nxtra
by *airtel*

**Sustainability Report
2023**

Responsible by Choice.
Sustainable by Design.

Nxtra, a subsidiary of Bharti Airtel Limited, stands at the forefront of India's data centre industry, offering a robust network of data centres across various locations.

nxtra
by airtel

Fostering responsible digital connectivity

Nxtra Data Limited (Nxtra) specialises in the design, construction, and operation of the nation's most extensive network of hyperscale, core, and edge data centres (DCs). The Company's extensive footprint caters to leading enterprises, hyperscalers, start-ups, SMEs, and government entities. Nxtra's unwavering commitment revolves around delivering unparalleled reliability, expansive reach, versatile power configurations, and a carrier-rich ecosystem, all dedicated to ensuring a top-notch customer experience.

Nxtra's equipped facilities are designed to offer scalable, digital, and borderless IT infrastructure, tailored to meet the ever-evolving needs of today's companies across diverse sectors. With a robust, interconnected, and always-accessible network spanning numerous locations, Nxtra emerges as the ultimate converged ICT partner.

120+
Operating locations

200+
Indian and global PoPs

36,000+
Racks and 200 MW power

Supported by a strong alliance

Nxtra is a part of Bharti Airtel Limited, a global telecom leader operating across 17 countries in Asia and Africa. Renowned for its vast subscriber base, Airtel ranks among the world's top 3 mobile service providers. Being associated with both the data centre and telecom industry for more than two decades, the organisation provides a platform of hyper-connected state-of-the art core and edge data centres. Nxtra enables businesses to accelerate their digital journey and host their applications closer to their customers than ever before. Backed by a legacy of India's established telecom giant Airtel and one of the world's largest investment firms 'Carlyle Group' already investing in multiple large data centre parks, Nxtra is committed to being a long-term partner to support the journeys of its customer's to scale and create a digital future.

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Responsible by Choice. Sustainable by Design.

In today's hyperconnected and digital world, data has emerged as the new fuel for enterprises to power transformation and retain their competitive edge. Nxtra empowers its customers to stay ahead of the curve by offering secure, scalable and sustainable data centres.
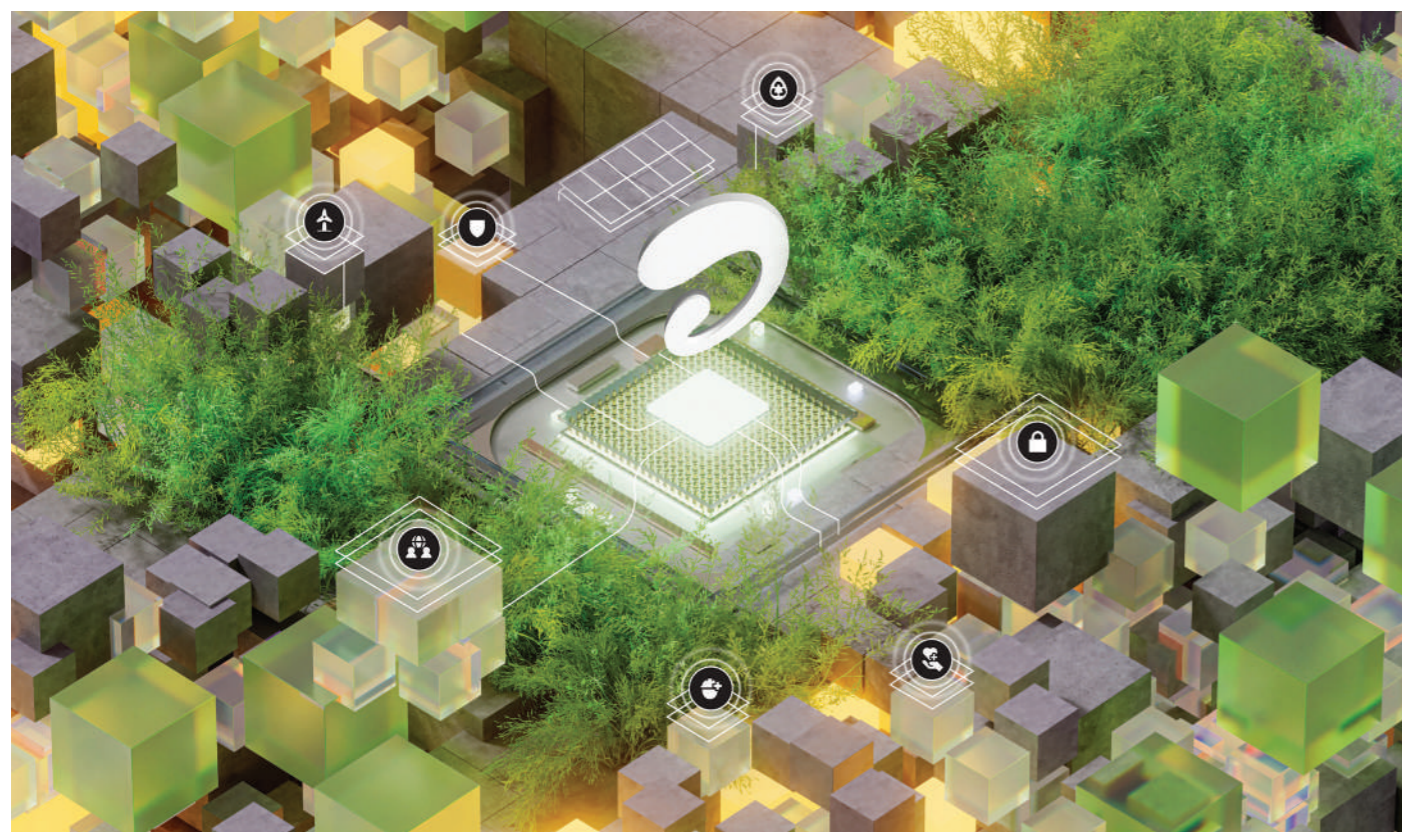
With power comes responsibility. Nxtra is not only making significant investments to further expand its network of data centres but is also setting industry benchmarks on sustainable practices. The Company has set an ambitious target of achieving 'Net Zero' emissions by 2031.

Recently, the Company became the first data centre company in India to adopt hydrogen-ready fuel cell technology with low carbon emissions in collaboration with Bloom Energy.

From exploring innovative energy solutions to power its data centres with renewable sources to drive water neutrality, and from reducing waste to improving energy efficiency, Nxtra is on a relentless pursuit of a greener, more sustainable future.

Nxtra's vision for the future extends beyond technology to encompass the well-being of its community and biodiversity. It aspires to be at the forefront of building a carbon-neutral digital economy while contributing to global sustainable development goals.

The responsible choices Nxtra makes today will play a pivotal role in shaping a shared and sustainable future for all.

Hydrogen-ready Data Centres

Nxtra by Airtel has partnered with Bloom Energy to deploy low environmental impact fuel cell technology at its data centre in Karnataka, reducing carbon emissions through a cleaner, hydrogen-ready fuel supply. With this, Nxtra has become the first data centre company in India to deploy fuel cell technology while unlocking cost and sustainability benefits for customers.

The fuel cell unit will initially operate on non-combusted natural gas and gradually transition to using 50% hydrogen in the future without requiring substantial investments. The primary generation will be powered by natural gas cells, while the utility electrical grid and backup generators will serve as secondary sources.

Bloomenergy®

> " **Nxtra is committed to setting new benchmarks in sustainability for the data centre industry as India emerges as the preferred data centre destination in APAC. With an ambition to reach Net Zero by 2031, we have embarked on our sustainability journey by making all possible efforts to adopt innovative energy solutions. Our partnership with Bloom Energy is a testament to our future-ready energy strategy to supply much cleaner energy to our data centres."**

Mr. Rajesh Tapadia
Whole-time Director & COO

About the Report

Nxtra introduces its first Sustainability Report for FY 2022-23. This Report stands as a commitment to transparency and comprehensive disclosures for investors and stakeholders. The Report offers a detailed overview of Nxtra's relationships with stakeholders and provides valuable insights into how the Company's strategic approaches align with its objective of delivering value while effectively managing risks and adapting to the dynamic external environment.

Reporting boundary and period

This Report encompasses all of Nxtra's operations in India for the financial year from April 1, 2022, to March 31, 2023. Nxtra's aim is to ensure that all those impacted by its operations, including its customers, employees, investors, and other stakeholders, have access to relevant and meaningful data.

Reporting framework

This Report has been prepared with reference to the Global Reporting Initiative (GRI) Standards 2021 and covers Nxtra's contributions towards the United Nations Sustainable Development Goals (UN SDGs). The Report also has aligned with the Task Force on Climate-related Financial Disclosures (TCFD) framework, underscoring its ongoing commitment to addressing climate change. For easy reference, the GRI Index is provided at the end of this Report, summarising Nxtra's reporting disclosures.

Assurance

The information presented in this Report has undergone a thorough review process, in accordance with internal review and control measures. Additionally, it has been audited by an independent agency BDO India LLP. Assurance statement from an independent agency is attached at the end of this Report.

Feedback

Nxtra welcomes the feedback or concerns of its stakeholders to the Company's dedicated team at **ESG@nxtra.in**.

Material topics

Nxtra conducted its first materiality assessment this year and formulated ESG goals and commitments, incorporating sustainability into its business operations.

Environment

- Climate Strategy
- Energy Management
- Carbon Emissions
- Water Efficiency
- Waste Management
- Green Building and Materials

Social

- Human Capital Management
- Diversity, Equity, and Inclusion
- Employee Health and Safety
- Community Engagement

Governance

- Corporate Governance and Business Ethics
- Regulatory Compliance
- Data Security and Privacy
- Sustainable Supply Chain
- Systematic Risk and Crisis Management
- Customer Experience

Stakeholders

- Customers
- Non-profit organisations
- Media
- Employees
- Regulators
- Investors
- Suppliers and Partners
- Communities

Scalable, secure and sustainable

Nxtra, carries over two decades of expertise in the data centre and telecom sector. It boasts of the largest network of secure, scalable, and sustainable data centres in India. Nxtra's overarching objective is to empower various entities, including leading enterprises, hyperscalers, start-ups, Small and Medium Enterprises (SMEs) and government organisations. This is being achieved by providing them with cutting-edge core and edge data centres strategically positioned across 120+ locations. Through its comprehensive offerings, Nxtra enables its clients to leverage hyper-connectivity and stay at the forefront of technological advancements.

Build future-ready infrastructure with India's largest network of data centres

Nxtra specialises in delivering customised large whitespace footprints that can be rapidly deployed and easily scaled to accommodate the requirements of hyperscalers and enterprises. With Airtel as its parent company, Nxtra benefits from a robust network footprint and a wide range of connectivity offerings across India and the global market. This unique advantage allows Nxtra to provide customers with a hyper-connected data centre platform characterised by low latency, carrier density, and comprehensive interconnect services.

12 Large data centres	**6** New hyperscale data centres	**120+** Edge data centres
3,55,000+ RKMs* of fibre network in India**	**4,00,000+** RKMs* of global submarine network**	**₹ 5,000 crore** Investment commitment by FY25

* Route Kilometres

** These figures are w.r.t Bharti Airtel Group company

"We at Nxtra are looking to accelerate the digital transformation for businesses by building a resilient landscape that will form the very backbone of our country's economy for the future."

Jitendar Kumar
Business Head - Product and Sales

Nxtra's commitment to expanding its data centre network is evident through its investment pledge of ₹5,000 crore by FY 2024-25. The Company is currently constructing six new hyperscale data centres in metro cities like Mumbai, Pune, Kolkata, Bengaluru, Hyderabad, and Noida. With the addition of these facilities, Nxtra's installed capacity is set to double, surpassing 400 MW.
This expansion will cater to the growing domestic and global demand for data storage and processing.

Sustainability takes centre stage as one of Nxtra's strategic business priorities, with a strong determination to set new industry benchmarks.

Nxtra has set an ambitious target of achieving Net Zero emissions by 2031 and is actively pursuing innovative energy solutions to power its data centres with renewable sources.

Nxtra's objectives

Get key data centre industry insights and emerging trends from analysts and technology leaders

Understand customers business challenges in building a future-ready technology architecture

Turn insights into actions that can benefit the organisation's customers as well as the industry

Share best data centre practices and innovative solutions to enable businesses to be digital ready

Nxtra's services

Colocation
- Design and deliver large colocation space quickly
- Ability to scale the colocation facilities

Bespoke
- Built-to-specification colocation services
- End-to-end services

Interconnect
- Seamless connectivity, bridging and integrating critical and diverse environments
- Unified and future-ready infrastructure

Migration
- Migration services facilitated by experienced specialists
- Seamless turnkey deployments for both simple and complex migration projects

Nxtra's 24x7 support services and the expertise of a dedicated team of skilled professionals enable businesses to focus on their core operations. Nxtra offers a comprehensive portfolio of support services for a variety of peripheral tasks and activities that ensure the continuous operation of data centres. By leveraging these services, businesses can establish a highly optimised, efficient, and scalable digital environment that empowers them to thrive in their respective industry.

Why trust Nxtra?

Outreach
Enhance customer experience and maximise business reach with hyperscale, core and edge data centres across 120+ sites

Hyper-connect
Create borderless digital infrastructure by leveraging low-latency, carrier-dense and rich interconnect services

Scalable
Meet elastic business needs with futuristic, hyperscale, and PoD-based data centre parks, spread across all major cities in India

Sustainable
Contribute to sustainable world and lower your cost by using green energy powered data centres with high energy efficient design and operations

Reliable
Backed by India's telecom pioneer 'Bharti Airtel' and one of the world's largest investment firm 'Carlyle Group', can rely on Nxtra by Airtel for its long-term commitment to your business' growth

Awards and accolades

South Asia: Carbon Reduction Initiatives
W. Media Data Centre Awards 2022

Championing Sustainable Initiatives
The Economic Times-Sustainable Organisation 2022

Green DC Initiatives
11th Data Centre Summit and Awards, 2022, UBS Forums

Developing Sustainable Strategies
World CSR Congress, Global CSR Excellence & Leadership Awards

CIO Choice Award Winner
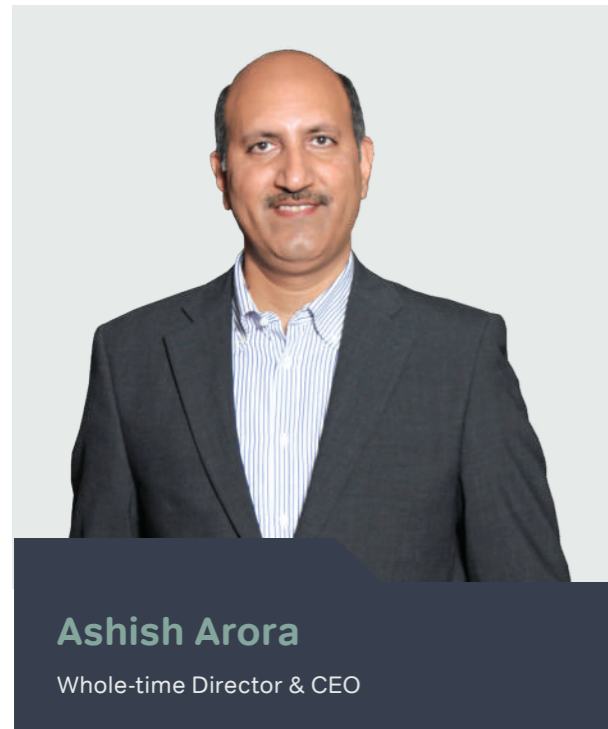Colocation Services

CXO Trusted Brand Awards 2022
TechPlus Media

Exemplary performance in incorporating Sustainability Practices into Business Strategy
Frost & Sullivan and TERI's Sustainability 4.0 Awards 2022

Towards a digital and sustainable future

● ● ● ○

Ashish Arora
Whole-time Director & CEO

Rajesh Tapadia
Whole-time Director & COO

> **The Company recognises its role in promoting sustainable practices, fostering social well-being, and upholding high standards of governance within the technology industry.**

Dear Stakeholders,

Data Centres are the bedrock of digital acceleration, as more and more businesses move towards adopting digital. Unlike the industrial revolution where innovation and progress came at a high price both environmentally as well as socially, the key asks from all future businesses and more so of data centres is to spearhead the digital revolution but also restore a balance while facilitating a logarithmic digital growth. This has paved the way for Nxtra to establish "green interconnectedness" - a dynamic synthesis of people, society, economics, environment and the underlying technology.

The Company recognises its role in promoting sustainable practices, fostering social well-being, and upholding high standards of governance within the technology industry. Its commitment to ESG principles is deeply embedded in its operations, business strategies and most importantly in its culture.

Environment

There has been an unprecedented consensus across the globe on the need for closer re-alignment between enterprises and individuals on climate change. Nxtra has undertaken various measures to optimise its data centre operations and position itself as sustainability champions.

Key highlights

- Nxtra targets to reach Net Zero by 2031 by reducing GHG emissions. 109,612 tCO$_2$e Emissions were saved in FY 2022-23 via sourcing renewable energy for its data centres. Till date, the Company has successfully contracted 283,850 MWh of Power Purchase Agreements (PPAs) out of which 234,080 MWh is already operational.

- Nxtra became the first data centre company in India to deploy hydrogen-ready fuel cell technology to reduce carbon emissions.

- Over the past five years, Nxtra saw a remarkable 20% improvement in Power Usage Effectiveness

(PUE) with a further target to reduce 10% PUE by 2025, using FY 2020-21 as the base year.

- Nxtra is experimenting, learning and preparing to deploy new cooling technologies to accommodate Artificial Intelligence (AI) workloads in future sustainably.

- The Company targets to become 'Water Neutral' by attaining 100% wastewater recycling across all its hyperscale data centre campuses.

- Nxtra has adopted the 3R approach of Reduce, Reuse and Recycle to minimise the wastes across all DCs and attain 100% landfill diversion rate in the next two years.

- Nxtra's all newly constructed data centres to be Leadership in Energy and Environmental Design (LEED) certified (Platinum/Gold), or an equivalent certification.

Social

Nxtra aligns with its core "AIR" values – being Alive, Inclusive, and Respectful. At Nxtra, individuals of great caliber shape the very fabric of the organisation's culture and influence the way in which it conducts its business.

Key highlights

- Nxtra has created employment opportunities for talented resources from tier II and III cities of India

and identified some roles, which are reserved for ex-servicemen.

- Nxtra is an equal opportunity employer and its diversity has grown by 1.5 times in the past year.

- Nxtra aims to become industry leader in achieving exemplary Environment, Health and Safety (EHS) practices and has maintained 'Zero' Total Recordable Incident Rate (TRIR) and Worst Potential Severity (WPS) rate for two consecutive years.

- Nxtra's community engagement aims at cultivating partnerships to support skill development for marginal communities.

Governance

Nxtra has established a robust ESG governance structure and a diverse leadership team dedicated for upholding high standards. The Company's ESG governance structure includes cross-functional teams (CFTs), an ESG function and a Council to enhance its commitment to the ESG agenda.

Key highlights

- Nxtra's governance structure has a diverse leadership team dedicated for upholding high standards with ~22% gender diversity in the Board.

- Its robust Information Security Policy and System is a right amalgamation of multiple layers of physical and electronic security tools to keep the threat vector minimal.

- Nxtra continues to maintain compliance with international standards including ISO 27001, SOC2, PCI-DSS etc.

- The Company promotes local procurement - sourced 98% from Indian-based suppliers in FY 2022-23.

At Nxtra, sustainability blueprint has been focused on driving its ESG indices in the positive, on the curve and in line with global sector trends.

By adopting sustainability led innovations, technology and solutions, Nxtra has been steering to lead its growth and digitisation journey in an environmentally conscious, socially acceptable and economically viable manner.

Ashish Arora | **Rajesh Tapadia**

Empowered by collaboration

UN SDG's Goal 17 focuses on global partnerships for sustainable development. Nxtra has consistently upheld this goal through robust strategic collaborations, ensuring top-tier services for its esteemed customers, who are industry leaders with a strong commitment to sustainability.

CDP

1. Nxtra's partnership with the Carbon Disclosure Project (CDP) Incubator Cell involves the validation of its Science-based Target initiatives (SBTi) net-zero targets, besides those of the group level.

United Nations Global Compact

2. Nxtra is aligned with the world's largest corporate sustainability initiative, the United Nations Global Compact (UNGC), at a group level. To enhance its tangible dedication to implementing, disclosing, and advocating the ten universal principles spanning human rights, labour, environment, and anti-corruption, along with the 17 Sustainable Development Goals 2030, Nxtra is progressing towards becoming a signatory at the entity level in the near future.

Bloomenergy®

3. Nxtra has engaged in a collaboration with Bloom Energy to implement a low-impact fuel cell installation at a data centre located in Karnataka. This initiative aims to curtail carbon emissions by utilising a cleaner, hydrogen-ready fuel source.

WWF

4. Nxtra has partnered with WWF-India for the Renewable Energy Development Enhancement (REDE) initiative. This collaboration aims to develop practical and commercially feasible solutions for procuring renewable energy.

PLAKSHA UNIVERSITY

5. As part of a strategic collaboration with Plaksha University, facilitated by Bharti Foundation, Nxtra has provided infrastructure support and has a scholarship programme for students from economically disadvantaged backgrounds.

CARLYLE

6. Recognised by Carlyle as a sustainable group company and showcased as a case study in their 2023 ESG Report.

AVAADA **CONTINUUM**

ampin energy **Greenergy**

7. Nxtra enhances its commitment to green energy by collaborating with Avaada, AMP Energy, Continuum, Greenergy Wind, and Sandhya Hydro to establish solar, wind, and hydropower plants. These plants supply renewable energy to both large and edge data centres operated by Nxtra.

FROST & SULLIVAN

8. Nxtra collaborated with Frost & Sullivan to assess its readiness for sustainability, pinpoint areas for enhancement across four key pillars - Purpose, Partnership, Planet, and People - and compare its performance to industry peers.

