




SunTec ESG Report (2022-2024): Integrating Business Practices with Conscious Responsibility

Executive Report Summary

October 2024



The SunTec ESG report for fiscal years 2022-2024 outlines the company's strategic approach to integrating Environmental, Social, and Governance (ESG) practices into its operations to foster long-term sustainable growth. As articulated by CEO Nandakumar, SunTec's inaugural ESG report captures its commitment to responsible business practices, emphasizing the need for sustainable resource management, stakeholder trust, and community engagement. The report encapsulates SunTec's vision to make ESG principles central to its operations, thereby creating value for employees, customers, and communities alike.

About SunTec and the 'SunTec Xelerate' Platform

SunTec Business Solutions, headquartered in India, operates globally in over 40 countries, partnering with financial, telecom, and digital service providers to deliver value through pricing and billing solutions. Its flagship platform, 'SunTec Xelerate,' is a cloud-native, customer-centric platform that supports digital transformation without replacing core legacy systems. Through 'SunTec Xelerate,' SunTec aims to empower client organizations to enhance their revenue management and customer engagement by streamlining their pricing and billing processes. This ESG report, compliant with GRI and SASB standards, is SunTec's first public disclosure of its ESG impact, covering key environmental, social, and governance activities for FY 2022-2024.

Strategic ESG Objectives

SunTec's ESG roadmap comprises long-term ambitions across environmental, social, and governance pillars. SunTec has set ambitious targets, including achieving carbon neutrality by 2050, enhancing renewable energy utilization, and reducing greenhouse gas (GHG) emissions. The company's objectives also span social dimensions, such as advancing diversity, equity, and inclusion (DEI) within the workforce, providing a safe and inclusive workplace, and promoting employee wellbeing.

Environmental Goals: SunTec's environmental goals focus on energy efficiency, GHG emissions reduction, and sustainable water and waste management practices. Initiatives to reduce energy consumption include increasing reliance on renewable energy sources, upgrading to energy-efficient systems, and exploring low-energy cooling options for its data centers. Additionally, SunTec is aiming for zero waste to landfill. By incorporating these sustainability practices, SunTec envisions creating an environmentally conscious operational framework that supports its overall ESG goals.

Social Commitments: SunTec's social goals address workforce inclusivity and community engagement. The company aims to increase the percentage of women in leadership roles and implement ongoing DEI training. Employee health and safety are also prioritized, with various initiatives to promote physical and mental wellbeing. The CSR program, SNEHA (Sustainable Nurturing through Education and Health Activities), drives SunTec's community outreach by focusing on education, healthcare, and socioeconomic advancement for marginalized communities. Through these commitments, SunTec seeks to enhance its role as a socially responsible organization.

Governance Practices: SunTec's governance strategy underlines ethical practices, transparency, and compliance. To ensure consistent progress toward these goals, SunTec has appointed a specialized ESG sub-committee to oversee the integration of ESG principles into corporate strategy. Regular progress assessments and clearly defined key performance indicators (KPIs) guide SunTec in aligning its business practices with ESG standards, contributing to the company's holistic approach to sustainable value creation.

Materiality and Stakeholder Engagement

Materiality assessment, based on GRI 2021 guidelines, helped SunTec identify key ESG topics critical to its stakeholders. Recognizing the significance of stakeholder insights, SunTec segmented its stakeholders into groups, including employees, investors, customers, vendors, and local communities, based on each group's impact on the business. The company conducted materiality assessments through annual surveys and focus groups to prioritize ESG topics, such as energy efficiency, DEI, water conservation, and social equity, that resonate with its stakeholders.

Engagement initiatives include monthly town halls for employees, regular investor meetings, customer feedback sessions, and community consultations. SunTec values these interactions, which provide essential insights for adapting its ESG strategies and enhancing transparency and accountability across its operations.

Corporate Governance and Business Ethics

A robust governance framework underpins SunTec's commitment to ethical conduct and transparency in its operations. SunTec's Board of Directors oversee the integration of ESG principles, supported by an ESG subcommittee responsible for setting ESG goals, monitoring performance, and ensuring compliance with relevant standards. Key governance practices include promoting a zero-tolerance approach to corruption, bribery, and unethical conduct, with stringent internal controls and regular ethics training sessions for employees. SunTec's governance framework is designed to uphold transparency, compliance, and accountability across all levels of operation.

