

Sustainability action plan

2022-2025

This Sustainability Action Plan is a concise version of Sify's ambition to identify, elaborate and improve on the materiality units that affect our performance.

It also provides our investors with a guide tool on our roadmap to achieve a sustainable business for the future.





Our values and commitment to sustainability

At Sify, we believe in transparent and ethical business practices.

Sustained efforts of the leadership team, our valuable employees and other stakeholders have helped us win accolades in the spheres of Sustainability, Corporate Social Responsibility and People Practices.

These recognitions encourage us to step up our efforts in our journey to become a global sustainability champion.

This year, we took concrete steps to formalize our services within the ambit of ESG and are happy to present our first findings. In the years to come, we will be presenting ESG as an important tenet of our services.

Sify Technologies Limited (STL) believes that in alignment with its vision, it will continue to enhance value through its CSR initiatives and promote social sustainability, sustainable development of the environment and social welfare of the people and society at large, more specifically for the deprived and underprivileged persons.

We still have a long way to go in many areas, but it has been a year of maturing and progression in many of our sustainability efforts and significant achievements.



Sustainability Vision, Objectives and Guiding Principles

Sify's vision is to move towards a low-carbon future and urgently reduce activities that result in emissions of greenhouse gases.

Sify's Strategic plan features Sustainability and environment as one of the key priorities. Sify will demonstrate this commitment by:

- **Integration:** ESG factors are to be integrated into investment analysis, decision-making processes, and risk management. This means that ESG factors should be considered alongside financial factors.
- **Materiality:** ESG factors that are material to a sify's performance are identified and analyzed. Materiality refers to the importance of an issue to a company's financial performance and its stakeholders.
- **Stakeholder engagement:** Sify is engaged with their stakeholders, including investors, employees, customers, and communities, to understand their ESG concerns and expectations.
- **Transparency:** By providing transparent and accurate disclosure of our ESG performance and practices.
- **Continuous improvement:** We should continuously improve our ESG performance and practices over time. This means setting goals, measuring progress, and reporting on outcomes.



Message from the Chairman



The last decade has seen environmental concerns move from behind the scenes to center stage, becoming intertwined with a company's growth factors. Sify is not immune to this shift. As a proudly Indian MNC, we harbor ambitions of taking our services beyond our shores.

In doing so, we are conscious of charting a 'green trail' through our business in order to make it responsible, accountable and sustainable. That accountability starts with the Executive team and the responsibility to keep you ahead.

Raju Vegesna

Chairman & Managing Director



Executive message



I am thrilled with our sustained focus on corporate responsibility and global sustainability to advance the company's commitment to environmental, social, and governance (ESG) growth as an Indian ICT leader who truly believes in and practices "doing well by doing good".

ESG initiatives are still a top priority for the industry's stakeholders, and Sify Technologies is dedicated to fostering positive change in this area through our extensive global reach, strong skills, and unwavering pursuit of our purpose.

M P Vijay Kumar

Executive Director & Group CFO



ESG frameworks and the legislative environment

Sify's sustainability journey takes its guidance from the United Nations Sustainability Development Goals (UNSDG).

As a startup in the world of sustainability, the company wanted to have a clear visibility of materiality units, a defined progression plan and deliver on those promises within the stipulated timeframe. Along the way, we intend to get deeper into that materiality and clearly communicate our ambition for the same.

Except we changed our approach to building the materiality matrix.

Typically, organizations will identify the materiality, align them along the E, S and G components and publish the KPIs around it. We started with segregating the public legacy material according to each of the global parameters and reporting frameworks and their subsects. Using what we are good at; Technology.

So visitors now get information specific to a parameter with links leading to the location of that information at the click of a button.

Although we are listed on Nasdaq, a majority of our business comes from India. Hence, we went a step further and also aligned information to SEBI's BRSR reporting standards. You can find details of our alignment to BRSR on our investor website.



Consultation

The progress to build this Sustainability report started at the very bottom. After the consultant was briefed on the business of the company, the first step was to identify the materiality units that impact business, its positioning and the eventual ambition. Key leadership resources closest to operations were identified who will own the metrics and mentor their teams through the roadmap.

Training was conducted in two stages.

Stage 1: Seeding the intent.

Stage 2: Identification of the metrics on these lines.

1. Grade the criticality of each matrix alongside the relevant SDG that aligns with the Company's business.
2. Identify which of the materiality impacts the business and assign scores for the same.
3. Plot a 3-year roadmap for the progression expected into each of the metrics.

Along the way, the sustainability consultant reviewed each of the data and conformed or eliminated such metrics that did not belong.

The next stage was drawing up the materiality map and publishing the KPIs against each of these metrics.

All of the above was done under the active tutelage of the Executive Director and Group CFO.



Methodology and governance

In selecting the materiality topics and the key factors, we were cautious on organization comfort and understanding of these factors.

To do that, we looked at information in the immediate past year and a semblance of continuity of this factor. The owners of these factors then drew out a 3-year KPI roadmap on the progression for these metrics. These were then shared internally to confirm the organizations' buy in.