Shaping a promising business landscape
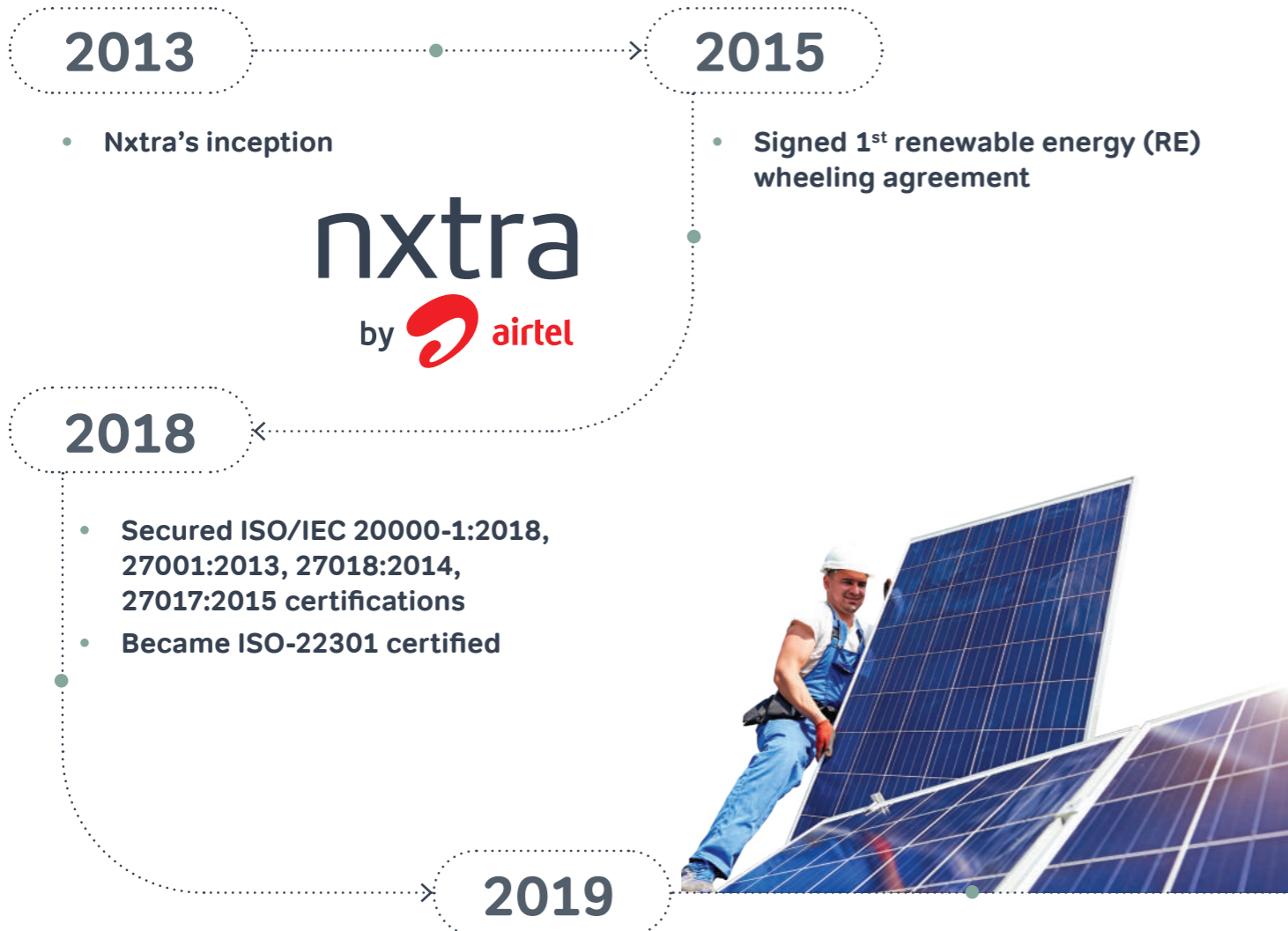
2013
- Nxtra's inception

2015
- Signed 1st renewable energy (RE) wheeling agreement

2018
- Secured ISO/IEC 20000-1:2018, 27001:2013, 27018:2014, 27017:2015 certifications
- Became ISO-22301 certified

2019
- Nxtra's disclosures incorporated in Airtel Group-level Integrated Report
- Accounted Scope 1 and 2 emissions for the 1st time
- Got ISO 14001, 45001, 9001 certifications

2020
- Nxtra's contribution to Airtel Group CDP disclosures
- SOC 1 & SOC 2 TYPE II

2021
- Partnered with Carlyle
- Developed ESG framework
- Received PCI DSS certification
- Aligned with UN SDGs

2022
- Developed EHS framework and policy
- Became ISO 50001 certified
- Formulated energy policy
- Accounted Scope 3 emissions for the 1st time
- Installed 1st Solid Oxide Fuel Cell (SOFC) based captive power plant
- Carried out third-party Sustainability Assessment for the 1st time
- Carried out independent assurance on the Greenhouse Gas (GHG) inventory for the 1st time

2023
- Conducted comprehensive materiality assessment for informed decision-making
- Formulated ESG goals and commitments
- Formulated the ESG governance structure
- Developed a roadmap for adopting the TCFD framework

Responsibility in action

Material Issues	Commitments	Targets	FY 2022-23 Performance
Environment			
Climate Strategy Page 30	Develop a climate change adaptation, mitigation and resilience strategy to promote responsible business practices along with future ready climate resilient infrastructure	• Adopting the TCFD framework to understand the potential climate-related risks and opportunities and implement its recommendations	• Developed roadmap by conducting preliminary screening of climate risks and opportunities for Nxtra in line with TCFD • Implemented ISO 14001: 2015 (Environmental Management System) across core DCs
Energy Management Page 33	Adopting innovative technologies to maximise energy efficiency, increase green energy mix and improve grid reliance	• 10% reduction in PUE by FY 2024-25, with base year as FY 2020-21 • Increasing RE share by 70% in the overall electricity mix	• 156,147 MWh Renewable Energy consumed in its operations • 33% renewable energy penetration for core DCs • Secured "IS0 50001:2018" (Energy Management System) certificates for all core DCs • First data centre operator in India to install solid oxide fuel cell based captive power plant
Carbon Emissions Page 38	Reduce direct (Scope 1) and indirect (Scope 2 and 3) GHG emissions	• To reach Net Zero by 2031	• Decarbonisation Plan formulated to achieve the Net Zero • 109,612 tCO_2e Emissions saved via various initiatives • 5% reduction in operational emissions across Scope 1 and 2 with base year as FY 2020-21
Water Efficiency Page 40	Reduce Nxtra's water footprints and creation of Zero Liquid Discharge (ZLD) DCs by encompassing sound water management practices through efficiency and recycling	• To become 'Water Neutral' by attaining 100% wastewater recycling in its hyperscale DCs • Track and reduce Water Usage Effectiveness (WUE) in hyperscale DCs through technological interventions	• New hyperscaler campus in Mumbai III designed for 'zero discharge'

Material Issues	Commitments	Targets	FY 2022-23 Performance
Environment			
Waste Management Page 42	Adopt 3R approach of Reduce, Reuse and Recycle to minimise waste across all DCs	• Attain 100% landfill diversion rate in the next five years • Enhance waste categorisation, reporting and maintaining 100% waste related regulatory compliances	• 3,478 tonnes of waste disposed off to authorised recycler/refurbisher/vendors
Green Building and Materials Page 46	Use of sustainable construction practices and environment-friendly material to minimise the environmental impact of upcoming data centres	• Enhance end-of-life management of assets by enhancing resource efficiency and material usage • All new DCs designed to attain LEED/ IGBC platinum/ gold certification	• Mix design adopted for new projects by replacing upto 25% of cement with fly ash • Secured "Gold Certification" from Indian Green Building Council (IGBC) for one of our core DCs
Social			
Human Capital Management Page 50	Impetus on attracting and retaining a talent pool aligned with the organisation's values and vision as well as accelerate their growth by over-emphasising on training and creating a group wide career growth path	• Creating employment opportunities for talented resources from tier II and III cities of India • 100% of all site infra managers at edge sites to be ex-servicemen • Maintain its employee engagement survey score above 80%	• 115 talented off-role resources are from tier II and III cities of India • 84% of all site infra managers at edge sites are ex-servicemen • 5X increase in total training hour for its employees as compared to last fiscal • Achieved an Employee Engagement Score of 83.9 against 100
Diversity, Equity and Inclusion Page 58	Fostering a diverse and inclusive workplace that facilitates opportunity and respect. This includes focusing on gender, cultural and generational inclusiveness to reduce inequalities	• Creating a culture of inclusion by top-down ownership, aligning with the group level culture of 'Airtel for All'. • Aim to increase gender diversity in our workforce by 2x in next three years with base year as FY 2022-23	• 2X increase in female employees as compared to last fiscal • 1.5X increase in representation of women in management workforce as compared to last fiscal • Improved its socio-economic diversity by providing opportunities for economically disadvantaged backgrounds

Material Issues	Commitments	Targets	FY 2022-23 Performance
Social			
Employee Health and Well-being Page 60	Become industry leader in achieving exemplary EHS practices at all its operation and construction sites, including worker welfare	• Maintain zero TRIR and fatality for Nxtra's projects as well as operational DCs • Conduct safety induction and hazard specific training for all relevant employees • Incorporation of digitisation to minimise operational uncertainty, and enhance EHS performance	• Zero Total Recordable Incident Rate (TRIR) and Worst Potential Severity (WPS) rate • Recorded 1,555,758 Safe man hours for projects • 1,492 site inductions and topic-focused training conducted for all relevant employees • All core DCs are ISO 45001:2018 (OHSMS) certified • Safety @ design, Safety @ delivery and Safety @ operations across its Chennai II and Mumbai III DC
Community Engagement Page 66	Cultivating partnerships to aid development of local communities, minimise negative impacts, and leave a positive legacy	• Make socially and environmentally conscious investments for impacting communities where it operates • Partnership to support skills development and job training programmes for marginal communities where it operates	• ₹43 million CSR spend for FY 2022-23 • Collaborated with Plaksha University through Bharti foundation for promoting higher education and supporting educational opportunities for economically disadvantaged students
Governance			
Corporate Governance and Business Ethics Page 76	Reinforcing the organisation's commitment to operate with fair, transparent, and ethical governance practices	• Augment diversity in the Boardroom • Operate with fair, transparent and ethical governance practices • Incorporating ESG into the corporate governance framework	• ~22% gender diversity in the Board • ~78% Independent and Non-Executive Director • Established a robust ESG governance structure with a diverse leadership team dedicated for upholding high standards • All management review meetings initiated with safety performance evaluation
Regulatory Compliance Page 83	Maintaining necessary compliances w.r.t statutory bodies, municipal corporations and central and state government(s) legislations, etc.	• Maintain compliance to annual certification on the Code of Conduct • Maintain cent percent compliance with all the applicable laws and legislations in the areas it operates	• 100% stakeholders attained annual certification on the Code of Business Conduct • Zero complaints regarding conflict of interests

Material Issues	Commitments	Targets	FY 2022-23 Performance
Governance			
Data Security and Privacy Page 84 Page 84	Maintain a robust Information Security Policy and System that covers all stakeholders in the value chain	• Creating industry benchmarks in incorporating latest physical and digital infrastructure that keep data centre operations and applications secure	• All employees undergo mandatory training on data security and privacy periodically • Information Security Risk assessment and recovery strategy, certified by ISO 27001 • Maintaining Payment Card Industry Data Security Standard (PCI DSS), SOC 1 & SOC 2 Type II (including SSAE) for all of its core data centres
Sustainable Supply Chain Management Page 88	Maximise sustainable impacts through resilient and responsible supply chain practices and partnerships	• Incorporate ESG frameworks and criteria into pre-qualification and supplier agreements • Aim to reach our suppliers to adopt climate-related commitments	• 78% first-tier partners/vendors in FY 2022-23 • 98% India-based suppliers in FY 2022-23 (Nxtra promotes local procurement from India-based suppliers) • ESG criteria is a mandatory requirement for Nxtra's pre-qualification and supplier agreements
Systematic Risk and Crisis Management Page 92	Identifying, assessing, and effectively managing Nxtra's risks associated with the widespread breakdown or failure of critical systems, such as financial, natural resource, and technological systems	• Evaluate risks that could potentially disrupt business activities • Strengthening Nxtra's overall risk management framework	• Customised the group-level Bharti Airtel Infrastructure and Safety policy as per Nxtra's operational needs to mitigate identified risks • Periodic meetings and follow-ups executed the action plan against the identified risks and track the progress on its implementation
Customer Experience Page 96	Building strong partnerships to deliver consistently high customer satisfaction	• Attaining optimum customer loyalty and win over customer trust. Ensure high customer satisfaction levels • Conduct third-party surveys to acquire unbiased candid ratings	• Digital platform for customer engagement - Airtel Thanks Business (ATB) • Monthly and quarterly review meeting, periodic satisfaction surveys and close looping of feedbacks to assess the overall health and experience with the customers

Nurturing trust by continuous engagement

Embracing sustainability involves considering stakeholder expectations. Gaining a deep understanding of stakeholders is essential for fostering enduring partnerships and effectively addressing market opportunities and challenges. Informed by valuable experiences, the Company acknowledges the significance of taking into account the viewpoints of both internal and external stakeholders when shaping and executing its ESG programme.

Stakeholder engagement framework

The stakeholder engagement framework delineates Nxtra's strategy for stakeholder interaction, across corporate and regional levels of all operations. Engagement is pivotal for ensuring transparency, accountability, and alignment with stakeholder expectations.

Primary policy objectives

- Assimilating stakeholder concerns and interests into processes and activities
- Improving communication quality and engagement, ensuring clarity, accessibility, relevance, and timeliness
- Bolstering stakeholder trust and confidence in processes, decisions, and actions

Identification and prioritisation of stakeholders

At Nxtra, the stakeholder engagement process adheres to the AccountAbility 1000 standards, specifically the AA1000.

Identifying and categorising key stakeholders

- Analysis of business process
- Identification of interested and impacted groups for each process
- Grouping stakeholders in homogenous categories
- Identification of priority groups within each category

The process includes:

- Defining purpose, scope, ownership, and mandate
- Profiling and prioritising stakeholders
- Establishing engagement levels and methods
- Defining and communicating disclosure boundaries
- Creating an engagement plan
- Selecting Indicators to measure engagement efforts
- Identifying and mitigating engagement risks through stakeholder invitation, information sharing, and briefings
- Assessing stakeholder capacity
- Attentively listening to stakeholders during engagement
- Documenting engagement activities
- Improving engagement practices, reviewing engagement outcomes, and reporting results

Nxtra's engagement process

Engaging with key stakeholders to better understand what they want, when they want, how engaged they are and how Nxtra's plans and actions will affect their goals is a business imperative. Nxtra integrates stakeholder engagement into its governance, strategies, and operational blueprints.

A culture of continuous engagement is fostered with every stakeholder group, spearheaded by external third parties to guarantee an impartial capture of stakeholder concerns.

- This approach involves skilled experts trained in gathering information, particularly from local communities and vulnerable groups, with a focus on enhancing stakeholder capacity.
- Internal teams and consultants alike conduct thorough assessments and analysis of formal stakeholder engagement feedback, ensuring a robust evaluation of the process efficacy.
- The responsibility for ensuring structured ongoing interactions and accurate capture of concerns lies with individual group heads.
- In case of any concern, the group heads can raise them, in collaboration with the affected stakeholders during the business update meetings with the Management Board members of the respective group.
- Additionally, an annual briefing is conducted for the CSR committee at the Board level, providing updates on business responsibilities policies and stakeholder engagement.

Stakeholder relationship categories

Information

Consultation

Partnership
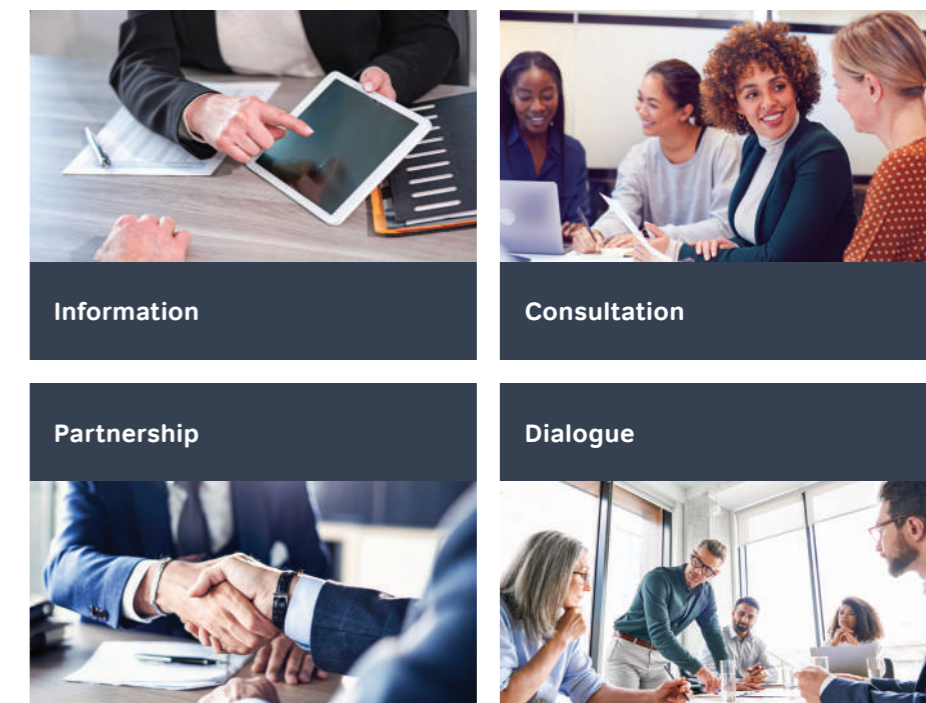
Dialogue

- To mitigate engagement risks, comprehensive planning is undertaken to comprehend stakeholder profiles.
- Steps are employed to foster open and sincere dialogues between stakeholders and Nxtra.
- All interactions adhere to legal, contractual obligations, and internal communication guidelines.
- Each stakeholder group's needs are identified based on feedback analysis.
- Thereafter Nxtra explores the potential solutions and evaluates the associated risks, opportunities, efforts, and gaps.

Depending on stakeholder relevance, these considerations influence Company strategies and operations at various levels. Outcomes are communicated through channels like periodic email communications and the annual sustainability report.

A dedicated grievance redressal platform is available to each stakeholder group. Concerns can also be addressed via email at ESG@nxtra.in or for code of conduct violations, at ombudsperson@bharti.in.

How Nxtra engages with its stakeholders

Stakeholder	Why they are important to Nxtra?	Engagement channel	Value proposition	Material issues
Customers	• Revenue growth and generation • Streamlining goals and processes • Demand-led innovation	• Customer satisfaction surveys • E-mail, SMS communication and company website, social media engagement	• Service quality • Data protection • Innovation through strategy and technology	• Data security and privacy • Customer experience management
Employees	• Drivers to achieve the target set for them • Satisfied and engaged employees perform good at work • Right talent gives a competitive advantage	• Annual employee survey • Regular employee communication forums • Town halls	• Performance review and feedback • Training and development • Health, safety and well-being	• Human capital management • Employee health and safety • Diversity, equity, and inclusion
Suppliers and Partners	• Operations without barriers • New developments and innovation • Competitive-stay ahead based on quality, technology and pricing	• Partner portal • Company website • Meetings/governance/review • E-communication	• Fair trade practices • Protecting interests and providing opportunities to minority suppliers • Sustainable supply chain	• Sustainable supply chain management
Non-profit organisations	• To partner with the government, educational institutions to help address key challenges	• Direct stakeholder consultations	• Improving lives of children, young girls and unemployed youth	• Community engagement
Regulators	• To ensure smooth operation of the Company • Licencing and permissions • Sector sustainability	• Face to face and e-correspondence • Public policy lobbying	• Formulation of policies and procedures to shape the present and future of business for its growth and development.	• Regulatory compliance
Communities	• To create long lasting value for societies • To partner with local communities to address key challenges	• Impact assessment of interventions carried out by Bharti Foundation • Direct stakeholder consultation • Field visits and volunteering	• Transform the lives of children and youth through education • Improving employment of local youth	• Community engagement
Media	• Increase reach of service • Revenue growth	• User satisfaction and productivity • Enhancing and expanding network quality	• Online portal • Face-to-face interactions	• Customer experience
Investors	• Respond to queries of investors on operations of the Company • Bring transparency with the community of existing and potential investors	• Annual general meeting • Face-to-face and e-correspondence • Press briefing • Analyst meets • Earning calls	• Return on investment • Short-term and long-term financial viability • Risk management	• Regulatory compliance • Corporate governance and business ethics • Climate strategy, energy management, carbon emissions

Strategy through insights

Within the ESG space, Nxtra is actively identifying and addressing the most critical issues to ensure responsible and sustainable business practices.

In FY 2022-23, a thorough assessment and prioritisation of material subjects has been conducted. The materiality analysis plays a crucial role in engaging with Nxtra's stakeholders, aligning with the Company's business strategy, and promoting long-term value creation.

Materiality assessment process

In FY 2022-23, a thorough materiality assessment was carried out to identify critical material issues. Employing a comprehensive, structured four-step approach, active stakeholder engagement guided the process of conducting the materiality assessment.

Nxtra's identified material topics spread across five impact areas:

Environmental Consciousness

Customer Delight

Employee Care

Community Stewardship

Responsible Governance

Nxtra's approach and process

Identification

- Identify material topics and related risks and opportunities based on global standards and mega trends as well as stakeholder inclusion.
- Ensure alignment with Nxtra's overall goals and objectives.

- Identified key stakeholders and experts based on their significance and impact on the Company's operations and ESG performance.
- This included permanent and contractual employees and experts from industry.

Through this process, a comprehensive range of material issues was identified by aligning stakeholder concerns with Nxtra's business priorities.

●○○ Prioritisation

- Priortise material issues in line with internal stakeholder perspectives.
- Categorise them based on relative importance to stakeholders.

- Following this, a focused survey was conducted across all identified stakeholders and experts.
- The objective was to gather their insights and determine the priority of the identified material issues.

These issues were categorised as low, medium, and high in terms of their impact on its business and the external environment.

✓ Validation

- Refine the material issues through a robust validation process in consultation with Nxtra's senior management.

- Through consultations with senior management, the list of material issues was confirmed.
- This alignment was based on their significance to critical stakeholder

concerns, expectations, and business necessities, leading to principal material issues affecting the business and stakeholders being identified.

🔒 Disclosure

- Disclose the materiality matrix to relevant stakeholder groups and others through multiple channels.

- A conclusive materiality matrix of 16 material issues was drawn up and classified under ESG categories based on their significance.

These were communicated to pertinent stakeholder groups and others via various channels, including the Sustainability Report.

Materiality matrix

Significance to business

Significance to stakeholders*

Environment   Social   Governance

Critical

High

Moderate

(R) Risk

(O) Opportunity

* Internal stakeholders and external experts

Material issues

The identified material issues have further been aligned with Sustainable Development Goals that relate most closely to Airtel's business and vision.

Material Issues

#	Issue	Type
1	Data Security and Privacy ↗	R
2	Waste Management ↗	O
3	Employee Health and Safety ↗	R
4	Energy Management ↗	O
5	Water Efficiency ↗	O
6	Regulatory Compliance ↗	R
7	Climate Strategy ↗	O
8	Sustainable Supply Chain Management ↗	O
9	Customer Experience ↗	O
10	Green Building and Materials ↗	O
11	Human Capital Management ↗	O
12	Corporate Governance and Business Ethics ↗	R
13	Carbon Emissions ↗	R
14	Diversity, Equity, and Inclusion ↗	O
15	Systematic Risk and Crisis Management ↗	R
16	Community Engagement ↗	O

Environment

Responsible choices

Material topics

Climate Strategy

Carbon Emissions

Waste Management

Energy Management

Water Efficiency

Green Building and Materials

Stakeholders impacted

Regulators

Investors

Striving towards a green growth trajectory

● ○ ○ ○

Nxtra is a preferred partner that provides agile, resilient and modernised technology for businesses to meet their aggressive digitisation ambitions sustainably. Resource consumption is being reduced, waste generation is being limited, water usage is being optimised and emissions are being lowered through rigorous practices and innovative solutions. The goal is to make a positive contribution to the planet's health while delivering quality products/services that align with values centred around environmental consciousness.

5% Reduction in operational emissions across scope 1 and 2 with base year as FY21	**109,612 tCO$_2$e** Emissions saving via initiatives via RE sourcing	**13,924 MWh** Electricity savings through energy conservative initiatives
283,850 MWh Of PPAs of which 234,080 MWh is already operational	**58%** Increase in use of renewable energy in FY 2022-23 over last fiscal	**₹119 million** Invested towards energy efficiency

Combating climate change

With sustainability at its core, Nxtra continuously strives to set new benchmarks in the industry. The Company demonstrates a strong commitment to environmental responsibility by adhering to the Task Force on Climate-related Financial Disclosures (TCFD) framework.

The Company is dedicated to a transparent and effective climate risk management. This drives its proactive approach to reducing its carbon footprint, promoting sustainable practices, and contributing to a greener future.

Nxtra is also working towards climate-proofing its data centres to integrate climate change mitigation and adaptation measures into development of DC infrastructure. This is of utmost importance for preventing outages and future-proofing data centres from unprecedented natural causes.

Decarbonisation plan

Nxtra has defined a dedicated decarbonisation plan that evaluates new technologies and processes to reduce carbon emissions on the **demand and supply sides.** Nxtra is actively seeking a separate validation of its Net Zero targets by the Science-based Targets initiative (SBTi) from its group (Bharti Airtel). Nxtra's focus on sustainable long-term growth ultimately benefits its stakeholders, employees, clients, and investors.

> " The core focus of our strategy is to promote responsible business practices and build future-ready, climate resilient infrastructure along with increasing the green energy mix in our operations to reduce direct and indirect GHG emissions"

Sindhu Sharma
Head – ESG

Demand side interventions

To drive demand-side decarbonisation, Nxtra prioritises the reduction of electricity consumption, the adoption of energy-efficient measures and optimal power usage.

Efficient cooling systems

Implemented advanced cooling techniques such as hot/cold aisle containment etc. to improve the cooling efficiency.

