

## DIRECTORS' REPORT

### Dear Shareholders,

Your Directors have pleasure in presenting Twenty Second Board's Report on the business and operations of the Company ("Mindtree Limited, "Mindtree", or "Company"), together with the audited Standalone and Consolidated financial statements for the year ended March 31, 2021.

### Financial Performance

₹ in million

Particulars	For the year ended March 31			
	2021	2020	2021	2020
	Consolidated		Standalone	
Revenue from operations	79,678	77,643	79,678	77,643
Other income	1,517	756	1,517	756
<b>Total revenues</b>	<b>81,195</b>	<b>78,399</b>	<b>81,195</b>	<b>78,399</b>
Employee benefits expense	51,132	50,647	51,132	50,647
Finance costs	504	529	504	529
Depreciation and amortization expense	2,596	2,754	2,596	2,754
Other expenses	11,979	16,181	11,981	16,182
<b>Total expenses</b>	<b>66,211</b>	<b>70,111</b>	<b>66,213</b>	<b>70,112</b>
Profit before tax	14,984	8,288	14,982	8,287
Tax expense	3,879	1,979	3,879	1,979
<b>Profit for the year</b>	<b>11,105</b>	<b>6,309</b>	<b>11,103</b>	<b>6,308</b>

### Company Performance

On a consolidated basis, revenue for the year was ₹ 79,678 million signifying a growth of 2.6% in Rupee terms. The growth in revenue is attributable to CMT and RCM verticals whilst BFSI and TH verticals have witnessed a temporary de-growth due to the ongoing Covid-19 pandemic. PAT for the year was ₹ 11,105 million signifying an increase of 76%. Since the difference between the standalone and consolidated results is insignificant, the commentary provided for explaining the company's consolidated performance also applies to the company's standalone performance. For more details, please refer to the "Financial Performance" section provided in Management Discussion and Analysis Report, which is a part of this Integrated Annual Report.

### Credit Rating

Your Company has been rated by India Ratings and Research (Ind-Ra) for its Banking facilities. It has upgraded Long Term Issuer Rating to 'IND AAA' from 'IND AA+'. It has also rated your Company's Short Term facilities with 'IND A1+'.

The upgrade reflects your company's continued strong parentage, credit profile, liquidity position, strong corporate governance practices, financial flexibility and conservative financial policies.

### Update on COVID 19 impact and our initiatives

Mindtree's robust risk management, business continuity and crisis management capabilities ensured uninterrupted services to our customers, while maintaining health and safety of Mindtree Minds despite the COVID-19 pandemic.

The Mindtree War Room, consisting of senior leaders from different functions, has effectively coordinated our response to the pandemic. Mindtree has been a pioneer in remote working and agile delivery. This, coupled with our proactive response, has allowed us to ensure business continuity during these challenging times. The result of our efforts was that the highest ever Customer Experience Survey results were achieved in 2020-21, a testament to the efforts put in by leadership, employees (Mindtree Minds) and our supply chain partners.

An extensive health, safety and people engagement program has been implemented for Mindtree Minds. This includes medical support, COVID-specific insurance coverage and wellness counselling services for Mindtree Minds as well as dependents, emergency medical fund, best practices for employee and workplace safety, travel restrictions, and awareness campaigns. Crisis Response Teams (CRTs) have been providing support to Mindtree Minds across the globe.

Oversight for the COVID-19 response has been provided by the Risk Management Committee of the Board.

### Any other material changes and commitments

No material changes and commitments affecting the financial position of the Company occurred between April 1, 2021 and the date of signing this report.

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### Reclassification of Promoters/Promoter Group to Public

During the year, Mr. Krishnakumar Natarajan, Mr. Rostow Ramanan, Mr. Subroto Bagchi, Mr. N S Parthasarathy and their relatives, LSO Investment Private Limited, Mr. Kamran Ozair and Mr. Scott Staples have been reclassified in the shareholding pattern from Promoters/Promoter Group to Public. Larsen and Toubro Limited holds 61.03% as on March 31, 2021 and is the only Promoter of the Company.

### Share Capital

During the year, your Company allotted 1,45,700 equity shares of ₹10/- each, to Mindtree Minds under Mindtree Employee Restricted Stock Purchase Plan 2012 (ESPS/ERSP 2012). With the said allotment, the paid-up equity share capital has increased from ₹ 1,645,740,660/- as on March 31, 2020 to ₹ 1,647,197,660/- as on March 31, 2021.

### People Strategy

At Mindtree, we have always taken pride in our unique culture and people practices. We seek to bring together people with different views, skills, and backgrounds to create the Mindtree of our vision – 'expertise led, culture backed'.

However, cliched it may sound people are our greatest assets and consider them as our brand ambassadors. We refer to them as 'Mindtree Minds'. People have been our strongest strength, our biggest competitive advantage and our greatest asset.

A lot of it may sound repetitive and hard to believe, but this pandemic we were proud to prove again that our focus is "people first". Over the last few months everyone has had to adjust to a new normal due to the outbreak of COVID-19. At Mindtree our immediate task at hand was not to mitigate losses, but rather ensure that all processes continue smoothly. Along with the rest of the company, our People Function Team (HR) wasn't far behind in crafting and executing the best people initiatives to keep our Mindtree Minds motivated, secure and connected.

Below is a brief summary of the initiatives:

#### 1. Navigating COVID-19

Over the last few months, everyone has had to adjust to a new normal due to the outbreak of COVID-19. Like any other institution, when we found ourselves in the thick of an unprecedented situation, we took all possible measures to mitigate potential impact to every stakeholder - customers, employees, investors and society at large. Some of the prominent measures were as below:

- Established a War Room. Mindtree devised a plan with four prongs comprising different but essential areas - health and safety, business continuity, client support, and communications. A war room had been set up, and a core Crisis Response Team had been formed.
- Crisis Management Teams were set up to support Mindtree Minds and projects. There was a central team managing the communication across all the local teams.
- Survey launched to 18K Mindtree Minds and 97% Mindtree Minds have mentioned that they are getting sufficient updates from the organization on the initiatives taken during pandemic.
- Remote support BCP was enabled immediately for all. By March 24, 2020 98.5% Mindtree Minds in India were working from home (WFH) and by March 27, 2020 99% were WFH globally.
- Exclusive Tie-up with Hospitals & Lodges – arranging ambulances, ventilators, COVID Beds, Online doctor consultation, COVID Super Top-up Insurance covering home quarantine expenses, Counselling session for Mindtree Minds and dependents.
- Social Distancing implemented across the campus. In addition foot operated door openers, pedal operated taps, sanitization of high touch points, disinfectant treatment and fumigation was also undertaken.
- 43 Minds infected and lost 2 Mindtree Minds due to COVID-19.
- Work From Office approval process and self-declaration form (SDF) process was automated for the convenience of our Mindtree Minds.

#### 2. Engagement with a difference

The pandemic gave us a new challenge – to engage and connect with our Mindtree Minds beyond work. We took this task very seriously and with this in mind concentrated on 4 main areas: emotional, physical, intellectual and financial engagement.

##### Emotional well-being

- Quarterly Leadership Connect: As the teams moved virtually, it was imperative that Mindtree Minds connected virtually more than ever. For all organization-wide related updates, a virtual Leadership Connect called 'All Minds Meet' was set up on a quarterly basis across geos. This hour-long session included updates from our CEO, COO and CPO, followed by a Q&A round.

- Virtual engagement platform: At Mindtree, we immediately identified that digital engagement is key, and hence adopted Yammer. (Yammer is a Microsoft product. It is an internal communication and social networking tool that helps to stay connected and drive employee engagement and participation across an organization). There was loss of social capital, but through Yammer, we were able to create social osmosis digitally.
- 1 to 1 help: This program provides counselors and professionals that Mindtree Minds can reach out to for 24/7 support anonymously. We partnered with an external vendor for extensive support during COVID-19, and we were able to make the forums available to them for any assistance like Wellness coaching, Webinars, 1 to 1 counselling, Self-help library, eWorkshops, Online chat, Assessment tools.
- "Wellness" calls were made to Mindtree Minds globally by Global Contact Center to check the well-being of Mindtree Minds who were stranded in an overseas location due to the lockdown. Our Global Contact Center also made "care" calls to Mindtree Minds globally every month to check their psychological status while going through the tough pandemic times.
- We are one family: Since the workplace was no longer within the Mindtree's premises and extended to each our homes and family member, the pandemic also gave us an opportunity to connect with them. To bridge the gaps and reduce the melancholy, multiple plans were rolled out to engage with the family members as well. Musical evenings were organized to unwind with family, gift hampers were sent out to Mindtree Minds across geos thanking them for displaying Mindtree's true values – Collaborative Spirit, Unrelenting Dedication and Expert Thinking - during these unprecedented times.

### Physical well-being

- Remote work made easier: As part of our ongoing employee well-being program and continuous endeavor to ensure support in all possible ways during these difficult times, we have engaged with a few well-known partners from whom Mindtree Minds will be able to procure ergonomically suitable tables/ chairs for their personal use at home. We also introduced a new policy through which Mindtree Minds can avail a salary advance to set up an ergonomic workspace at home. This salary advance could also be availed for buying laptops to support online classes for their children as well.
- Virtual Sessions: Mindtree's fun team – internally called the 'The Fundo Club,' planned various initiatives and engagement programs once the lockdown started, ensuring a team connect and physical wellness. These included virtual yoga classes, webinar on health & fitness, engaging family members of Mindtree Minds through various programs.
- Homecoming: As COVID-19 started spreading around the world, many Mindtree Minds working abroad felt the pull back to their families and to their home country. However, systems had shut, travel was curtailed, and rules were being redrawn. Caught in the midst of all this were Mindtree Minds, whose visas had expired and were stranded on foreign shores. Legally, we could not pay salaries to Mindtree Minds if they did not have a valid work visa. Our Compensation & Benefits team swung into action to help resolve this while ensuring legal and statutory compliance. To also avoid unexpected financial liabilities in the event of a medical emergency, especially during this crisis, our team worked with multiple stakeholders to secure travel health insurance for these Mindtree Minds and their family members.
- Winter Storm (Uri): North American winter storm (Uri) affected one of our major centers in US (Dallas) in the third week of February affecting approximately 180-200 Mindtree minds. Most of the areas faced power outages due to the power grids inability to sustain the higher-than-normal energy and heating demand from residential and business customers. Mindtree Minds did face the issue of non-availability of food and water during this time. Our local leadership in Dallas jumped into action and ensured the availability of Food/Water and shelter to all the Mindtree Minds who were in need by working with local Indian restaurants. This gesture was appreciated by the Mindtree Minds.

### Intellectual well-being

- Mindtree Masterclass series: Mindtree Masterclass is a leadership talk series that brings various leaders across the globe who have been experts in their own fields to share their experience, journey and challenges faced. This series has seen gained huge popularity amongst Mindtree Minds. We had speakers like Lt. Gen. Syed Ata Hasnain, PVSM, UYSM, AVSM, SM, VSM & BAR (Retd.), David J. Skorton, President and CEO of the AAMC (Association of American Medical Colleges), Javagal Srinath, former Indian Cricketer and currently an ICC match referee, Gaur Gopal Das, lifestyle coach and motivational speaker, to name a few.
- Harvard Manage Mentor: In our philosophy of 'Driving Growth, Together,' a key element is Mindtree's commitment to investing in world class resources for learning and professional development. A learning platform with one of the most comprehensive, on-demand leadership development programs was made available to all Mindtree Minds in the mid-management across the globe by June 2020. This was possible as Mindtree has entered into a partnership with Harvard Business Publishing, providing unlimited access to 41 courses across three themes – Leading Yourself, Leading Others and Leading the Business, which helps to build an all-rounded professional.

### Financial well-being

- Insurance up-grade: In our endeavor to ensure good health and immediate medical help for our Mindtree Minds and their dependents who are insured vide group hospitalization insurance, we established a 24/7 COVID-19 helpline to look into medical emergencies.

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Additionally, to ensure our support our Mindtree Minds and families, we introduced a Super Top-up Policy to our existing insurance plan to cover COVID-19 (Outpatient expenses) effective August 3, 2020. To demonstrate our support during these difficult times, the premium for this super top up policy has been completely paid by Mindtree until December 2020.

- **Be the Giver:** Education has gone online with schools conducting classes through digital mediums. The challenge is the disparity in access – from electricity and internet connections to devices like computer or smartphones. Keeping this in view and our tradition to make a difference to the society and the community we live in, Mindtree provided an opportunity to #BeTheGiveR with our 'Enable & Educate' program. For Mindtree Minds whose domestic help/cook/driver/gardener/maid/dhobi has a school-going child that needs a computer for online schooling, the former could fill a form without making any payment by choosing the recipient for Mindtree to take care.
- **Enabling Data card/broadband expenses:** In our continuous endeavor to make work easy, Mindtree added a compensation component of sizeable amount under 'Infrastructure/Work from Home allowance' for the data card/broadband usage that Mindtree Minds would have incurred while working from home.

### 3. Talent Acquisition (TA)

Just like any function COVID-19 has redefined Talent Acquisition too as a function. We started with confusion and panic in the early stages of lockdown and moved towards strategizing and planning, to make recruitment work. It was the perfect push to think innovatively on how to acquire talent. With majority of the talent working from home and without any clear indication till when it will stretch, recruiters are constantly redefining themselves to hire new candidates. We quickly moved to the virtual space in all our recruitments, put in place the checks and balances, moved away from bias and facilitated quick closure.

Highlighting below some of the steps we have taken at Mindtree to address the recruitment challenges during and post the Covid – 19 phase.

- **Expanding our reach on Social Media especially LinkedIn:** We realized that to create a steady supply of talent it is extremely important to be active on Social media and Proactively build a Talent Community and reach out to Passive candidates. We have created specialized teams who focus on building talent connect on LinkedIn. The entire TA team of Mindtree are LinkedIn Certified recruiters and are experts in using LinkedIn.
- **A Well-Organized Hiring Process is a Key:** Remote hiring is extremely challenging and it is important to build a well-organized structure to smoothen the hiring process. This helps to improve the consistency during the interviews and the probability of biases is less. To strengthen the team and to set strong remote hiring principles we organized extensive training sessions for the entire recruitment team with reputed trainers from the industry.
- **Candidate Experience:** Candidate experience is extremely important. We analyzed in detail the areas of improvement and developed a hand book for the recruiters to follow. Thereby ensuring that talent experience from step to step is seamless and flawless. This is followed with timely surveys to ensure we are constantly evolving and improving.
- **Post offer follow up and candidate engagement:** We have a robust post offer follow up mechanism. There are various touch points with the talent, after the formal offer is made, to ensure that we are keeping the talent engaged. Where ever we see a risk of offer decline, necessary steps are taken to engage extensively with the talent, organize delivery connects, re-look at the compensation offered etc. to ensure talent joins us.
- **Campus Hiring:** Our campus hiring strategy has continued to evolve over the years. We hire the best talent by launching a community effort which begins with the right marketing and branding geared to attract the right talent. Campus hiring is an important step for pyramid balancing, maintaining the overall employee cost and to address attrition. This year we took several steps to strengthen the campus intake process to ensure we are getting high quality talent into the organization. We had 1,340 on campus hires from 25 colleges (88% in Mindtree operating states). Campus hiring also led to greater participation from women interview panels because of remote presence.

### 4. Arboretum

Arboretum is our onboarding platform and nurturing ground for all our lateral Mindtree Minds. Our endeavor is to assimilate new Mindtree Minds into our culture by creating an environment which will help adapt to the new work place in a seamless manner. With the pandemic, our onboarding program for new Mindtree Minds has seen an astounding transformation this year. Arboretum turned fully digital aligning to the COVID – 19 situation. The focus has been on ensuring new Mindtree Minds feel welcomed and are given the right information at the right time, from the moment they accept the offer till they join Mindtree & thereafter. The Virtual Onboarding design is knitted keeping in mind the philosophy of 'Simplify, Differentiate & Change' which has been well received by all our new joiners. Digital Arboretum has earned huge accolades from all new joiners around the globe.

7,229 new joiners were virtually on boarded during FY 21 globally including subcontractors. Laptops were delivered in a seamless manner for the new joiners to be productive at the earliest possible time. Background check processes were tweaked to support the virtual onboarding process appropriately.

New Joiners are pleasantly surprised getting laptops & joining hampers delivered at their respective homes on the day of joining, leaders taking sessions explaining our culture & way of working and collaborative efforts to address all their possible concerns. We stay connected with our new joiners throughout the different stages of onboarding to deepen the sense of strong & meaningful people connect. Since we are the face of Mindtree it is of paramount importance that we assimilate them into our culture by creating a welcoming environment and educating the joiners on people programs and policies. The team is in 'Constant Connect' with new joiners over MS Teams - Batch groups to address all their needs and encourage collaboration through the buddy system. After the Digital Assimilation we connect our new joiners to their respective Business People Function teams and other stake holders like Talent Management for project allocation, Learning Partner for their training and learning needs.

At Arboretum we try to grow holistically by implementing constructive feedback shared by our new joiners in their Induction experience survey. The Induction survey is at an all-time range of average rating 4.6/ 5 scale loaded with positive comments about the assimilation program. There is a 30 Day connect to check the pulse of our new joiners. This is done in an open group discussion followed by a survey to capture various dimensions of work environment. An important point to note is that we have participation of 93.10% Mindtree Minds in these connects and surveys.

5. Virtual Global Learning Center

The Global Learning Center in Mindtree Kalinga has been designed to create 'Engineers of Tomorrow.' To work in the global, hyper connected world of today where everything is touched by technology, an engineer will need a very different mindset and capabilities. At the Global Learning Centre in Mindtree Kalinga we on board and train new campus recruits through our 90-100-day on-boarding program – Orchard. Since the inception of this program in 2015, over 7484 Mindtree Minds have undergone the program and have successfully worked in customer projects on new and emerging technologies. Our mission to create engineers of tomorrow refined with technology took a new turn during the pandemic when we transformed ourselves completely from classroom learning to a digital learning platform.

From morning to dawn, everyone stays connected to create a sense of Orchard learning over the virtual world. Our focus is to impart the same feeling of approachability and availability for our Orchard Mindtree Minds to enhance their overall learning so that when they join the projects they are well prepared to take Mindtree to the next level. As we know, "Culture and values cannot be taught" but can happen only through inspiration. We took initiatives such as connecting with parents, doing one good deed around themselves, organizing theme based fun activities etc. which added a personal touch on the virtual platform. Our IG and Practice Delivery Heads connected with the Campus Mindtree Minds virtually giving them a slice of Mindtree and its culture. To tickle their curiosity we introduced their industry group/ service line through an interesting online game.

6. Diversity and Inclusion (D&I)

Unveiling the new D&I Identifier, Mindtree has re-affirmed its commitment to Diversity and Inclusion, to creating an organization where diverse people come together 'In Harmony'. Mindtree's diversity and inclusivity charter focuses on four pillars which is EDGES – Ethnicity / Nationality, Disability, Gender and Sexual Orientation. At Mindtree Inclusion is Respect | Belongingness | Empowerment | Progress. The D&I Council is put together to ensure a strong governance and guidance to the D&I activities at Mindtree. It is a conscious effort to bring in cognitive empathy. Members are chosen across Geos, Functions and Gender to ensure that we have representation in all aspects. To further talk on D&I, we have a microsite i.e. Mindtree's internal portal on D&I where leaders speak about what importance D&I holds to them personally and how the organization is gearing up to bring more focus to this initiative. As part of this charter, a global virtual event was organized to reiterate Mindtree's focus and commitment towards Diversity & Inclusion. Mindtree Minds personalized and shared their pledge towards creating a more diverse and inclusive organization. Exhibition stalls covered Acceptance of Sexual Orientation, Unbiased Equality for Gender, Inclusion of Persons with Disabilities and Diversity of Ethnicities and Nationalities. Inclusion talk by guest speaker Deepa Malik (Para-athlete, Padma Shri) and a Global Harmony Song – A D&I anthem with song and lyrics composed and performed by Mindtree Minds through collaboration across the globe – US, UK and India.

At Mindtree, we have steadily seen the number of women increase from 16% in 2004 to 32% in 2020. Our vision of 40x30 is to have 40% of women representation by the year 2030. Today we have 44 people with disability who contribute to our success. We have Mindtree Minds from 86 nationalities coming together to deliver customer success. We also drove initiation on specific women related programs like;

- **Women Tech Trailblazer:** A focused intervention to improve the gender diversity in senior positions in technical roles at Mindtree.
- **Women coaching program:** Coaching program planned for women to help them in their career aspirations.
- **She WILL (Women in Leaders League) :** A program for women leaders aiming towards significant impact on the number of women in leadership roles, building visibility for women leaders at senior leadership levels and women leaders as role models for the next level of women.

Mindtree has been conferred the second runner-up position in the 'Best Employer for Women' (large) category by the Associated Chambers of Commerce and Industry of India (ASSOCHAM) at it's Diversity & Inclusion Excellence Awards and Conclave, 2020 . We also received Business World 5<sup>th</sup> HR Excellence and the Award 2020 for excellence in Diversity & Inclusion.

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### 7. Culture Application

The digital anthology of stories and anecdotes we built 2 years ago to reflect our culture and ethos continues to impart our values among our people. This year, we ran a photo contest where Mindtree Minds shared pictures that reflected our ethos. We also ran Culture Jam sessions where leaders and influencers came together, shared and discussed what they perceive as Mindtree culture. These events added to our people's understanding of Mindtree values and ethos, further strengthening the 'The Living Tree Stories' – our collection of culture stories available on the Culture application.

We added a special section of Culture stories – The Lockdown Diaries, which brought out the multiple culture stories in the organization as we dealt with the lockdown and the subsequent new normal way of working. These stories covered various aspects, from the procurement of desktops and dongles to watering plants at employee desks, and small acts of kindness to connect us all during these times.

### 8. Work Ethos

We engaged with a consultant Spencer Stuart to do a comprehensive exercise on understanding our current work ethos, and to articulate our desired work ethos for the future - to retain the strengths that will continue to be relevant, and change the ones which could get in the way of achieving our ambitions.

This involved a diagnostic phase, where we surveyed an inclusive representation of over 10,300 Mindtree Minds across different competencies, geographies, gender and tenure to understand the current work ethos.

This was followed by focused group discussions with a representative sample of employees to get a better understanding of the sentiment and responses to the survey. We also conducted Individual Style Profiling for select leadership, and leadership interviews.

Following this, we held leadership workshops where the consultants shared the analysis of the organizational survey to help us better understand our current work ethos and employee sentiment.

During the workshops the leadership team jointly articulated our desired work ethos for the future.

The Individual Style Profiles of the leaders helped them understand and reflect on how we, individually and as a leadership collectively, can become role models and build the desired work ethos from the front.

### 9. YORBIT

Our home grown, cloud-based learning platform - Yorbit has been growing in size and consumption! Yorbit now has over 2,800 courses that cover 900 + skills. More than 138,000 courses have been completed on Yorbit in the current year, and over 400,000 courses since Yorbit's inception in 2016. Over 3.5 million hours have been spent in learning on Yorbit since its inception. This year, Yorbit began offering personalized course recommendations, which it generates from a complex algorithm that considers multiple factors to give Mindtree Minds relevant recommendations. During this year, we also added the next wave of disruptive technologies such as AI, automation, IOT, and Blockchain. In order to digitize the entire learning experience, we have also created a virtual cloud lab that provides a sandbox environment that allows our employees to practice the skills as they learn. With this, the learners complete their coding assignments and assessments that are part of the skill development course that they are going through. These labs can be accessed across the globe to provide maximum flexibility to the learners. This has also helped in taking our virtual learning component to 98% through its three-leveled courses, balancing the push and pull factors involved in learning, and reducing the learning costs by 40% per course, the modular platform has helped us reskill, upskill, and cross-skill on a large scale. It has shifted our learning from an operational mode to a strategic mode, bringing learning into a proactive mode, and enabling specificity at account levels. It has proved to be a great tech innovation tool for talent transformation, a great testimony for our current mantra, 'digital inside'.

Mindtree has partnered with the best learning partners, such as Coursera and Pluralsight, to deliver world-class programs for our employees. "Osmosis", our annual tech-fest, was a huge success last year with a great level of participation from the technical community within and outside Mindtree. A highlight was Mindtree winning the CII MIKE Awards for the 'most innovative knowledge enterprise'. The "Recruit to Reskills 301" program where Java/DotNet professionals are being transformed to Digital experts have been experienced by 130 Mindtree Minds thus far. In March 2020, Mindtree was recognized in the Business World HR Excellence Awards for Excellence in Learning Technology. We also won the prestigious ATD BEST Award in the Learning and Development space.

### 10. Leadership Development and Succession Planning

True leaders are effective change agents who identify, instigate and lead their teams through change. They constantly challenge the status quo and get out their own comfort zones, and are lifelong learners – willing to unlearn and relearn. With this in mind, we launched 'The Crucibles of Leadership'. This program is responsible to drive competency development for our senior leadership. To lead the way in making leadership behaviors an integral part of the Mindtree DNA, we announced 15 catalysts supported by champions representing Industry Group / Service Line and Corporate Functions.

The idea of forming catalysts was to create internal network groups to create a ripple effect across Mindtree. We also want to help create an environment that welcomes, encourages, and proactively fosters leadership development. To ensure information flow and enhance collaboration we launched Catalyst Contour – A web portal. This is aimed at digitizing catalyst information (DDI assessment, PACE rating, IDP) which will further be used to enhance the collaboration of information such as manager & talent board members inputs / feedback on IDP progress. In addition to this we also launched Leadership Chronicles which is a short series of newsletter. The focus being to gain mindshare & internal visibility of Catalysts and also position Mindtree's focus on Leadership competency development & showcase Catalyst leadership experience. Last but not the least, we inaugurated the Falcon Program. Our idea was to help grow the potential of a Mindtree Mind through job shadowing. We also believe this experience will provide deeper insight into 'a typical day' of a leader ultimately leading to a more 'out of the box' succession planning.

#### 11. Delivery Capability

To understand the delivery capability requirement and to serve Mindtree customer base, we have embarked on a program named Delivery Capability. The objective is to define, measure and build delivery capability of Mindtree, in alignment with organization vision. And also to design, execute and sustain delivery capability of Mindtree Minds through talent transformation.

The delivery capability academy broadly focus on 3 main initiatives:

**Ascent:** This program is focused on all project management fundamental topics spread across basic and advanced level courses. The main themes of the workshop include project initiation, planning, project executive, monitoring and control.

**Blazing Star:** To have in depth knowledge in all the 5 knowledge themes to ensure delivery excellence. The knowledge themes include deliver value, commercial mindsets, stakeholder management, Mindtree way of delivery, business story telling

**Capstone:** It is a 6 month program with primary focus areas spanning across Solution and Contract Comparison, storytelling, stakeholder management and financial management. The secondary focus areas include quality, automation, tools, design thinking, mindfulness. The key differentiators include blended learning and self-paced learning components.

#### 12. Rewards and Recognition

Gratitude and appreciation displayed at the right time has the power to build loyalty and relationships to last. And this was the culture we were hoping to build when we refreshed our overall reward & recognition program to convert it from a single focus point to a more comprehensive one celebrating all the facets of Mindtree Minds as individuals and as team members. The new R&R framework was rolled out in the end of Q3' FY20 and it has grown over the last few quarters to achieve a spirit of appreciation and collaboration to highlight noteworthy accomplishments.

**Crest Awards:** Our quarterly awards recognizing individual and team excellence for significant contributions in a quarter. Till date we have 165 Mindtree Minds and 79 Teams chosen as winners across all industry and service line groups.

**SpotOn Awards:** To foster the spirit of instant recognition and rewarding performance in real time, the SpotOn awards has 3 main categories. Mastermind which applauds a Mindtree Mind who has demonstrated expertise, Hatsoff which recognizes Mindtree Minds for a job well executed and A-Team for teams with deliverables resulting in high customer satisfaction and displaying exemplary team spirit.

**Gracias:** To help build a culture of collaborative spirit, this award appreciates peer contributions and value led behaviours. In short it recognizes a Mindtree Mind for an act or gesture that has touched or impacted another.

We were not far behind when it came to external recognition. Mindtree had quite a few feathers in its cap. We were declared winners for quite a number of awards. Some noteworthy mentions being: Rotary Karnataka CSR and NGO Award, SHRM Showcase Award 2020 – Excellence in HR Analytics, Assocham Foundation - Diversity and Inclusion Excellence Awards 2020, AHA 2020 - Young HR Professional award, AHA 2020 - Leading change, AHA 2020 - Making a difference, National HRD Network - People First Ace Awards 2020 - Workforce planning and staffing solutions, National HRD Network - People First Ace Awards 2020 - Organization Design.

#### 13. Performance and Talent Management

Mindtree's performance philosophy aims to bring out the best in Mindtree Minds through continuous evaluation and developmental feedback. Mindtree's performance management system and process are focused on creating empowered and motivated talent pool. It caters to consistent goal management, continuous performance management, career development of the individual and is a sharper measure of performance. Mindtree's performance assessment process strongly aligns to its Role architecture framework to ascertain performance, capabilities and potential. To address our need for simplified assessments and a consistent rating scale we have moved to a 3 pointer scale from a 5 pointer scale for all our talent groups. This is a step in the right direction for our overall design change paving to Role based and Continuous assessments covering performance & capability. Our new improved 3 pointer rating scale as Top Talent, Valued Talent and Developing Talent aim to bring in ease of clarity by focusing on a real time feedback system and a coaching development system.

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"Ozone" our internal job portal has delivered excellent value to Mindtree Minds in finding right role for their talent. Focused approach to hiring, assimilation, evaluation, recognition through awards, differentiated compensation and growth opportunities linked to performance are helping in attracting and retaining high caliber Mindtree Minds.

### 14. Compensation & Benefits

Mindtree's rewards and benefits programs are designed to differentially recognize Mindtree Mind's performance, expertise and potential to attain business goals while remaining competitive and equitable. Our investments are focused to attract & retain talent for in-demand niche skills, campus talent, establish gender pay parity, keep in check internal disparities & compliance with trending employee, employer regulations. We have created a business aligned variable compensation structure for Mindtree Minds in sales, middle & senior management roles to foster desired behaviours & outcomes such as profitable growth, revenue, annuity business, strategic deals, delivery excellence, customer satisfaction & collaboration. We research & review market insights & technology advancement in total rewards area to support our broader talent strategy continuously. In the recent past, policies like flexible holiday calendar which allows people to choose their holidays from a list, gift a leave policy which allows people to gift leaves to a colleague who may be in need, policies to secure better financial future of our people & their family are introduced. During pandemic, Mindtree was one of the first few companies which introduced company funded special insurance cover for our employees & families.

### 15. Headcount

The total number of Mindtree Minds including subsidiaries as on March 31, 2021 was 23,814 as against 21,991 as on March 31, 2020.

#### Awards and Recognitions

During the year under review, your Company received the following awards and recognitions:

- Recognized as Leader in ISG Provider Lens™ Quadrant Report on Salesforce Ecosystem Partners 2020 (US & Germany).
- Named Leader in ISG Provider Lens Archetype Report on Next-Gen Private/Hybrid Cloud - Data Center Services & Solutions.
- Mindtree case study included in ISG's Top 25 digital case studies book.
- Named Leader in the ISG Provider Lens™ Report 2020 on SAP HANA and Leonardo Ecosystem Partners (U.S.)
- Named Leader in three categories in the ISG Provider Lens™ Report on SAP HANA and Leonardo Ecosystem Partners (UK).
- Named leader in ISG Provider Lens™ Public Cloud – Solutions and Services for Midmarket 2020.
- Honored with the title of IT Pride of Karnataka - 2019-20 by STPI IT Export Awards, granted by STPI (Software Technology Parks of India) of Karnataka.
- Mindtree named a Leader in ISG Provider Lens™ - Digital Business Solutions and Service Partners 2020 – Australia.
- Recognized as a winner in SHRM HR Excellence Awards 2020 under Excellence in HR Analytics Award category.
- Mindtree amongst global leadership league in Climate Disclosure Project 2020 Climate Change world ranking.
- Mindtree named a leader in ISG Provider Lens™ for Next-gen Application Development & Maintenance (ADM) Services (U.S.) 2020.
- Mindtree wins two awards at the People First ACE Awards 2020 presented by the National HRD Network.
- Mindtree named "Best Employer for Women" by The Associated Chambers of Commerce and Industry of India (ASSOCHAM).
- Mindtree Recognized as an Expert Managed Service Provider for Microsoft Azure.
- Mindtree Helps Aflac Simplify Claims Experience for Customers.
- Mindtree Achieves Google Cloud Partner Specialization in Application Development.

#### Branding

Mindtree, as a brand, reflects our identity, values and beliefs. Mindtree has grown exponentially in the last 20+ years. We now punch above our weight, competing with much larger companies and widely known brands. We are however just getting started. Greater growth and success is ahead of us, and our brand is instrumental in getting us there.

Unrivalled expertise, being an empathetic partner and providing agility at scale are key qualitative characteristics of Mindtree that enable us to deliver on our positioning statement and establish the overall behavior of our brand. Mindtree's brand voice actively promotes brightness and confidence, and stands for our forward thinking approach, confidence, strength and passion. These themes are ingrained across all collaterals, inspired by our fresh design thinking.

The elevation of brand aesthetics for Mindtree is a continuous process with the right mix of public relations, social media, advertisement and digital marketing. Our website reflects digital in our DNA, and has been instrumental in lead generation and driving sales, and is optimized across digital devices. Our social media strategy echoes Mindtree's values, and is ably supported by focused advertisement campaigns.

### Dividend

The details of Dividend declared/recommended for the FY 2020-21 were as follows:

- (i) The Board of Directors at its meeting on October 15, 2020, declared an interim dividend of ₹ 7.50/- per equity share of face value of ₹ 10/- each. The above dividend was paid to the Shareholders on November 10, 2020;
- (ii) Further, the Board at its meeting on April 16, 2021 have also recommended, a final dividend of ₹ 17.50/- per equity share of face value of ₹ 10/- each for the financial year ended March 31, 2021, which will be paid on obtaining the Shareholders' approval at the Twenty Second Annual General Meeting. The final dividend, if approved, will be paid on or before July 31, 2021.

The dividend payout amount for the current year is ₹ 2,881 million as compared to ₹ 5,947 million in the previous year.

### Dividend Distribution Policy

Your Company has formulated Dividend Distribution Policy in accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any amendments thereto ("hereinafter referred to as LODR Regulations") for bringing transparency in the matter of declaration of dividend and to protect the interest of investors. The Dividend Distribution Policy is available on the website of the Company: <https://www.mindtree.com/about/investors/policies/dividend-distribution-policy>.

Your Company intends to maintain similar or better levels of dividend payout in future. However, the actual dividend payout in each year will be based on the profits and investment opportunities of the Company.

### Deposits

Your Company had not accepted Deposits from the public any time and hence no opening balances of Deposits. Further, your Company has also not accepted any Deposits during the financial year 2020-21 and as such, no principal or interest were outstanding as on March 31, 2021 as per the provisions of the Companies Act, 2013 (hereinafter referred to as "Act") and the Rules framed thereunder.

### Liquidity

Your Company maintains sufficient cash to meet its operations and strategic objectives. Cash and investments (net of short-term borrowings) have increased from ₹ 12,794 million as on March 31, 2020 to ₹ 26,822 million as on March 31, 2021. The balance funds have been invested in deposits with banks, highly rated financial institutions and debt schemes of mutual funds.

Your Company has been rated by India Ratings and Research (Ind-Ra) for its Banking facilities. It has upgraded Long Term Issuer Rating to 'IND AAA' from 'IND AA+'. It has also rated your Company's Short Term facilities with 'IND A1+'.

### Business Responsibility Report

Your Company has embedded in its core business philosophy, the vision of societal welfare and environmental protection. Responsible business characterizes its policies, practices and operations. As a believer in the principle of transparency, Mindtree publishes its Business Responsibility Report, as a part of its Annual Report, in accordance with the LODR Regulations and the National Voluntary Guidelines of the Government of India. The Business Responsibility Report is also available on the Company's website: [www.mindtree.com/investors](http://www.mindtree.com/investors).

### Subsidiaries

Your Company has two subsidiaries as on March 31, 2021. In accordance with Section 129 (3) of the Act, a separate statement containing salient features of the financial statement of the subsidiaries of the Company in Form AOC-1 is given in Annexure 1.

In accordance with Section 136 of Act, the annual report of your Company containing inter alia, financial statements including consolidated financial statements, has been placed on our website : <https://www.mindtree.com/about-us/investors>. Further, the financial statements of the subsidiaries have also been placed on our website: <https://www.mindtree.com/about-us/investors>.

### Investor Relations

Your Company has an effective Investor Relations Program through which the company continuously interacts with the investment community across various channels such as Periodic Earnings Calls, Annual Investor / Analyst Day, Individual Meetings, Video-Conferences, Participation in One on One interactions and group meetings through Non-Deal Roadshows. Your Company ensures that critical information about the Company is available to all the investors by uploading all such information at the Company's website under the Investors section. Your Company also sends regular email updates to analysts and investors on upcoming events like earnings calls, declaration of quarterly and annual earnings with financial statements.

### Infrastructure

Your Company currently uses 2,530,380 square feet of space consisting of 19,443 seats spread across various locations in India apart from Mindtree Kalinga-Training and residential facility for 500 campus minds measuring about 302,000 square feet. Expansion

## Directors' Report

Residential facility of about 240 beds (70,000 square feet) is under construction at Mindtree-Kalinga, Bhubaneswar. This facility is expected to be ready for occupation by August 2021 if the current covid-19 situation improved. This will help to meet increased training requirement.

Your Company's Office at Hyderabad Raheja fitout works of about 1,085 seats is under progress and expected to be ready by August 2021. Recently, the Company has taken ready fitted out space at Manyata Tech Park, Bangalore consists of 469 seats. Mindtree has offices at multiple locations in USA, Europe, APAC and Middle East regions consisting of about 2,331 seats all together. Your Company has sufficient capacity to meet its growth needs over short and medium terms.

Your Company has prioritized adopting Sustainable best practices in accordance with LEED green building design for creating & maintaining workplace infrastructure projects.

### Directors' Responsibility Statement

Your Company's Directors make the following statement in terms of sub-section (5) of Section 134 of the Act, which is to the best of their knowledge and belief and according to the information and explanations obtained by them:

1. The financial statements have been prepared in conformity with Indian Accounting Standards (Ind As) and requirements of the Act and that of guidelines issued by SEBI, to the extent applicable to Company; on the historical cost convention except financial instruments which are measured at Fair Value; as a going concern and on the accrual basis. There are no material departures in the adoption of the applicable Accounting Standards.
2. The Board of Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
3. The Board of Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Board of Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
5. The Board of Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
6. The financial statements have been audited by M/s. Deloitte Haskins & Sells, Chartered Accountants, the Company's Auditors.
7. The Audit Committee meets periodically with the Internal Auditors and the Statutory Auditors to review the manner in which the Auditors are discharging their responsibilities and to discuss audit, internal control and financial reporting issues.
8. To ensure complete independence, the Statutory Auditors and the Internal Auditors have full and free access to the Members of the Audit Committee to discuss any matter of substance.

### Directors and Key Managerial Personnel (KMP)

The Board of Directors of your company comprised of twelve Directors, viz., Non-Executive Chairman, Non-Executive Vice Chairman, three Executive Directors, one Non-Executive Director and six Independent Directors including two women Directors as on March 31, 2021. As per the Articles of Association of the Company, one third of the Directors are liable to retire by rotation at the Annual General Meeting of the Company every year.

Mr. S N Subramanyan (DIN: 02255382) and Mr. R Shankar Raman (DIN: 00019798) retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Twenty Second Annual General Meeting.

### Re-appointment of Independent Directors

Mr. Bijou Kurien (DIN: 01802995) was appointed as an Independent Director of the Company from July 17, 2018 to July 16, 2021. Based on the performance evaluation, contributions during his first term of office to the Company, background and experience, the recommendation of Nomination and Remuneration Committee, the Board approved the re-appointment of Mr. Bijou Kurien for the second term of five years commencing from July 17, 2021 to July 16, 2026, subject to approval of the shareholders in the ensuing Annual General Meeting.

Mr. Akshaya Bhargava (DIN: 01874792) was appointed as an Independent Director of the Company from December 12, 2016 to September 30, 2021. Based on the performance evaluation, contributions during his first term of office to the Company, background and experience, the recommendation of Nomination and Remuneration Committee, the Board approved the re-appointment of Mr. Akshaya Bhargava for the second term of five years commencing from October 1, 2021 to September 30, 2026, subject to approval of the shareholders in the ensuing Annual General Meeting.

The following were the changes to the Board and KMP during the year:

Mr. Chandrasekaran Ramakrishnan was appointed as an Independent Director with effect from July 15, 2020. Mr. Dayapatra Nevatia as Executive Director and Chief Operating Officer and Mr. Venugopal Lambu as Executive Director and President – Global Markets were appointed with effect from October 15, 2020.

Further, Mr. Milind Sarwate, Independent Director of the Company resigned on April 24, 2020. Mr. Jayant Damodar Patil, Non-Executive Director resigned on October 15, 2020.

Mr. Senthil Kumar resigned as Chief Financial Officer on June 15, 2020. Mr. Vinit Ajit Teredesai was appointed as Chief Financial Officer with effect from June 15, 2020.

Ms. Vedavalli S, resigned as Company Secretary on October 31, 2020. Mr. Subhodh Shetty was appointed as Company Secretary with effect from November 1, 2020.

Pursuant to Rule 8(5)(iii)(a) of the Companies (Accounts), Rules, 2014, in the opinion of the Board the Independent Directors appointed during the year are competent, experienced (including the proficiency) and are the persons of expertise, positive attribute, standards of integrity, ethical behaviour, and independent judgement.

#### Criteria for the appointment of Directors

The Nomination and Remuneration Committee (NRC) is responsible for developing competency requirements for the Board based on Industry and Strategy of the Company. The Board composition analysis reflects in depth understanding of the Company's strategies, environment, operations, financial conditions, compliance requirements, etc.

In terms of provisions of the Act and LODR Regulations, NRC has identified list of core skills, expertise and competencies required for a person to possess in order to be selected as a Board member. The NRC also focuses on the qualification and competence of the person, professional experience, the positive attributes, standards of integrity, ethical behaviour, and independent judgement of the person in selecting a new Board member.

The Committee satisfies itself with regard to the criteria for independence of the Directors as required under the applicable statutes in order to enable the Board to discharge its functions and duties effectively. The details of core skills, expertise and competencies identified by NRC and the names of Directors who have such skills/ expertise/ competence are provided in detail in the Corporate Governance Report.

In case of re-appointment of Non-Executive and Independent Directors, the NRC and the Board takes into consideration the performance of the Director based on the Board evaluation and his/her engagement level during their previous tenure.

#### Nomination and Remuneration Policy

The Company's remuneration Policy is market-driven and aims at attracting and retaining high performance talent. Mindtree follows a compensation mix of fixed pay, benefits and performance based variable pay, which is paid based on the business performance and goals of the different business units/ overall company. The remuneration / compensation / commission etc., to the Executive Directors are determined by the Nomination and Remuneration Committee and recommended to the Board for its approval. The above remuneration / compensation / commission etc., shall be subject to the approval of the shareholders of the Company, wherever required.

The Nomination and Remuneration Policy has been updated on the website of the Company at : <https://www.mindtree.com/sites/default/files/2020-11/Nomination-and-Remuneration-policy.pdf>

#### Details of remuneration to Directors

The information relating to remuneration paid to Directors as required under Section 197(12) of the Act, is given in Annexure 3.

#### Declaration of Independence by Independent Directors

The Company has received necessary declarations from the Independent Directors as required under Section 149(7) of the Act and LODR Regulations confirming that they meet the criteria of independence as laid down in Section 149(6) of the Act and that of LODR Regulations.

#### Independent Directors' Meeting

Independent Directors met four times during the financial year 2020-21. These meetings were held on April 24, 2020, July 14, 2020, October 15, 2020 and January 18, 2021. In the said meetings, the Independent Directors reviewed the matters as required under the

## Directors' Report

LODR Regulations and that of Act. Action items, if any, were communicated to the Executive management and tracked to closure to the satisfaction of Independent Directors.

### Board Evaluation

The NRC and the Board of Directors have appointed an external Independent Agency to carry out the evaluation of the (i) performance of the Board as a whole (ii) functioning of the Committees of the Board (iii) individual Directors and (iv) the Chairman of the Board, in accordance with the applicable provisions of the Act and LODR Regulations. Detailed questionnaires were sent out to the Board members. The criteria for the evaluation were broadly based on the SEBI's Guidance Note on Board Evaluation.

The performance of the Board was evaluated on the basis of various criteria such as composition of the Board, functioning of the Board, information flow to the Board and its dynamism, strategic issues, roles and functions of the Board, relationship with the management, engagement with the Board and external stakeholders and effectiveness of Board's decisions.

The performance of the Committees was evaluated after seeking the inputs of Committee members on the criteria such as understanding the terms of reference, Committee Composition, Independence, updating the Board on the committee decisions, comprehensiveness in the discussion of issues and contributions to Board decisions, etc.,

The performance of the individual Directors was evaluated after seeking inputs from all the Directors other than the one who is being evaluated. The evaluation was based on the criteria such as Director's Commitment, knowledge and understanding of the role, Company's vision and mission, market potential, qualification, skill and experience, openness in communication, etc.

The performance of the Board Chairman was evaluated after seeking the inputs from all the Directors other than the Board Chairman on the basis of the criteria such as Chairman's role, accountability and responsibilities, promotion of effective relationship and open communication, positive and appropriate working relationship with CEO, commitment, etc.,

The evaluation report contains an executive summary of findings and several key recommendations from the evaluation process.

### Number of meetings of the Board

The Board of Directors of the Company met six times during the year. The details of Board Meetings are provided in the Corporate Governance Report. The gap intervening between two meetings of the board was within the time prescribed under the Act and LODR Regulations.

### Committees

The following are the details of the Committees during the Financial Year 2020-21:

- 1 Audit Committee;
- 2 Nomination and Remuneration Committee;
- 3 Stakeholders' Relationship Committee;
- 4 Corporate Social Responsibility Committee;
- 5 Risk Management Committee;
- 6 Foreign Exchange Hedging Committee ;
- 7 Strategic Investment Committee;
- 8 Management Committee (dissolved and ceased to operate with effect from October 15, 2020).

The composition of each of the above Committees, their respective roles and responsibilities are provided in detail in the Corporate Governance Report.

### Vigil Mechanism / Whistle Blower Policy

Your Company has a Whistle Blower Policy and has established the necessary vigil mechanism in accordance with the Act and LODR Regulations. The Company's vigil mechanism /Whistleblower Policy aims to provide the appropriate platform and protection for Whistle-blowers to report instances of any actual or suspected incidents of unethical practices, violation of applicable laws and regulations including the Integrity Code, Code of Conduct for Prevention of Insider Trading, Code of Fair Practices and Disclosure. All employees and Directors have access to the Chairperson of the Audit Committee. Mindtree investigates such complaints speedily, confidentially and in an impartial manner and takes appropriate action to ensure that the requisite standards of professional and ethical conduct are always maintained. The details of the Whistle Blower Policy are explained in detail in the Corporate Governance Report.

### Code of Conduct for Prevention of Insider Trading in Mindtree Securities

The objective of the Code of Conduct for Prevention of Insider Trading in Mindtree Securities (PIT Code) is to protect the interest of shareholders at large, prevent misuse of any unpublished price sensitive information and prevent any insider trading activity by dealing in shares of the Company by its Designated Persons and their immediate relatives. Ms. Vedavalli S, Company Secretary acted as the Compliance Officer under the PIT Code until October 31, 2020. Mr. Subhodh Shetty, Company Secretary is appointed as the Compliance Officer under the PIT Code with effect from November 1, 2020.

### Related Party Transactions

All related party transactions were entered into with the prior approval of the Audit Committee. During the financial year 2020-21, all the transactions with related parties were entered into at arm's length and in the ordinary course of business and none of such related party transactions required the approval of the Board of Directors or the Shareholders as per the Act or LODR Regulations. Further, there were no materially significant related party transactions that may have potential conflict of interests of the Company at large.

The Policy is available on the Company's website and can be accessed at <https://www.mindtree.com/about/investors/policies/policy-determining-material-related-party-transactions>

The details of the related party transactions as required under the Act and the Rules are attached in Form AOC-2 as Annexure 4.