Before it was taken live, the leadership was apprised of the same. A team was constituted to oversee the implementation and regularly apprise the Board on progress.

The following tools will use used regularly to apprise all stake holders on the progress.

1. A landing page for ESG initiatives of the company.
2. A subsection on ESG on the investor website.
3. A navigation tool to pick any global parameter and its subfactors.
4. Next Steps: A sustainability report to be published annually.



Environment

Environment

Social

Governance

Materiality Map

Alignment to UNSDG



Sify is working consistently to reestablish ecological harmony in the spheres of air, water, and land. The team at Sify's ESG initiatives are all focused on "Restoring Ecosystems." The topic is in line with the inclusive growth philosophy of the business. The goal of this effort is to improve the state of the environment overall, including the three elements of air, water, and land. As a leader in the IT industry with a sizable client base, one of the pillars of our ESG initiatives is aligning with best global practices to offer beyond regulatory compliance.



Green Building Designs



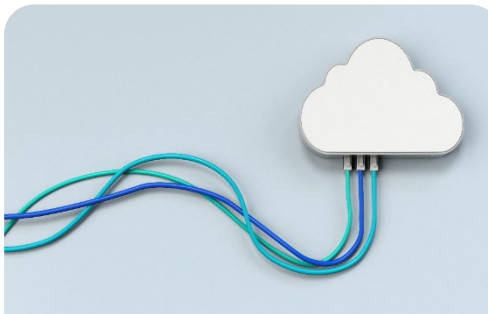
Recycling Old products



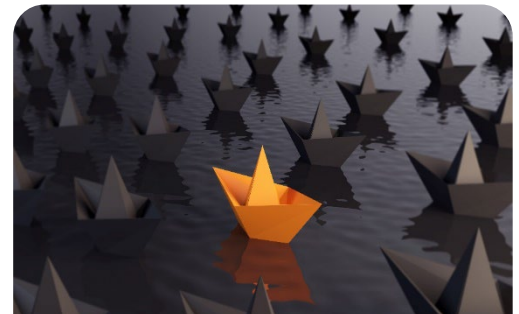
Protecting Land, Natural Resources and Biodiversity



Transition to Renewable Energy



Clean Technology Initiatives

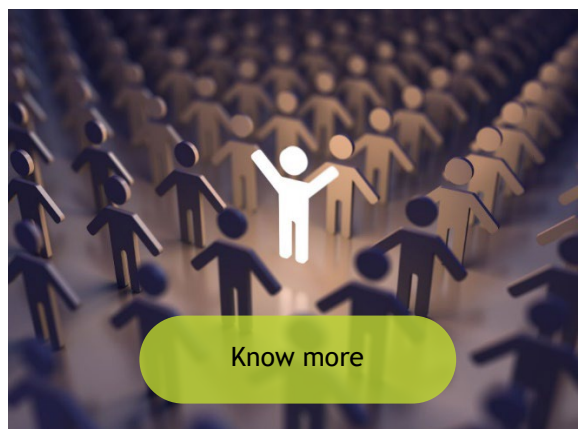


Water Saving Initiatives



Social

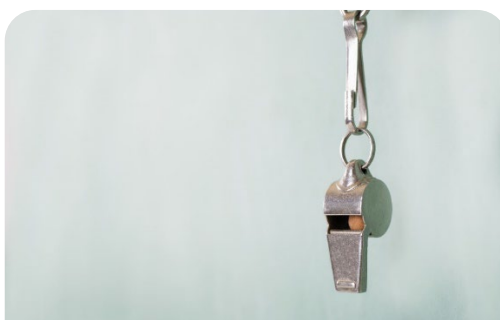
Environment
Social
Governance
Materiality Map
Alignment to UNSDG



Business is run by people. Especially in a business where impeccable service sustains relations and wins clients. This holds true for Sify for it is in a service-led business, catering to a few thousand clients across the Indian landmass. As such, its team is primarily responsible for growing the business and establishing its reputation as a dependable partner; Social & Relationship Capital: Serving the society is innate in the genes of Sify. Over the years, the Company has created a systematic approach to improve the conditions of the underserved strata of the society. Sify aims for maximum impacts in its CSR initiatives with a major focus on healthcare, education, sanitation and general wellbeing.



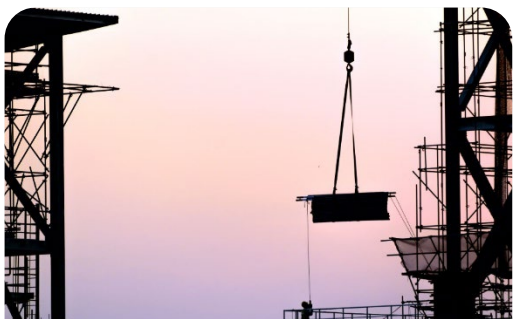
Customer Responsibility Initiatives



Workforce Training



Talent Attraction and Retention



Supplier Responsibility Initiatives



Diversity and Inclusions



Health and Safety Initiatives



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Governance Oversight Framework