Energy-efficient hardware

Installed equipment that meet industry standards like ENERGY STAR to minimise power consumption.

Data centre layout and design

Optimised the data centre layout for efficient airflow and heat distribution, reducing the need for excessive cooling.

Energy-efficient lighting

Installed LED lighting with motion sensors to ensure that lighting is only active in areas where needed, minimising unnecessary energy consumption.

Regular maintenance and upgrades

Performed regular maintenance and upgrades to ensure that all systems are running optimally, reducing the risk of inefficiencies and failures.

Employee awareness and training

Conducted trainings for operations team about energy efficiency best practices and encouraged a culture of energy conservation.

Green certification

Secured certifications such as LEED and ISO 14001 to demonstrate a commitment to sustainable practices.

Rack layout optimisation

Arranged racks to avoid hotspots and ensure uniform airflow, improving cooling efficiency.

Remote management

Utilised remote monitoring and management tools to reduce the need for on-site personnel, minimising energy consumption related to physical presence.

Supply side interventions

- Green procurement through open access
- Rooftop solar PV plants installations
- Solid Oxide Fuel Cell (SOFC)-based captive plant installations
- Retrofitting HSD-based backup power generator with a gas-based system

Energy efficiency

Data centres consume massive amounts of electricity to power servers, cooling systems, and other equipment. Implementing energy conservation measures has proven beneficial for the Company, leading to handle increasing workloads without exponentially increasing the energy consumption. Improving energy efficiency helps Nxtra in reducing operational costs, minimise environmental impact, and enhance sustainability. Increasing energy efficiency also allows Nxtra to maximise its data centres capacity without needing to constantly expand its infrastructure, leading to better space utilisation and reduced capital expenditures. Nxtra deploys advanced technologies that improve overall reliability and performance, reducing downtime and enhancing the user experience.
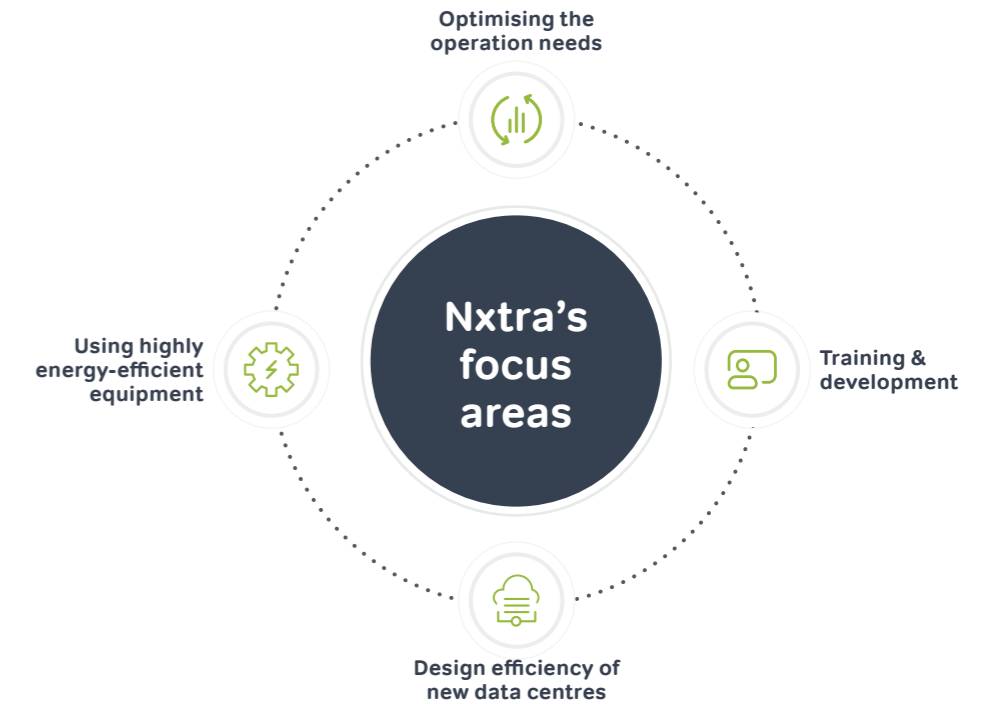
Nxtra has secured ISO 50001:2018 certification for its core data centres in FY 2022-23.

Pune-II data centre has received LEED (BD+C), USGBC certification, while the Chennai-II data centre proudly achieved a Gold Certification from IGBC.

The Company saw a remarkable 20% improvement in PUE.

Nxtra has secured ISO 50001:2018 certification for its core data centres in FY 2022-23. This is an attestation to the Company's adherence to the rigorous Energy Management System (EnMS) guidelines. Nxtra is strongly committed to sustainability and adopting environmentally responsible practices across its all data centres, aiming all of its upcoming data centres for LEED/IGBC certification. Pune-II data centre has received LEED (BD+C), and USGBC certification, while the Chennai-II data centre proudly achieved a Gold Certification from IGBC.

Power Usage Effectiveness (PUE)

PUE helps to track the energy efficiency of data centres, specifically. It is the metric that illustrates how efficiently data centres utilise their power resources. Over the past five years, the Company saw a remarkable 20%

improvement in PUE, enabling it to make the most of their infrastructure and strengthen operational efficiency.

Nxtra has set an ambitious target to further reduce PUE by an additional **10% by 2025, using FY 2020-21 as the base year.** This goal will be accomplished through a combination of energy conservation measures, including the deployment of energy-efficient equipment, innovative design and technology solutions, and operational enhancements driven by digitisation and IoT enablement.

Nxtra's focus areas

- Optimising the operation needs
- Using highly energy-efficient equipment
- Training & development
- Design efficiency of new data centres

Initiatives undertaken in FY 2022-23

Nxtra has implemented several energy conservation initiatives to optimise energy usage and reduce consumption at its data centres. These measures have resulted in substantial energy savings and demonstrates the Company's commitment to environmental sustainability.

Optimum lighting

By implementing LED lights and motion sensors across its data centres, Nxtra has successfully achieved lighting optimisation, resulting in an **energy saving of 88,464 kWh.**

Optimum cooling

The Company has implemented various cooling optimisation measures, such as the installation of active tiles, set point management, and air diverters, resulting in significant **energy savings of 1,984,494 kWh** at its data centres.

UPS optimisation and Power Factor (PF) improvement

Nxtra has optimised its UPS and Switched Mode Power Supply (SMPS) systems, along with improving Power Factor (PF) at various locations. These measures have resulted in substantial **energy savings of 1,648,465 kWh.**

Cold aisle/hot aisle containment

Implementing cold aisle/hot aisle containment strategies helped minimise wasteful airflow and improved cooling efficiency, leading to **energy savings of 562,070 kWh.**
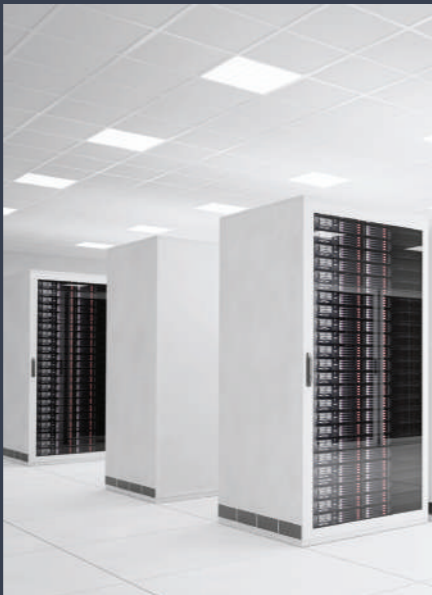
Other initiatives at Edge sites

Nxtra has taken extra steps towards energy saving at its main switching centre sites. These include the installation of LED lights, motion sensors, air diverters, active tiles, and blanking panels. Moreover, solutions for temperature control, rack optimisation, Uninterruptible Power Supply (UPS) and Switched-Mode Power Supply (SMPS) optimisation, cold aisle containment, and natural cooling have been implemented. These comprehensive measures have contributed to impressive **energy savings of 9,010,672 kWh** in the reporting year.

Way forward

Future-ready data centres

At Nxtra, data centres ready to accommodate the AI workloads with the following considerations:

Civil
- High Structural Floor Loading to accommodate the taller and denser racks
- More slab to slab height to give ample space for designing primary/ secondary cooling loops
- Avoiding raised floor tiles and deployment on true floor

Electrical
- Onsite GIS Substation for High Scalability
- Modular components to create diverse density on the floor PODS
- Buffer space on each floor to accommodate extra utility infrastructure

Cooling
- Chiller and distribution Piping in loop and to each floor
- Workable Proof of concept with Multiple OEM's on DTC and Liquid immersion cooling both (1 Phase and 2 Phase)
- Relationship/Knowledge sessions with larger ecosystem supporting liquid cooling

Shifting to green energy

Nxtra is dedicated to reducing its use of fossil fuels and increasing the proportion of renewable energy in its data centres. The Company has a goal to create a sustainable and green data centre brand in the industry. To achieve this, Nxtra sources and invests in green power for its data centres, while also installing on-site solar rooftop plants. These measures have resulted in numerous benefits, including lower costs, decreased carbon emissions, and moving closer towards reaching a Net Zero carbon footprint.

Transitioning to clean energy is critical to addressing climate change and renewable energy sourcing through open access route is a part of the solution. **In FY 2022-23, the Company has installed captive units with capacities of 34 MW Solar, 13 MW Solar, and 1.5 MW Hybrid (Solar + Wind) in Tamil Nadu, Karnataka, and Gujarat.** These units supply clean energy to Nxtra's large and edge data centres.

The Company has significantly increased its renewable energy usage, sourcing 156,147 MWh in FY 2022-23 through green power wheeling agreements and captive solar rooftop plants.

Through these initiatives, Nxtra has saved approximately 109,612 tCO_2e emissions till FY 2022-23. Moreover, the Company, along with the Group, has made investments in seven companies to develop renewable power plants, enabling the sourcing of over 215,000 MWh of green energy for its data centres. Rooftop solar plants have been installed at Nxtra's data centres and edge sites, covering 30 locations.

Out of the total electricity consumed in Nxtra's core data centres, 33% comes from renewable sources in FY 2022-23.

Energy consumption within operations

- ● Renewable energy consumption (in MWh)
- ● Diesel consumption (in KL)
- ● Grid energy consumption (in MWh)

	FY19	FY20	FY21	FY22	FY23
Grid energy consumption	554,726	554,726	568,415	583,824	592,505
Renewable energy consumption	73,760	74,559	82,778	98,736	156,147
Diesel consumption	4,683	4,760	3,963	3,976	5,199
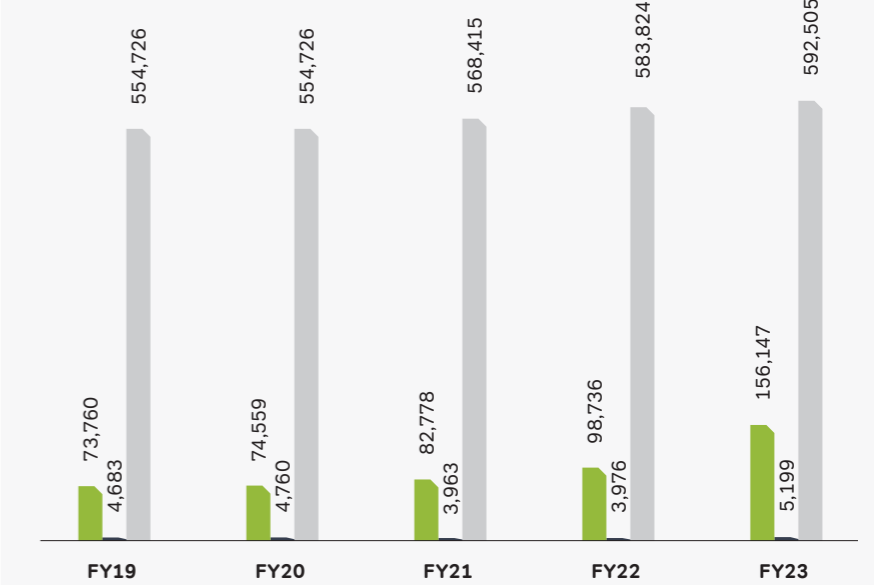
Green energy usage trend in last five years (values in MW)

- ● Data Centres
- ● Edge Sites

	FY19	FY20	FY21	FY22	FY23
Edge Sites	2.42	1.71	3.13	5.14	8.91
Data Centres	6.00	6.80	6.32	6.11	8.91
Change		▲1%	▲11%	▲19%	▲58%
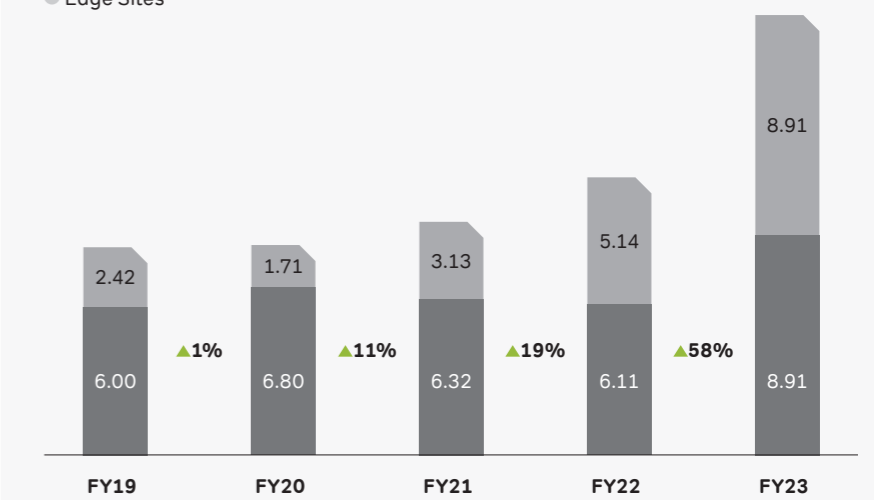
Energy consumption and intensity in FY 2022-23

Total electricity consumption including renewable energy (A)	2,695,144 GJ
Total fuel consumption (B)	187,776 GJ
Total energy consumption (A+B)	2,882,920 GJ
Energy intensity per rack (Total energy consumption/ installed rack)	103 GJ/installed rack

Renewable energy footprint

Over the years, Nxtra has heavily invested in exploring alternate means of power supply and developing captive solar, wind and hybrid plants for energy supply to our data centres. **Its diversified renewable energy portfolio has a collective capacity of 167 MW.** This diverse energy mix represents a perfect synergy of renewable sources, highlighting Nxtra's commitment to a well-rounded and sustainable energy strategy.

Plant type

Wind   Hydro   Solar

Maharashtra
MH-II
32.5 MWp

Uttar Pradesh
UP-III
6 MWp

Karnataka
KK-I
16 MW

Karnataka
KK-II
13.5 MW

Tamil Nadu
TN-I
34.5 MWp

Karnataka
KK-III
13 MWp

Delhi
DL-I
2.85 MW

Uttar Pradesh
UP-II
14 MWp

Uttar Pradesh
UP-I
14 MWp

Maharashtra
MH-I
21.37 MWp
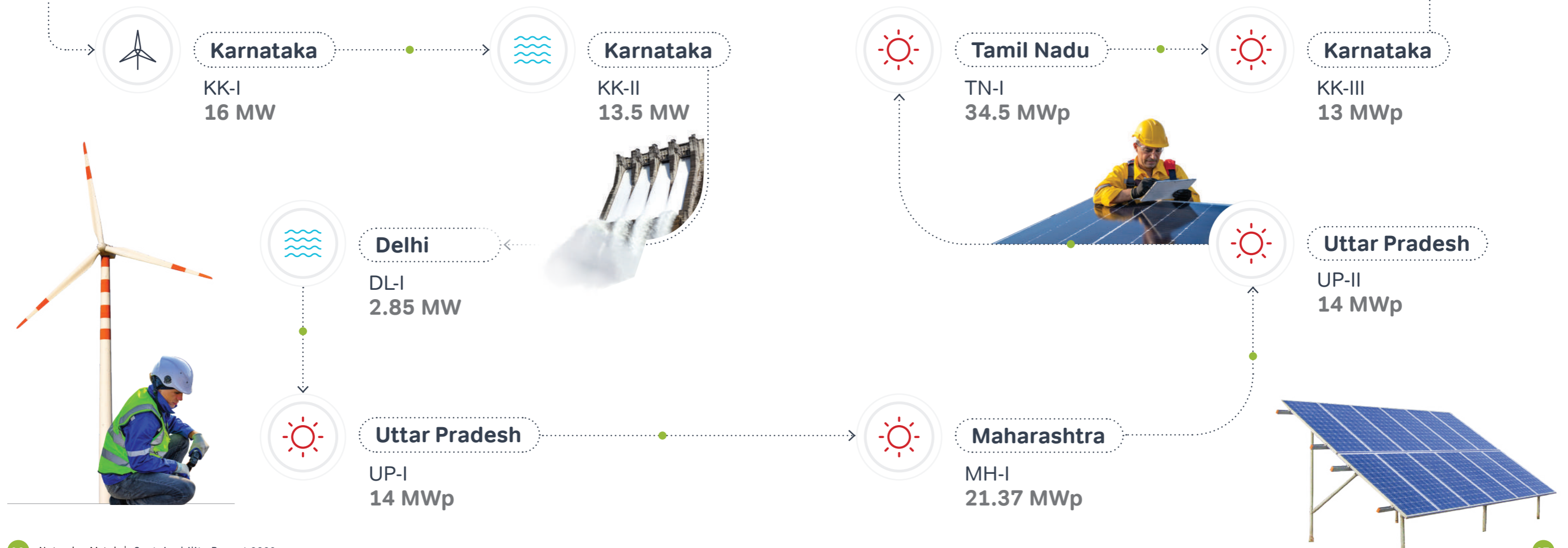
Emissions management

Nxtra is committed to sustainable business growth, with an aim to provide infrastructure that accelerates digital transformation and creates long-term value for stakeholders. The Company has defined Net Zero goals and targets and is on a mission to progressively reduce the emission intensity each year while increasing its investments in environmentally friendly and clean energy sources to support its operations.

The creation of carbon-neutral data centres has become an essential element both from an environmental and business point of view. **At a group level, Nxtra has a target to reach Net Zero emissions (aligned with 1.5°C emission scenarios) by 2050 in line with Science-Based Target initiatives (SBTi) recommendations.** This includes a reduction of absolute Scope 1 and 2 GHG emissions by 50.2% by FY 2030-31 from FY 2020-21

as the base year. Collaboration with the Carbon Disclosure Project (CDP) Incubator Cell has been established to set and validate more aggressive SBTi Net Zero emissions targets for Nxtra by 2031.

Deployed low environmental impact fuel cell tech

Nxtra has partnered with Bloom Energy to introduce Solid Oxide Fuel Cell (SOFC) technology, making it the first data centre company in the country to adopt this low environmental impact solution. The installation of fuel cells at the Karnataka data centre marks a significant milestone in providing clean and sustainable energy.

By deploying SOFC technology, Nxtra aims to reduce carbon emissions and unlock cost and sustainability benefits. The initial phase involves powering the fuel cells with non-combusted natural gas, while looking ahead, the Company plans to transition to a 50% hydrogen supply without the need for substantial investments.

These natural gas-powered cells serve as the primary source of energy generation, with the utility electrical grid and backup generators acting as additional support.

Scope 1 and 2 emissions

Scope 1 emissions represent direct emissions from sources owned or controlled by Nxtra, such as diesel generators, etc. This year, there has been an increase in Scope 1 emissions due to an increase in the overall demand for power by 10%. On the other hand, Scope 2 emissions account for indirect emissions resulting from the electricity consumed from the grid. There has been a reduction of 8.79% in Scope 2 emissions attributed to the increase in renewable energy consumption and grid greening.

Total Scope 1 and 2 emissions amounted to 434,346 tCO$_2$e, which has resulted in an emission intensity (Scope 1+2) of 15.47 tCO$_2$e per installed rack.

● Scope 1
● Scope 2

(Values in tCO$_2$e)

	FY21	FY22	FY23
Scope 1	10,418	10,453	13,667
Scope 2	449,048	461,221	420,678
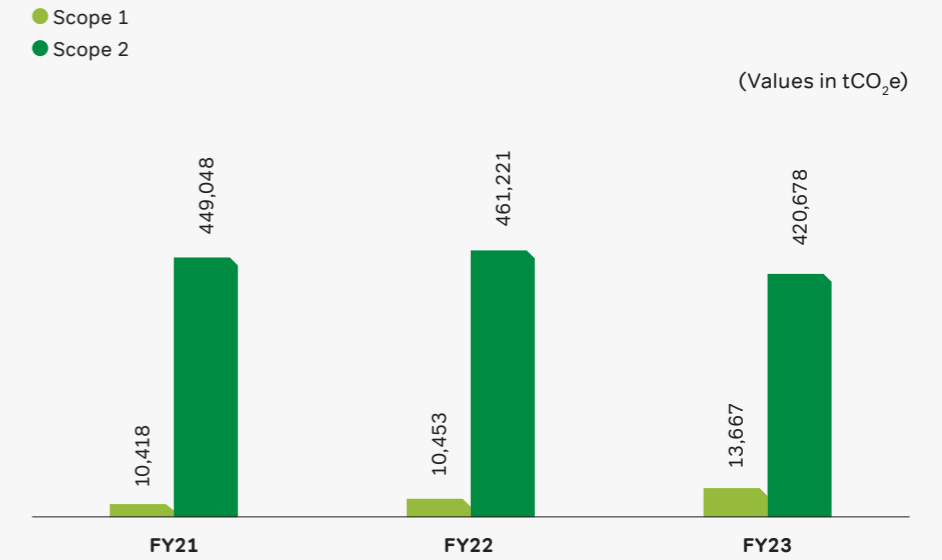
Scope 3 emissions

Nxtra considers Scope 3 emissions, which encompass capital goods, fuel and energy-related activities not included in Scope 1 or Scope 2 emissions, waste generated in operations, business travel, and employee commuting. Nxtra takes these emissions into careful consideration as part of its comprehensive approach to measuring and managing its environmental impact.

● Category 2: Capital Goods
● Category 3: Fuel and Energy related activities not included in Scope 1 or Scope 2
● Category 5: Waste Generated in Operations
● Category 6: Business Travel
● Category 7: Employee Commuting

(Values in tCO$_2$e)

	FY22	FY23
Category 2: Capital Goods	24,243	26,836
Category 3: Fuel and Energy related activities	162,086	124,801
Category 5: Waste Generated in Operations	24	89
Category 6: Business Travel	59	269
Category 7: Employee Commuting	305	299

Focused on GHG reduction

The GHG reduction programme at Nxtra includes the formulation of a decarbonisation plan to achieve emission reduction targets aligned with SBTi. Nxtra's Net Zero roadmap does not rely on offsets, it focuses on GHG emissions reductions and removals within the value

chain. The Company tracks Scope 1, 2, and 3 emissions on a year-on-year basis to evaluate progress. Nxtra has inventoried and obtained an assurance statement for its Scope 1, 2, and 3 emissions for FY 2022-23.

Nxtra's approach to water management

Nxtra recognises the value of water and advocates sustainable methods for its preservation, recycling, and reuse. It is committed to reducing its water footprints and creating "Zero Liquid Discharge (ZLD)" hyperscalers by encompassing sound water management practices through efficiency and recycling. Majority of its data centres are promoting conservation of water and have installed waste-water treatment plants to ensure the reuse of recycled water for gardening and flushing purposes.

To minimise water consumption and enhance conservation, Nxtra is actively upgrading its water management infrastructure and cooling protocols through innovative, technological solutions. Nxtra aims to achieve 100% wastewater recycling at all data centres through digital enablement using Internet of Things (IOT) to track real-time Water Usage Effectiveness (WUE) and other water quality parameters.

Water management

At Nxtra, water reuse and recycling is prioritised wherever possible. All its facilities have water-efficient faucets. The Company reuses treated wastewater for gardening and in its washrooms. The organisation has introduced sensor-based water taps across most of its circle offices, reducing water wastage and leakage. Rainwater harvesting is being implemented at its data centres. It is working on water conservation projects for water monitoring and reusing water via Sewage Treatment Plant (STP).

Nxtra is tracking WUE across all its core data centres as a water efficiency performance indicator. It is revamping its water management infrastructure to include real-time monitoring of water quality, WUE, and usage. This includes upgrading and installing the latest technology in Sewage Treatment Plants (STPs), Rainwater Harvesting (RWH) pits, and membrane-based water filtration units for potable water supply.

New data centres are designed with a zero-discharge approach to ensure efficient water management. Proper management of water usage not only delivers significant cost savings in water and power consumption but also mitigates downtime risks and enhances the overall sustainability of the data centres. Nxtra's initiatives aim to contribute to water resource conservation and minimise its environmental impact.

To attain
100%
waste water recycling

New data centres designed with 'zero-discharge' spaces

Track and reduce WUE in hyperscale DCs

Water management and conservation initiatives

Zero liquid discharge success

Promoted Zero Liquid Discharge in majority of Nxtra's large facilities by installing wastewater treatment plants to recycle and repurpose treated wastewater.

Efficient cooling solutions

Utilised air-based chillers and precision air conditioning units to achieve optimal and high-efficiency cooling.

Balanced facility cooling

Recycling of cooling tower blowdown is practiced achieving environmentally balanced facility cooling and improving WUE metrics.

Sustainable water practices

Treated wastewater is reused for gardening and WC purposes, while rainwater harvesting is implemented at Nxtra's data centres.

Smart water management

Implemented Rainwater Harvesting (RWH), low water-efficient plumbing fixtures, and sensor-based water taps across most of its circle offices to reduce wastage and leakage.

Nxtra's goal is to achieve 100% wastewater recycling at all its data centres and strive to become Water Neutral at most of its hyperscalers.

Circularity in action

Data centres are among the highest energy guzzlers today. However, the demand for more and more infrastructure facilities harbouring the digital ecosystem has become inevitable with the ever-increasing need for digitisation due to the evolving Internet of Things, growing big data and expanding connectivity needs. To work towards establishing 100% 'green interconnectedness' Nxtra's data centres have adopted the 3R approach of Reduce, Reuse and Recycle to minimise the digital detritus generated while delivering uninterrupted services to its customers.

3,478 tonnes
Waste disposed off to authorised agencies

100%
Landfill diversion rate to be attained

100%
Waste related regulatory compliances to be maintained

Embracing waste hierarchy for e-waste management

Owing to the rapid innovation within the data centre sector, outdated equipment is often deemed obsolete and discarded. To address this, Nxtra adheres to a waste hierarchy for e-waste management, prioritising reduction, reuse, and recycling strategies to mitigate the environmental impact of e-waste. Nxtra disposes its wastes through government-approved recyclers, vendors, refurbishers and scrap dealers. Nxtra has entered into agreements with government-approved recyclers to dispose of hazardous wastes such as lube oil, transformer oil, grease, and lubricants separately.

Nxtra's circularity approach

- Reduce
- Reuse
- Recycle
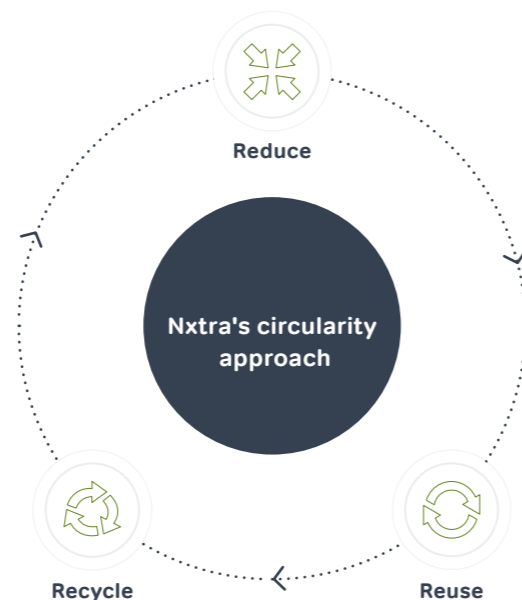
In alignment with the group level, Nxtra undertook various initiatives in FY 2022-23 to reduce e-waste generation. Few include getting the damaged modules repaired both internally as well as through outside repair facilities to limit the procurement of virgin materials; double validation of non-repairable modules, first by a strategic partner and followed by a local agency and movement of materials to reuse obsolete material from one site into another.

Approach to attain resource circularity includes:

- Transition from a linear to a circular model, resulting in significant waste reduction and decreased ecological impact for equivalent output.
- Strive to improvise asset efficiency and extend assert life by adopting innovations in resource efficiency and digitisation for effective predictive maintenance.
- Minimising office waste (mainly, organic waste and paper waste) generation and reducing the environmental impact resulting from the excavation of soil, stones and gravel during the construction of new DCs.
- Key focus areas under circularity include e-waste and hazardous waste management.

Nxtra promotes resource optimisation, gives the product a second life as a new one wherever possible, reduces raw material consumption and encourages reusing components.

At Nxtra, a 100% landfill diversion rate is aimed to be achieved by reducing the amount of waste generated and adopting holistic and circular disposal options in the next five years. Nxtra is working to track the wastes that are leaving its DC premises and dispose them off in a more sustainable pathway rather than being dumped off in landfills.

Installation of organic waste crusher

As one of an initiative towards protecting the environment where Nxtra operates, an organic waste crusher has been installed at the Pune-II facility. Day-to-day organic wastes generated from landscaping are collected and crushed in this crusher.

The crushed organic wastes generated are converted into manure, which is then used for landscaping purposes. During the last fiscal Nxtra was able to crush ~300 kg of organic waste generated and thereby were able to recycle and reuse the organic waste generated at the facility.

Storage

Most of the DCs of Nxtra segregate the wastes into hazardous and non-hazardous scrap. These practices adhere to the regulations stipulated in Rule 4(2) and 6 of the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, including the Amendment Rules of 2019. Most of the core DCs also possess valid permits and authorisations to ensure compliance with the stated regulations.

Disposal

Nxtra maintains waste inventory and tracker, submits returns for disposal of hazardous wastes and manifests for hazardous and other waste disposal periodically, for disposal of various waste categories mentioned earlier.

E-waste, battery wastes and non-hazardous wastes including asset wastes like metal scrap, and machinery/asset scrap are auctioned to government-authorised vendors and scrap dealers registered in the portal.

Other hazardous wastes generated like oil, grease, lubricant, etc. are disposed to government-approved recyclers with whom the organisation has long-term agreements.

> " Nxtra's approach to attain 100% landfill diversion is to carefully categorise the wastes generated and deeply understand the resource pathways. We have introduced alternatives to our traditional work processes and follow strict policies with regard to waste generation, reduction, reuse, recovery, recycling, as well as disposal to authorised recyclers only.

Dr. Sasmita Das
Manager – ESG

Proactive biodiversity conservation efforts

Nxtra integrates environmental considerations into decision-making across infrastructure projects, encompassing precautionary steps, impact offsetting, natural asset restoration, and habitat protection. The interconnectedness between a thriving ecosystem and operations helps foster sustainable practices that are beneficial to the environment and the business.

Nxtra recognises its obligation to preserve the biodiversity surrounding its operational areas. The Company incorporates biodiversity principles throughout DC construction and

operations, adopting proactive measures to mitigate impact. Nxtra ensures its DCs are not situated in protected regions. The Company has a commitment to biodiversity conservation and sustainable use. Environmental preservation is integrated into the decision-making process across DC infrastructure projects, embracing a precautionary stance, offsetting impacts, restoring natural assets, and safeguarding species and habitats.

All forthcoming hyperscale DCs comply with government regulations for biodiversity preservation. Nxtra employs site-specific planning tools to assess development's impact on biodiversity, integrating potential effects into mitigation strategies that encompass avoidance, reduction, and offset measures within the facility and its surrounding areas.

Nxtra proactively engages in greenbelt development by using appropriate plant species as suggested by CPCB guidelines to mitigate air pollution and to improve biodiversity status of the data centres.

Building sustainable infrastructure

Nxtra is dedicated to building an environmentally friendly ecosystem at its DCs by adopting holistic performance-based standards. As a developing industry, which is far from saturation, going green begins at the planning stage while deciding on how the basic infrastructure including outer construction is undertaken. Utilising eco-friendly materials in the infrastructure development for the upcoming DCs along with retrofits for existing legacy DCs underscores the Company's sustainability commitment.

Secured **"Gold Certification"** from IGBC at one of the core DCs

One of Nxtra's hyperscaler attained LEED (BD+C), USGBC 'Gold' certification

Mix design adopted for new projects – sustainable construction practices and environment-friendly materials

Investing in green building for operational excellence

Nxtra's upcoming data centres are collaborating with partners that deploy sustainable materials, designing optimised spaces that require minimum energy consumption for temperature control, maximising inner real estate for housing servers, pre-plan air management, water recycling and disposal, optimising waste management and using maximum outer real estate to house solar panels. Even legacy data centres are taking significant strides towards investing in retrofits for increasing efficiency or capacity without disrupting the building infrastructure or operations.

The Company continues to uphold these standards with its upcoming DCs, ensuring LEED USGBC certification from the construction phase. Nxtra's collaboration with LEED USGBC aims to assess the green building certification readiness of its operational core DCs. Investments in green building initiatives, including structural changes, equipment upgrades, and other improvements, are a significant portion of the Company's operational expenditures.

Nxtra's long-term goal is to enhance end-of-life management of assets by improving resource efficiency and material usage and all new DCs designed to attain LEED/IGBC platinum/gold certification.

Approach to building a sustainable digital ecosystem

Nxtra is taking the lead in driving a forward-looking initiative that is aimed at creating a more sustainable digital ecosystem. Recognising the importance of assessing the entire lifecycle of its DCs instead of solely relying on Power Usage Effectiveness (PUE), the Company is dedicated to meeting comprehensive performance-based standards that prioritise holistic 'greening' requirements. The Company has embarked on various initiatives to enhance its environmental strategy, right from design and build to operations and management.

A few of the green building materials or substitutes used in the infrastructure development of upcoming DCs include:

- In columns, beams, slabs, retaining walls and other allied RCC structures; the concrete mix design has been adopted by replacing cement with fly ash, max 25% in its all designs.

- Further, the alternate all-element curing compound used in columns, beams, slabs, retaining walls and other allied RCC structures has resulted in water conservation.

- In all external and internal partition walls, autoclave aerated block is being adopted instead of clay/cement bricks resulting in fly ash utilisation.

- As a replacement for bentonite slurry which has a negative impact on soil fertility, polymer slurry is being used as it can be recycled many times and is environmentally friendly.

To envisage the vision for building sustainable DCs, Nxtra is taking small yet steady steps to switch from regular ways of doing things to new and more sustainable processes, and one way to do that is by using green building material alternatives for construction.

Social

Nurturing connections

Material topics

Human Capital Management

Employee Health and Safety

Diversity, Equity, and Inclusion

Community Engagement

Stakeholders impacted

Employees	**Regulators**	**Communities**
Non-profit organisations	**Media**	

From potential to performance

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Nxtra recognises the importance of investing in talent attraction and retention programmes to meet the changing needs of employees on par with current times. This is a critical step towards attracting and retaining a talent pool aligned with Nxtra's core "AIR" values – being Alive, Inclusive, and Respectful and building a positive learning culture. Nxtra pays impetus on accelerating the employee growth trajectory by providing an open platform for learning across functions, skill upgradation and training programmes from both internal as well as external learning platforms.

5X
Increase in total training hour for employees as compared to last fiscal

83.9
Employee engagement score against 100 in FY 2022-23

Talent attraction and retention

Nxtra has implemented impactful initiatives to enhance employee experience and promote talent attraction and retention. A few of them have been listed below:

- **'AARAMBH'** induction programme that ensures a seamless onboarding experience for new employees.
  - Competitive compensation and benefits packages are offered to attract and retain top talent.
  - Career movements and growth opportunities are provided, empowering employees to advance in their professional journeys.
- Nxtra was a part of a group-level **'AIRTELLS'** initiative, that was set up as an internal talent marketplace to foster interdisciplinary experiences followed by multiple opportunities for learning, job shadowing and cross-functional movement.

Nxtra focuses on impactful initiatives for providing the right career path guidance, leadership training for building an effective leadership pipeline and creating a truly inclusive workplace.

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Career and growth opportunities

Nxtra's aligned with group-level initiative ABLE – Airtel Business Learn and Evolve, which is a customised and holistic training journey for employees across roles.

Learning journeys assigned to all employees, including new joiners – Three levels:

- Bronze
- Silver
- Gold

Learning on specific service and product offerings – Functional journeys

Learning on key behavioural skills – Behavioural journeys

Learning to develop leadership to manage high performing teams – People management skills

Employee engagement

At Nxtra, nurturing a supportive work environment and promoting employee engagement are of paramount importance. To achieve this, the Company has implemented effective feedback mechanisms.

- Regular performance reviews and ongoing feedback discussions enable employees to receive continuous support, gain clarity on their progress, and identify areas for further development.
- To further enhance the feedback process, Nxtra utilises the **AMBER** tool – a platform that allows employees to conveniently share their thoughts, suggestions, and concerns at regular intervals.
- Tools like **SAM** and **Kudos** have been instrumental in reinforcing employee engagement, reward and recognition.

By facilitating open communication, the Company promotes transparency and demonstrates its commitment to actively listen and address employee feedback.

Parental benefits

Nxtra's childcare policy goes beyond empowering new parents. It plays a crucial role in cultivating a diverse and inclusive work culture, one in which individuals can thrive both personally and professionally.

Childcare policy

- Monthly allowance
- Same or similar role on return
- Special child care leave upto 1.5 years
- Primary and secondary caregiver leaves
- Flexi-work options

New mothers depending upon their role/project can avail flexi working options for a period of three months after 26 weeks of maternity leave to enable an easy and smooth office comeback.

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Igniting professional growth and advancement

Nxtra believes that for employees to succeed in the workplace, they need to continuously develop and enhance their abilities. It offers skill development opportunities aimed at enhancing productivity, fuelling innovation and reducing employee turnover rates. Through training modules, categorised by hierarchy, Nxtra offers a diverse range of courses designed to cater to the specific needs of each role.

84%
Of all site infra managers at edge sites are ex-servicemen

100%
Completion of Code of Conduct compliance training by all employees

Learning and development

To build a common language of leadership behaviours, Nxtra has defined seven leadership competencies called the unified behavioural framework. The Company complies with the framework, a comprehensive guide for training and building skills tailored to the requirements of every employee. The skills, although not entirely new to employees, are approached with a commitment to in-depth understanding through teaching and knowledge sharing.

Nxtra emphasises on the importance of continuous learning and provides for numerous opportunities to its employees to upskill themselves. This is being done to improve productivity, propagate innovation, and reduce the employee turnover rate of the Company.

- Courses are of varying durations, enabling employees to engage in self-paced learning aligned with their individual needs.
- The training modules are organised into four categories based on hierarchy and form an extensive learning menu, resulting in specifically customised courses.
- Employees can access training materials through platforms like **'iLearn'** that foster, ease and propagate the culture of continuous learning and skill development.
- Employees get an opportunity to build their leadership capabilities via the flagship **"Airtel Learning Academies"**, an immersive, blended leadership development programme aiming to build a pipeline of future leaders for Nxtra.

Nxtra's timely upskilling expands the employees' abilities to stay ahead of the competition, grow their career path and equip them to stay relevant in today's dynamic business environment.

Training Modules

1	Emerging Leaders Program (For first time managers/junior management)
3	Advanced Leaders Program (For functional/vertical heads)
2	Future Leaders Program (For mid-level management personnel)
4	Executive Leadership Program (For senior/top management roles including CEO)

Training programmes

Programme	Objective	Participants
ABLE	Comprises a training module for all Nxtra employees to develop functional, behavioural and people management skills	All Nxtra employees
Vani	A personalised communication coach to help develop written and verbal communications	All Nxtra employees
Embark	Training for first-time people managers	First-time people managers
Elevate	Training for seasoned people managers	Seasoned people managers
Ascent	Training for managers of people managers	Managers of people managers

Compliance training

Nxtra conducts mandatory Code of Conduct (COC) trainings on an annual basis, requiring employees to submit a declaration in accordance with the guidelines. Internal communications regularly share email updates regarding ESG-related policies and practices across the Company. Nxtra maintains a track record of employees who completed the compliance training in the reporting year.

115
Talented off-role resources are from tier II and III cities of India.

Completed 14 training in FY 2022-23 on skills pertaining to:
Leadership,
Time management,
Work-life balance,
Physical & mental well-being,
and Communication skill.

Supporting the transition journey

Nxtra offers transition assistance programmes to support employees in maintaining their employability and effectively managing career endings from retirement or termination of employment. These programmes are designed to ensure a smooth transition for employees as they navigate this significant phase in their professional lives.

To promote continued employability, Nxtra provides comprehensive resources and support to help employees develop the necessary skills and knowledge for future career opportunities.

- Nxtra has been creating employment opportunities for **talented resources from tier II and III cities** of India to meet talent shortages across regions. Talents are hired locally, trained by data centre employees to be hired in the edge sites locations after training and then upgraded to core DCs.

- Under the **Continuing Education Program,** up to 75% of the tuition fee can be provided for all courses opted for, provided the employee successfully completes the course on the first attempt.

Employee well-being programme

All of Nxtra's employees are covered under the group-level **Cares program,** a comprehensive employee well-being programme spanning across 4 key elements of well-being – Physical well-being, Mental well-being, social well-being and financial well-being.

Regular performance and career development reviews

A robust **Performance Management System (PMS) process** is in place to provide regular feedback to employees.

During the reporting period, 60% of total employees in middle management and 30% in junior management received regular performance and career development reviews, while the remaining employees were ineligible.

- Throughout the financial year, two comprehensive dialogues–the Mid-Year and Annual Year Feedback–are conducted to assess employee performance.

- The HR team and people managers play a crucial role in ensuring that employees are on track in terms of their Key Result Areas (KRAs) and Key Performance Indicators (KPIs).

- In case of performance gaps, performance improvement plans are implemented to support employees and help them achieve success.

Empowering women in the workforce

Nxtra's **WE-LEAD Program** has been developed in collaboration with Harappa, a renowned organisation specialising in women's leadership development. This programme is specifically designed to empower and support women in their professional growth and leadership journeys. Through a combination of tailored workshops, skill-building sessions, and interactive e-learning modules, the WE-LEAD Program equips women with the necessary knowledge, tools, and strategies to navigate challenges and thrive in their careers.

Programme journey

25
Hours total course learning time

Orientation
Pre-Programme Assessment

Online course
Accelerate and Advance

Week 1

Week 1

Live Masterclass **Building a Growth Mindset**

Week 2

Week 3

Live Masterclass **Handling Contentious Situations**

Live Learning Circle **Demonstrating Workplace Confidence**

Week 4

Week 5

Fireside Chat **Career Role Model Day**

Live Solution Finder **Structured Problem-Solving**

Week 6

Week 7

Live Learning Circle **Networking for Success**

Live Masterclass **Performing Under Pressure**

Week 8

Week 9

Reflection Hour **Learning Reflections***

Week 10

Graduation **Post-Programme Assessment and Certification**

*Learners' managers can be a part of this session

Cultivating respect at the workplace

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Nxtra upholds human rights, following global best practices and labour laws. The Company promotes human rights awareness and upholds its principles through mandatory training programmes for all employees and specialised training for security personnel.

Zero tolerance to discrimination cases reported based on gender, ethnicity, religion, nationality, social origin, political opinion, disability and race.

Prioritising human rights

Nxtra demonstrates a strong commitment to labour laws across all regions of operation. The Company holds human rights in high regard, following the best practices outlined in the United Nations Universal Declaration of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. As a group-level signatory to the United Nations Global Compact (UNGC), Nxtra has also applied to become a signatory at the subsidiary level.

Nxtra is covered under annual human rights due diligence conducted for group-wide compliance monitoring process to identify and assess risks related to human rights issues such as child labour, forced labour, payment of wages, working conditions and harassment, etc. covering all our operations and contractors.

At Nxtra, every employee is treated with dignity with their interests considered equally.

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Ensuring a workplace devoid of human rights violations is a top priority at Nxtra. The Company maintains an equal opportunity environment, diligently addressing pay parity across genders. Moreover, Nxtra takes a firm stand against any form of bias based on race, age, colour, and any other factors.

By upholding these principles, a culture of inclusivity, fairness, and respect for all individuals is promoted within Nxtra. The Company's unwavering commitment to human rights and equal opportunities lead to a harmonious and diverse work environment where every employee feels valued and empowered.

Training and awareness

Nxtra places great importance on promoting human rights awareness across all levels of the organisation. To ensure a comprehensive understanding, mandatory training programmes covering human rights, policies, and procedures are implemented for all employees. This includes on-roll security personnel who undergo specialised training on human rights. The organisation prioritises equipping employees with the knowledge and skills necessary to uphold human rights principles in their day-to-day activities.

Sharing similarities, celebrating differences

Nxtra embraces equity and diversity by implementing proactive measures that include a robust governance mechanism, initiatives for women in unconventional careers, and setting ambitious targets. To underline the Company's commitment to creating an inclusive and safe workplace, a zero-tolerance approach towards harassment is ensured through policies, internal committees, and safety provisions. By prioritising equity, Nxtra strives to create a workplace in which every individual feels valued, respected, and has equal opportunities for growth and success.

2x
Increase in female employees as compared to last fiscal

1.5x
Increase in representation of women in the management workforce as compared to last fiscal

Embracing diversity

Nxtra has taken proactive measures to establish a robust governance mechanism that safeguards against unconscious biases throughout its processes, ranging from hiring to performance management. Under the leadership of the diversity agenda governance body, initiatives like **Game Changers and Airtel Business (AB) Launchpad** have been implemented to foster inclusivity and support women in unconventional career tracks. Nxtra has linked leadership compensation to the successful achievement of DE&I objectives, reinforcing its commitment to fostering an inclusive work environment. With a clear vision for the future, Nxtra aligns with the group-level target to further enhance diversity by reaching a target of 20% by 2025. Notably, Nxtra has linked leadership compensation to the successful achievement of D&I objectives, reinforcing its commitment to fostering an inclusive work environment.

> **Nxtra fosters a culture of acceptance while encouraging gender, generational and cultural inclusivity and promotes diversity at all levels within the organisation."**

Heena Naithani
Head - HR, Airtel Business and CE

Nxtra also offers a range of training programmes aimed at promoting DE&I within the organisation. These include workshops and e-learning modules designed with an intention to raise awareness and encourage a culture of inclusivity among the employees.

A zero-tolerance approach

Nxtra is deeply committed to building a workplace that is free from harassment and promotes a congenial environment for all employees. This is highlighted in the Company's Code of Conduct (CoC), which leaves no scope for any form of harassment. To ensure the implementation of the CoC, active internal complaints committees have been established across units and circles, providing employees with a safe space to address any concerns. Nxtra prioritises the safety of women in the workplace and follows the group-level Women Safety Policy, which offers provisions for women working late, travel safety guidelines, and more. Additionally, a dedicated ombudsperson committee operates at the group level, further reinforcing the Company's commitment to the safety and well-being of its employees.

Nxtra is creating a culture of inclusion by top-down ownership, aligning with the group-level culture of 'Airtel for All'.

Supporting women in career transitions

STEP-IN program implemented at the group level is a powerful and progressive initiative designed to support women with unconventional career paths. The programme specifically targets women who are keen on rejoining the workforce after a career break or are unable to relocate from their current location. It offers robust development and mentoring opportunities to empower them in their professional journey. Under the group-level **STEP-IN program,** there is successful onboarding of women employees across India into its remote work programme.

Building a culture of safety

Nxtra strives to lead the industry in achieving exemplary EHS practices at all its operation and construction sites. Its stringent health and safety protocols have assisted in creating a secure working environment. Its dedicated EHS team that has successfully promoted a safety-conscious culture keeping the well-being of employees and the welfare of workers at the forefront.

"Nxtra exemplifies global EHS practices in its design, delivery and operations as we continually strive to attain the highest quality of EHS standards. At Nxtra, we pay equal focus on Health and Wellness programmes that promote physical and mental well-being of all our employees and workers."

Khushboo Jaiswal
Head – EHS

Zero
Fatalities

Zero
Lost Time Injury Rate (LTIR)

ISO 14001 and 45001 Certification granted to all data centres

Zero
Total Recordable Incident Rate (TRIR)

Zero
Worst Potential Severity (WPS) rate

1,555,758
Safe man hours during construction in FY 2022-23

Ensuring safety

Safety management at Nxtra constitutes a vital aspect of its operations, reflecting a firm commitment from the leadership to all stakeholders.

Nxtra endeavours to live up to its vision of **'Zero Injury'** by strictly following all the EHS-related protocols without impacting business.

- The organisation has been able to achieve this through a well-formulated **EHS management system** that has been established to cover the stakeholder's requirements, current regulatory norms along with business needs.
- Top management **reviews** are conducted periodically for continual improvement of the EHS system at Nxtra.
- Nxtra acknowledges the role of continuous **communication** and **collaboration** in ensuring safety.
- Monthly site-based **Safety Committee meetings** are conducted, bringing together employees across departments to discuss safety concerns, share best practices, and propose innovative ideas for improving safety standards.
- Open and regular communication is encouraged through **performance reviews and discussions,** with a goal to address concerns and record constructive feedback.

- At Nxtra, any work being done undergoes a thorough **hazard and risk assessment,** wherein both are brought to the lowest practical level by applying suitable control measures.
- **Safe System of work and work permit systems** are the backbone of safe work practices at site.
- Safety is a collective responsibility and a dedication to safeguard the Company's most valuable asset – **its workforce.**

All these foster a secure environment where all individuals feel comfortable and motivated to actively engage in upholding safety standards.
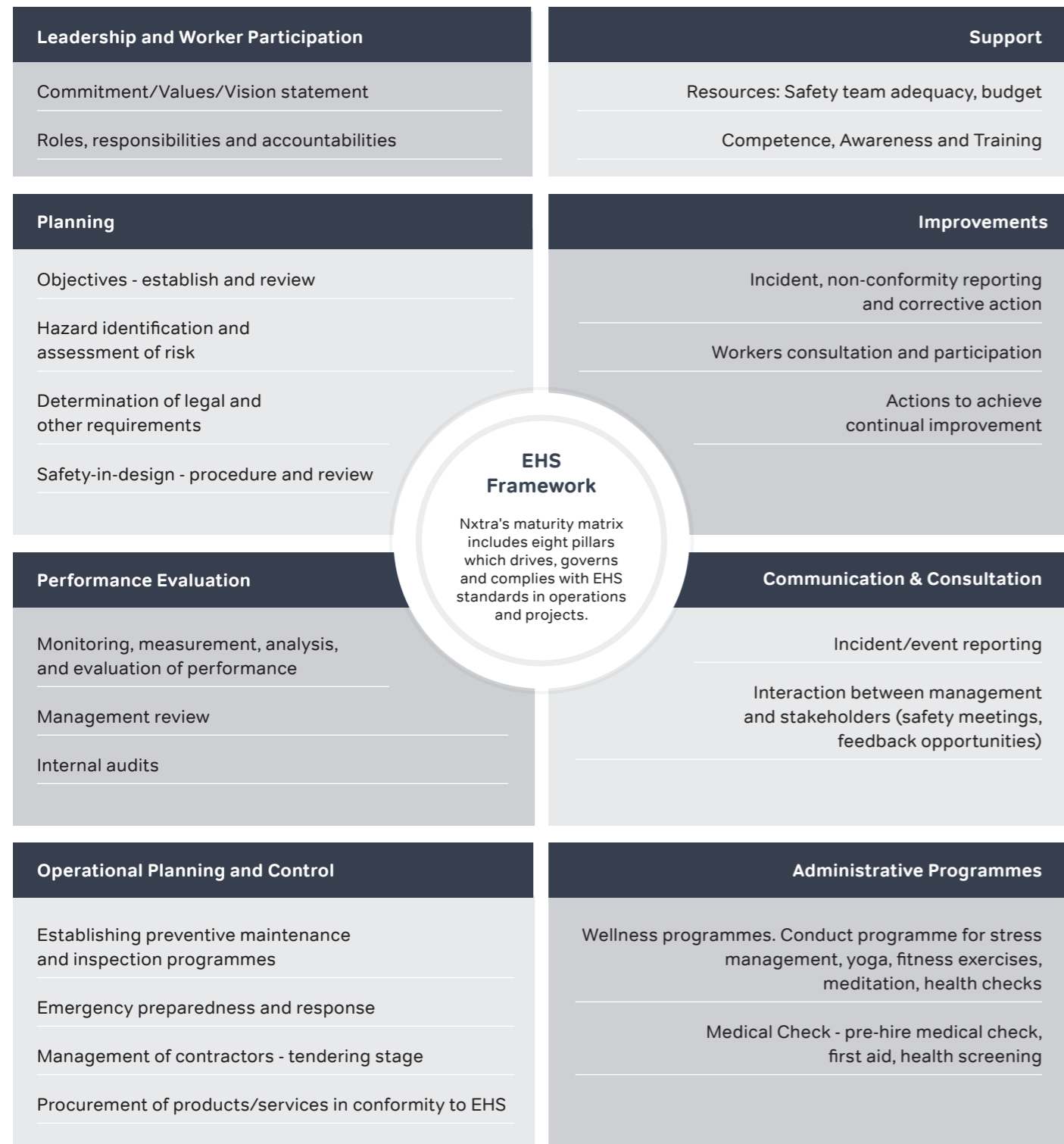
EHS management framework

Nxtra's robust **EHS management system** has been designed based on the Deming cycle (PDCA). It has a well-formulated **EHS policy** and a **comprehensive EHS framework**.

🔗 EHS Policy

Under this framework, the Company is actively implementing several initiatives under eight pillars to monitor and ensure the well-being of all its employees.

Leadership and Worker Participation

Commitment/Values/Vision statement

Roles, responsibilities and accountabilities

Support

Resources: Safety team adequacy, budget

Competence, Awareness and Training

Planning

Objectives - establish and review

Hazard identification and assessment of risk

Determination of legal and other requirements

Safety-in-design - procedure and review

Improvements

Incident, non-conformity reporting and corrective action

Workers consultation and participation

Actions to achieve continual improvement

EHS Framework

Nxtra's maturity matrix includes eight pillars which drives, governs and complies with EHS standards in operations and projects.

Performance Evaluation

Monitoring, measurement, analysis, and evaluation of performance

Management review

Internal audits

Communication & Consultation

Incident/event reporting

Interaction between management and stakeholders (safety meetings, feedback opportunities)

Operational Planning and Control

Establishing preventive maintenance and inspection programmes

Emergency preparedness and response

Management of contractors - tendering stage

Procurement of products/services in conformity to EHS

Administrative Programmes

Wellness programmes. Conduct programme for stress management, yoga, fitness exercises, meditation, health checks

Medical Check - pre-hire medical check, first aid, health screening

Design

- Safety first culture lead by Leadership
- Investment in safety
- Incentivise safety behaviour
- Safety KRA across all employees - proactive approach
- Safety @ Design –
- Maximising permanent platforms to reduce ladder usage – e.g. Chiller area, Mechanical gallery
- SCADA for remote breaker operations

Project & Operations

- EHS is key criteria for contractor onboarding: **RFP - Evaluation - Contracting**
- Big focus on high risk activity management
- Independent EHS Audit by 3rd party agency
- Health & well being of employees – across board
- Topic of the Month (TOM)
- 50%+ of training dedicated towards EHS
- Transparency across stakeholders
- Awareness across organisation via Quarterly EHS Newsletter
- Digitisation – Transparent visibility for analysis & continuous improvement

Nxtra has executed exemplary Safety @ design, Safety @ delivery, and Safety @ operations practices across all its operations but is particularly noteworthy at its Chennai II and Mumbai III DCs."

EHS assurance

At Nxtra currently there are two layers of EHS audits.

- The **first level** of audit is conducted by the site internal team as per defined annual plan.
- The **second level** of audit is done by the external agency. The audits are planned to cover the documentation, compliance monitoring as well as the detailed site round at the site with all the relevant stakeholders.

Rewards and Recognition

Nxtra believes in acknowledging and appreciating employees for their dedication to safety.

- The individual sites have been celebrating their **milestones** achieved in terms of safe man-hours.
- Any individual at the workplace be it contractor employee or its own employee are always **recognised** for his/her commitment towards safe work practices.
- This practice not only **promotes a safety conscious culture** but also is a motivator for the entire workforce, encouraging them to prioritise their well-being.

Capability enhancement

By prioritising continuous learning and development, Nxtra empowers its workforce to play an active role in maintaining a safe and secure workplace.

- Annually, Nxtra publishes training **calendars** that cover a wide range of topics related to employee health and safety.

- The calendar is devised such as to cover the concerned person based on their area of work and to further enhance their learning skills.

- The calendar also serves as a guide for the training sessions and evaluating the dedicated person-hours for training each month.

- The Company provides **comprehensive safety training and induction programmes** for its employees and workers, equipping them with the necessary skills and awareness to effectively mitigate risks and handle potential hazards.

Contractor safety

Nxtra's Integrated EHS Manual and General Conditions of Contract guidelines encapsulate the prerequisites to address workers' health and welfare issues. Worker welfare facilities cover onsite and offsite facilities.

EHS contractor management process

Pre-qualification	Selection	Contracting
• Contractor shortlisting • Contractor response to EHS pre-qualification questionnaire • Provide evidence of supporting documents	• Review and rate contractor EHS pre-qualification response to questionnaire • Check supporting documented evidence • Vendor existing customer ref checks (EHS performance)	• EHS scope and service levels part of contract agreement • Agreed penalties for EHS adherence • Nxtra EHS framework orientation

EHS communications

Topic of the Month

To foster a culture of vigilance, responsibility and well-being of everyone involved, Nxtra has started a very good initiative under the name of **'Topic of the Month' (TOM).** This is a plan made at the beginning of the year on monthly sessions designed to raise awareness about specific safety topics and provide training to employees and workers.

EHS quarterly newsletter

Nxtra has also taken an initiative to share its EHS journey on a quarterly basis through the means of a quarterly EHS Newsletter. Its EHS goals, performance, initiatives and new updates are published and communicated to all concerned stakeholders to provide relevant EHS insights for promoting a safety-conscious culture.
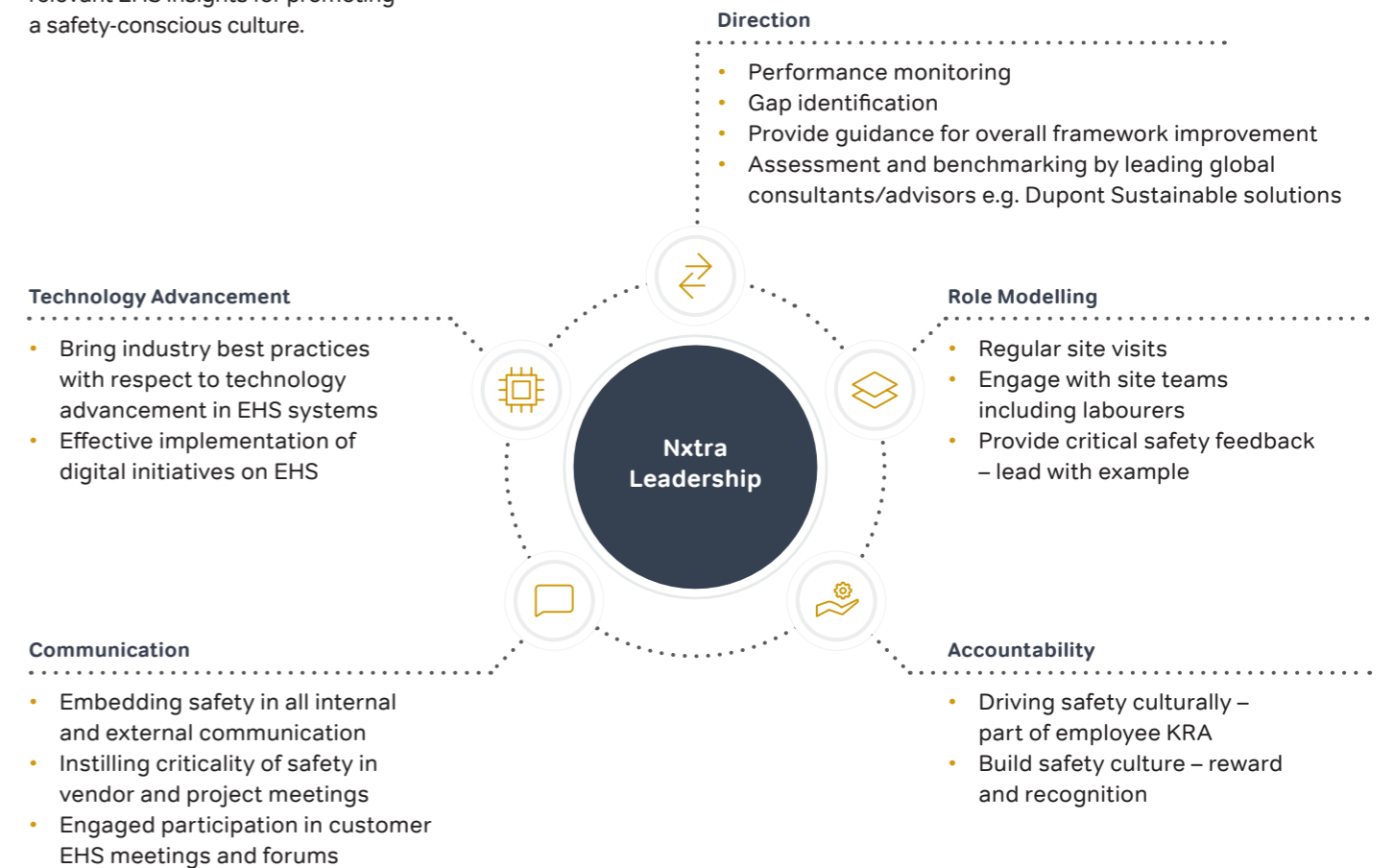
Health and wellness programme

Nxtra showcases its commitment to enhancing employee well-being through several initiatives.

- Nxtra integrates state-of-the-art EHS practices into its operations, being cognizant of having a safe and conducive work environment with employee well-being as the utmost priority.

- The EHS team organises monthly health and wellness programmes, following a meticulously prepared health and safety awareness calendar based on WHO's Health events.

- Stress management yoga, meditation, and stretching exercises are conducted monthly to promote physical and mental wellness.

- Each month is assigned to a certain health-related topic and dedicated programmes is conducted to keep employees informed and engaged in matters concerning their health. For instance, January focuses on Glaucoma Awareness and Blood Donor Month, February on Heart Failure Awareness and Cancer Awareness, and so on.

- Various other campaigns like National Safety Week, World Environment Day, Yoga Day etc. are also conducted in alignment with nationally and globally recognised nodal days.

Direction
- Performance monitoring
- Gap identification
- Provide guidance for overall framework improvement
- Assessment and benchmarking by leading global consultants/advisors e.g. Dupont Sustainable solutions

Technology Advancement
- Bring industry best practices with respect to technology advancement in EHS systems
- Effective implementation of digital initiatives on EHS

Role Modelling
- Regular site visits
- Engage with site teams including labourers
- Provide critical safety feedback – lead with example

Nxtra Leadership

Communication
- Embedding safety in all internal and external communication
- Instilling criticality of safety in vendor and project meetings
- Engaged participation in customer EHS meetings and forums

Accountability
- Driving safety culturally – part of employee KRA
- Build safety culture – reward and recognition

Creating value that lasts

Nxtra recognises the significance of aligning social initiatives with business goals to drive sustainable economic progress. Nxtra actively engages in community development endeavours, collaborating with a range of stakeholders to contribute to a prosperous society. Nxtra prioritises strengthening the education system by providing educational opportunities, enhancing vocational skills, and enablement of digital inclusion for upskilling youth in India. Additionally, Nxtra strives to uplift livelihoods through various projects and aims to create meaningful value for communities by offering comprehensive customised solutions.

₹43 million
CSR spend in
FY 2022-23

~30,00,000
Students impacted
since inception

CSR expenditure (in ₹ million)

	35	28.6	43
	FY21	FY22	FY23

Policy and accountability

Nxtra abides by a well-defined CSR policy that is approved by its Board of Directors. In adherence to the Companies Act, 2013, the Company has formed a CSR Committee comprising three Non-Executive Directors to oversee its CSR initiatives.

Nxtra's priority in its CSR efforts is to support the activities conducted by the Bharti Foundation, the philanthropic arm of the Bharti Group. The best practices driven from Satya Bharti schools are also replicated in 800+ Govt schools through Quality Support Program. Nxtra collaborates with Bharti Foundation to empower underprivileged children, especially girls, through education and technology, shaping the future of our nation. There is a particular emphasis on promoting education for girls. In certain cases, Nxtra also engages in CSR initiatives through other entities or organisations while ensuring compliance with relevant laws and regulations.

For the reporting year, no significant actual and potential negative impacts of data centre operations on local communities has been documented by Nxtra.

Bharti Foundation operates 173 Satya Bharti Schools that provide free education to underprivileged children in rural areas of India

Focus areas

Nxtra's CSR and welfare activities will centre on the following areas:

- Promoting **education,** including special education, employment enhancing **vocation skills,** especially among children and **livelihood enhancement projects**

- Eradicating **hunger, poverty and malnutrition**, promoting preventive **health care** and **sanitation** and making available **safe drinking water**

- **Contributions or funds** provided to technology incubators located within academic institutions which are approved by the Central Government

- Promoting **gender equality**, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, daycare centres and other facilities for senior citizens and measures for reducing **inequalities faced by socially and economically backward groups**

However, the Company may, subject to the approval of the CSR Committee, undertake any CSR project specified in Schedule VII of the Companies Act, 2013 from time to time.

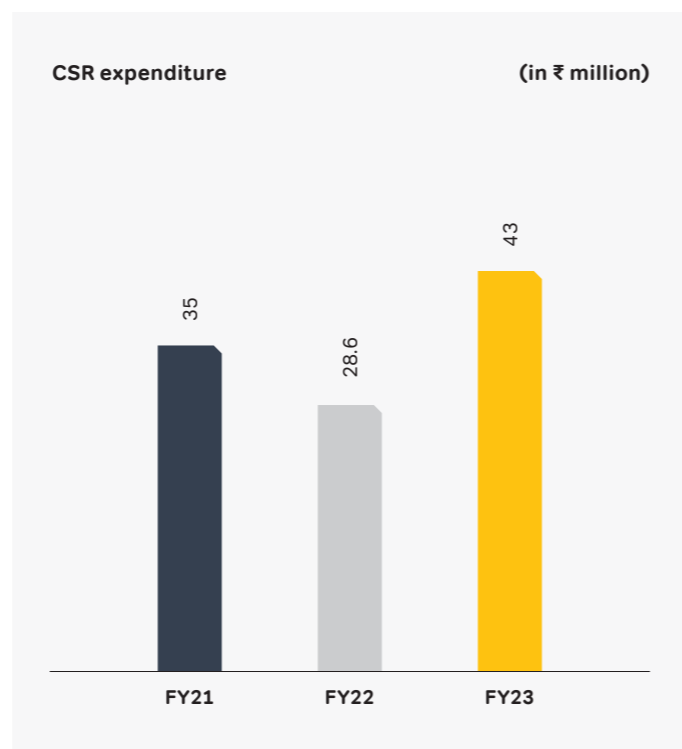# Board's engagement ineffective implementation of CSR activities

CSR committee

Vani Venkatesh
Non-Executive Director
Chairperson – CSR Committee

Harjeet Singh Kohli
Nxtra's Board Chairman, Non-Executive Director
Member – CSR Committee

Kapil Modi
Non-Executive Director
Member – CSR Committee

Nxtra has adopted the legacy of its parent entity, Bharti Airtel Limited, who were one of the early adopters of CSR initiatives in the country. At Nxtra, business success is not just about profits and shareholder returns. As a good corporate citizen, Nxtra is committed to nation-building through impactful interventions. The Company believes that aligning social activities with its business objectives is critical to ensure sustainable economic growth. The Board has actively identified Community/NGO as one of the key stakeholders and undertaking community development initiatives towards the realisation of a prosperous society by collaborating with diverse stakeholders. The organisation believes in pursuing wider socio-economic and cultural objectives and has always endeavoured to not

just meet but try and exceed the expectations of the communities in which Nxtra operates.

The Board acts as an institutionalised body in line with the Company's governance philosophy. The Board's involvement across the governance mechanism plays a pivotal role in aiding the management to act in the best interest of all the stakeholders with a clear sight of the long-term strategy, goals and vision of the Company. The Board is actively involved in the governance and oversight roles along with the vital function of deliberating on and approving key agenda items that shape the Company's CSR policy and initiatives.

Role of Board in effective implementation of CSR activities

Formulating governance mechanism	**Approving proposals in line with the defined mechanism**	**Ensuring continuous oversight through specialised CSR Committee**
Governance Role	**Approval Role**	**Oversight Role**
• Defining CSR Strategy	• Considering CSR Committee's recommendation	• Ensuring execution of CSR activities as per the Policy
• Approving CSR Policy with an expansive monitoring mechanism	• Approving CSR mandates as per governance framework	• Third-party assessment of key projects
• Ensuring that the Company has adequate systems in place to effectively manage CSR risks	• Approving Annual Action Plans	• Preparing Boards' Report with disclosure to stakeholders w.r.t. performance
		• Periodic evaluation of CSR Governance

CSR initiatives

Bharti Foundation

For the last two decades, Bharti Foundation, the philanthropic arm of Bharti Group, in collaboration with multiple other organisations and Government, has taken it upon itself to bring transformation in the field of education for underprivileged children in the country. It aims to impact the lives of children and youth by proactively implementing and supporting programmes in primary, secondary, and higher education as well as sanitation through its Satya Bharti School Program, Satya Bharti Quality Support Program, Higher Education programmes and Satya Bharti Abhiyan Program.

Vision
To help the underprivileged children and young people of our country to realise their potential

Mission
Committed to creating and supporting programmes that brings about sustainable changes through education and use of technology

Goals
To improve the quality and accessibility of education at school level across rural India. To provide training and education opportunities to the youth of our country in order to make them employable

Bharti Foundation and Nxtra Data partnership aims to transform the Indian education ecosystem

Areas of Engagement

Bharti Academic Building
Played a significant role in the establishment of the Academic Building, a prominent structure located at the entrance of the Plaksha Campus. This contribution encompassed the construction of various facilities, including a multi-purpose hall, classrooms, boardroom, VC office, Dean's office, and administrative/faculty offices.

Plaksha University
Nxtra's partnership with Plaksha University for constructing an academic facility and promoting higher education opportunities for economically disadvantaged undergraduate and graduate students.

Bharti Scholarship
For students from diverse backgrounds supporting need-based scholarships for undergraduate students. A highly prestigious scholarship for up to 20 deserving students every year from diverse socio-economic backgrounds to study at Plaksha University. Bharti scholarship will go beyond a financial commitment to offer a transformational experience for students with mentoring support, a life-long and vibrant community of scholars, exchange programmes, projects, etc.

Bharti Academic Building: Key initiatives

- Hosted marquee university events with global academicians and industry leaders

- Inked partnerships with global universities and organisations, hosting distinguished leader

- Organised several guest sessions and campus visits

- Launched new programmes and initiatives to promote tinkering and real-world problem solving

- Contributed to a vibrant and inclusive campus environment with extra-curricular activities

Nxtra's partnership with Plaksha University

Bharti Foundation has been fostering higher education partnerships with prestigious institutions, exemplified by its collaboration with Plaksha University for constructing an academic facility. In this strategic partnership, Nxtra's CSR funding was channelled through the Bharti Foundation to provide infrastructure assistance, promoting higher education opportunities and support economically disadvantaged undergraduate and graduate students.

The vision of the Bharti Scholarship is to nurture these bright young individuals and empower them to become trailblazers of tomorrow.