Business Ethics: SunTec maintains a strict code of ethics that emphasizes honesty, transparency, and responsibility. To reinforce these values, the company

has implemented a whistleblower policy, which allows employees, clients, and vendors to report unethical behavior anonymously. Additionally, the company offers annual refresher training on ethics to ensure employees understand their responsibilities in maintaining a fair, transparent, and ethical workplace. SunTec's anti-bribery policy further emphasizes its commitment to ethical business practices, prohibiting any form of corruption, bribery, or unethical behavior within its operations or those conducted on behalf of the company.

Environmental Stewardship

SunTec's environmental stewardship encompasses energy, emissions, water, and waste management, reflecting a strong commitment to reducing its ecological footprint.

- **Energy Management:** SunTec has implemented several energy-saving initiatives, such as upgrading to modular UPS systems, installing sensor-based lighting, and adopting a building management system to optimize energy use. The company's facilities also incorporate renewable energy sources, with plans to add solar and wind power. Additionally, its main campus in Trivandrum is designed to reduce energy consumption and is pending green building certification from the Singapore Green Building Council.
- **Emission Reduction:** SunTec actively measures and manages its Scope 1, 2, and 3 emissions, including emissions from diesel generators, grid-purchased electricity, and employee business travel. By establishing systems to monitor and reduce greenhouse gas emissions, SunTec aims to lower its carbon footprint, contributing to its goal of carbon neutrality by 2050.
- **Water Management:** Water conservation is prioritized at SunTec's facilities, with practices that include rainwater harvesting, wastewater recycling, and efficient water management systems. By 2025, the company aims to recycle 80% of wastewater and reduce water consumption intensity by 5%.
- **Waste Management:** SunTec adheres to a zero-waste philosophy, with policies promoting waste minimization, recycling, and responsible e-waste disposal. It has implemented procedures to manage food waste, reduce plastic use, and promote a paperless environment. By partnering with government-authorized waste processors, SunTec ensures compliance with local and international waste management standards.

Social Responsibility Initiatives

SunTec strives to create a positive, inclusive work environment that values employee wellbeing, professional development, and community engagement.

- **Employee Wellbeing and Development:** SunTec promotes a work culture that emphasizes health, safety, and inclusivity. Programs include regular health check-ups, mental wellness initiatives, and ergonomic workspaces. The company also supports continuous learning, with each employee undergoing at least 40 hours of training annually in areas like technology, leadership, and compliance. SunTec's commitment to workforce development aims to create an environment where employees can thrive and innovate.
- **Diversity, Equity, and Inclusion (DEI):** SunTec is committed to promoting diversity, with goals to achieve 25% female representation in leadership positions and regular DEI workshops to foster an inclusive culture. DEI is embedded into SunTec's hiring practices, and policies ensure equitable opportunities for all employees, irrespective of gender, ethnicity, or background.
- **Community Engagement - SNEHA Program:** SunTec's flagship CSR initiative, SNEHA, focuses on advancing education, health, and socio-economic wellbeing in local communities. The program supports underprivileged schools, advocates for disability inclusion, and provides life skills training. The annual Daan Utsav event, which supports the basic needs of 100 families, exemplifies SunTec's commitment to community development.

Product Responsibility

SunTec places a high value on data privacy and security, ensuring compliance with global data protection standards. The company's proprietary products adhere to international security standards to protect customer data, maintain client trust, and align with regulatory requirements across markets. SunTec's privacy and security policies underscore its commitment to responsible product development, making data safeguarding a priority in all client interactions.

Transparency and Reporting Standards

To promote transparency and accountability, SunTec's ESG report aligns with GRI and SASB standards, demonstrating its commitment to comprehensive and reliable ESG disclosure. The company's reporting approach includes detailed performance metrics and periodic progress assessments, with future objectives to achieve ISO 22301 for business continuity and ISO 27701 for data privacy management. By enhancing its reporting framework, SunTec aims to foster trust and maintain stakeholder engagement while continuously improving its ESG performance.

About SunTec

SunTec is the world's No. 1 pricing and billing company that creates value for enterprises through its Cloud-based products. More than 150 clients in 45+ countries rely on SunTec to provide hyper-personalized products, offers, pricing, loyalty programs, tax compliance, and billing for over 400 million end-customers. SunTec products are based on our cloud-native and cloud-agnostic, API first, micro-services-based proprietary platform, Xelerate and are delivered on-premise, on private cloud and as SaaS. SunTec has global operations including the USA, UK, Germany, UAE, Singapore, Canada, Australia, and India. For more information, please visit us at www.suntecgroup.com or email us at marketing@suntecgroup.com