Allocation of Duties and Responsibilities



Anti-Corruption Policy



Behavior and Business Ethics



Whistle Blower Policy

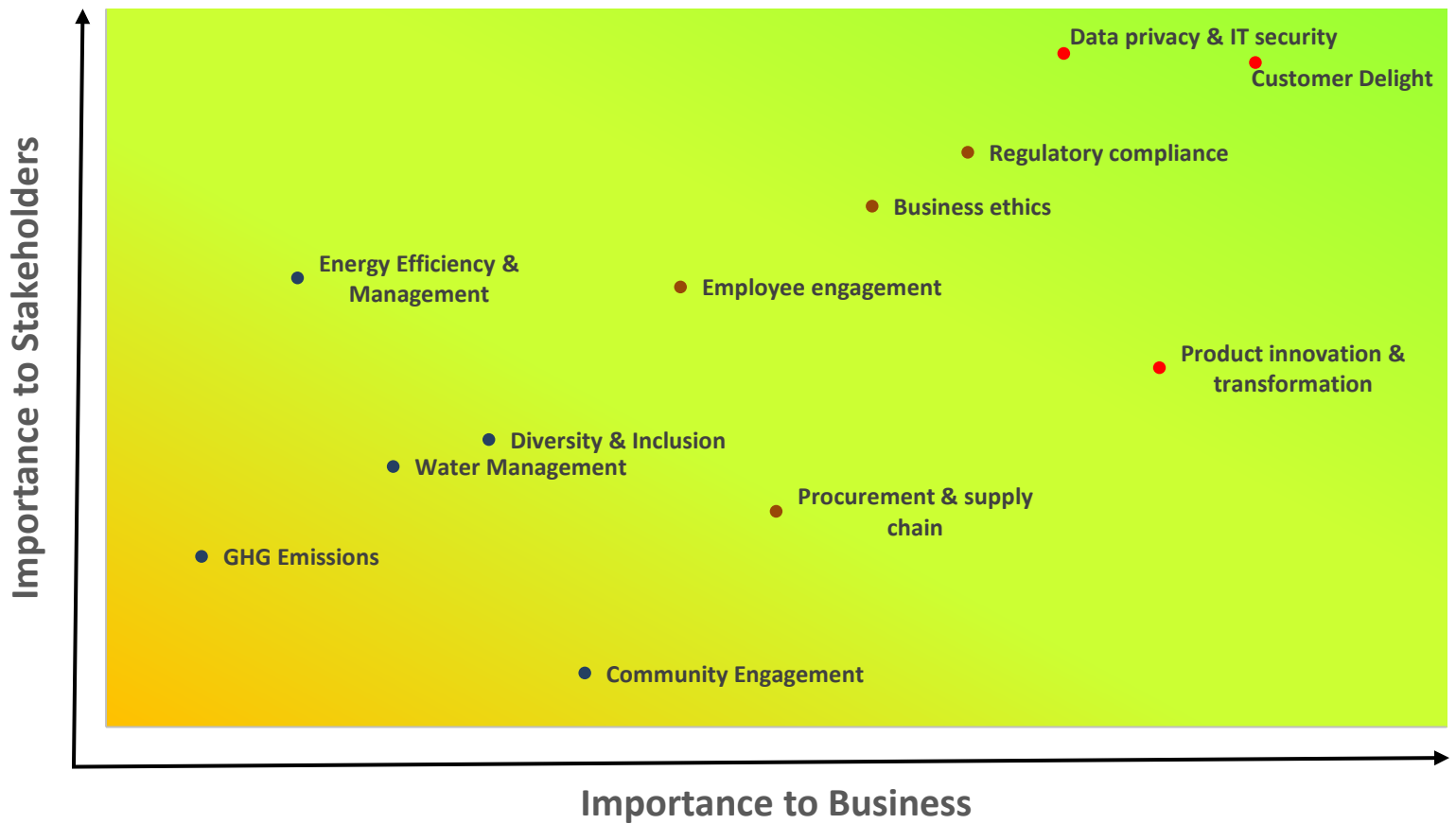


Board Composition



Materiality Map

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Alignment to UNSDG





UN SDG alignments

Environment
Social
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Sector	Material Topics	SDG Goals			
Environment	GHG Emissions	7 AFFORDABLE AND CLEAN ENERGY	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	
	Energy Efficiency & Management	7 AFFORDABLE AND CLEAN ENERGY	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION
	Water Management	6 CLEAN WATER AND SANITATION	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	
Social	Diversity & Inclusion	5 GENDER EQUALITY	10 REDUCED INEQUALITIES		
	Community Engagement	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION		
	Employee engagement	3 GOOD HEALTH AND WELL-BEING	8 DECENT WORK AND ECONOMIC GROWTH	10 REDUCED INEQUALITIES	
	Procurement & supply chain	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	17 PARTNERSHIPS FOR THE GOALS		
Governance	Business ethics	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS	
	Regulatory compliance	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS		
	Data privacy & IT security	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	11 SUSTAINABLE CITIES AND COMMUNITIES		
	Product innovation & transformation	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	
	Customer Delight	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE		