropped by over 51.07% against fiscal 2020. Further, Infosys extended two existing projects and invested in one new carbon offset project. This will help Infosys meet its carbon neutral offset project needs for fiscal 2023 and beyond.

Infosys has also established the Sustainability Practice Unit to address to the external/market opportunities in the ESG space.

Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

Being an IT company, Infosys does not have sector-specific guidance for assessing the 2°C scenarios (2DS). We carried out the 2DS analysis and applied it retrospectively to our climate-related plans and targets that the Company had already defined. Our Scope 1, 2 and 3 emissions reduction targets are aligned to well below 2 degree scenario (WB2DS) and validated by SBTi in April 2021.

In assessing the 2DS scenario analysis, Infosys considered inputs such as policy changes like emerging regulations, technology shifts and energy cost, our expansion plans (both in terms of geographies as well as office space), and reputation, amongst others. The analysis looked at various factors that could have an impact on our energy consumption and emissions projections up to fiscal 2050. These were analyzed and expected emissions projections were estimated to see how they relate to the 2DS and ambitions as part of the Paris Agreement. The boundary for the assessment included all Infosys operations in all geographic regions.

While the various scenario analyses provide insight into the pathways to reach net-zero by 2050, Infosys is already a carbon-neutral company and has decided to continue its commitment to remain carbon neutral for each year up to fiscal 2030. Therefore, we already had a well-defined climate-related strategy to meet this commitment. Infosys had set internal short-term, mid-term and long-term targets aligned to our ESG Vision, carbon neutrality, and commitment under the Paris Agreement to limit global temperature below 2°C. The WB2DS defined for Infosys considers the reducing absolute Scope 1 and 2, and Scope 3 GHG emissions by 12.5% by fiscal 2025 and 37.5% by fiscal 2035 from 2020 as the base year.

The results of this analysis informed our climate considerations and our overall business strategy in a wide range of internal stakeholder discussions. The analysis was used to inform the Management of our risk assessment (physical and transitional) and prioritization process, and the considerations of our future climate change commitments and goals under the ESG 2030 Vision.

2DS Analysis: Infosys conducted an analysis in line with the IEA's 2DS scenario with the base year as 2013. It was found that, compared to the 2013 baseline, Infosys should have achieved at least 60.8% reduction in its absolute scope 1+2 emissions by 2050, and at least 20.4% by fiscal 2022. As of fiscal 2023, Infosys has already achieved a 63.85% reduction in absolute scope 1+2 emissions as opposed to the expected reduction of 20.4%.

As an IT services company, Infosys is unlikely to have a direct business impact from higher global warming scenarios. However, we anticipate indirect impact – some of the industry sectors we serve may see a decline in business, while other sectors may gain business and even new business opportunities may evolve in the digital space. Overall, the rapid transition to the technology/digital age presents us with more opportunities than risks.

These targets are aligned to our corporate commitment to remain carbon neutral and other existing commitments to reduce emissions. We have been investing in energy efficiency, renewable energy, and community-based carbon offset projects for almost a decade now. The Company's ESG Vision 2030 outlines its enhanced and continued climate action commitments to deploy the resources necessary to achieve them.

Infosys' decade-long climate action journey has inspired its employees. Through its, board-level oversight, and corporate leadership commitment, it has created a resilient and sustainable program to fight climate change.

ANNEXURE 3

Risk and Opportunities

Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type and primary climate-related risk driver

Technology - Transitioning to lower emissions technology (Renewables)

Company-specific description

We have seen a steady increase in the cost of electricity over the years in India, and other countries where we operate. In the last few years, trends show an increased cost of grid tariff ranging between 2-5% in India. We expect this trend to continue in the coming years as well, in addition to the challenge of increasing the share of renewables in our electricity. Uncertainty around future energy prices and renewable energy policies remains a potential risk for Infosys. To meet our ESG goal of reducing Scope 1 & 2 emissions, investments in renewables would be required such as installation of solar panels, increasing green power procurement and adoption of green tariff from DISCOMs at a higher rate.

Time horizon
Long-term

Likelihood
Very likely

Explanation
Based on the current and past trends of the cost of grid power, we expect electricity costs to increase, going forward. For our long-term risk assessment, we have considered an escalation in energy cost between 2-5% YOY (the most conservative

approach). If no investments are made in RE installations, which are now relatively cheaper than grid power, Infosys will have to bear an additional cost of grid power for its energy usage.

Description of response

Response to mitigate, control, transfer or accept the risk:

Infosys has continued its targeted efforts to address risks related to energy costs/taxes/ regulation. Response costs are being assessed based on increased purchase of green power through power purchase agreements and green tariff. In addition, we are a signatory to RE100. Being an IT company with large growing commercial space, Infosys utilized its rooftop area for any low-emission energy sources such as solar PV, solar thermal, etc., thereby reducing our dependence on the grid.

Example:
During fiscal 2023, 76.23 GWh of electricity was produced from our own solar PV power plant installed across our campuses in India. Along with the green power procurement and the onsite solar generation, approximately 57.9% of the total electricity demand of our sites in India was covered by renewable energy.

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical - Increased severity and frequency of extreme weather events such as cyclones and floods

Company-specific description

Extreme weather events due to climate change such as cyclones, floods, etc., have become more frequent than usual, especially in the last decade. With a very large operational footprint in India, we recognize there are direct climate change impacts arising from 1) physical damage to our building

infrastructure and other physical assets, and 2) disruptions to the functional continuity of the city/affected location, such as transportation, communications network, and essential utilities, can seriously impact business continuity. Due to these extreme weather events, we have identified operational risks, mainly disruption of power, communication blockage, and water supply, which are not limited to our delivery centers but rather the entire eco-system in the location where we have our delivery centers. Some of our campuses such as Bhubaneswar, Hyderabad, Mumbai, and Chennai have witnessed significant damage due to these frequent climate changes, causing damage to the entire city / DC. This can affect employee morale until all basic utilities are restored.

Time horizon

Short-term

Likelihood

Very likely

Explanation

The impact due to risk associated with this category includes drought, extreme precipitation, cyclone, flooding, disruption of power, data, and water supply, etc., for all locations with a probability and severity of 3 and 4 are considered in the impact analysis. The impact has been estimated based on the Enterprise Risk Management process (i.e., probabilities and severity of risk). A quantitative scale of 1 to 4 is used to determine the frequency, probability, and severity of a risk.

Description of response

Response to mitigate, control, transfer or accept the risk:

Our response to physical risk is managed through our BCMS. 1) In the event of a natural disaster, this team is responsible for ensuring minimal or no impact to our business operations. We have a well-established BCMS (Phoenix program) to manage all business risks including risks from climate change impacts and provide the highest standards of business continuity. Infosys BCMS conforms to best-in-class

ANNEXURE 3

practices and is certified for ISO 22301:2019 certification, the first amongst IT organizations based in India to get this accredited certification. Our physical infrastructures are designed to reduce the impact of climate change risks by adopting sustainable design strategies. Infosys evaluates various sites for drought-prone conditions, before selecting the same. 2) Infrastructure Capex considered for mitigation efforts includes Capex for high flood levels, raising road levels and building plinth, etc.

Opportunities:

Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Opportunity 1

Where in the value chain does the opportunity occur:
Direct operations

Opportunity type

Products and services - Development and/or expansion of low emission goods and services

Company-specific description

Infosys intends to improve its competitiveness and capitalize on the shifting client preferences using its sustainability, low carbon transition and digital/IT expertise to help its clients in their sustainability and low-carbon journey. The Sustainability Practice Unit (SPU) intends to leverage its expertise to deliver the offering to our clients through the following overarching pathways to sustainability: 1) Eco-Watch – powered by Microsoft business applications, 2) Zero Carbon Building (ZCB) pathways, 3) Product Life-cycle Management (PLM) as a foundation for a circular economy, and 4) Financial services offerings for sustainable investment decisions (ESG).

Time horizon: Long-term

Likelihood: Very likely

Explanation

Infosys has an employee strength of over 3,43,000 and caters to 1,850+ clients across geographies. Digital technology services account for about half of total revenue for the year. North America continues to contribute two-thirds of the Company's total revenue. With renewed focus on climate in the US and all countries/corporates working towards the Paris Agreement goal, Infosys expects huge growth in climate-related services in these markets.

Strategy to realize opportunity

Methods to realize the opportunity and maximize its potential realization:

Leveraging our expertise, we set up the Sustainability Practice Unit (SPU) in fiscal 2021 with a mission to serve the conservation of our planet through the development and sharing of technology solutions. The practice works collaboratively with business units to develop technology-led solutions to combat climate change. Infosys campuses serve as 'living labs' for adoption of cleantech. Infosys intends to improve its competitiveness and capitalize on shifting the client preferences using our sustainability, low carbon transition, and digital/IT expertise to help its clients in their sustainability and low carbon journey. As a key pillar of our climate change mitigation strategy, we offer clean technology services to clients to help them reduce their carbon footprint and overall environmental impacts.

The SPU is expected to rapidly expand to include subject matter experts, business graduates, consultants, and software developers. The cost to realize the opportunity is a conservative estimate based on the growth plans of the SPU. The unit has the potential to grow up to 1,000 people strong in the next few years. SPU will be collaborating with teams within Infosys and also actively partnering with external partners. To enhance its capabilities, SPU is engaged with World Economic Forum, UNESDA, Arizona State University, and Green for Life. SPU will also rely on the gig economy to recruit experts internally and externally. 15% of the total cost is towards licensing fees and collaboration costs. The cost also accounts for nominal inflation.

Opportunity 2

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type

Energy source - Use of lower-emission sources of energy

Company-specific description

In India and most of the countries where we operate, the cost of electricity and diesel has risen steadily over the years. We expect this trend and to continue, which could be between 2-5% in India in the coming years. Infosys has identified this as an opportunity to save the indirect cost of energy as the uncertainty of future energy prices is a potential risk for Infosys. Having invested in its own solar PV power plant and working with the various state governments, technology providers and third-party renewable energy producers, Infosys has been able to transition to 57.9% clean renewable energy in India. This can also lead to long-term collaborations and partnerships with clean energy suppliers.

Time horizon: Long-term

Likelihood: Very likely

Explanation

Based on the current and past trends of the cost of grid power, we expect electricity costs to increase, going forward. For our long-term risk assessment, we have considered a 2-5% escalation in energy cost YOY (the most conservative approach). If no investments are made in RE installations, which are now relatively cheaper than grid power, Infosys will have to be an additional cost of grid power for its energy usage.

Strategy to realize opportunity

Methods to realize the opportunity and maximize its potential realization: Infosys has continued focused efforts to identify opportunities related to energy. In addition, we are a signatory to RE100. As a IT company with a large, growing commercial footprint, Infosys has ensured that all of its buildings with un-utilized rooftop space are to be covered with solar PV systems to generate electricity for its own use,

buildings with un-utilized rooftop space are to be covered with solar PV systems to generate electricity for its own use, thereby reducing the load on the power grid. The cost of response is what it would cost to build your own solar plant (captive).

Example:

During fiscal 2023, 76.23 GWh of electricity was produced from our own solar PV power plant installed across our campuses in India. Along with the green power procurement and the onsite own solar generation, about 57.9% of the overall electricity requirements of our campuses in India were met through renewable power. The cost of the response to the risk is evaluated based on total solar PV installation.

Opportunity 3

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resource conservation – leading to reduced long term operating costs

Company-specific description
Infosys carbon neutrality is based on the three main pillars of energy efficiency, renewable energy and carbon offset projects. Energy efficiency in new buildings and retrofits in old buildings, enable reduction in energy consumption and thus reduction in emissions. Super-efficient infrastructure has a long-term impact of low operating costs, as evident from Infosys' energy consumption over the past decade and half.

By reducing the per capita energy consumption by 55% from fiscal 2008 to fiscal 2020, Infosys was able to de-link business growth from resource consumption. While Infosys' headcount increased by 2.5 times during this period, electricity bills increased by only 20%, resulting in total savings of over 2.3 Bn kWh (translating to over 200 MUSD). Water consumption was also similarly reduced during the same period, contributing to further to cost reductions. Continued focus on energy and water conservation projects is important to maintain efficiency and low operating costs in the long term.

Time horizon: Long-term

Likelihood: Very likely

Explanation

Over the last decade and a half, Infosys has invested in energy efficiency and significantly reduced energy intensity from fiscal 2008 to fiscal 2020. The avoided electricity in fiscal 2020 (compared to BAU scenario of fiscal 2008) is used as the basis for annual impact calculations. The financial impact is the difference in operating costs with and without energy efficiency measures. (i.e. expected savings). The impact of energy efficiency improvement is factored so that the increase in electricity consumption is 4% at lower end and 6% at higher end. The lower range indicates more remote work and the higher range indicates more people coming into the office.

Strategy to realize opportunity

Super-efficient new buildings and deep retrofits in existing buildings, will be taken up and maintained, along with continuous monitoring by the command center, to achieve energy savings year after year. The cost of the response is the cost of energy efficiency measures (as % of operating costs involved in building management system, retrofit projects, replacements, etc.).

3. Risk management

Describe how the organization identifies, assesses, and manages climate-related risks

Describe your process(es) for identifying, assessing, and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Upstream

Downstream

Risk management process

Integrated into the multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

Risk and opportunity identification

The process of identifying, assessing, and managing climate-related risk is integrated into the Enterprise Risk Management framework. Time horizons considered for Risks and Opportunities (R&O) are short-term, medium-term, and long-term.

R&O is identified by mapping our operations, upstream and downstream for 1) the potential impact of business on climate and 2) the potential impact of climate change on our business. We look at these climate-business cross-sections

through the lens of current and evolving concepts, trends, policies, and regulations to identify R&O. We also rely on various international STDs, guidelines/frameworks like TCFD, SASB, CDP for R&O drivers. The R&O identification process is a cross-functional and org-wide exercise led by climate change experts from the Green Initiatives team. As detailed in the Governance section, the R&O identification process begins at a location, function, and business account level, eventually leading to the corporate level.

At an enterprise level, we look at risks as strategy and strategy execution, operational, legal and compliance risks.

R&O assessment

At Infosys, the process of climate-related risks assessment is integrated into multi-disciplinary company-wide risk identification, assessment, and management processes. Climate change is an integral part of its business strategy and sustainability policy and therefore finds a place in the Company's enterprise risk management exercise.

Infosys Enterprise Risk Management function enables the achievement of strategic objectives by identifying, analyzing, assessing, mitigating, monitoring, and governing any risk or potential threat to these objectives. While this is the key driver, our values, culture and commitment to our stakeholders–employees, customers, investors, regulatory bodies, partners and the community around us–are the foundation of our ERM framework. The framework defines various categories of risks and the appropriate governance bodies or councils that will have oversight of these risks. Climate change is an operational risk that is monitored through the Operational Risk Council.

Infosys has a dedicated risk team headed by the Chief Risk Officer to evaluate and appraise its management of critical risks to its business. Risks at Infosys are categorized as strategy and strategy execution, operational, legal and compliance risks.

Strategy and strategy execution risks: The risks arising out of the choices we have made in defining our strategy and the risks to the successful execution of our strategy are covered in this category. For example, the risks inherent in

our industry and our competitiveness are analyzed and mitigated through strategic choices of target markets, our market offerings, business model and talent base.

Operational Risks: This category includes risks that impact our policies, procedures, people, and systems, thereby affecting service delivery or business operations or compromising our core values or business practices. For example, risks such as inefficiencies in internal processes, business activity disruptions due to natural calamities, climate change, human conflicts, system failures and cyber security attacks.

Legal and Compliance risks: The risks arising out of threats posed to the Company's financial, organizational, or reputational standing due to litigations, non-conformance with laws, regulatory or geopolitical developments, code of conduct, and contractual compliances are covered in this category.

Climate change risks: The Company focuses on business continuity, among other things, by taking reasonable precautions to mitigate potential disruptions to business operations in terms of people, connectivity, and infrastructure. Business continuity is a priority and is managed by the Phoenix program. Phoenix is Infosys' dedicated Business Continuity Management program, which monitors all the controls and compliance requirements. During fiscal 2021, the Company also launched the ESG 2030 Vision and Sustainability Practice Unit, which focuses on market offerings for its clients wanting to transition on a low-carbon journey. This makes climate change risk a part of strategic risk. Infosys being an IT Consulting and Services company, does not have nor foresee any climate change specific litigation or claims. We do not fit into the 'major polluting sector' either in India or overseas and therefore have no mandatory requirements for climate action. To date, Infosys has not had any instances of climate-related litigations or claims, nor do we expect the same in the future. However, as a result of the Paris Agreement, there are specific disclosure requirements for listed companies in various countries regarding how they are addressing climate change: for example, the Johannesburg Stock Exchange, Australia Securities Exchange, and the US Securities and Exchange

Commission, to name a few. There is a compliance risk for Infosys to meet the requirements of ESG, BRSR, US-SEC filing, etc.

Our R&O assessment uses both qualitative and quantitative approaches. For potential R&Os, where clear, measurable drivers/results are available, we use a quantitative approach; in other cases, a qualitative approach. Thus, we assess R&O quantitatively, e.g., in terms of technologies, while R&O is assessed qualitatively in terms of consumer behaviour.

Physical risks are assessed quantitatively using an enterprise risk framework based on the probability of occurrence and severity. The probabilities are defined using a rating (1 to 4), 1 being least probable while 4 being most probable event/ risk. The severity scale (1 to 4) is mapped to a financial impact as presented in the detailed R&O section below. This severity financial impact mapping is based on average manday loss. All risks in probability and severity combinations 3 and 4 are used to estimate financial impact and mitigation. The total financial impact is the cumulative financial loss from different campuses for the specific physical event.

Wherever possible, the impact of R&O is translated into revenue impact. This could be in the form of potential revenue loss/gain from doing an activity or not doing it, potential losses due to climate-related events (lost mandays), or potential revenue gain (market gain) from climate-related opportunities.

Each BU identifies and assesses these risks in line with the process detailed above, which is then taken to the BU heads and the ERM team for quarterly reviews. The risk ranking is carried out as detailed in the section below based on the severity and likelihood of the risks. The identified and assessed risks are prioritized based on the risk rating/likely impact on business/reputation. These climate risks then become a part of our ERM risk registry and are managed similarly to other risks.

Managing R&O

As a part of its materiality exercise, Infosys considers all aspects with a dual lens, ones that impact Infosys' sustainable business performance as well as those that can have an influence / impact on its stakeholders. Therefore, all aspects, including climate change, are among Infosys' material topics. The Company also refers to international guidelines, standards, and climate change trends reported in popular and academic journals and reports. This feeds into the materiality process that helps prioritize risks and opportunities.
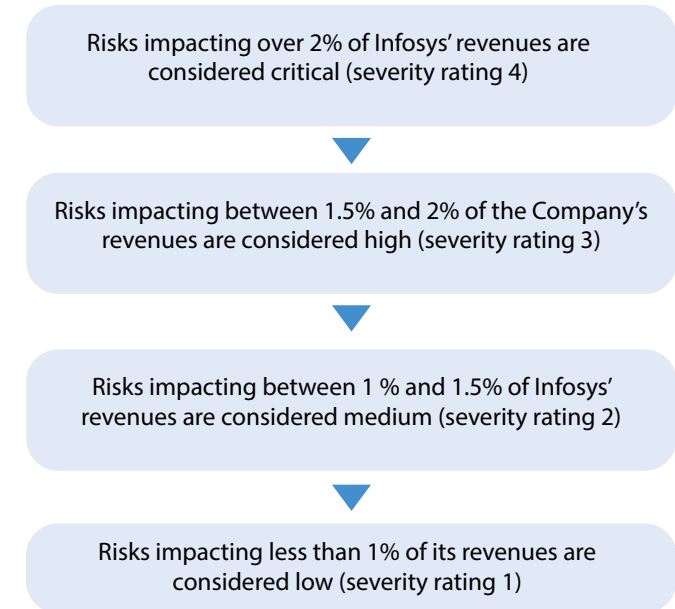
A multi-pronged approach is used to prioritize climate change risks and opportunities. While assessing the climate change risks and opportunities, they need to be aligned to the categorization as per most climate change-related guidelines. These include transition risks (such as regulatory, market, brand and reputation, compliance, etc.) and physical risks (like extreme weather events, drought, etc.).

The risk registry prepared by the BUs is then discussed in the quarterly risk meetings, including proposals for remediation measures. Based on our risk appetite, the ERM team enables effective resource allocation for the top risks. Issues like additional funds needed for mitigation measures, residual risks, or the secondary risks that remain, are discussed. Strategic decisions are taken after careful consideration of each risk type.

In assessing and prioritizing each risk, Infosys applies principles of risk management i.e., avoid risks if possible, reduce/control them through mitigation measures, and finally accept/transfer risks to the extent possible. Risks faced by our key stakeholders and their cumulative impact on our overall risk response are also considered.

The assessment of physical risks (operational risk) depends on the threats and vulnerabilities the Company faces from extreme weather events. In such cases, the probability and the severity (impact) of such events are assessed. A quantitative scale of 1 to 4 is used to determine the probability and severity of a risk. Estimated risks are prioritized based on risk ranking. The results of this risk-based approach are used to determine capital and expense allocations for preventive and corrective actions. These actions ensure Infosys' readiness and continuity of operations. The Green Initiatives Team and the BCMS teams establish climate change risk profiles and opportunities to assess outcomes, financial impacts, and consequences over a period of time. The risk categorization and financial impact are calculated considering the probability and severity of potential risks. In defining the financial impacts of risks, the following guideline is used to determine the severity of risks:

Risks impacting over 2% of Infosys' revenues are considered critical (severity rating 4)

▼

Risks impacting between 1.5% and 2% of the Company's revenues are considered high (severity rating 3)

▼

Risks impacting between 1 % and 1.5% of Infosys' revenues are considered medium (severity rating 2)

▼

Risks impacting less than 1% of its revenues are considered low (severity rating 1)

The probabilities are defined using a rating of 1 to 4, 1 being the least probable while four being the most probable event/ risk.

All risks rated at 3 and 4 of probability and severity, are carried forward for financial impact estimation and mitigation.

Risk Response:

- New campus selection after considering risk probabilities like cyclones, heavy rains, etc.

- New building designs incorporate resilience to extreme weather, including 1-week of water backup and planning power backups.

- BCMS team was established to respond and minimize impacts on our business operations.

Transitional Risks:

Regulatory and reputational risks are determined based on:

1. Existing carbon and energy regulations in different regions the Company operates globally and the likelihood of them changing in the short, medium, and long term.

2. Expectations from the Company's key stakeholders and the severity of impact on its brand and reputation, if they are not addressed.

These risks in turn provide opportunities to improve on all critical aspects of climate change by bringing in changes to the existing processes and systems, which help the Company to optimize and save costs at various levels and also fuel the innovation both internally and externally related to Infosys' client offerings.

The responsible business units propose various mitigation measures as required for the identified risks. The complete list of risks is then discussed during the quarterly risk meetings. As part of these reviews, any issues relating to additional funds for risk mitigation measures, residual risks or remaining secondary risks are discussed in the quarterly risk meetings. Strategic decisions are taken after careful consideration of primary risks, secondary risks, consequential risks and residual risks. The Enterprise Risk Management function enables effective resource allocation through structured qualitative and quantitative risk impact assessment and prioritization based on Infosys' risk appetite. Any of these categories can have internal or external dimensions. Hence, appropriate risk indicators are used to identify these risks proactively.

Risk Response:

Our achievement of carbon neutrality over the past four years as well as our strong ESG performance over the past decade, has created a well-recognized positive impact on our overall image and branding. Media and international rating agencies have reported positively on us and most fund managers consider Infosys as a safe investment.

If we are unable to meet our ESG targets (carbon neutrality), the team assessed that this could lead to a negative media coverage, loss of credibility with clients, impact our brand and reputation, and international ESG ratings, leading to loss of business.

4. Metrics and targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material

a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process

Starting fiscal 2023, Infosys has chosen to track its performance as follows:

1. Scope 1 and 2 combined: As a percentage reduction from the business-as-usual scenario in absolute terms.

2. Scope 3: As an absolute percentage reduction with respect to the 2020 baseline.

In addition, Scope 1+2 and Scope 3 emissions are tracked year-on-year as emissions (tCO2e) per million US$ revenue.

Until fiscal 2020, Infosys tracked its performance on all environmental aspects and normalized against its employee base that occupied and used the premises. However, in order to comply with most international standards/reporting guidelines and/or rating agency evaluation criteria, Infosys has decided to revise its intensity against US$ million revenues generated.

b. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against the targets

Read more in the Infosys ESG Vision 2030.
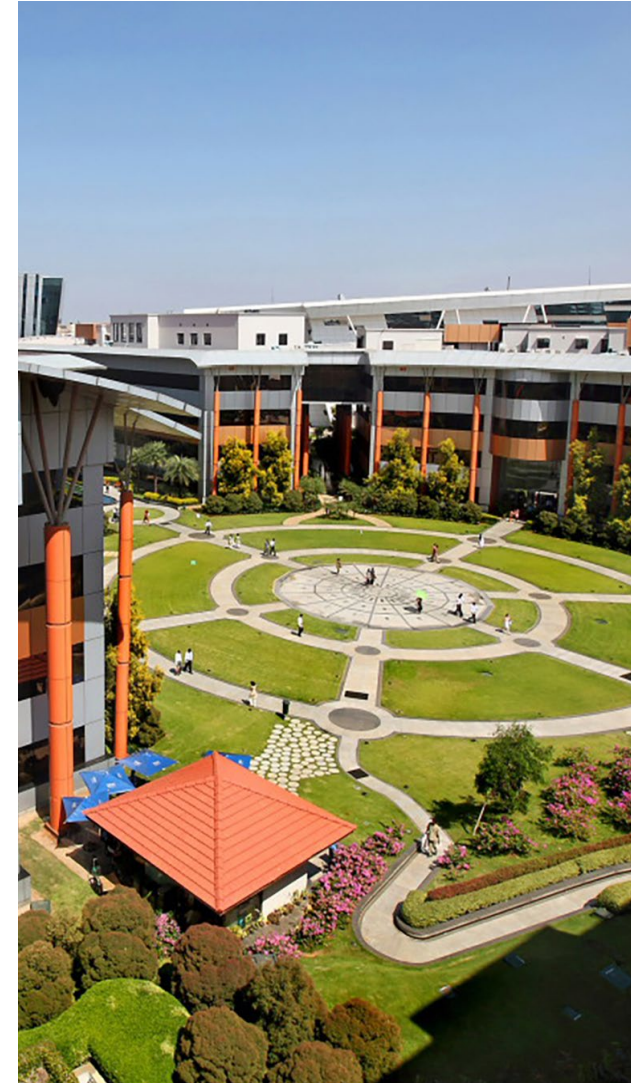
Key Performance Indicators

This chapter provides an overview of Infosys' performance over time. The boundary of its disclosure is given in Annexure 1.

BUSINESS

Financial Performance Snapshot

[In US$ million]

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Direct economic value generated	18,512	16,592	13,832
Revenues	18,212	16,311	13,561
Other income	300	281	271
Economic value distributed	20,408	18,178	13,803
Operating costs	4,594	3,911	2,684
Employee wages and benefits	9,729	8,585	7,493
Payments to providers of capital [1]	2,828	2,946	1,226
Payments to governments (total taxes paid)	3,193	2,676	2,341
Community investments[2]	64	60	59
Economic value retained[3]	(1,896)	(1,586)	29

Notes:
(1) Includes payment of dividend for all three fiscals and amount paid on buyback of equity shares for fiscal 2023 and 2022 funded through accumulated reserves.

(2) Fiscal 2021 includes US$5 million which the Company intends to spend in the future relating to and in addition to the amounts spent in the prior year.

(3) Calculated as 'Direct economic value generated less economic value distributed'

EMPLOYEES

Employee Details and Talent Management

As an IT services and consulting company, we do not have seasonal variations in employment. Most of our staff are fulltime, permanent employees. We are committed to strengthening our local hiring practices and continuously increasing the proportion of senior management hires from the local regions of our operations. 91% of our talent are local hires and 77% of senior management personnel are hired locally.

Region-wise employee distribution

Region	As on March 31, 2023			As on March 31, 2022			As on March 31, 2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
India	1,73,086	1,13,084	2,86,170	1,57,132	1,04,672	2,61,804	1,32,684	84,383	2,17,067
APAC	7,756	5,839	13,595	6,750	5,027	11,777	5,034	3,745	8,779
Americas	17,070	10,026	27,096	17,463	9,672	27,135	14,284	7,515	21,799
EMEA	9,967	6,406	16,373	8,172	5,127	13,299	7,296	4,678	11,974
Total	**2,07,879**	**1,35,355**	**3,43,234**	**1,89,517**	**1,24,498**	**3,14,015**	**1,59,298**	**1,00,321**	**2,59,619**

Scope : Infosys Group

Role-wise employee distribution

Role	As on March 31, 2023			As on March 31, 2022			As on March 31, 2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Junior	86,803	71,110	1,57,913	78,919	66,487	1,45,406	54,734	49,802	1,04,536
Middle	86,094	55,732	1,41,826	79,812	51,131	1,30,943	77,530	44,921	1,22,451
Senior	34,171	8,000	42,171	30,190	6,457	36,647	26,451	5,148	31,599
Total	**2,07,068**	**1,34,842**	**3,41,910**	**1,89,517**	**1,24,498**	**3,14,015**	**1,59,298**	**1,00,321**	**2,59,619**

Excludes certain entities where data is not available.

Age-wise employee distribution

Age	As on March 31, 2023			As on March 31, 2022			As on March 31, 2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<=30 years	1,14,234	90,413	2,04,647	1,02,584	84,687	1,87,271	77,286	66,517	1,43,803
31-50 years	87,033	42,916	1,29,949	81,257	37,954	1,19,211	77,429	32,203	1,09,632
>= 50 years	6,612	2,026	8,638	5,676	1,857	7,533	4,583	1,601	6,184
Total	2,07,879	1,35,355	3,43,234	1,89,517	1,24,498	3,14,015	1,59,298	1,00,321	2,59,619

New employee hiring

Age-wise employee hiring rate for permanent employees

Age	Fiscal 2023					Fiscal 2022				
	Men	Rate of hiring(%)	Women	Rate of hiring(%)	Total	Men	Rate of hiring(%)	Women	Rate of hiring(%)	Total
<=30 years	50,429	71.11	33,656	76.61	84,085	65,480	77.47	46,285	81.15	1,11,765
31-50 years	19,243	27.13	9,936	22.62	29,179	17,673	20.91	10,301	18.06	27,974
>= 50 years	1,247	1.76	341	0.78	1,588	1,366	1.62	451	0.79	1,817
Total	70,919		43,933		1,14,852	84,519		57,037		1,41,556

Region-wise employee hiring rate for permanent employees

Region	Fiscal 2023					Fiscal 2022				
	Men	Rate of hiring(%)	Women	Rate of hiring(%)	Total	Men	Rate of hiring(%)	Women	Rate of hiring(%)	Total
Americas	6,426	9.06	3,938	8.96	10,364	8,771	10.38	5,745	10.07	14,516
APAC	3,683	5.19	2,718	6.19	6,401	3,830	4.53	2,826	4.95	6,656
EMEA	4,629	6.53	3,357	7.64	7,986	3,693	4.37	2,879	5.05	6,572
India	56,181	79.22	33,920	77.21	90,101	68,225	80.72	45,587	79.93	1,13,812
Total	70,919		43,933		1,14,852	84,519		57,037		1,41,556

ANNEXURE 4

Employee turnover

Age-wise employee turnover rate for permanent employees

Age	Fiscal 2023					Fiscal 2022				
	Men	Turnover rate (%)	Women	Turnover rate (%)	Total	Men	Turnover rate (%)	Women	Turnover rate (%)	Total
<=30 years	18,803	21.8	14,008	20.7	32,811	23,043	32.4	15,489	26.5	38,532
31-50 years	13,433	20.6	5,762	20.4	19,195	15,414	25.0	6,197	25.5	21,611
>= 50 years	646	14.5	137	14.9	783	627	16.9	133	16.9	760
Total	**32,882**	**21.1**	**19,907**	**20.6**	**52,789**	**39,084**	**28.7**	**21,819**	**26.1**	**60,903**

Region-wise employee turnover rate for permanent employees

Region	Fiscal 2023					Fiscal 2022				
	Men	Turnover rate (%)	Women	Turnover rate (%)	Total	Men	Turnover rate (%)	Women	Turnover rate (%)	Total
Americas	3,773	25.7	1,897	24.7	5,670	4,141	30.6	2,091	31.9	6,232
APAC	1,033	23.6	404	20.4	1,437	1,274	33.9	472	30.8	1,746
EMEA	742	16.6	256	17.7	998	675	18.1	198	20.3	873
India	27,334	20.6	17,350	20.3	44,684	32,994	28.6	19,058	25.6	52,052
Total	**32,882**	**21.1**	**19,907**	**20.6**	**52,789**	**39,084**	**28.7**	**21,819**	**26.1**	**60,903**

Note: This table represents voluntary attrition (LTM – IT Services).

Trainings conducted

Role-wise distribution	Fiscal 2023			Fiscal 2022			Fiscal 2021		
	Employee count	Training days	Average training days	Employee count	Training days	Average training days	Employee count	Training days	Average training days
Junior	1,57,913	46,87,637	29.68	1,45,406	41,32,664	28.4	1,04,536	20,61,912	19.72
Middle	1,41,826	7,42,387	5.23	1,30,943	6,40,633	4.9	1,22,451	7,36,277	6.01
Senior	42, 171	1,45,466	3.45	36,647	1,41,498	3.86	31,599	1,42,539	4.51
Total	**3,41,910**	**55,75,490**	**16.31**	**3,12,996**	**49,14,796**	**15.70**	**2,58,586**	**29,40,728**	**11.37**

Excludes certain entities where data is not available.

ANNEXURE 4

Employees covered under collective bargaining agreements (CBA) globally, as on March 31, 2023

Operating Location	Total no. of employees	No. of employees covered under CBA
European Union*	10,326	7,316
Brazil	777	777
Japan	755	755

(*Includes certain EU countries. In a few countries only employees hired in those locations are covered)

We recognize our employees' right to assemble, communicate and join associations of their choice in matters related to their employment within the purview of our policies and procedures. We respect the rights of our employees to associate or not associate through Internal employee resource groups and seek representation, to bargain or not bargain collectively in accordance with local laws.

The details of workplace sexual harassment complaints in India, reported as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, are as follows:

Details	Fiscal 2023
Number of complaints received	31
Disposal by conciliation	5
Disposed due to other reasons	0
Disciplinary issues -Major	2
Disposal by disciplinary action	15
Number of cases pending for more than 90 days	0
Employees covered through awareness programs	Mandatory onboarding sessions for new hires - approx. 50116 laterals and 29640 freshers covered through the year We have also considered creating awareness and enablement through various platforms for employees.
Nature of action taken by the employer or district officer	Warning letters, suspension, transfer of work location, monetary impact, withholding of promotions/onsite opportunities, termination of employment, etc.

Note: These cases are pertaining to inquiries done by the internal committees of the company. During fiscal 2023, there were four complaints received, involving respondents from third-party, that have been addressed by the internal committees of such third-party.

Occupational Health and Safety

Details	Fiscal 2023				Fiscal 2022			
	Employee		Subcons*		Employee		Subcons*	
	Number	Rate	Number	Rate	Number	Rate	Number	Rate
Fatalities	0	NA	0	NA	0	NA	1	NA
High-consequence, work-related incidents	0	NA	0	NA	0	NA	0	NA
Recordable incidents	5	0.057	28	1.022	1	0.099	19	0.823
Number of hours worked	**8,73,78,770**		**2,73,93,177**		**1,00,95,349**		**2,30,75,999**	

Note:
1) The information is reported for India locations and covers material portion of operations in the organization.
2) Working hours is considered only for employees working from office based on swipe records as the rates are computed based on incidents occurring in the organization premises.
3) Rates are calculated based on 10,00,000 hours worked for the current year and being restated for the previous year instead of 2,00,000 hours.
4) There were 15 vendor / visitor incidents of which 13 were minor and two were near misses. Vendors and visitors are temporary, hence are not considered under subcons.
5) In construction 28 incidents were reported, of which 25 were minor and three near misses.
6) Recordable incidents for contract workmen include sharp objects, slips / trips, falling / flying objects, insect bites / stings, operations and maintenance, in-campus transport.
7) Recordable incidents for employees includes slips/trips, in-campus transport, and falling / flying objects.
8) Root cause analysis is conducted for all incidents and appropriate controls were implemented based on hierarchy of controls.
9) Working hours restated for last year considering all days in the month as working which is conservative and same used for current year as well.

*Subcons - Other than permanent employees.

Environment

Performance across energy, emissions, water and waste

Overall electricity consumption

Electricity source (kWh)	Fiscal 2023	Fiscal 2022	Fiscal 2021
Grid[1]	9,79,13,853	9,69,28,894	9,42,49,185
Captive DG Power	18,49,606	15,77,254	26,29,380
Renewable[2]	9,99,01,243	7,39,21,915	7,97,26,125
Total	**19,96,64,702**	**17,24,28,063**	**17,66,04,690**

Notes:

(1) Includes global energy consumption, in line with the topic boundary for energy. All overseas consumptions have been included under grid power in line with the boundary definition in page number 3 of this document.

(2) This includes wheeled green power, and the energy generated through in-house solar plants in India and the US (Indianapolis).

Energy Intensity for fiscal 2023 is 10.96 MWh/US$ mn

Owing to a hybrid work model, most of our employees worked from home. Our estimate electricity consumption from Work From Home (WFH) stands at 9,27,59,543 kWh.

Direct energy consumption in GJ

The table below provides our consolidated energy consumption in GJ from our significant global locations. Until last year, the energy data for India and overseas were presented in separate tables

Energy (within the organization, in GJ)	Fiscal 2023	Fiscal 2022	Fiscal 2021
Grid electricity (non-renewable source)	3,52,490	3,48,944	3,39,297
Electricity from renewable source	3,59,644	2,66,119	2,87,014
Fuel (HSD, diesel, petrol)	38,852	35,413	45,349
Total	**7,50,986**	**6,50,476**	**6,71,660**

Energy Intensity for fiscal 2023 is 41.24 GJ/US$ mn

Total renewable energy capacities

The table below presents our total installed capacities for Solar PV plant (rooftop and on ground) across locations. This helps in improving our renewable energy consumption across facilities.

Solar PV installation location	Installed capacity (KW)
SIRA[1]	40,308.13
Hyderabad SEZ	7,682.00
Bengaluru	2,191.08
Chennai	1,895.58
Chennai Paranur Bus Bay[1]	37.28
Mysuru	1,347.83
Pune Phase 2	1,319.00
Mangaluru SEZ	1,231.02
Jaipur	1,015.00
Hyderabad STP	988.20
Thiruvananthapuram	825.84
Bhubaneswar	612.00
Chandigarh	202.80
Indore	189.90
Indianapolis, US	272.00
Total	**60,117.66**

(1) Outside campus

ANNEXURE 4

GHG emissions

Source of emissions	GHG emissions (tCO$_2$e)		
	Fiscal 2023	Fiscal 2022	Fiscal 2021
Scope 1[1]	8,593	8,965	8,678
Scope 2[2]	62,352	64,398	71,392
Total – Scope 1 + 2	70,945	73,363	80,070
Scope 1+2 intensity (tCO2e per US $ million)	3.90	4.5	5.9
Y-o-Y reduction of per capita – Scope 1 + 2 (%)	13.43	23.34	51.48
Scope 3			
Business travel	56,610	19,695	8,068
Employee commute[3]	9,970	3,517	4,717
Transmission and distribution (T&D) losses	8,944	9,253	12,061
Upstream leased assets[4]	1,145	181	436
Waste emissions	262	207	127
Work from home emissions	66,323	71,503	64,634
Capital goods [5]	36,942	66,558	1,20,751

Notes:

(1) Scope 1 emissions covers all owned offices (India, US and China) and leased offices in India; Leased space in overseas locations will not be considered as it is falls in de-minimus for diesel / natural gas consumption.

(2) This includes India and other owned overseas locations; Starting this year, we are including overseas leased location electricity consumption also in Scope 2. This quantity is 10,566 tCO2e for fiscal 2023. until fiscal 2022, these emissions were part of Upstream leased assets. change was made in accordance with the guidelines of the latest GHG Protocol - As per the clause 5.2.1 of the GHG protocol Scope 2 guidance; Therefore we are re-stating Scope 2 emission for fiscal 2022 and fiscal 2021,i.e., 12,681 tCO2e and 2,719 tCO2e respectively.

(3) Employee commute emissions reported include data for India, Shanghai and Indianapolis locations, which forms a signaficant portion of our employee base. However, majority of our overseas employees are working from home which is included under work from home emissions.

(4) For most overseas locations, we operated out of leased offices. Many of these lease agreements include power consumption as a part of their maintenance charges and therefore, we might not have exclusive Infosys energy bills. In such cases, the emissions are estimated based on EPI - based energy consumption in the respective geographies. We have covered 100% of our overseas locations.
(5) Capital goods expenses has been adjusted for inflation as per the emission factors considered

Scope 3 targets under our ESG Vision include only the following categories viz., emissions from business travel, employee commute and T&D losses.

Biogenic emissions arise from combustion and/or flaring of biogas. Infosys monitors and discloses these emissions on a regular basis. The biogenic emissions during fiscal 2023 are 148.44 tCO2e.

Emission reduction initiatives

The table below provides the list of emission reduction initiatives that have resulted in a reduction or avoidance of scope 2 emissions. These projects were completed at various points during the year and the actual emission reductions are as listed below:

Carbon reduction initiative	Energy procured/ saved (kWh)	Emissions avoided (tCO$_2$e)
Energy efficiency retrofits in our buildings	12,77,654	914
Renewable energy generation and procurement	9,99,01,243	70,729

Carbon Offset

We have implemented 12 projects for driving low carbon technologies for communities. These were evaluated during the year for assessing carbon offset generated since the last verification period. Third-party verification was carried out by UN/Gold Standard approved agencies.

Project name	Vintage	Project type	ERs verified by DoE[1][2] (tCO$_2$e)
SKG household biogas, Karnataka	2022	GS VER	46,063
Savayava Krishi Parivara household biogas, Karnataka	2022	GS VER	82,943
YRA household biogas, Maharashtra	2022	GS VER	32,962[3]
Udaipur Urja improved cookstove, Rajasthan -2.0	2022	GS VER	36,617
Udaipur Urja improved cookstove, Rajasthan- 3.0	2022	GS VER	27,329[3]
GHE Meghalaya	2022	GS VER	24,444 [3]
Total Credits			**2,50,358**

Notes:

1) As verified by third-party auditors as of March 31, 2023.

2) Apart from this, there is a carry forward of 78,048 CERs.

3) In the process.

* For the carbon neutrality requirement for fiscal 2023, Infosys will retire 2,14,199 tCO2 e.

| Other projects	Vintage	Project type	Status
Envirofit improved cookstove, Maharashtra	2022	GS VER	Under process
Envirofit improved cookstove – 2, Maharashtra	2022	GS VER	Under process
Envirofit improved cookstove, Odisha	2018-2019	GS VER	End of life
Leh Ladakh Electrification	Not considered for offset commitment	Voluntary	
Udaipur Urja improved cookstove, Rajasthan- 5.0[1]	Project under implementation	GS VER	Under implementation
Biogas project in Bagalkot[1]	Project under implementation	GS VER	Under implementation

Notes:

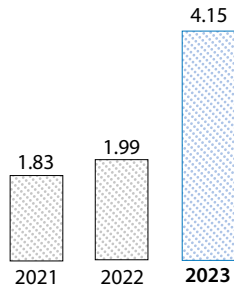*1) These projects are in the process of Gold standard registration.*

ANNEXURE 4

Emission intensity:

Scope 1+2 (tCO₂e/US$ million revenue)

5.87	4.5	3.90
2021	2022	**2023**
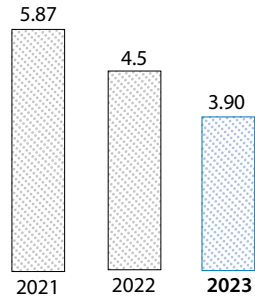
Scope 3 (tCO₂e/US$ million revenue)

1.83	1.99	4.15
2021	2022	**2023**

ESG goal for Scope 3 includes these three categories - business travel, employee commute and T&D losses

Ozone-depleting substances (ODS)

Our operations warrant the use of refrigerants in our Heating, Ventilation, and Air Conditioning (HVAC) systems, including R22, R32, R12, R123A, R410A, R407C, R134A and R404A. Each of these substances come with a diverse Ozone Depleting Potential (ODP). We made the choice to switch over to refrigerants with minimum ODP and Global Warming Potential (GWP).

ODS	Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Total ODS consumption in kg	CFC11 equivalent	Total ODS consumption in kg	CFC11 equivalent	Total ODS consumption in kg	CFC11 equivalent
R22	427.45	25.65	511.80	30.71	957	56.52
R407C	276.88	0	548.93	0	224.50	0
R410A	1,266.10	0	906.65	0	1,211	0
R134A	793.22	0	1,746.40	0	400	0
R404A	16.50	0	0	0	2.5	0
R123	0	0	0	0	400	8
R417A	0	0	7	0	0	0
R32	0	0	2.50	0	8.10	0

Note: The ODP of R407C, R404A, R410A, R134A, R417A and R32 is zero. The ODP of R22 is 0.06 and R123 is 0.02.

Other emissions:

Our main emissions from our support activities are Nitrogen Oxide (NOx), Sulfur Oxide (SOx) and other Ozone Depleting Substances (ODS). Diesel generator and boiler operations are the primary sources of NOx and SOx at our campuses. These are monitored every month to keep them within the permissible limits prescribed by the State Pollution Control Boards. We conduct monthly ambient air quality checks. The sulfur content in our fuel is 10 ppm (BS-VI across all India locations). The SOx and NOx emissions are reported in principle 6 of Business Responsibility and Sustainability Report (BRSR) which forms part of the Intergrated Annual Report 2022-23.

ANNEXURE 4

Freshwater consumption

The table below provides freshwater consumption data by category for our global operations. 100% of our water withdrawal from various sources has Total Dissolved Solids (TDS) which is less than 1,000 mg/L and therefore considered as fresh water. It is to be noted that none of the water sources are from designated protected areas or areas of high-biodiversity value. During this year, Infosys has not received any grievances from local communities regarding the water. We have evaluated water stress zones in line with the WRI guidelines for all our locations of operations globally. The details of water stress zones and withdrawals are available in BRSR. Water withdrawal covers water sourced from municipal and private providers, groundwater and rainwater.

Freshwater sources	Water consumption (kl)		
	Fiscal 2023	Fiscal 2022	Fiscal 2021
Third-party water supply[1]			
Municipal[2]	17,71,557	9,63,410	8,66,527
Private providers	2,22,244	1,66,408	2,05,731
Groundwater	54,617	1,12,910	1,42,081
Rainwater	2,26,261	69,656	79,293
Total fresh water	**22,74,679**	**13,12,384**	**12,93,632**

Notes: 1) Water consumption mentioned above is restricted to minimal operations on campuses/offices.

2) Overseas water consumption includes invoice-based consumption for which invoices are available. For other locations, consumption is estimated and included in the municipal category. At India locations, this has been estimated based on the location-wise seating capacity, and per capita based on variable load. This excludes Employee Care Centre (ECC) consumption which is specific to India. The water consumption at overseas locations is restricted to human touch requirements only, unlike India, which has large landscaping and other requirements such as ECC.

Waste generation and disposal

Significant waste	Unit	Fiscal 2023	Fiscal 2022	Fiscal 2021	Disposal method
Hazardous waste					
E-waste	T	813.37	863.67	361.94	Recycling
Waste residue containing oil	T	2.57	2.87	3.03	Incineration by authorized agency
Biomedical waste (including sanitary waste)	T	106.02	43.58	31.92	Incineration by authorized agency
Used oil	T	35.11	30.74	35.02	Recycling
Batteries (including DG batteries)	T	132.64	132.02	97.42	Recycling
Toner and catridges	T	0.01	*	*	Recycling

Significant waste	Unit	Fiscal 2023	Fiscal 2022	Fiscal 2021	Disposal method
Radio active waste	T	3.62	0.008	0	Recycling
Discarded containers	T	15.02	13.65	12.95	Recycling
Chimney Soot	T	0.33	0	0	Incineration
Other hazardous waste	T	4.43			Recycling, Incineration, TSDF Landfill
Non-hazardous waste					
Food	T	1,024.26	59.57	98	Recycling
Paper	T	260.41	234.12	205.42	Recycling
Metal	T	1,189.86	1,364.02	477.1	Recycling
Wood	T	874.81	1,399.25	247.9	Recycling
Plastic	T	128.58	114.62	55.99	Recycling
Glass	T	123.28	206.39	18.56	Recycling
Thermocoal/Styrofoam	T	8.10	9.26	2.27	Recycling
Rubber	T	8.18	4.88	0	Recycling
Textile	T	4.13	5.43	0.018	Recycling
Kitchen oil	T	1.76	0.536	2.02	Recycling
Garden waste	T	4,074.66	3,034.62	4,116.21	Recycling (treated in-house in organic waste converter and manure reused)
Mixed Waste	T	302.01	157.12	250.75	Recycling/Co-processing/Landfill
STP sludge	T	635.85	45.48	398.41	Reuse – Dried section sludge is used as manure
Glass Wool	T	54.51	0	0	TSDF landfill
Others	T	394.63			Recycled/Landfill/Reused/Incineration
C&D waste	T	10,861.63	3,087.65	2,597.50	Landfill/Reused

Notes:

1) The quantity of waste disposed is considered as the waste generation quantity.

2) Of the total Construction and Demolition (C&D) waste, 10,357.6 T is reused for filling of lands. However, the disposal method is referred to as landfill based on the definition in the Construction and Demolition Waste Rules.

3) E-waste and battery waste quantum includes India and overseas locations.

4) There were no significant spills during fiscal 2023.

* Included in E-waste

Data computational methods

This chapter describes the conventions and computation methods used for calculating emissions, freshwater consumption and electricity consumption reported in Annexure 1.

Water

Fresh water consumption is tracked through meter readings and invoices. Water inlet and outlet from Sewage Treatment Plants(STP) is also monitored and accordingly reported.

Waste

Waste is segregated at source and process for measurement of waste is established. The quantum of waste generated and disposed is computed with relevant evidences in the form of weighment receipts, registers, etc.

Intensity calculations for energy, water, and GHG emissions

Starting fiscal 2021, Infosys has decided to track its environmental performance normalized against the revenue ($ million). While Infosys has traditionally tracked this on the per capita basis, the Company realized that this did not offer a like-to-like comparison with its peers. The Company decided to make this shift to align to most standards that require data to be reported on revenue basis (like BRSR,CDP, etc.). This was also a functional shift considering the new baseline and the ESG vision laid out in fiscal 2020. Furthermore, this approach provided a rational assessment of its performance given the COVID-19 scenario where most of its employees worked from home. A per capita assessment would give a skewed result.

Revenue-based Intensity:
This intensity is estimated on a quarterly basis for Infosys Corporate (Group-level) based on quarterly revenues.

It is to be noted that most targets taken currently are on absolute reductions as opposed to intensity-based reduction.

Energy

Infosys' energy consumption within its operations includes electricity from the grid, fuel used in diesel generators and Company-owned vehicles and equipment. The energy consumption outside the organization consists of fuel used in personal and commercial vehicles used by its employees for daily commute to the offices and business travel, and fuel used in its food courts. The energy data is calculated using suitable conversion factors for electricity and various fuel sources as defined in the IPCC Fifth Assessment Report.

GHG emissions

GHG inventorization at Infosys is carried out with the underlying business objective of identifying potential areas for reduction of GHG, wherever possible. In view of this, Infosys decided to include any category of emission, that offered a potential to reduce emissions either through direct reduction option or a market alternative.

The gases considered for the carbon footprinting are carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulfur hexafluoride (SF6) emissions.

The details of significant emission categories for Infosys are as follows:

Scope 1

Stationary combustion
The total monthly quantity of high-speed diesel (fuel) combusted by diesel generators is captured and used for the emissions computation. The emissions factor for high-speed diesel is sourced from the IPCC Fifth Assessment Report. Emissions due to onsite power generation from renewable sources such as solar and wind is considered to be zero.

Mobile emissions — petrol and diesel vehicles
The total monthly quantity of diesel and petrol used by the Company-owned vehicles and lawn mowers is considered. The emissions factor for diesel/petrol is sourced from the IPCC Fifth Assessment Report.

Fugitive emissions — refrigerants used in air conditioning equipment
HVAC systems are a basic requirement of the industry. Various refrigerants are used for the air conditioners, each of which has a different global warming potential. The refrigerants used are R32, R410A, R407C, R404A, R134A, R22 and R417A. The total weight (in kg) of the refrigerant refilled during the service of air conditioning systems is captured from the service reports. This consolidated quantity based on the different refrigerants is used for the GHG computation using emissions factors sourced from the UK Department for Environment, Food and Rural Affairs (DEFRA).

Fugitive emissions – SF_6 in electrical circuit breaks
Some of the electrical breakers installed in Infosys campuses contain SF6, which might be refilled during the course of maintenance. The information on the quantity of SF6 used for refilling the electrical breakers, if any, from the service report is collated and the total GHG emissions is computed using emissions factors sourced from DEFRA.

Fugitive emissions – CO$_2$ in fire extinguishers

The CO2 used for fire extinguishers are included in this category. The total weight (in kg) of the CO2 refilled during service is captured from the service reports. This consolidated quantity of CO2 is used for GHG computation.

Scope 2

This includes emissions from the generation of purchased electricity for all the Company's own offices in India, Shanghai and Indianapolis, as well as leased facilities with 'operational control', including data centers.

Purchased electricity consumption

A major portion of Infosys' electricity is sourced from government agencies or other utility providers who provide monthly invoices. This is used to capture information on the units consumed during the month in a location, and this information is recorded on the dashboard.

To calculate the total Scope 2 emissions, we have used the latest emissions factors for grid electricity provided by the Central Electricity Authority for India and country-specific emission factors for other countries. For fiscal 2023, the emissions factors considered for other overseas locations are sourced from the respective country's websites / IGES, etc.

Scope 3

Category 1:
Purchased goods and services
(reported under Category 2 below)

The Company's typical operational expenses include expenditure on employee salary, salary of technical subcontractors, insurance, travel expenses, etc. The expenses related to IT equipment, furniture and fixtures, etc., are already accounted in the capital goods based on its financial accounting at the Group level. To avoid double counting, no emissions are reported under 'purchased goods'. Therefore, no emssions are reported here.

Category 2:
Capital goods

(Relevant and reported)

Lifecycle emissions (cradle to gate) due to the procurement of capital goods have been included in this section. This data was only available from 2015 and is therefore reported separately. The emissions due to capital goods have been calculated based on annual spend on capital goods. Capital goods include buildings, plants and equipment, land acquired, furniture and fixtures, miscellaneous, office equipment and computers and vehicles procured during the current reporting period. This includes emissions from the complete lifecycle of the goods from extraction, production to transportation and distribution. During fiscal 2023, the emission factor of capital goods has been sourced from the 'Supply Chain GHG Emission Factors for US Commodities and Industries'.

Category 3:
Fuel and electricity related emission (not included in scope 1 or 2)

Transmission and Distribution (T&D) losses (3.c)
(Relevant and reported)

Emissions due to T&D losses for every unit of grid electricity procured have been calculated under this section. This only applies to the electricity procured from the grid, and sourced from third-party non-renewable sources, if any.

Other fuel and electricity related emissions (3.a, 3.b and 3.d) (Not Relevant)
Other upstream emissions related to fuel or electricity consumption are not in line with our business goals and are therefore not relevant to Infosys. Infosys has neither any control, nor an opportunity to reduce the GHG of the large oil and gas companies. Similarly, for upstream emissions of power generators, Infosys has no information on the upstream practices of the power generators in terms of the types of fuel used, the process for exploration/mining, transportation, processing and/or refining the fuel used for power generation. These would be categorized as Tier 3 suppliers for Infosys. Therefore, Categories 3.a and 3.b are irrelevant for Infosys. Since the Company is not a utility or energy retailer, Category 3.d of Scope 3 is not relevant.

Category 4:
Upstream transportation and distribution

(Relevant and reported under category 2)

Emissions from capital goods are already considered as cradle to gate emissions and therefore not reported to avoid double counting.

Category 5:
Waste generated in operations
(Relevant and reported)

These include emissions from the waste generated within Infosys India operations. Although the contribution from this category is low, Infosys has processes and systems in place to manage the waste and capture GHG emissions from the waste.

Category 6:
Business travel
(Relevant and reported)

Business travel includes long and short distance air travel globally, and commute through surface transportation, including trains, buses, cabs, etc., for business requirements. iTravel, an internal application, provides an integrated, end-to-end web-based solution for the employee travel needs. This solution is integrated with all the Company policies, business processes, rules and validations, and captures the total distance traveled. In addition, the data from employee claim systems is also considered, for any taxis booked for their business travel. Emissions due to business travel (road) are estimated based on the fuel efficiency, total distance traveled and the fuel characteristics such as Net Calorific Value (NCV), density and emission factor for the fuel sourced from IPCC Fifth Assessment Report. The emissions from business travel (air) are based on the DEFRA emission factors.

Category 7:
Employee commute

(Relevant and reported)

The assumptions for the employee commute calculation have been sourced from a survey conducted within Infosys to understand the commute practices. The survey was conducted across all campuses and geographies. The survey covered various aspects such as mode of transport,

fuel efficiencies of personal vehicles used, the use of shift cabs, if any, average number of work from home requests, the number of times the employee carpooled to work, etc. The results of the survey were used for calculating the GHG emissions due to employee commute.

To determine the average distance between the campus and residence, geo-coordinates of employee's residences were collected using an internal online tool. We examined this data and performed a spatial optimization analysis.

Employees commute to and from office using various modes of transportation include company-provided transportation, personal vehicles, public transport. The total number of two wheeler parking slots occupied monthly across campuses is considered to calculate emissions from employee commute. The carpool percentage of the total employee swipe count at the campus is identified through surveys and this information is considered for arriving at emissions from employees using personal transport.

Information on the total number of bus users is provided by the Transport team, which tracks the number of people traveling by the Company-provided transportation. The difference between the total number of employees and the sum of users of personal transport and transport provided by the company minus the number of users of carpool gives the total number of users of public transport.

During the year, the emissions due to employee commute have been estimated based on fuel efficiency, total distance travelled and fuel characteristics like NCV, density, and emission factor for the fuel used.

Category 8:
Upstream leased assets
(Relevant and reported)

In the Infosys context, this includes emissions from energy consumption by vendors operating out of Infosys food courts: LPG, PNG, and other fuels used by vendors in canteens/food courts.

Category 9:
Downstream transportation and distribution
(Not Relevant)

Infosys is a service company dealing with technology, consulting and outsourcing whose services do not require physical transportation and distribution. Emissions produced as a result of electricity usage for delivering services to clients has already been accounted under Scope 1 and Scope 2 emissions. Hence, this category is not applicable to Infosys and it has not calculated the GHG emissions associated with it.

Category 10:
Processing of sold products
(Not Relevant)

Infosys is a service company dealing with technology, consulting and outsourcing. We do not sell any physical products, which requires processing. Therfore, this category is not applicable to us and we have not estimated the GHG emissions associated with this category.

Category 11:
Use of sold products
(Not Relevant)

Infosys is a service company dealing with technology, consulting and outsourcing. Emissions from its services are already covered in Scope 1 and 2 emissions. Emissions from energy consumption in the use of its software products have been identified as part of the Company's Scope 3 emissions. The Company has evaluated and spoken with several standard-setting bodies to obtain appropriate guidance. However, at this time, no standards/guidelines are available to estimate them. Hence, the Company is unable to evaluate or state the emissions that result from the use of its software solutions.

Category 12:
End of life treatment of sold products
(Not Relevant)

Infosys is a service company dealing with technology, consulting and outsourcing. It does not sell physical products which require end of life treatment. Hence, this category is not applicable to the Company and it has not calculated the GHG emissions associated with it.

Category 13:
Downstream leased assets
(Not Relevant)

Infosys does not own any assets that it has leased to third parties. Hence, this category is not applicable to the Company and it has not calculated the GHG emissions associated with it.

Category 14:
Franchises
(Not Relevant)

Infosys does not operate under any franchises. Therefore this category is not applicable to the Company and it has not calculated the GHG emissions associated with it.

Category 15:
Investments
(Not Relevant)

Infosys has not acquired any new companies which fall within its topic boundary during fiscal 2023.

Category 16:
Others – Work from home emissions
(Relevant and reported)

The COVID-19 pandemic has posed other challenges. For the safety of employees, the Company continued the work from home (WFH) mode, wherever possible. This also meant that some of the energy consumption and associated emissions now took place in employees' homes.

The Company decided to take responsibility for these emissions and include them in its carbon neutrality commitments.

Since there are no methods or procedures for estimating WFH emissions, the company conducted a global employee survey. The survey identified lighting requirements, company laptop / computer charging, and HVAC systems. Based on the average energy consumption or wattage in the industry and usage patterns, we estimated total emissions from WFH.

Energy and emission reduction

The reduction in energy consumption is calculated by multiplying the difference between the power consumption before and after the implementation of the project and the hours of operation of the equipment. The total energy savings achieved by these projects is multiplied by the grid emission factor to arrive at CO2 emission reduction.

ANNEXURE 6

Emissions factors used for GHG calculations

Emission source	Emission factor	Unit	Reference
Scope 1			
High Speed Diesel (HSD)	74.1	tCO_2e / TJ	IPCC Fifth Assessment Report
Diesel – Company-owned vehicles	74.1	tCO_2e / TJ	IPCC Fifth Assessment Report
Petrol – Company-owned vehicles	69.3	tCO_2e / TJ	IPCC Fifth Assessment Report
Refrigerant – R22	1760	kg CO_2e / kg	IPCC Fifth Assessment Report
Refrigerant – R407C	1,774	kg CO_2e / kg	Latest applicable DEFRA values
Refrigerant – R134A	1,300	kg CO_2e / kg	IPCC Fifth Assessment Report
Refrigerant – R410A	2,088	kg CO_2e / kg	Latest applicable DEFRA values
Refrigerant – R404A	3922	kg CO_2e / kg	Latest applicable DEFRA values
Refrigerant and others – SF6	23,500	kg CO_2e / kg	IPCC Fifth Assessment Report
Scope 2			
Electricity – India Grid emission	0.715	tCO_2 / MWh	CEA CO2 Baseline Database for the Indian Power Sector – 2022
China	Confidential	kg CO_2 / kWh	Not revealed since its confidential
US	Confidential	kg CO_2 / kWh	Not revealed since its confidential
UK	0.1934	kg CO_2 / kWh	Latest applicable DEFRA values
Scope 3			
Employee commute / business travel – Diesel vehicles	74.1	tCO_2e / TJ	IPCC Fifth Assessment Report
Employee commute – petrol cabs	69.3	tCO_2e / TJ	IPCC Fifth Assessment Report
Employee commute / business travel – Diesel bus	74.1	tCO_2e / TJ	IPCC Fifth Assessment Report
Business travel – Rail – India	0.0078	kg CO_2e / pkm	India GHG Protocol 2015 - Non-Sub urban rail
Business travel – Rail – International	0.0045	kg CO_2e/pkm	Latest applicable DEFRA values
Business travel – Air Domestic – Business class (Short haul)	0.11976	kg CO_2e / pkm	Latest applicable DEFRA values

ANNEXURE 6

Emission source	Emission factor	Unit	Reference
Business travel – Long haul international – Economy class	0.074345	kg CO_2e / pkm	Latest applicable DEFRA values
Business travel – Long haul international – Premium economy	0.11895	kg CO_2e / pkm	Latest applicable DEFRA values
Business travel – Long haul international – Business class	0.2156	kg CO_2e / pkm	Latest applicable DEFRA values
Business travel – Long haul international – First class	0.29739	kg CO_2e / pkm	Latest applicable DEFRA values
T&D losses – India	0.12799	kg CO_2e / kWh	Country-specific emission factor and T&D loss data from Energy data
T&D losses – US	0.02076	kg CO_2e / kWh	Country-specific emission factor and T&D loss data from Energy data
T&D losses – UK	0.03203	kg CO_2e / kWh	Latest available DEFRA values
T&D losses – China	0.02667	kg CO_2e/ kWh	Country-specific emission factor and T&D loss data from Energy data

GRI content index

Infosys' Integrated Annual Report 2022-23, which includes the financial disclosures and the Business Responsibility and Sustainability Report (BRSR), along with the ESG Report are available on our website. Our ESG Report is aligned with the GRI Standard 2021, the Sustainability Accounting Standards Board (SASB) and Task Force on Climate-related Financial Disclosures (TCFD) framework. The Report also conforms to the United Nations Global Compact (UNGC) principles and forms the basis of our Communication on Progress (CoP) with the UNGC.

The following table provides the mapping of our disclosures for fiscal 2023 against the GRI standard 2021 requirements:

Statement of use	Infosys Limited has reported in accordance with the GRI Standards for the period [April 1, 2022 - March 31, 2023].			
GRI 1 used	**GRI 1: Foundation 2021**			
GRI STANDARD/ OTHER SOURCE	**DISCLOSURE**	**LOCATION**		**OMISSION**
			REQUIREMENT(S) OMITTED	**REASON** / **EXPLANATION**
General disclosures				
GRI 2: General Disclosures 2021	2-1 Organizational details	Page 134 IR: BRSR : Section A: General Disclosure		
	2-2 Entities included in the organization's sustainability reporting	Page 134 IR: BRSR : Section A: General Disclosure Page 3 ESG Data book: Reporting Boundary		
	2-3 Reporting period, frequency and contact point	Page 134 IR: BRSR : Section A: General Disclosure		
	2-4 Restatements of information	Restatements are available in respective sections		
	2-5 External assurance	Page 173 IR: Independent Assurance Statement Page 5 ESG Report: About the report Page 45 ESG Data book: Independent Assurance Statement		
	2-6 Activities, value chain and other business relationships	Page 135 IR: BRSR : Section A: General Disclosure		
	2-7 Employees	Page 20 ESG Data Book: Employees		
	2-8 Workers who are not employees	Page 136 IR: BRSR Section A		
	2-9 Governance structure and composition	Page 91 IR: Board composition Page 51 ESG Report: Corporate Governance		
	2-10 Nomination and selection of the highest governance body	Page 38 IR: Policy on directors' appointment and remuneration		
	2-11 Chair of the highest governance body	Page 91 IR: Board composition		
	2-12 Role of the highest governance body in overseeing the management of impacts	Page 51 ESG Report : Corporate governance Page 104 IR: ESG Committee		
	2-13 Delegation of responsibility for managing impacts	Page 51 ESG Report : Corporate governance Page 104 IR: ESG Committee		

ANNEXURE 7

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
General disclosures					
GRI 2: General Disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	Page 51 ESG Report : Corporate governance Page 104 IR: ESG Committee			
	2-15 Conflicts of interest	Page 12 IR: Infosys Board of Directors			
	2-16 Communication of critical concerns	Page 95 IR: Availability of information to Board members			
	2-17 Collective knowledge of the highest governance body	Page 12 IR: The Infosys Board of Directors Page 93 IR: Key Board qualifications, expertise and attributes			
	2-18 Evaluation of the performance of the highest governance body	Page 38 IR: Board evaluation Page 112 IR: Board member evaluation			
	2-19 Remuneration policies	Nomination & Remuneration policy			
	2-20 Process to determine remuneration	Nomination & Remuneration policy			
	2-21 Annual total compensation ratio	Page 54 IR: Annexure 3 - MRE			
	2-22 Statement on sustainable development strategy	Page 8 ESG Report: Message from Chief Financial Officer			
	2-23 Policy commitments	Page 70 IR: Annexure 8 – Corporate policies			
	2-24 Embedding policy commitments	Page 70 IR: Annexure 8 – Corporate policies			
	2-25 Processes to remediate negative impacts	Resolution Hubs Whistleblower Policy			
	2-26 Mechanisms for seeking advice and raising concerns	Resolution Hubs Whistleblower Policy			
	2-27 Compliance with laws and regulations	Page 125 IR: Legal compliance			
	2-28 Membership associations	Page 167 IR :BRSR - PRINCIPLE 7			
	2-29 Approach to stakeholder engagement	Making a Better World Together: Sustainability Stakeholders | Infosys			
	2-30 Collective bargaining agreements	Page 149 IR: BRSR PRINCIPLE 3 Page 23 ESG Data book: Collective bargaining agreements			
Material Topics					
GRI 3: General Disclosures 2021	3-1 Process to determine material topics	ESG Priorities - Infosys			
	3-2 List of material topics	ESG Priorities - Infosys			

ANNEXURE 7

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Economic performance					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Page 20 ESG Data book: Financial Performance Snapshot			
	201-2 Financial implications and other risks and opportunities due to climate change	Page 5 ESG Data book: Climate change risk and opportunities assessment and management			
	201-3 Defined benefit plan obligations and other retirement plans	Page 323 IR: Employee benefits			
	201-4 Financial assistance received from government	Page 313 IR: Tax incentives			
Market Presence					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 201: Economic Performance 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Page 155 IR: BRSR - PRINCIPLE 5			
	202-2 Proportion of senior management hired from the local community	Page 20 ESG Data book: Employees			
Indirect economic impacts					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Page 60 IR: Annexure 6 – Annual report on CSR activities. Infosys Foundation Report 2022-23			
	203-2 Significant indirect economic impacts	Page 60 IR: Annexure 6 – Annual report on CSR activities Infosys Foundation Report 2022-23			
Procurement practices					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Page 53 ESG Report: Building sustainable and responsible supply chains			

ANNEXURE 7

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Anti-corruption					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Page 55 ESG Report: Integrity and compliance			
	205-2 Communication and training about anti-corruption policies and procedures	Page 54 ESG Report: Integrity and compliance			
	205-3 Confirmed incidents of corruption and actions taken	Page 143 IR: BRSR PRINCIPLE 1			
Anti-competitive behavior					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Page 167 IR: BRSR - PRINCIPLE 7			
Tax					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 201: Economic Performance 2016	207-1 Approach to tax	Infosys Group Tax Strategy			
	207-2 Tax governance, control, and risk management	Infosys Group Tax Strategy			
	207-3 Stakeholder engagement and management of concerns related to tax	Infosys Group Tax Strategy			
	207-4 Country-by-country reporting	Page 42 IR: Annexure I			
Energy					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Page 24 ESG Data book: Overall electricity consumption Page 28 ESG Data book: Data computational methods Page 31 ESG Data book: Emissions factors used	302-1 d	Not applicable	We are IT service company. We do not produce or sell any energy.
	302-2 Energy consumption outside of the organization	Page 24 ESG Data book: Overall electricity consumption Page 28 ESG Data book: Data computational methods Page 31 ESG Data book: Emissions factors used			
	302-3 Energy intensity	Page 12 ESG Report: Energy intensity Page 24 ESG Data book: Overall electricity consumption Page 28 ESG Data book: Data computational methods			
	302-4 Reduction of energy consumption	Page 25 ESG Data book: Emission reduction initiatives Page 30 ESG Data book: Data computational methods			

ANNEXURE 7

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Water and effluents					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Page 19 ESG Report: Water			
	303-2 Management of water discharge-related impacts	Page 19 ESG Report: Water			
	303-3 Water withdrawal	Page 27 ESG Data book: Freshwater consumption Page 28 ESG Data book: Data computational methods Page 164 IR: BRSR - Principle 6			
	303-4 Water discharge	Page 27 ESG Data book: Freshwater consumption Page 28 ESG Data book: Data computational methods Page 164 IR: BRSR - Principle 6			
	303-5 Water consumption	Page 27 ESG Data book: Freshwater consumption Page 28 ESG Data book: Data computational methods Page 164 IR: BRSR - Principle 6			
Emissions					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page 25 ESG Data book: GHG Emissions Page 28 ESG Data book: Data computational methods Page 31 ESG Databook: Emissions factors used			
	305-2 Energy indirect (Scope 2) GHG emissions	Page 25 ESG Data book: GHG Emissions Page 28 ESG Data book: Data computational methods Page 31 ESG Databook: Emissions factors used			
	305-3 Other indirect (Scope 3) GHG emissions	Page 25 ESG Data book: GHG Emissions Page 28 ESG Data book: Data computational methods Page 31 ESG Databook: Emissions factors used			
	305-4 GHG emissions intensity	Page 26 ESG Data book: Emission intensity Page 28 ESG Data book: Data computational methods Page 31 ESG Databook: Emissions factors used			
	305-5 Reduction of GHG emissions	Page 25 ESG Data book: Emission reduction initiative Page 29 ESG Data book: Data computational methods			
	305-6 Emissions of ozone-depleting substances (ODS)	Page 26 ESG Data book: Ozone-depleting substances			
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Page 159 IR: BRSR PRINCIPLE 6			

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GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Waste					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Page 21 ESG Report: Waste			
	306-2 Management of significant waste-related impacts	Page 21 ESG Report: Waste			
	306-3 Waste generated	Page 27 ESG Data book: Waste generation and disposal			
	306-4 Waste diverted from disposal	Page 27 ESG Data book: Waste generation and disposal Page 160 IR: BRSR Principle 6			
	306-5 Waste directed to disposal	Page 27 ESG Data book: Waste generation and disposal Page 160 IR: BRSR Principle 6			
Supplier environmental assessment					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Page 52 ESG Report: Building sustainable and responsible supply chains			
	308-2 Negative environmental impacts in the supply chain and actions taken	Page 52 ESG Report: Building sustainable and responsible supply chains			
Employment					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Page 21, 22 ESG Data book: New employee hiring and employee turnover			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 147 IR: BRSR Principle 3			
	401-3 Parental leave	Page 148 IR: BRSR Principle 3 Page 32 ESG Report: Parental leaves			
Labor/management relations					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Page 47 ESG Report: Human Rights			

ANNEXURE 7

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Occupational health and safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Page 43 ESG Report: Occupational Health and Safety			
	403-2 Hazard identification, risk assessment, and incident investigation	Page 43 ESG Report: Occupational Health and Safety			
	403-3 Occupational health services	Page 43 ESG Report: Occupational Health and Safety			
	403-4 Worker participation, consultation, and communication on occupational health and safety	Page 43 ESG Report: Occupational Health and Safety			
	403-5 Worker training on occupational health and safety	Page 43 ESG Report: Occupational Health and Safety			
	403-6 Promotion of worker health	Page 43 ESG Report: Occupational Health and Safety			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 43 ESG Report: Occupational Health and Safety			
	403-8 Workers covered by an occupational health and safety management system	Page 43 ESG Report: Occupational Health and Safety			
	403-9 Work-related injuries	Page 23 ESG data book: Occupational Health and Safety			
	403-10 Work-related ill health	Page 44 ESG Report: Occupational Health and Safety			
Training and education					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Page 22 ESG data book: Trainings conducted			
	404-2 Programs for upgrading employee skills and transition assistance programs	Page 152 IR: BRSR -Principle 3 Page 26 ESG Report-Enabling Digital Talent at Scale			
	404-3 Percentage of employees receiving regular performance and career development reviews	Page 150 IR: BRSR Principle 3			

ANNEXURE 7

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Diversity and equal opportunity					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Page 91 IR: Board composition			
	405-2 Ratio of basic salary and remuneration of women to men	Page 155 IR: BRSR Principle 5			
Non-discrimination					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Page 155 IR: BRSR Principle 5			
Freedom of association and collective bargaining					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Page 149 IR: BRSR PRINCIPLE 3 Page 24 ESG Data book: Collective bargaining agreements			
Child labor					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Page 156 IR: BRSR Principle 5			
Forced or compulsory labor					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Page 156 IR: BRSR Principle 5			
Security practices					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 410: Security Practices 2016	410 -1 Security personnel trained in human rights policies or procedures	Page 47 ESG report: Human Rights			

ANNEXURE 7

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Local communities					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Infosys Foundation report			
	413-2 Operations with significant actual and potential negative impacts on local communities	Page 23 ESG Report: Environmental Compliance			
Supplier social assessment					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Page 52 ESG Report: Building sustainable and responsible supply chains			
	414-2 Negative social impacts in the supply chain and actions taken	Page 52 ESG Report: Building sustainable and responsible supply chains			
Customer Privacy					
GRI 3: Material Topics 2021	3-3 Management of material topics	Infosys ESG Vision 2030			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 62 ESG Report: Data privacy			

Note IR - Integrated Annual Report 2022-23

SASB Disclosure

SASB			
Topic	**Disclosure**	**Description**	**Page number**
Environmental Footprint of Hardware Infrastructure	TC-SI-130a.1	(1) Total energy consumed, (2) Percentage grid electricity, (3) Percentage renewable	Page 24 ESG Data book: Overall electricity consumption
	TC-SI-130a.2	(1) Total water withdrawn, (2) Total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Page 27 ESG Data book: Freshwater consumption Page 164 IR: BRSR - Principle 6
	TC-SI-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	Page 4 ESG Databook: Data center management strategy
Data Privacy & Freedom of Expression	TC-SI-220a.1	Description of policies and practices relating to behavioral advertising and user privacy	Personal Information Privacy Statement
	TC-SI-220a.2	Number of users whose information is used for secondary purposes	Page 60 ESG Report: Data Privacy
	TC-SI-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	None
	TC-SI-220a.4	(1) Number of law enforcement requests for user information, (2) Number of users whose information was requested, (3) Percentage resulting in disclosure	None
	TC-SI-220a.5	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	Not Applicable

SASB Disclosure

SASB			
Topic	**Disclosure**	**Description**	**Page number**
Data Security	TC-SI-230a.1	(1) Number of data breaches. (2) Percentage involving personally identifiable information (PII), (3) Number of users affected	Page 62 ESG Report: Data Privacy
	TC-SI-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cyber security standards	Page 63 ESG Report: Information Management
Recruiting & Managing a Global, Diverse & skilled Workforce	TC-SI-330a.1	Percentage of employees that are (1) Foreign nationals (2) Located offshore	Page 20 ESG Data book: Employees
	TC-SI-330a.2	Employee engagement as a percentage	Page 46 ESG Report: Employee Satisfaction
	TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (1) Management, (2) Technical staff (3) All other employees	Page 20 ESG Data book: Employees
Intellectual Property Protection & Competitive Behavior	TC-SI-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Page 167 IR: BRSR PRINCIPLE 7
Managing Systemic Risks from Technology Disruptions	TC-SI-550a.1	Number of (1) Performance issues (2) Service disruptions (3) Total customer downtime	None
	TC-SI-550a.2	Description of business continuity risks related to disruptions of operations	Page 166 IR: BRSR PRINCIPLE 6

Independent Assurance Statement

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Independent Assurance Statement to Infosys Limited on Select Non-Financial Sustainability Disclosures in the ESG Report for the Financial Year 2022-23

To
The Management of Infosys Limited
Infosys Limited,
44/97A, 3rd Cross, Electronic City, Hosur Road,
Bengaluru 560100

Introduction

We ('KPMG Assurance and Consulting Services LLP', or 'KPMG') have been engaged by Infosys Limited ('Infosys' or 'the Company') for the purpose of providing an independent assurance on the non-financial sustainability disclosures presented in the ESG Report ('the Report') for the reporting period covering 1st April 2022 to 31st March 2023 ("the Year" or "the Reporting Period"). Our responsibility was to provide independent assurance on the Report content as described in the scope, boundary, and limitations.

Reporting Criteria

The Company applies non-financial performance criteria for developing its report derived from the following:

- Global Reporting Initiative (GRI) Standards 2021.
- SASB (Sustainability Accounting Standards Board) Standard for Software & IT Services.
- Recommendations of the Taskforce on Climate-Related Financial Disclosures (TCFD).

Assurance Standards Used

We conducted our assurance in accordance with the following assurance standards.

- Assurance requirements of the International Federation of Accountants' (IFAC) International Standard on
  - Assurance Engagements Other than Audits or Reviews of Historical Financial Information – (ISAE 3000 - revised) for the select environmental and social disclosures in the Report
  - Assurance Engagements on Greenhouse Gas Statements (ISAE 3410) for the GHG emissions data.
- Under these standards, we have reviewed the information presented in the Report against the characteristics of relevance, completeness, reliability, neutrality, and understandability.
- Limited assurance consists primarily of enquiries and analytical procedures. The procedures performed in a limited assurance engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement.
- Reasonable assurance is a high level of assurance but it is not a guarantee that it will always detect a material misstatement when it exists.
- A reasonable assurance engagement in accordance with ISAE 3000 (revised) and ISAE 3410 involves performing procedures to obtain evidence about the quantification of emissions and related information in 'the Report'.

Scope, Boundary, and Limitations

- The scope of assurance covers select non-financial sustainability disclosures for the period FY 2022-23 in Infosys' ESG report, as mentioned in the table below.

- The reporting scope and boundary cover Infosys' global operations. The following sites were selected as samples for the purpose of the assurance.

  1. Corporate Office, Bengaluru
  2. Delivery Centre, Bengaluru
  3. SEZ Delivery Centre, Hyderabad
  4. Delivery Centre, Mysuru
  5. Delivery Centre, Trivandrum
  6. Delivery Centre, Gurugram
  7. Delivery Centre, Jaipur
  8. Delivery Centre, Bhubaneswar
  9. Delivery Centre, Chandigarh
  10. Delivery Centre, Shanghai

Page **1** of **4**

- Following select non-financial sustainability disclosures in 'the Report' were subjected to assurance:

GRI Standards	
Disclosures subject to Reasonable Assurance	**Disclosures subject to Limited Assurance**
Universal Standard- Material Topics 2021 • Disclosures on Material Topics: 3-1, 3-2, 3-3	
Topic Standards - Environmental • Energy (2016): 302-1, 302-3, 302-4, 305-1,305-2, 305-3, 305-4 • Water & effluents (2018): 303-4 • Emissions (2016): 305-1, 305-2, 305-3, 305-4, 305-5, 305-6, 305-7 • Waste (2020): 306-3, 306-4, 306-5 • Supplier environmental assessment (2016): 308-1, 308-2	**Topic Standards - Environmental** • Water & Effluents (2018): 303-3, 303-5
Topic Standards - Social • Employment (2016): 401-1, 401-2, 401-3 • Occupational health & safety (2018): 403-1, 403-2 • Training & education: 404-1,404-2,404-3 • Diversity & equal opportunity (2016): 405-1 • Freedom of association and collective bargaining (2016): 407-1 • Child labor (2016): 408-1 • Forced or compulsory labor (2016): 409-1 • Security practices (2016): 410-1 • Local communities (2016): 413-1, 413-2 • Supplier social assessment (2016): 414-1, 414-2 • Customer privacy (2016): 418-1	**Topic Standards - Social** • Non-Discrimination (2016): 406-1
SASB Standards for Software and IT Services Industry: Sustainability Disclosure Topics & Accounting Metrics	
Disclosures subject to Reasonable Assurance	**Disclosures subject to Limited Assurance**
• Environmental footprint of hardware infrastructure: TCSI-130a.1 (energy) • Recruiting and managing a Global, Diverse, and Skilled Workforce: TCSI-330a.1, TCSI-330a.2, and TCSI-330a.3 • Data security: TC-SI-230a.1	• Environmental footprint of hardware infrastructure: TCSI-130a.2 (water)
Task Force on Climate-Related Financial Disclosures	
Disclosures subject to Reasonable Assurance	**Disclosures subject to Limited Assurance**
• Metrics and Targets - Scope 1, Scope 2 and Scope 3 greenhouse gas (GHG) emissions • Performance against the targets used by the organization to manage climate-related risks and opportunities	

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Independent Assurance Statement

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Limitations

The assurance scope excludes the following:

- Data related to the Company's financial performance.
- Data and information outside the defined reporting period.
- The Company's statements that describe the progress on goals other than those listed under the scope above, expression of opinion, claims, belief, aspiration, expectation, aim to future intention provided by the Company, and assertions related to Intellectual Property Rights and other competitive issues.
- Data review was limited to the sites mentioned above.
- Strategy and other related linkages expressed in the Report.
- Mapping of the Report with reporting frameworks other than those mentioned in Reporting Criteria above.
- Aspects of the Report other than those mentioned under the scope above.

Assurance Procedures

Our assurance process involves performing procedures to obtain evidence about the reliability of the specified disclosures. The nature, timing, and extent of procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the selected sustainability disclosures whether due to fraud or error. In making those risk assessments, we have considered internal controls relevant to the preparation of the Report in order to design assurance procedures that are appropriate in the circumstances.

Our assurance procedures also included:

- Assessment of the Company's reporting procedures regarding their consistency with respect to the reporting criteria.
- Understanding the appropriateness of various assumptions, estimations, and materiality thresholds used by the Company for data analysis.
- Evaluating the appropriateness of the quantification methods used to arrive at the sustainability disclosures presented in the Report.
- Review of the systems and procedures used for quantification, collation, and analysis of the sustainability disclosures included in the Report.
- Discussions with the personnel at the corporate and business unit level responsible for the data and information presented in the Report.
- Assessment of data reliability and accuracy.

Appropriate documentary evidences were reviewed to support our conclusions on the information and data verified. Where such documentary evidence could not be collected due to the sensitive nature of the information, our team reviewed the same with the relevant authority at respective sites and at the corporate office.

Conclusions

We have reviewed the select non-financial sustainability disclosures in the ESG Report of Infosys Limited for the reporting period from 1st April 2022 to 31st March 2023. We have provided our observations to the Company in a separate management letter. These do not however affect our conclusions regarding the Report. Based on our review and procedures performed and in line with the boundary, scope, and limitations as described above, we conclude that:

Reasonable Assurance:

The select non-financial sustainability disclosures which have been subjected to reasonable assurance as defined under the scope of assurance, are fairly stated in all material aspects.

Limited Assurance:

Nothing has come to our attention that causes us not to believe that the select non-financial sustainability disclosures which have been subjected to limited assurance, as defined under the scope of assurance, are appropriately stated in all material aspects.

Independence

The assurance was conducted by a multidisciplinary team including professionals with suitable skills and experience in auditing environmental, social and economic information as per the requirements of ISAE 3000 (Revised) and ISAE 3410 standards.

Our work was performed in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) be independent of the assurance client, in relation to the scope of this assurance engagement, including not being involved in writing the Report. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. KPMG has

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systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence. The firm applies ISQC-1 and the practitioner complies with the applicable independence and other ethical requirements of the IESBA Code.

Responsibilities

Infosys Limited is responsible for developing the Report contents. The Company is also responsible for the identification of material sustainability topics, establishing and maintaining appropriate performance management and internal control systems, and derivation of performance data reported. This statement is made solely to the Management of Infosys Limited in accordance with the terms of our engagement and as per the scope of assurance. Our work has been undertaken so that we might state to the Company those matters for which we have been engaged to state in this statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our work, for this report, or for the conclusions expressed in this independent assurance statement. The assurance engagement is based on the assumption that the data and information provided to us are complete and true. We expressly disclaim any liability or co-responsibility for any decision a person or entity would make based on this assurance statement. Our report is released to Infosys Limited on the basis that it shall not be copied, referred to, or disclosed, in whole or in part, without our prior written consent. By reading this assurance statement, stakeholders acknowledge and agree to the limitations and disclaimers mentioned above.

Anand S Kulkarni
Technical Director, ESG Services,
KPMG Assurance and Consulting Services LLP
Date: 29th May 2023

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Infosys Limited

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