One of the aspects of this partnership is the Bharti Academic building, which is a hub for student activity and engagement, facilitating peer interaction and collaborative learning. This iconic building at the entrance of the campus houses the multipurpose hall, classrooms, boardroom, vice Chancellor's office, Dean's office, and administrative/faculty offices. The infrastructure support by Nxtra envisages giving wings to students

at Plaksha to become critical and empathetic thinkers. These students will bridge the talent gap and create sustainable and scalable solutions for India and the world. Envisioned to be the academic hub of the University, it facilitates interdisciplinary and experiential knowledge sharing, learning beyond the classroom and much more.

The collaboration resulted in the successful completion of the Bharti Academic building, a state-of-the-art facility accommodating classrooms, faculty offices, labs, and lecture theatres. The first batch of students commenced their studies in 2021. Notably, 37 students were honoured with the prestigious Bharti Scholarship, empowering these talented individuals to rise to become tomorrow's trailblazers. As part of their experience, these Bharti Scholars from Plaksha University visited two Satya Bharti Adarsh Senior Secondary Schools in Punjab. During the visit, an interactive session took place between the students at Plaksha University and the children from Satya Bharti Schools, involving classes XI and XII students.

Hub for all academic activities and university events

250+
Plakshans
Across Undergraduate (UG), Teaching and Learning Program (TLP) and Ph.D. impacted through course lectures, classes, guest sessions, etc.

30+
Academic leaders and faculty members
Engaged with faculty offices and lecture rooms housed in the Bharti Academic Building.
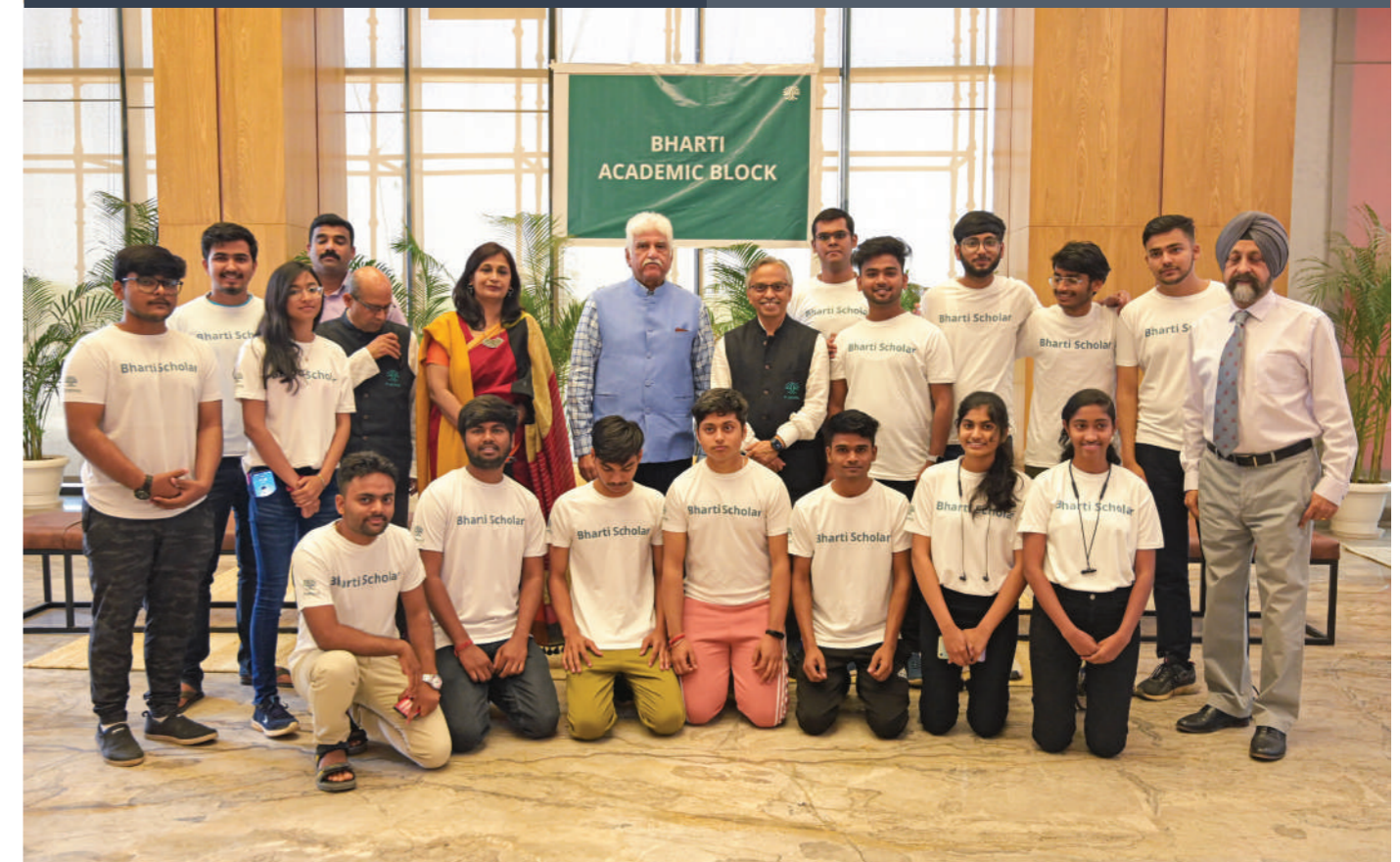
200+
External stakeholders
Hosted and engaged including, founders, industry leaders, global academicians, prospective donors/parents, etc.

10+
Key university events and initiatives
Conducted including ConfAI, MoU signing, Founders Day, etc.

Bharti Scholarship

Bharti Scholarship will go beyond a financial commitment to offer a transformational experience for exceptional and deserving students across diverse socio-economic backgrounds to develop academically and professionally. The scholarship will be awarded on an annual basis to deserving candidates subject to eligibility through a stringent selection process. As part of this scholarship, the recipients known as "Bharti Scholars" will be eligible for:

- Student mentoring programme by senior faculty and industry leaders during the first year.
- Participation in exchange programmes with global universities to broaden their horizon with project, research, etc.

Driving impact together: A look at employee participation in CSR activities

A Caring Touch (ACT)

This employee engagement programme of Bharti Foundation involves voluntary contributions from employees of Bharti Group Companies, including time, money, knowledge, and skills, to support the Foundation's initiatives.

Volunteering

Volunteering activities are organised for students in Satya Bharti Schools and the Satya Bharti Quality Support Program. Bharti Group of Companies and other corporates offer volunteer opportunities to encourage students in pursuing their interests or prospective career fields. Empathetic and committed volunteers guide and assist students in developing various skills, such as communication, leadership, and collaboration.

Partnerships in recent years

Pahle India Foundation

Pahle India Foundation aims at identifying and proposing policy-oriented sustainable solutions to EEUS sectors. Energy and climate change-related policies have often been viewed, incorrectly, as deterrents to economic development and these need to have an additional element of sustainability built into them. The policy-oriented research addresses issues like reforms needed in the power sector of India, an increase in the footprint of renewables in the energy mix, sustainable energy financing, sustainable transport, sustainable waste management and sustainable smart cities.

Serendipity Arts Foundation

Nxtra supports pedagogic practices that disrupt barriers to learning and disassembles hierarchies with curricular design and accessibility being the key mandate of Serendipity Arts Foundation, which draws from and enriches exploration of research, writing, and sensorial engagement through methodologies that encourage co-learning and inclusion. It curates temporally fluid projects that are both independent and contiguous to the programming at the festival–often resulting in workshops and showcases, and continuing through research.

Centre for Policy Research

The partnership initiative with Centre for Policy Research is committed to fostering an evidence-based conversation about how to ensure a clean and sustainable environment for a growing India and the globe. The experts research topics ranging from environmental jurisprudence to the construction industry, and they engage directly with domestic and international environmental institutions. Some of the key dialogues range from water law and land rights to climate change and energy policy, managing the tension between development and the environment is a local challenge that requires global cooperation.

Governance

Success through accountability
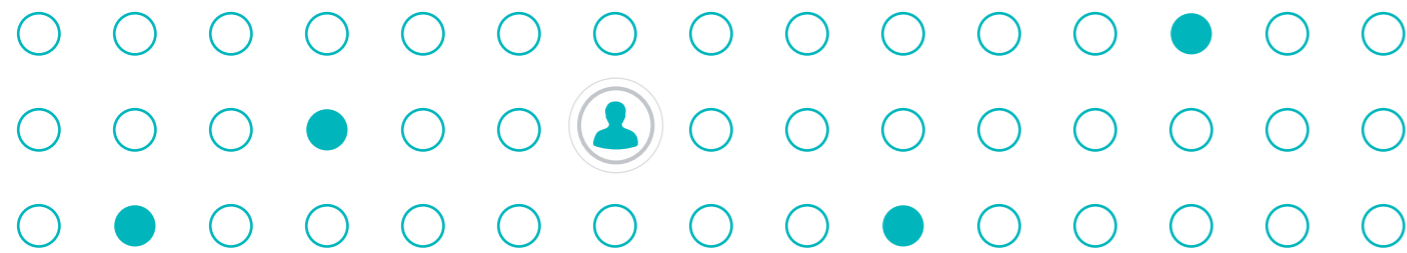
Material topics

Corporate Governance and Business Ethics

Regulatory Compliance

Data Security and Privacy

Sustainable Supply Chain Management

Systematic Risk and Crisis Management

Customer Experience

Stakeholders impacted

Investors	Regulators
Customers	Suppliers and Partners

Communicating trust

Nxtra has established a robust ESG governance structure and a diverse leadership team dedicated to upholding high standards. With the involvement of key stakeholders, including the Board and the ESG Council, Nxtra ensures effective communication and progress tracking for sustainability initiatives. The Company's comprehensive policies and certifications demonstrate its commitment to ethical practices, customer satisfaction, and environmental responsibility. Nxtra's emphasis on transparency and compliance positions it as a trusted partner in the industry.

~78%
Non-Executive Directors (including Independent Director)

~22%
Gender diversity in the Board

Zero
Complaints regarding conflict of interests

ESG governance structure

Nxtra's ESG governance structure includes cross-functional teams (CFTs), an ESG function and a Council to enhance its commitment to the ESG agenda. The Council plays a crucial role by providing strategic guidance and oversight in driving the Company's progress towards ESG targets, initiatives, and best practices. This includes addressing challenges posed by climate change through sustainable business practices.

- **Board of Directors**
- **ESG Council**
- **ESG Function**
- **Cross-functional teams**
  Representatives from all functions

Board of Directors

The Board of Directors of the Company guides, oversees and monitors strategy, performance and governance. The Board establishes the governance architecture in consonance with the highest standards and owns a fiduciary responsibility to ensure that the Company's actions 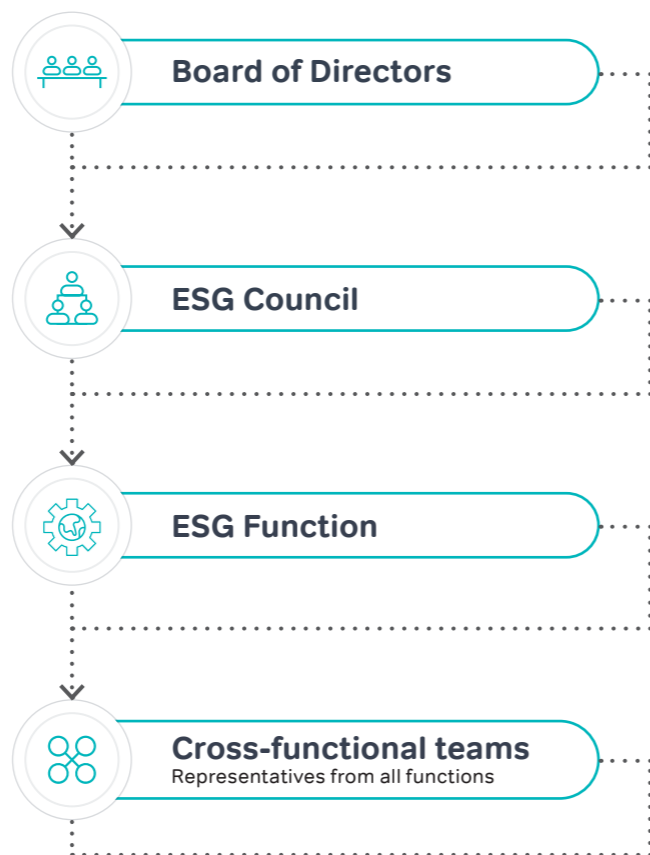and objectives are aligned with sustainability, shareholder value and its growth. The Board is led by the Chairman who is responsible for encouraging and nurturing a robust Board culture.

ESG council

The CEO and COO of the Company have been appointed as permanent members of the ESG Council, with the CEO assuming the position of Chair. As the Chair, the CEO presides over the council meetings and provides regular reports to the Nxtra Board. This significant role ensures effective governance and communication between the ESG Council and the Board, contributing to Nxtra's commitment to Environmental, Social, and Governance initiatives.

Roles and responsibilities

- Review of Nxtra's ESG strategy and recommend policies, practices, and procedures that align with the strategy.
- Supervise the making of Nxtra's Sustainability Report and review it with management before presenting it to the Nxtra Board.
- Ensure alignment of Nxtra's ESG goals, ambitions, and targets with the core business strategy.
- Collaborate with the Nomination and Remuneration Committee (NRC) to incorporate ESG goals, ambitions, and targets into management's Key Responsibility Areas (KRAs).
- Oversight of awareness around emerging ESG trends and developments through discussions and monitoring.
- Monitor the progress of identified initiatives aimed at achieving ESG goals, ambitions, and targets.
- Govern Nxtra's internal and external communications with employees, investors, and stakeholders on matters related to ESG.

> "
> **Nxtra's leadership ensures the integration of ESG factors into key decision-making while strictly adhering to business policies and practices that are assessed and updated periodically.**

Ashish Arora
Whole-time Director & CEO

ESG function

The sustainability function reports to the ESG Council and takes the lead in driving sustainability initiatives, as well as preparing and publishing sustainability and climate risks reports for external stakeholders.

Roles and responsibilities

- Collaborate with respective departments to review and conduct scenario analysis, identify risks and opportunities, with support from site-level teams.
- Develop the ESG roadmap, outlining targets for Key Performance Indicators (KPIs), and propose initiatives, including budget plan, in partnership with the ESG Council.
- Monitor performance on ESG targets and initiatives by collecting data from various functions and reporting progress to the ESG Council.
- Work alongside site-level teams to identify climate-related risks and opportunities and escalate them to management for agreement on mitigation and control plans.
- Prepare and submit various ESG disclosures in accordance with national and internal frameworks.

Cross-functional teams (CFT)

It has representatives from key teams/functions, including Environmental Health and Safety (EHS), Human Resources (HR), Finance, Operations, Corporate Secretarial, Project Management, and Data Security, who act as Single Points of Contact (SPOCs). Each material issue is assigned a CFT which is purely dedicated for implementing ESG initiatives aligned to the Company's overall ESG strategy, including climate-related risks and opportunities, at the location and facility level.

Roles and responsibilities

- Drive the execution and monitoring of ESG initiatives, specifically related to their assigned material issue.
- Implementing control and mitigation measures to address various climate-related risks, ensure proactive management and reduction of potential impacts.
- Collect and monitor ESG-related data, including data related to climate change, and report the findings to the sustainability team. This data helps in assessing the effectiveness of implemented initiatives and tracking progress towards ESG goals.

Board and Board Committees

Nxtra has a well-diversified Board comprising eminent individuals. The Board comprises two Executive Directors and seven Non-Executive Directors, among whom one is an Independent Director. Their contributions offer invaluable expertise and insights to the organisation. Notably, the inclusion of two female Non-Executive Directors underscores Nxtra's commitment to promoting gender diversity. With their extensive experience and domain knowledge, each member of the Board plays a crucial role in providing strategic guidance and making informed decisions for the Company.

Harjeet Singh Kohli
Chairman, Non-Executive Director

Rajesh Tapadia
Whole-time Director & COO

Neeraj Bharadwaj
Non-Executive Director

Aruna Pidikiti
Non-Executive Director

Ganapathi S. Lakshminarayanan#
Non-Executive Director

Ashish Arora
Whole-time Director & CEO

Gary Wojtaszek
Independent Director

Kapil Modi
Non-Executive Director

Vani Venkatesh**
Non-Executive Director

Ajay Chitkara*
Non-Executive Director

Area of expertise

- Strategic leadership & management experience
- Governance
- Industry and sector experience
- Financial and risk management
- Human capital management
- Sustainability and ESG
- Global business/ international expertise

Board Committees^

⊙ **Audit Committee**

Oversees financial reporting process, internal financial controls and review financials and related party transactions, etc.

Harjeet Singh Kohli – Chairperson
3 Non-Executive Directors

⊙ **CSR Committee**

Engaged in evaluation, monitoring and recommending the CSR proposals and policy to the Board amongst others.

Vani Venkatesh – Chairperson
3 Non-Executive Directors

⊙ **Nomination and Remuneration Committee**

Formulates policy for appointment and remuneration of Directors, KMPs, derives Board performance evaluation criteria, etc.

Ajay Chitkara – Chairperson
3 Non-Executive Directors

* Ceased to be a Director w.e.f. August 21, 2023.
** Appointed as a Chairperson of the Nomination and Remuneration Committee w.e.f. August 21, 2023
* Appointed as an additional Director (in the capacity of Non-Executive Director) w.e.f. August 21, 2023.
^ a) The status for Committee memberships is as on date March 31, 2023.
b) Brief profile of Board members comprising their qualification, experience, domain knowledge and expertise etc. is available on the website of the Company at www.nxtra.in

Board's involvement in ESG

There is a heightened focus on Company's ESG agenda considering the increased importance of ESG and its significance to critical stakeholders such as investors, regulators, customers, financiers and the society at large. This would involve contributing to global efforts in combating climate change, promoting inclusive growth, and creating long-term value. In line with its commitment to adopt progressive practices, the Board actively dedicates time to strengthen the Company's ESG practices.
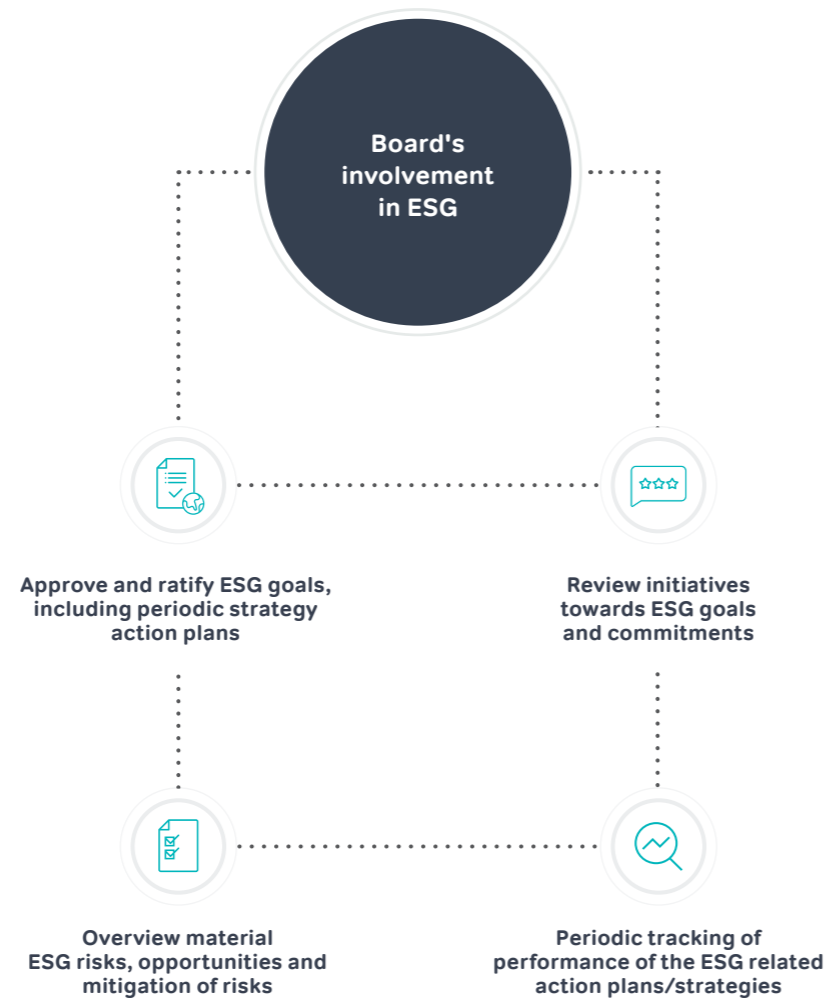
Nxtra has embarked on its ESG journey by adopting globally recognised best practices, aiming to amplify long-term value creation for its stakeholders.

Board's involvement in ESG

- Approve and ratify ESG goals, including periodic strategy action plans
- Review initiatives towards ESG goals and commitments
- Overview material ESG risks, opportunities and mitigation of risks
- Periodic tracking of performance of the ESG related action plans/strategies

Updates on ESG initiatives are incorporated into the management's presentations during quarterly Board meetings, providing insights into the financial and operational performance of the Company. The management briefs the Board on key ESG initiatives and progress made in accordance with the annual ESG plan.

Board's evaluation

Nxtra has engaged its leading independent consulting firm to facilitate the Board evaluation process using its online tool. The Nomination and Remuneration Committee lays down a structured framework - process, format, attributes, criteria and questionnaires

for the performance evaluation of the Board, its Committees and individual Directors including the Chairman and Whole-time Director and CEO and Independent Director, keeping in view the Board priorities and best practices.

The process provides that the performance evaluation shall be carried out on an annual basis. During the year, the Directors completed the evaluation process, which included evaluation of the Board as a whole, Board Committees and the individual Directors including the Chairman and the Whole-time Director and CEO. The consolidated reports on outcome were submitted by the consulting firm to the Board through the Company Secretary.

The results of the evaluation were discussed in the Nomination and Remuneration Committee, followed by Committee meetings and Board Meeting held later during the same day. All Directors participated in the performance evaluation process.

Remuneration and annual compensation

The Company has established a Nomination and Remuneration Committee to carry out various functions, including formulating policies related to the appointment and remuneration of Directors, Key Managerial Personnel (KMPs), and senior management. The overall remuneration limits for Board members, including executive Board members such as the Whole-time Director, and Executive Directors, if applicable, are determined in compliance with the Companies Act, 2013, and related rules. These limits are subject to approval by the shareholders and availability of the Company's profits.

The Company considers the following criteria while determining the remuneration for Directors, KMPs, senior management, and other employees:

- The remuneration level and structure are reasonable and adequate to attract, retain, and motivate high-quality individuals necessary for the successful operation of the Company.

- The relationship between remuneration and performance is clear and meets appropriate performance benchmarks.

- The remuneration structure strikes a balance between fixed and variable pay, aligning with short and long-term performance objectives that are suitable for the Company's operations and goals.
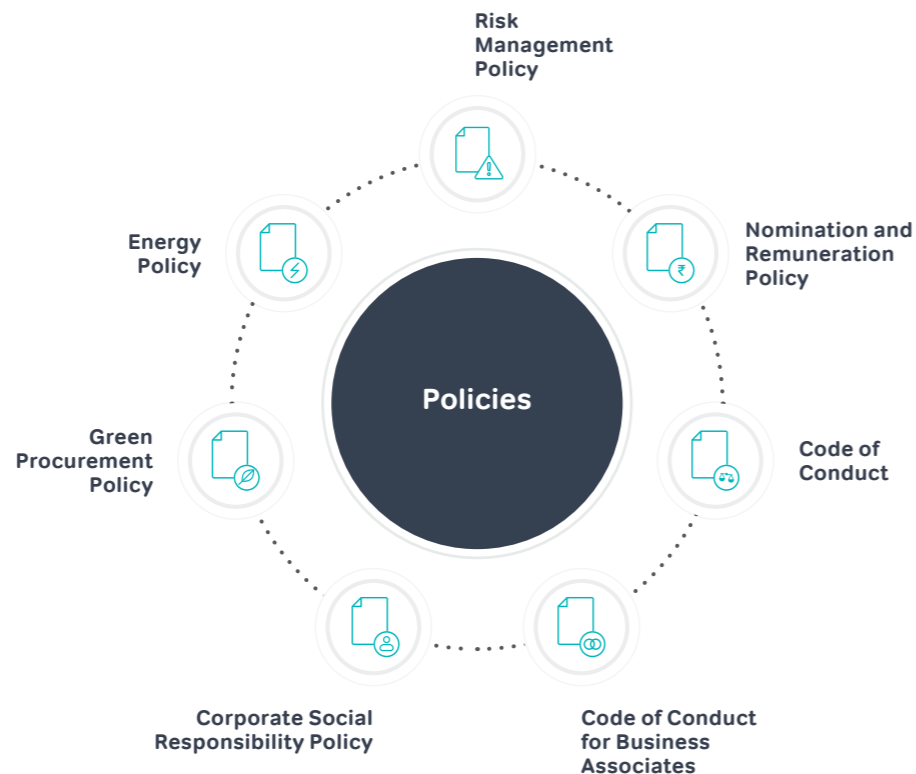
The Company provides remuneration to its Executive Directors, specifically the Whole-time Director and CEO, and Whole-time Director and COO. Additionally, Independent Directors receive quarterly fixed commissions. However, no remuneration is paid to any Promoter or Investor nominees serving on the Board.

