

CASE STUDY: TECH MAHINDRA

Tech Mahindra is a USD 4.77 billion multinational information technology and business process outsourcing company. It works across 90 countries and delivers services to numerous Fortune 500 companies and global customers. Tech Mahindra Limited is part of the USD 20.7 billion Mahindra Group; a global federation of companies divided into 20 business sectors and headed up by Chairman Anand Mahindra. Tech Mahindra is the highest ranked non-U.S. company in the 2018 Forbes Global Digital 100 list, and features in the 2019 Forbes Global 2000 list of the world's largest public companies.

THE TARGETS

Tech Mahindra commits to reduce absolute Scope 1 and 2 GHG emissions 22% by 2030 and 50% by 2050, from a 2016 base-year.

Why science-based targets?

Tech Mahindra's focus on sustainability is of vital importance for its associates, customers and stakeholders, helping it to manage social and environmental impacts and improve operational efficiency. The company has developed a five-year sustainability roadmap to move towards a low carbon economy, and avoid the adverse effects of climate change. Its sustainability framework is built on three pillars: people, planet and profit.

At the 2018 World Economic Forum, Anand Mahindra, chairman of the Mahindra Group, pledged to commit the entire Group to the Science Based Targets initiative (SBTi), aligning its emission trajectories with the Paris Agreement. As part of the Mahindra Group, Tech Mahindra adopted a set of science-based greenhouse gas (GHG) emission reduction targets, which were approved in February 2019, making it the fourth company in India to be validated by the SBTi.

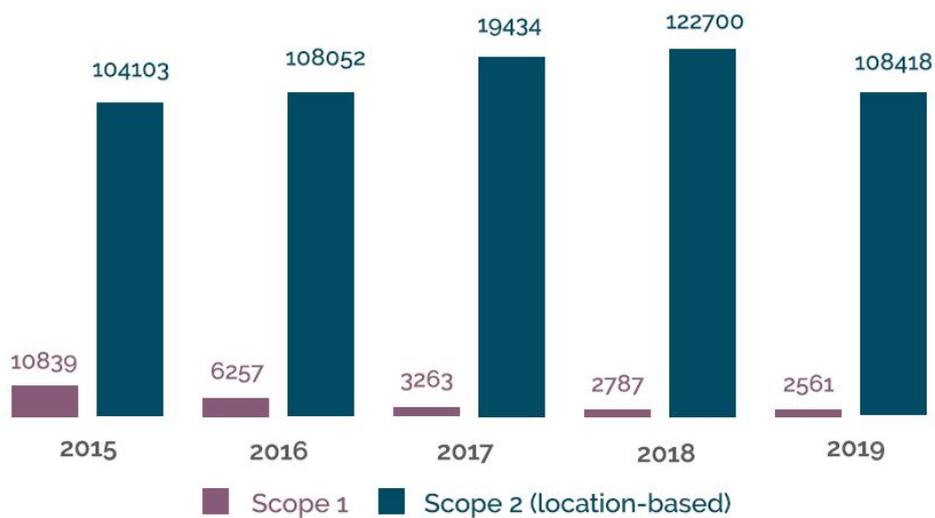
“Sustainability is just not a target to be achieved; instead it is a lifestyle that is incorporated in our business. Making the best use of technology to sustain the environment and society will go a long way. Our commitment towards going carbon neutral, making optimum use of resources, and our medium and long-term targets approved by SBTi will help us accelerate the transition to a low carbon economy, creating sustainable value for our stakeholders.”

Sandeep Chandna, Chief Sustainability Officer and Chief Customer Officer, Tech Mahindra

Meeting the targets

CDP data shows that since 2015, Tech Mahindra has achieved a 76% decrease in Scope 1 emissions (Figure 1). This reduction has been possible through cutting diesel usage in company-owned vehicles, transport and logistics. As the company grows and expands its infrastructure, it faces the challenge of reducing the carbon footprint from both its original infrastructure, as well as emissions from new sources.

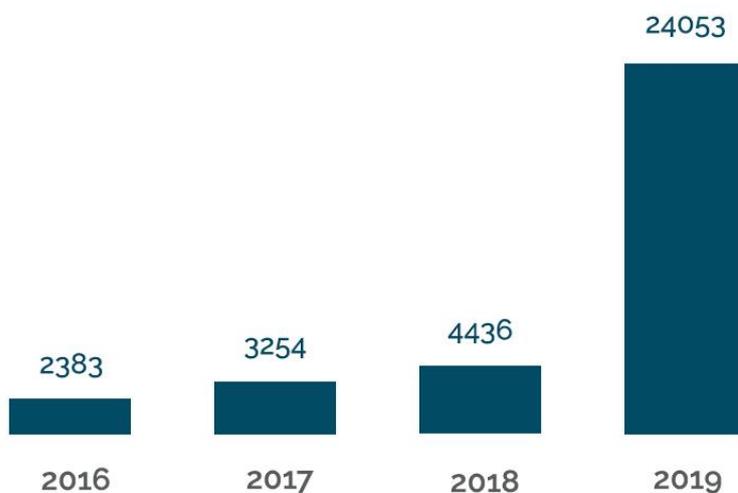
Figure 1: Emissions Profile (metric tonnes CO₂e)



In response to this challenge, Tech Mahindra has implemented a set of ambitious sustainability initiatives to address both Scope 1 and 2 emissions. To reduce electricity wastage, the company purchased energy efficient laptops and servers, natural cooling systems for data centres, better air conditioning equipment, and installed motion sensors and low carbon lighting in all major campuses and new buildings. Between 2018-2019 these measures reduced total Scope 1 and Scope 2 emissions by 12%, which also helped to bring down operational costs.

Renewable energy generation and consumption are vital components of Tech Mahindra's sustainability roadmap. The company has installed solar panels at seven of its facilities, which have a total capacity of over 3400 kWp. These solar panels generated more than 4430 MWh of energy in 2018, leading to a reduction of more than 3,700 metric tonnes of CO₂ equivalent. Tech Mahindra has also consumed over 18,500 MWh of solar power through power purchase agreements, and the company consumes all of its self-generated solar power. Consequently, there has been a significant increase in the consumption of renewable energy since 2016 (Figure 2).

Figure 2: Renewable energy consumption (MWh)



Tech Mahindra is also making efforts to cut its value chain (Scope 3) emissions. The company's major source of Scope 3 emissions is employee business travel. To reduce these emissions, Tech Mahindra has invested in remote communications infrastructure, such as teleconferencing and Webex, and provided shared transport facilities. This has resulted in a 32% reduction in emissions

from business travel. Overall in 2018-2019, Tech Mahindra achieved total emissions reductions of more than 19,500 metric tonnes of CO₂ equivalent.

Alongside GHG emissions reductions, Tech Mahindra has implemented more efficient sustainability policies, including better water and waste management and greener value chains. When asked about the business benefits of science-based targets, the Tech Mahindra Team said that they were already seeing the benefits of science-based targets, for example, lower costs resulting from a range of sustainability initiatives, including energy saving and lower cost grid electricity. They explained that they intend to continue to pioneer new solutions for sustainable development, while continuing to shape the business responsibly and increasing its economic success.

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Source: <https://sciencebasedtargets.org/case-studies-2/tech-mahindra/>