Policy and accountability

Nxtra has implemented a comprehensive array of policies to uphold exemplary standards across all facets of its operations. The Company takes great pride in its attainment of multiple certifications, which serve as tangible evidence of its unwavering commitment to best practices in diverse domains. The management team assumes full responsibility for upholding these standards throughout the organisation, ensuring their effective implementation and adherence.

Policies

- Risk Management Policy
- Nomination and Remuneration Policy
- Code of Conduct
- Code of Conduct for Business Associates
- Corporate Social Responsibility Policy
- Green Procurement Policy
- Energy Policy

Risk Management Policy
🔗 Risk Management Policy

NRC Policy
🔗 NRC Policy

Code of Conduct including Vigil Mechanism
🔗 Code of Conduct including Vigil Mechanism

Corporate Social Responsibility Policy
🔗 Corporate Social Responsibility Policy

Certifications

Design	
Objectives	
• TIA 942	
• Uptime	

Environmental	
Objectives	
• ISO 14001	
• ISO 45001	
• ISO 50001	

Services	
Objectives	
• ISO 20001	
• ISO 9001	

Business continuity	
Objectives	
• ISO 22301	
• MEITY empanelled CSP provider	

Security	
Objectives	
• ISO 27001	• PCI DSS
• SOC 1 & SOC 2 TYPE II	• ISAE – 3402 TYPE II

Regulatory compliance

Nxtra is continually striving to stay up-to-date with the latest regulations, upgrade its policies accordingly and adhere to statutory compliances based on the existing legal framework of the country.

Code of Conduct

Nxtra has adopted the group wide prescribed Code of Conduct (CoC) as also adopted by Bharti Airtel. This CoC is in line with the best global practices and ESG requirements, which encompasses a comprehensive range of principles to ensure ethical and responsible behaviour. The policy encompasses various aspects, such as expected conduct, a harassment-free workplace, fair practices, and avoidance of conflicts of interest. It also provides guidelines for maintaining relationships with former employees, handling gifts, government interactions, and more. Nxtra also emphasises ethical customer and business relationships and effective media communication.

The Code covers financial practices, fraud prevention, intellectual property protection, safety, environmental standards, corporate responsibility, and sustainability.

The CoC also covers an anti-corruption and bribery policy and is applicable to all employees, Board of Directors, subsidiaries, and business associates (suppliers, contractors, service providers and other key business partners) of the Company and states zero tolerance towards any form of bribery and corruption. All employees are required to undergo an annual e-certification along with periodic refresher trainings on the policy.

Nxtra's whistleblower mechanism enable stakeholders to report Code violations.

🔗 Code of Conduct

Code of Conduct for business associates

The Code of Conduct for business associates focuses on promoting business ethics and encompasses financial, professional, market, and behavioural aspects of business conduct and practices. It clearly outlines the expectations and standards to be followed by all business associates. Compliance with the Code is mandatory, and any breaches of the Code will have consequences.

Nxtra's code of conduct for business associates encompasses specific guidelines on various ESG aspects, including Human Rights, Occupational Health and Safety, and Data Privacy.

Nxtra prohibits forced, bonded, indentured, or involuntary labour and adheres to labour laws, ILO conventions, and Modern Slavery laws, not only for its employees but also for business associates.

🔗 Code of Conduct for Business Associates

Sustainable procurement policy

Sustainable Procurement Policy includes provisions for social supplier standards. The policy provides guidance and requirements regarding sustainable procurement practices, ensuring that suppliers adhere to social standards.

🔗 Sustainable Procurement Policy

Energy policy

Nxtra has an energy policy in place that aligns with government regulations and energy management standards. The policy focuses on minimising greenhouse gas emissions through energy-efficient procurement, investments in low-carbon technologies, and optimised energy usage.

🔗 Energy Policy

Conflict of interest

The Company has implemented strict policies and procedures to identify and manage potential conflicts of interest effectively. It is worth noting that no complaints or concerns regarding conflicts of interest have been received, demonstrating the Company's proactive approach and commitment to upholding ethical standards.

Securing confidentiality

Data centres hold a pivotal position in facilitating the digital evolution of enterprises. They serve as repositories of extremely sensitive consumer data. At Nxtra, the emphasis on data centre security is of the utmost importance, achieved through the strategic implementation of a comprehensive framework comprising seven layers of physical security and cybersecurity measures to mitigate potential threats.

100%
Of employees received training on data security and privacy

First data centre company in India to add Explosive and Narcotics detectors as an additional physical security layer at Chennai II DC.

Zero
Breaches of customer data

Information security and privacy

Through a comprehensive framework, Nxtra has ensured the security of data and the preservation of personal information's privacy.

Features of information security and privacy framework

Managed by the Chief Information Security Officer and integrated into group-level risk and compliance management system.

Policy
- Adoption of a tailored policy, the Bharti Airtel Information Security Policy (BAISP), aligned with the Group's Security Policy

Standards
- Enactment of an Information Security Risk assessment and recovery strategy conforming to ISO 27001 and ISO 22301 standards

Programme
- Fraud Management Programme led by revenue assurance and fraud management experts
- Collaboration with Law Enforcement Agencies (LEA)
- Aligned with the cybersecurity directives and guidelines issued by Indian Computer Emergency Response Team, India (CERT-In)

Action
- Implementation of internal controls
- Execution of strict processes and pertinent technologies to maintain the privacy of personal information throughout its lifecycle
- Utilisation of specialised software on endpoints to monitor multiple communication channels for potential breaches and trigger real-time alerts
- A centralised team is responsible for alert review, investigation initiation, and necessary actions
- All incidents are meticulously tracked, resolved within specified timeframes, and subject to monthly reviews, ensuring timely closures
- The majority of its core data centres are situated within Special Economic Zones (SEZs), thereby incorporating an extra layer of physical security
- Bharti Airtel's comprehensive security protocols, encompassing the telecommunications sector and an AI-driven Security Operations Center (SOC), extend their coverage to include Nxtra's data centres

Applies to all Nxtra employees and third parties, including suppliers, who access customer, employee, and vendor information.

Nxtra has a zero-tolerance approach to breaches, initiating stringent actions such as termination of services and potential legal actions in such situations. Non-compliance to privacy practices by third parties can result in disciplinary actions, including contract termination.

Third parties are required to establish procedures to apprise associates of personal liability concerning personal information and potential repercussions for policy deviations, including service discontinuation or termination.

Nxtra ensures compliance with pertinent laws and regulations in its customer data privacy policy, extending to employees, suppliers, and third parties accessing customer information. The policy's governance falls under the purview of the Chief Information Security Officer (CISO) at Nxtra. Customer consent is held in high regard, affording choices concerning their data. Privacy controls are regularly updated to align with regulations and industry standards, while audits, certifications, and vulnerability assessments are held to ensure data security. Real-time monitoring is deployed to trace data flow and address instances of non-compliance through detailed investigation.

Physical security operations

Certainly, the demand for physical security in data centres at the infrastructure level has grown with the expansion of virtualised data centre technologies, necessitating the implementation of a set of policies, protocols, and practices to prevent unauthorised access and resource manipulation.

At Nxtra, the physical security framework is developed from standardised Standard Operating Procedures (SOPs) applicable to all data centres. Additionally, site security plans are followed for sites, aligning with the physical security operating procedures.

Security framework

" At Nxtra, we follow a zero-tolerance approach to security breaches with any non-compliance investigated with alacrity."

Shaikh Zamiruddin
Head - Operations & CISO

Available and Required Resources
- Facilities, assets, infrastructure
- Security barriers
- Security technology
- Manpower
- Management support
- Auxiliary teams

Security Plan/Process
- SOP
- Site security plan
- Security processes
- Disaster management plan
- Evacuation plan

What to secure?

Risk, Threat, Vulnerability
- SRA
- Countermeasures
- Mitigation plans
- Scenarios
- Recommendations

Holistic approach
Integrating varying security levels to enhance vulnerability comprehension and bolsters protection against diverse threats.

Security risk assessment

Nxtra conducts Security Risk Assessments (SRA) to evaluate risks, threats, and vulnerabilities. A physical SRA is conducted across all Nxtra facilities every two years.

Asset identification
By engaging with key stakeholders and conducting site surveys, critical assets were identified from a physical security standpoint. The assets register created by location and process owners was also reviewed.

Threat identification
Internal and external threats were identified, considering area-specific factors such as socio-economic profile, crime statistics, terrorism incidents, and environmental hazards.

Security gap assessment
A thorough review of the existing physical security plan was performed to identify gaps and improvements across infrastructure, processes, technology, and personnel management.

Risk evaluation
Risks were assessed as high, medium, or low based on the assessment outcomes.

Risk mitigation
A comprehensive SRA report was formulated, incorporating recommendations for risk mitigation based on the preceding activities.

Security risk assessment methodology

Threat Assessment	INPUT	**Security Risk Assessment**		**Process**
Scenario Analysis				
Regulatory/Best Practices				**Infrastructure**
Global best practices/guidelines		**Countermeasures**	OUTPUT	
Office safety guidelines – Ministry of Home Affairs, Municipal Corporations, etc.				**Technical**
Security Guidelines for Offices – Mumbai Police, Municipal Corporations, etc.	INPUT	**Security Design**		**Resources**

Threat assessment and security counter measures

Threats		Counter Measures
Unauthorised entry		Proactive preparedness
Social & political unrest		Situational awareness
Organised crime	**Mitigations & Control**	Security trainings
Terrorism		Liaison with law enforcement
Insider's threat		Physical security
Fraud		
Information loss		Electronic surveillance & monitoring
Theft & pilferages		Vigilance & investigation
Intrusions	**Resilience**	Crisis management support
Natural disasters		
Incidents & emergencies		Emergency mock drills

Promoting responsible sourcing

● ● ● ○ ○ ○

Nxtra prioritises policy, accountability, and sustainability within its supply chain. Through its comprehensive Supplier Code of Conduct and sustainable procurement policy, Nxtra ensures ethical and responsible practices among its suppliers. The Company's supply chain strategy integrates ESG considerations, maximises local procurement, and promotes compliance with human rights standards. Nxtra strives to maintain transparency and drive positive impact throughout its operations and supply chain.

100%
Of suppliers adhere to Supplier Code of Conduct providing sustainability related guidelines

100%
Adherence to integrating ESG criteria into prequalification and supplier agreements

98%
Of local procurement from India-based suppliers* in overall total supplier mix in FY 2022-23

*India registered suppliers

Policy and accountability

All suppliers engaged with Nxtra are expected to comply with the guidelines outlined in the Company's Supplier Code of Conduct and procurement policy. Additionally, Nxtra aligns with the Standard Operating Procedures (SOPs) detailed in the Group's sustainable procurement policy, which includes the guidelines for considering ESG factors in the partner selection process. These practices showcase Nxtra's commitment to promoting sustainability and responsible procurement throughout its supply chain.

Supply chain strategy

Nxtra adheres to a comprehensive supply chain strategy aligned with the overarching strategy at the Airtel Group level. This strategy is essential to meet business objectives, enhance customer service, and maintain a competitive edge in the market. Collaboration with suppliers plays a crucial role in securing competitiveness, focusing on delivering an exceptional customer experience while maintaining cost-efficiency and prudent risk management. Nxtra's supply chain management strategy is aimed at achieving optimal performance and maximising value across the entire supply chain.

The supply chain strategy covers the areas of supplier production capacity, inventory management, scalability, reliability, low-cost sourcing, and geographical spread. The Company identifies and partners with suppliers who can enable efficient and responsible operations, ultimately positioning Nxtra ahead of the competition. During supplier selection, rigorous evaluation is conducted based on technical parameters to ensure optimal performance.

Top 5 priorities

- Supreme quality
- Competitive cost
- Short lead time
- Strong focus on innovation
- Risk mitigation and agility to evolve

Nxtra has taken significant strides to maximise sustainable impacts through resilient and responsible supply chain practices and partnerships
○ ●

ESG factors integrated in supplier selection decisions

Sustainability criteria are evaluated alongside commercial and technical parameters during the procurement process. Suppliers who do not comply with the Supplier Code of Conduct are not considered for further evaluation. Regular assessments are conducted to ensure ongoing compliance throughout the engagement, and appropriate corrective actions are taken in cases of non-conformities, including the possibility of contract termination. Recently, Nxtra also implemented a supplier selection process that considers ESG scores alongside commercial and technical scores.

The Supplier Code of Conduct has defined guidelines that encourage energy savings and reduce emissions in the supply chain. Suppliers are expected to adopt energy-efficient technologies, increase renewable energy usage, and their adherence is monitored through regular assessments.

100% of new suppliers in the reporting year has been screened using ESG criteria.

Recently, Nxtra also implemented a supplier selection process that considers ESG scores alongside commercial and technical scores.

Respecting fundamental human rights

Nxtra is committed to protecting human rights within its own operations and across its supply chain. The Supplier Code of Conduct communicated to all suppliers, emphasises the importance of sustainable sourcing practices and compliance with applicable regulatory requirements. Violations of labour laws and human rights within the supply chain pose regulatory and reputational risks. This can undermine stakeholder trust and negatively impact brand value, ultimately affecting business performance. Therefore, respecting fundamental human rights by suppliers is a critical priority and is a crucial factor in promoting business growth and sustainability.

Maximising local procurement

In recent times, the supply chain market has witnessed an increased vulnerability to factors such as geopolitical tensions, inflationary price pressures, economic recessions, evolving regulatory frameworks, and climate disruptions. Ensuring supply security has been the core of Nxtra's supply chain strategy. In alignment with the group, Nxtra has developed an ecosystem of suppliers, where the majority of its partners are indigenous. This is to develop a sustainable supply chain network ensuring optimum and timely supplies through innovation and process simplification. Nxtra aims to amplify local procurement to minimise its carbon footprint and achieve other key objectives, such as cost efficiency and shorter lead times.

Supplier sustainability awareness

Topics such as sustainability principles, applicable sustainability policies, the regulatory landscape, and the expectations from suppliers were covered in awareness sessions conducted for suppliers. These sessions were conducted for top suppliers at the Group level, including critical suppliers associated with Nxtra. Moving forward, the Company plans to extend a similar engagement to its top 10% suppliers, ensuring a deeper understanding of its sustainability principles and expectations.

Resilience through ESG

⬤ ⬤ ⬤ ⬤ ◯ ◯

To drive Nxtra's business continuity, one of the key dimensions of ESG strategy is to evaluate risks that could potentially disrupt the Company's operations. This involves assessing mechanisms to mitigate the identified risks, including financial, technological, operational, or climatic ones, and effectively managing them.

ESG risks

Nxtra follows a robust risk and mitigation framework formulated at the group level. Board and leadership teams proactively address potential disruptions to ensure business activities are carried out smoothly. For that, a meticulously planned process is in place to identify critical risks across the organisation and develop relevant plans of action for their mitigation. This fosters a responsible and sustainable business environment.

Environmental risks

Risks arising from environmental uncertainties and extreme climate events or due to impacts on the environment from business operations.

Social risks

Risks arising from changes in stakeholder relationships within operations and along the value chain/external stakeholders.

Governance risks

Risks arising from lack of sound governance.

Risk and crisis management process

Systematic risk and crisis management entails a concise three-step process comprising risk identification, risk mitigation, and monitoring and reporting.

1

Risk identification

Risk identification encompasses recognising enterprise-level strategic risks from an exhaustive list of risk criteria that could pose a significant threat to the organisation in terms of business and operational continuity, supply chain interruptions, market reputation, and future growth and technological advancement. A regular documentation process is held to stay informed about the risks and their corresponding sub-risks, with responsibility assigned to a designated risk owner.

2

Risk mitigation

The next step, risk mitigation, involves forming mitigation strategies and necessary actions to eradicate exposure to potential risks and diminish the likelihood or adverse effects of such risks. A mitigation plan is devised based on the identified risks.

3

Risk monitoring & reporting

In the final stage is risk monitoring and reporting, where bi-annual monitoring is carried out for the recognised key strategic risks. The action plan is evaluated, the extent of gross and net exposure to the risk is assessed, and corrective measures are enforced. The overall progress and specific issue updates are reported to the Risk Management Committee (RMC).

Risk identification process

Identify potential risks
Scanning the entire business environment – internal and external

Risk assessment
Classifying the various risks in terms of probability, impact and nature

Measuring
Developing objective measurement methodology for such risks

Risk mitigation plan
Fixing accountability of people and positions to implement the mitigating action plans

Reviewing action plan
Reviewing progress of action plans, taking stock of gross and net exposures and mandating corrective actions

Reporting issues
Reporting on specific issues to the Audit Committee and Risk Management Committee

Reporting progress
Reporting progress to the Board, Audit Committee and Risk Management Committee

Agreements
Agreeing on detailed action plans to manage key risks

Listing & prioritising
Listing and prioritising the key risks to be addressed and managed

Budget approval
Approving resources, including budgets for risk management

Key risks and mitigation measures

Risk	Impact	Mitigation
Environment Higher carbon emissions due to expansion of business operations	• Pose a challenge in meeting emission reduction targets • Hurt long-term credibility and sustainability of its business operations.	Nxtra is aggressively adopting renewable energy, procurement from open access and low-emission technology to lower its emissions.
Environment Extreme climate conditions and re-occurrence of extreme weather events such as flooding, seismic events, cyclones, heat waves, etc.	• Infrastructure degradation, • Supply chain disruptions, • Repair and maintenance disruptions, • Infrastructure damage • Posing safety risks to associated personnel	Infrastructure team conducts periodic meetings and follow-ups to execute the action plan against the identified risk in the form of retrofits to withstand changing climate conditions and tracks the progress on its implementation.
Environment Failing to keep pace with the latest technological advancements, digitisation, and innovations	• Will influence costs, agility, and operational efficiency. • Change in customer value propositions	Digitisation for its customers continues to be the prime area of focus, with several digital initiatives undertaken to embed 'Digital strategy' within 'Business strategy' for driving a culture of innovation while responding to changes in the business environment
Social Geopolitical situations like communal tensions, strikes, political instability, civil unrest, pandemic and other social tensions	• May induce volatility and uncertainty • Business interruptions	Continuous stakeholder engagement in areas the Company operate and continuously assesses the impact of the changing political and social scenario
Governance Gaps in internal controls and compliances	• Result in wastages and losses, thereby affecting the Company's reputation	Maintaining necessary compliances w.r.t statutory bodies, municipal corporations and central and state government(s) legislations, etc and staying abreast of all the applicable laws and legislations in the areas the Company operate

To mitigate the above-identified risks, Nxtra has customised Bharti Airtel Infrastructure and Safety Policy (BAISP) at the group level to align with its operational requirements.

Its overarching goal is to offer guidance for safeguarding individuals, including employees and strategic partners or third parties, securing infrastructure assets, and ensuring the continuity of business operations.

The policy aims at:

Safeguarding human life

Ensuring compliance with all applicable legislations

Minimising risks related to environmental threats or other malicious acts

Enhancing customer satisfaction

Nxtra prioritises building strong partnerships to deliver consistently high customer experience (CE). The Company upholds its group-level legacy of going the extra mile for its customers, ensuring that they get the best possible services. Nxtra's data centre solutions are tailored to align with the dynamic business requirements of its clients in the digital era.

Six-parameter approach

Nxtra has a dedicated customer experience (CE) team responsible for closely monitoring the quality of service provided to customers compared to their expectations. This approach helps identify and address any gaps in service, ultimately leading to improved customer satisfaction, higher customer retention rates, the cultivation of brand loyalty, and increased revenue growth. Nxtra adopts a comprehensive six-parameter approach to enhance and elevate its customer experience.

Reach

Nxtra consistently endeavours to amplify customer experience and expand business reach through its extensive network of hyperscale, core, and edge data centres, encompassing over 120 sites, with more expansions in the pipeline.

Hyper-connect

The Company fosters a borderless digital infrastructure by harnessing low latency, carrier-dense, and robust interconnect services.

Scalable

Nxtra addresses flexible business requirements by offering forward-looking hyperscale and PoD-based data centre parks situated across major Indian cities, with ongoing expansion efforts.

Responsive

Nxtra's service governance team and onsite technicians work hard to make themselves available to its customers, answering questions and addressing concerns. This reassures them that they have support at every stage. Nxtra's transparent communications, attention to customer needs and rapid response, making customers feel like valued partners.

Reliable

Supported by Bharti Airtel, a pioneering force in India's telecommunications sector, and Carlyle Group, one of the world's largest investment firms, Nxtra assures high reliability with a steadfast commitment to long-term business growth.

Sustainable

Nxtra contributes to a sustainable world not only by reducing emissions but also costs. This is achieved through green energy-powered data centres featuring highly energy-efficient design and operations.

For more information, log on to
#airtelThanks forBusiness
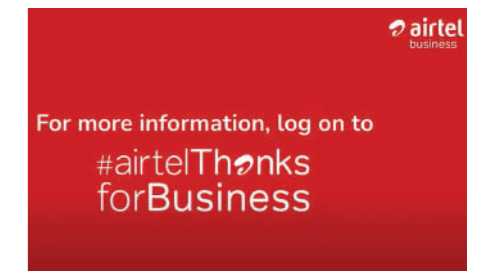
Nxtra's customer-centric excellence

Nxtra operates with a dedicated team of Service Assurance Managers. Their primary goal is to establish and maintain customer trust while addressing their concerns effectively. Customer relations are managed through formal meetings, whether virtual or physical, held at customer sites. These interactions allow for pain points and service gaps to be identified and resolved. Meetings are conducted at regular intervals, often quarterly or monthly, based on customer availability.

Customer satisfaction surveys

To ensure a structured customer experience, Nxtra periodically conducts satisfaction surveys and closes the feedback loop. The digital platform Airtel Thanks Business (ATB) is also utilised for customer engagement. Customer feedback and grievance resolution occur through Quarterly Business Reviews (QBRs), monthly, and weekly calls. These sessions aid in comprehending ongoing operational and project-related issues, as well as other data centre services provided to customers.

Nxtra actively conducts Customer Satisfaction (CSAT) surveys to gauge the level of satisfaction with its products, services, and interactions. This assessment helps in understanding the extent to which customer expectations are met, and the results are discussed in leadership forums to devise strategies for enhancing customer satisfaction. Additionally, Nxtra is in the process of initiating third-party surveys to acquire candid ratings, unaffected by any account manager's influence.

The power of informed engagement

Through effective marketing and communication, Nxtra provides accurate product and service information to its customers and internal stakeholders. The Company ensures compliance with guidelines and conducts thorough verification processes before publishing data centre content on external platforms.

Nxtra has successfully amplified its brand through media participation, LinkedIn strategies, industry event participation, and digital campaigns. Nxtra's bespoke data centre tour events have also garnered significant interest and opportunities, contributing to the Company's overall business growth.

Product and service information and labelling

Nxtra's ESG governance structure includes CFTs, an ESG function and a Council to enhance its commitment to the ESG agenda. The Council plays a crucial role by providing strategic guidance and oversight in driving the Company's progress towards ESG targets, initiatives, and best practices. This includes addressing challenges posed by climate change through sustainable business practices.

The requirements for data centre product and service information stem from two primary sources: the internal sales team responsible for selling the product and the customers seeking to learn more about the Company's capabilities and offerings. To meet these requirements, accurate and compelling product messaging and content need to be conducted. This is done via website content, brochures, pitch decks, videos, case studies, and mailers. Internal and external campaigns are conducted to raise awareness about data centre offerings through mailers, social media channels, PR and media stories, marketing automation tools, the Google platform, industry events, and Customer Advisory Round Table (CART) events.

There is zero instance of non-compliance regarding product and service information within Nxtra. The data centre-related messaging and content undergoes a detailed evaluation by the relevant business stakeholders to ensure accuracy and adherence to guidelines. The information is then communicated to customers and the internal audience, ensuring a high standard of reliability and consistency.

Marketing communication

Accurate and factual information is shared with the Company's customers and internal stakeholders. Before publishing any data centre content on external forums, a thorough verification process is conducted by the relevant teams, including Product, PSS (Product Support Services), and infrastructure. Once approved, the information is disseminated via various digital platforms, such as the Company's website, social media channels, email newsletters, events, PR, and media channels. Nxtra ensures that there were zero incidents of non-compliance concerning marketing communications.
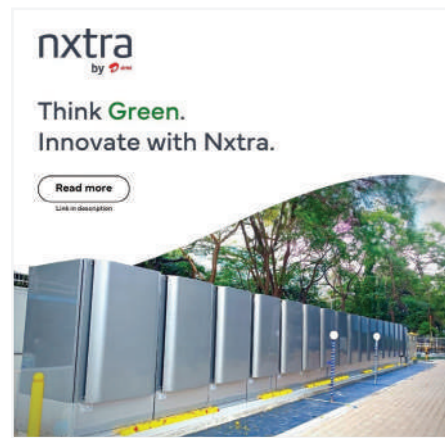
This transparent communication approach helps the Company uphold the integrity and reliability of its messaging while reaching its target audience.

Nxtra's marketing efforts

PR and media

The Company has amplified its brand through regular media participation, featuring in prominent publications such as ET, Financial Express, The Times of India, and Business Insider. Additionally, the Company engaged in multiple RBMs (Relationship Building Meetings) with key journalists across India and globally, further strengthening its media presence and industry relationships. The Nxtra brand has experienced a significant increase in awareness within the Indian market.

Leveraging social media

The Nxtra brand has successfully positioned itself as an aspirational brand and a trusted expert in the data centre industry through a comprehensive LinkedIn strategy. The Company regularly shares stories highlighting media coverage, ESG initiatives, success stories, brand/ SME/leadership videos, product posts, and employer branding content.

Industry events and awards

Nxtra's active participation in top data centre industry events, such as W.Media, UBS Forums, ET, and ASSOCHAM, has positioned the Company as a thought leader and key player in the industry. Through keynote sessions delivered by Nxtra's CEO Ashish Arora, covering industry trends, Nxtra's capabilities, and ESG initiatives, the Company has showcased its expertise and leadership in front of a targeted audience comprising top enterprises and mid-market accounts in sectors like BFSI, M&D, IT/ITES, and Media.

Internal ESG communications

Internal Communications with employees on nodal days of national and global importance helped to bring ESG into the mainstream of Nxtra. These communications were highly interactive with active involvement of employees in initiatives that helped drive clear and highly tangible results.
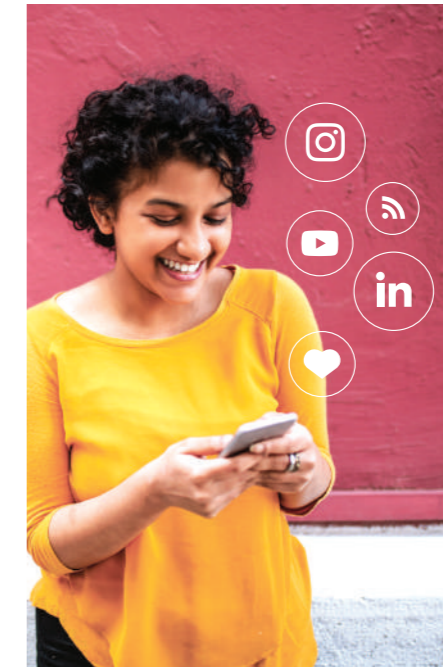
Digital campaigns

Nxtra has adopted a strategic approach, focusing on developing targeted messaging and content tailored to specific cohorts. This approach highlights the Company's expertise in data centre construction and operations, scalability, ESG strengths, and migration capabilities. To amplify its reach, Nxtra has implemented integrated campaigns across multiple platforms, including B2 marketing automation, LinkedIn, intent-based search, and the Google Display Network (GDN).

Bespoke data centre tour events

Nxtra has implemented a strategic initiative by organising multiple customised data centre tour events for CXOs and senior customer leadership teams. These events were held across various locations such as Chennai, Manesar, Pune, and Mumbai, to showcase Nxtra's infrastructure capabilities and unique selling propositions (USPs). By providing an up-close experience of the data centres, Nxtra effectively highlighted its state-of-the-art facilities and advanced technologies to the target audience, further strengthening its position in the market. This has created significant DC opportunities and contributed to the overall business growth driven by marketing efforts.

Nxtra is aligned with its parent organisation in adopting the Task Force on Climate-related Financial Disclosures (TCFD) framework and has been proactive in addressing potential disruptions to business continuity caused by climate-related risks and opportunities. TCFD recommendations are structured around four thematic areas that represent core elements of how organisations operate. These four thematic areas include the four pillars – Governance, Strategy, Risk Management, And Metrics and Targets.

For more details on TCFD, please click Task Force on Climate-Related Financial Disclosures | TCFD) (fsb-tcfd.org).

TCFD commitment

Nxtra is publicly committing itself as a TCFD supporter.

TCFD roadmap

Nxtra has developed a roadmap for adopting the TCFD framework and is proactive in identifying and implementing its recommendations across the four pillars.

Progress

In FY 2022-23, Nxtra took many steps to align with the TCFD recommendations including:

- Established an ESG governance structure and risk management approach to identify climate risks along with other risks;
- Identified material climate-related risks to the business;
- Identified and disclosed Scope 3 emissions; and
- Performed a preliminary high level screening across the four pillars of TCFD.

Looking to the Future

Nxtra will continue to leverage the insights from the assessment to further embed the recommendations of the TCFD by:

- Conduct quarterly reviews of climate-related risks and opportunities as part of the risk management process;
- Perform detailed assessment of climate risks and opportunities including scenario analysis for priority climate risks; and
- Progress on climate-related implementation efforts, insights, challenges and disclosures in the subsequent reports across all the pillars.

By adopting the TCFD recommendations, Nxtra is playing its part in addressing the risks of climate change and highlighting its preparedness to mitigate transition and physical risks.

TCFD index

Topic	Section description	Location
Governance	Disclose the organisation's governance around climate-related risks and opportunities.	Refer to the Governance Section, under the sub-section: • Corporate Governance and Business Ethics, **Page 76**
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	Refer to the Environment Section, under the sub-section: • Climate Change, **Page 30** Refer to the Governance Section, under the sub-section • Systematic Risk and Crisis Management, **Page 92** • Corporate Governance and Business Ethics, **Page 76** • Green Building and Materials, **Page 46**
Risk Management	Disclose how the organisation identifies, assesses, and manages climate-related risks.	Refer to the Governance Section, under the sub-section: • Systematic Risk and Crisis Management, **Page 92** • Corporate Governance and Business Ethics, **Page 76** Refer to the Social Section, under the sub-section: • Employee Health and Safety, **Page 60**
Metrics and Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Refer to the Environment Section, under the sub-section: • Climate Change, **Page 30** • Waste Management, **Page 42** • Water Efficiency, **Page 40** • Green Building and Materials, **Page 46**

Statement of Use	Nxtra by Airtel has reported with reference to the GRI Standards for the period between April 1, 2022 to March 31, 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI Standard No. and Disclosure	Location		Reasons for omissions
	Section	Page No.	
GRI 2: General Disclosures 2021			
The organisation and its reporting practices			
2-1 Organisational details	About Nxtra	1, 6-8	
2-2 Entities included in the organisation's sustainability reporting	About the Report	4-5	
2-3 Reporting period, frequency and contact point	About the Report	4-5	
2-4 Restatements of information	There has been no restatement of information		
2-5 External assurance	"About the Report, Independent Assurance Statement"	4-5, 108	
Activities and workers			
2-6 Activities, value chain and other business relationships	About Nxtra	6-8	
2-7 Employees	Human Capital Development	50	
2-8 Workers who are not employees	Employee Health and Safety	60-65	Reliable information to support the disclosure requirement is not completely available. However, the Company will incorporate relevant Information in future sustainability reports.
Governance			
2-9 Governance structure and composition	Corporate Governance and Business Ethics	76-79	
2-10 Nomination and selection of the highest governance body	Corporate Governance and Business Ethics	76-79	
2-11 Chair of the highest governance body	Corporate Governance and Business Ethics	79	
2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance and Business Ethics	80	
2-13 Delegation of responsibility for managing impacts	Corporate Governance and Business Ethics	76-80	
2-14 Role of the highest governance body in sustainability reporting	Materiality Assessment, Corporate Governance and Business Ethics	24, 77	
2-15 Conflicts of interest	Regulatory compliance	83	
2-16 Communication of critical concerns	Corporate Governance and Business Ethics	76-78	
2-17 Collective knowledge of the highest governance body	Board and Board Committees	79	
2-18 Evaluation of the performance of the highest governance body	Board's evaluation	80	
2-19 Remuneration policies	Corporate Governance and Business Ethics	81-82	

GRI Standard No. and Disclosure	Location		Reasons for omissions
	Section	Page No.	
2-20 Process to determine remuneration	"Remuneration and annual compensation"	81	
2-21 Annual total compensation ratio	"Remuneration and annual compensation"	81	
Strategy, policies and practices			
2-22 Statement on sustainable development strategy	Leadership Message	10-11	
2-23 Policy commitments	"Policy and accountability"	82-83	
2-24 Embedding policy commitments	"Policy and accountability"	82-83	
2-25 Processes to remediate negative impacts	Stakeholder Engagement	20-21	
2-26 Mechanisms for seeking advice and raising concerns	Stakeholder Engagement	20-21	
2-27 Compliance with laws and regulations	Regulatory compliance	83	
2-28 Membership associations	Associated Chambers of Commerce of India (ASSOCHAM) and GSM Association (GSMA) International.		
Stakeholder engagement			
2-29 Approach to stakeholder engagement	Stakeholder Engagement	20-21	
2-30 Collective bargaining agreements	The Code of Conduct for Business Associates covers the working hours, wages and benefits as well as freedom of association. The number of employees / workers both male and female, who are part of any association(s) or Union at Nxtra in the financial year is reportedly Nil.	83	
Material Topics			
GRI 3: Material Topics 2021			
3-1 Process to determine material topics	Materiality Assessment	24-27	
3-2 List of material topics	Materiality Assessment	26-27	
Economic Performance			
GRI 203: Indirect Economic Impacts 2016			
3-3 Management of material topics	Community Development	66-69	
203-1 Infrastructure investments and services supported	Community Development	69-73	
203-2 Significant indirect economic impacts	Community Development	69-73	
GRI 204: Procurement Practices 2016			
3-3 Management of material topics	Sustainable Supply Chain Management	88-91	
204-1 Proportion of spending on local suppliers	Sustainable Supply Chain Management	88	

GRI Standard No. and Disclosure	Location		Reasons for omissions
	Section	Page No.	
GRI 205: Anti-corruption 2016			
3-3 Management of material topics	Regulatory compliance	83	
205-1 Operations assessed for risks related to corruption	Nxtra follows the group level formal procedure to investigate and address any complaint on bribery/corruption and takes suitable disciplinary action in accordance with its Consequence Management Policy. Such misconduct is periodically reported to the Audit Committee of the Board. Disciplinary actions can include penalties, legal action and even termination of employment or business contract, depending upon severity of the breach.		
205-2 Communication and training about anti-corruption policies and procedures	Regulatory compliance	83	
205-3 Confirmed incidents of corruption and actions taken	Number of Directors/KMPs/employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption in the reported financial year is Nil.		
Environmental Performance			
GRI 301: Materials 2016			
3-3 Management of material topics	Green Building and Materials	46-47	
301-1 Materials used by weight or volume	Green Building and Materials	46-47	
301-2 Recycled input materials used	Green Building and Materials	46-47	
301-3 Reclaimed products and their packaging materials	Green Building and Materials	46-47	
GRI 302: Energy 2016			
3-3 Management of material topics	Energy efficiency	33-37	
302-1 Energy consumption within the organisation	Energy efficiency	35	
302-2 Energy consumption outside of the organisation	The energy consumption across the value chain outside the organisation boundary has been accounted during the Scope 3 inventorisation and calculation represented graphically in the section Emission management.	39	
302-3 Energy intensity	Energy efficiency	35	
302-4 Reduction of energy consumption	Energy efficiency	35	
302-5 Reductions in energy requirements of products and services	Energy efficiency	34	
GRI 303: Water and Effluents 2018			
3-3 Management of material topics	Water Efficiency	40-41	
303-1 Interactions with water as a shared resource	Water Efficiency	41	
303-2 Management of water discharge-related impacts	Water Efficiency	40-41	
303-3 Water withdrawal			Nxtra is in the process of upgrading its water related infrastructure by incorporating requisite retrofits. We should be able to incorporate and disclose the relevant information in future sustainability report.

GRI Standard No. and Disclosure	Location		Reasons for omissions
	Section	Page No.	
303-4 Water discharge			Nxtra is in the process of upgrading its water related infrastructure by incorporating requisite retrofits. We should be able to incorporate and disclose the relevant information in future sustainability report.
303-5 Water consumption			Nxtra is in the process of upgrading its water related infrastructure by incorporating requisite retrofits. We should be able to incorporate and disclose the relevant information in future sustainability report.
GRI 305: Emissions 2016			
3-3 Management of material topics	Emissions management	38-39	
305-1 Direct (Scope 1) GHG emissions	Emissions management	39	
305-2 Energy indirect (Scope 2) GHG emissions	Emissions management	39	
305-3 Other indirect (Scope 3) GHG emissions	Emissions management	39	
305-4 GHG emissions intensity	Emissions management	39	
305-5 Reduction of GHG emissions	Emissions management	39	
305-6 Emissions of ozone-depleting substances (ODS)	Nxtra has phased out potential ODS from most of its Sites.		
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions			Nxtra conducts biannual emission monitoring as stipulated by respective SPCB consents. It is in the process of collating reliable information to support the disclosure requirement and should be able to incorporate and disclose the relevant information in future sustainability report.
GRI 306: Waste 2020			
3-3 Management of material topics	Waste Management	42-45	
306-1 Waste generation and significant waste-related impacts	Waste Management	42-45	
306-2 Management of significant waste-related impacts	Waste Management	42-45	

GRI Standard No. and Disclosure	Location		Reasons for omissions
	Section	Page No.	
306-3 Waste generated			Nxtra maintains records of different categories of wastes generated on site and has recently updated the waste inventory as per updated waste regulations in FY 2022-23. It will be disclosing the relevant information in future sustainability report.
306-4 Waste diverted from disposal	Waste Management	42-44	
306-5 Waste directed to disposal	Waste Management	42-44	
GRI 308: Supplier Environmental Assessment 2016			
3-3 Management of material topics	Sustainable Supply Chain Management	88-91	
308-1 New suppliers that were screened using environmental criteria	Sustainable Supply Chain Management	88-91	
308-2 Negative environmental impacts in the supply chain and actions taken	Sustainable Supply Chain Management	88-91	
Social Performance			
GRI 401: Employment 2016			
3-3 Management of material topics	Human Capital Development	50-51	
401-1 New employee hires and employee turnover			Nxtra is in the process of collating reliable information to support the disclosure requirement and should be able to incorporate and disclose the relevant information in future sustainability report.
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human Capital Development	50-51	
401-3 Parental leave	Human Capital Development	50-51	
GRI 403: Occupational Health and Safety 2018			
3-3 Management of material topics	Employee Health and Safety	60-65	
403-1 Occupational health and safety management system	Employee Health and Safety	60-65	
403-2 Hazard identification, risk assessment, and incident investigation	Employee Health and Safety	60-65	
403-3 Occupational health services	Employee Health and Safety	60-65	
403-4 Worker participation, consultation, and communication on occupational health and safety	Employee Health and Safety	60-65	
403-5 Worker training on occupational health and safety	Employee Health and Safety	60-65	
403-6 Promotion of worker health	Employee Health and Safety	60-65	
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Employee Health and Safety	60-65	
403-8 Workers covered by an occupational health and safety management system	Employee Health and Safety	60-65	
403-9 Work-related injuries	Employee Health and Safety	60-65	
403-10 Work-related ill health	Employee Health and Safety	60-65	

GRI Standard No. and Disclosure	Location		Reasons for omissions
	Section	Page No.	
GRI 404: Training and Education 2016			
3-3 Management of material topics	Employee Upskilling	52-55	
404-1 Average hours of training per year per employee	Employee Upskilling	52-55	Reliable information to support the disclosure requirement is not completely available. However, the Company will incorporate relevant Information in future sustainability reports.
404-2 Programmes for upgrading employee skills and transition assistance programmes	Employee Upskilling	52-55	
404-3 Percentage of employees receiving regular performance and career development reviews	Employee Upskilling	55	
GRI 405: Diversity and Equal Opportunity 2016			
3-3 Management of material topics	Diversity, Equity, and Inclusion	58-59	
405-1 Diversity of governance bodies and employees	Diversity, Equity, and Inclusion	58-59	
405-2 Ratio of basic salary and remuneration of women to men			Nxtra is in the process of collating reliable information to support the disclosure requirement and should be able to incorporate and disclose the relevant information in future sustainability report.
GRI 406: Non-discrimination 2016			
3-3 Management of material topics	Human Rights	56-57	
406-1 Incidents of discrimination and corrective actions taken	Human Rights	56-57	
GRI 413: Local Communities 2016			
3-3 Management of material topics	Community Development	66-73	
413-1 Operations with local community engagement, impact assessments, and development programmes	Community Development	66-73	
413-2 Operations with significant actual and potential negative impacts on local communities	Community Development	67	
GRI 414: Supplier Social Assessment 2016			
3-3 Management of material topics	Sustainable Supply Chain Management	88-91	
414-1 New suppliers that were screened using social criteria	Sustainable Supply Chain Management	88-91	
414-2 Negative social impacts in the supply chain and actions taken	Sustainable Supply Chain Management	88-91	
GRI 418: Customer Privacy 2016			
3-3 Management of material topics	Data Security and Privacy	84-87	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Security and Privacy	84-87	

BDO

BDO India LLP
The Palm Springs Plaza
Office No. 1501-8, 15th Floor
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Gurgaon-122001, Haryana
INDIA

To

The Board of Directors and Management
Nxtra Data Limited,
Bharti Crescent, 1, Nelson Mandela Road
Vasant Kunj Phase - II
New Delhi

Independent Assurance Statement for Sustainability Report 2023 of Nxtra Data Limited

Introduction and objective of the engagement

BDO India LLP was engaged by Nxtra Data Limited (the 'Company') to provide independent assurance to its first Sustainability Report 2023 titled "Responsible by Choice. Sustainable by Design" (the 'Report') for the financial year 2022-23. The Report has been developed in reference to the Global Reporting Initiative (GRI) Standards 2021.

Intended Users of this Assurance Statement

This assurance statement is intended to be included in the Report for publication.

Respective responsibilities

The Report content and its presentation are the sole responsibilities of the management of the Company. The Company management is also responsible for the design, implementation, and maintenance of internal controls relevant to the preparation of the Report, so that it is free from material misstatement.

BDO's responsibility, as agreed with the management of the Company, is to provide assurance on the Report content as described in the 'Scope of assurance and methodology' section below. We do not accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance a third party may place on the Report is entirely at its own risk.

Assurance standard

The assurance process was conducted in line with the requirements of the AA1000 AS v3 (2020) Type 2 assurance[1]. We applied a moderate[2] level of assurance.

Scope of assurance and methodology

The scope of assurance engagement was limited to review of the following non-financial data and information in the Report, pertaining to the Company's performance for the period 1st April 2022 to 31st March 2023:

- Stakeholder consultation and materiality analysis;
- Governance structure and Board composition;
- Select Environmental data (indirect energy consumption, Scope 1, Scope 2 and relevant Scope 3 GHG emissions, and waste disposal);
- Select Social data (CSR strategies, activities and impact, new hires, awards, trainings, and employee health & safety).

We conducted review and verification of data collection, collation and calculation methodologies and general review of the logic of inclusion/ omission of relevant information/ data in the Report. Our review was limited to:

- Evaluating the appropriateness of the quantification methods used to arrive at the non-financial disclosures presented in the Report;
- Review of consistency of data/information within the report as well as between the report and the source;
- Review of stakeholder consultation and materiality;
- Execution of audit trails of claims and data streams, on selective basis, to determine the level of accuracy in collection, transcription, and aggregation;
- Review of non-financial data collection and management procedures;
- Verification of non-financial/sustainability performance data, on sample basis, based on our professional judgement, conducted through remote audits with select offices using web-enabled tools.

[1] Type 2 Assurance: an engagement in which the assurance provider gives findings and conclusions on the principles of Inclusivity, Materiality, Impact and Responsiveness, and verifies the reliability of specified sustainability performance information AA1000AS v3 (2020) Standard.
[2] A moderate level of assurance as per AA1000AS v3 (2020) Standard is commensurate with "limited" assurance as defined in the International Standard on Assurance Engagements (ISAE) 3000

Limitations of our engagement

The assurance scope excludes:

- Data and information outside the defined reporting period (1st April 2022 to 31st March 2023);
- Review of the 'economic and/or financial performance indicators' included in the Report which, we have been informed by the Company, are derived from the Company's audited financial records;
- The Company's statements and claims related to any topic other than those listed in the 'Scope of assurance and methodology';
- The Company's statements that describe qualitative/quantitative assertions, expression of opinion, belief, inference, aspiration, expectation, aim or future intention.

As agreed with the Company, data assurance was done through physical and remote assessments using appropriate web-enabled tools. Audit trails and review were conducted through remote and physical discussion with officials of the Company and gathering of evidence on sample basis.

Our observations

The Company has made efforts towards consistency of data presented in the Report. However, during our assurance process, we observed errors in a few data points, which were subsequently corrected.

The Company may strengthen their data management system to further improve on auditability, accuracy, and reliability of data.

Our conclusion

Based on the scope of our review, our conclusions are outlined below:

Inclusiveness: We are not aware of any matter that would lead us to conclude that the Company has not applied the principle of inclusivity in engaging with key stakeholder groups. The Company disclosed its stakeholder engagement approach and activities in the Report.

Materiality: We noted that the Company has listed the material topics in the Report. Nothing has come to our attention that causes us to believe that any material topic has been excluded from the Report of the Company. More comprehensive coverage of high priority material topics will be desirable going forward.

Responsiveness: We are not aware of any matter that would lead us to believe that the Company has not applied the responsiveness principle for dealing with the relevant stakeholders covering its non-financial performance.

Impact: We are not aware of any matter that would lead us to believe that the Company does not monitor and measure, and is not accountable for, the impact on their stakeholders.

Our assurance team and independence

BDO India LLP is a professional services firm providing services in Advisory, Assurance, Tax and Business Services, to both domestic and international organisations across industry sectors. Our non-financial assurance practitioners for this engagement is drawn from a dedicated Sustainability and ESG Team in the organisation. This team comprises of multidisciplinary professionals, with expertise across the domains of sustainability, global sustainability reporting standards and principles, and related assurance standards. This team has extensive experience in conducting independent assurance of sustainability data, systems and processes across sectors and geographies. As an assurance provider, BDO India LLP is required to comply with the independence requirements set out in International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. Our independence policies and procedures ensure compliance with the Code.

For BDO India LLP

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Licensed Report
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Dipankar Ghosh
Partner & Leader | Sustainability & ESG
Business Advisory Services

Gurugram, Haryana
23 Oct 2023

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