### Litigation

There were no outstanding material litigations as on March 31, 2021. Details of litigations on tax matters are disclosed in the financial statements.

### Details of unclaimed shares

The details of unclaimed shares as required under LODR Regulations is provided in Annexure 2.

### Transfer of Dividend to Investor Education and Protection Fund (IEPF)

Dividends unclaimed for a period of seven years amounting to ₹ 1,184,364/- were transferred to the Investor Education and Protection Fund Authority during the year in accordance with the provisions of the Act. The details of the consolidated unclaimed/ unpaid dividend as required under the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "IEPF Rules") for all the unclaimed/ unpaid dividend accounts outstanding (drawn up to the Twenty First Annual General Meeting held on July 14, 2020) have been uploaded under the Company website: <https://www.mindtree.com/about/investors/unpaid-dividend-information>

Attention is drawn that the unclaimed/ unpaid dividend for the Financial Years 2013-14 (Third Interim), 2013-14 (Final), 2014-15 (First Interim) and 2014-15 (Second Interim) is due for transfer to IEPF during May 2021, August 2021, November 2021 and February 2022 respectively. In view of this, the Members of the Company, who have not yet encashed their dividend warrant(s) or those who have not claimed their dividend amounts, may write to the Company/ Company's Registrar and Share Transfer Agent, Link Intime India Private Limited.

### Transfer of Shares in favour of Investor Education and Protection Fund (IEPF) Authority

Pursuant to the provisions of the Act, read with the Investor Education and Protection Fund Authority Rules, the shares on which dividends have not been claimed for 7 consecutive years have been transferred in favour of IEPF Authority. As on date, the company had transferred 22,532 equity shares in favour of IEPF Authority.

### Particulars of Employees

Information as required under the provisions of Section 197 of the Act, Rules 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in Annexure 3 to the Directors' Report. There were no employees who were employed throughout the financial year or part thereof, who were in receipt of remuneration in excess of that drawn by the Managing Director or Executive Director and held by himself/herself or along with his/her spouse and dependent children, more than two percent of the equity shares of the company. As per the proviso to Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the particulars of employees posted and working outside India not being Directors or their relatives, drawing the salary in excess of the prescribed limits under the above Rules shall be furnished to the Registrar of Companies. If any Member is interested in obtaining a copy thereof, such Member may write to the Company in this regard.

## Directors' Report

Disclosure as required under Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company is committed to creating a safe and healthy work environment, where every Mindtree Mind is treated with respect and is able to work without fear of discrimination, prejudice, gender bias, or any form of harassment at workplace. Your Company has in place a Prevention of Sexual Harassment (POSH) policy in accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The essence of the policy is communicated to all Mindtree Minds at regular intervals through assimilation and awareness programs. Following are some of the programs and initiatives in place to train Mindtree Minds and the Internal Committee (IC) for POSH during the year.

1. Each Mindtree Mind is required to undergo a mandatory e-learning module on 'Prevention of Sexual Harassment at Workplace'.
2. All new joiners are trained in person on Prevention of Sexual Harassment during their induction program.
3. The IC Members are provided relevant training by an external agency during quarterly meetings of the IC.
4. The Prevention of Sexual Harassment policy is available on the intranet portal for Mindtree Minds to access and refer when required.
5. Penal consequences of sexual harassment and the constitution of the IC are displayed at conspicuous places.

Further, your Company has setup an IC both at the head office / corporate office and at every location where it operates in India. The IC at each location has a fair representation of men and women, including a senior woman as Presiding Officer and external members who are women.

The following are the summary of the complaints received and disposed of during the Financial Year 2020-21:

### In India

- a) No. of Sexual Harassment complaints received: Nil
- b) No. of Sexual Harassment complaints disposed of: Nil

### Rest of the World

- a) No. of Sexual Harassment complaints received: Nil
- b) No. of Sexual Harassment complaints disposed of: Nil



### Risk Management

Risk Management is a strategic business discipline that supports the achievement of an organization's objectives by addressing the full spectrum of its risks and managing the combined impact of those risks as an interrelated risk portfolio. Mindtree uses Enterprise Risk Management (ERM) as a key tool to help achieve its short term and long term business objectives to generate value for its customers, investors, employees and other stakeholders. ERM encompasses areas of organizational exposure to risk (strategic, operational, financial and compliance) and provides a structured process for management of risks. This has been achieved by deploying an effective risk management framework to proactively identify, assess, treat, monitor and report risks as well as to create a risk-aware culture within Mindtree. The Mindtree ERM framework has been designed by incorporating elements of leading risk management standards such as:

- ISO 31000
- COSO
- IRM Risk Management Standard

The Chief Risk Officer is the custodian of the framework and oversight of the framework is provided by the Risk Management Committee of the Board of Directors which also monitored Mindtree's pandemic response program. The Audit Committee of the Board monitors effectiveness of risk management systems. Detailed report on Risk Management is disclosed separately in this Annual Report.

### Employee Stock Option Plans and Employee Stock Purchase Scheme

During the year, your Company has granted shares under Employee Stock Purchase Scheme namely Mindtree Employee Restricted Stock Purchase Plan 2012 (ESPS or ERSP 2012).

The Employee Stock Option Plans and ESPS or ERSP 2012 are in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014 ("Employee Benefit Regulations") and there has been no material changes to these plans during the Financial Year 2020-21. The summary information of various Employee Stock Option Plans (ESOPs) and ESPS/ERSP 2012 of the Company is provided under Notes to Accounts under Standalone Financial Statements of this Annual Report. The Company has recorded compensation cost for all grants using the

fair value- based method of accounting, inline with prescribed SEBI guidelines. Refer to Notes to accounts of Standalone Financial Statements of this Annual Report for details on accounting policy.

Disclosure on ESOPs and ESPS/ERSP 2012, details of options/shares granted, shares allotted on exercise, etc., as required under Employee Benefits Regulations read with SEBI circular no. CIR/CFD/POLICYCELL/2/2015 dated June 16, 2015 are available on the Company's website at: [https://www.mindtree.com/sites/default/files/2021-06/Details-under-sebi-share-based-employee-benefits-regulations\\_2014.pdf](https://www.mindtree.com/sites/default/files/2021-06/Details-under-sebi-share-based-employee-benefits-regulations_2014.pdf).

No employee was granted options/shares (under ESOPs and ESPS/ERSP 2012), during the year equal to or exceeding 1% of the issued capital.

### Corporate Governance

Mindtree Limited considers Corporate Governance as an instrument to maximize value for all Stakeholders, i.e. investors, employees, shareholders, customers, suppliers, environment and the community at large. Good governance practices emerge from the culture and mind-set of the organization. The Company emanates its values from the rich governance and disclosure practices followed by L&T Group. In line with the Group's philosophy, Mindtree has adopted fair and transparent governance and disclosure practices. A detailed report on Corporate Governance is a part of this Annual Report. Auditor's Certificate on Corporate Governance obtained from Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No.008072S) for compliance with LODR Regulations, is provided as Annexure 8 and is a part of this Report.

### Management Discussion and Analysis Report

Management Discussion and Analysis Report as required under LODR Regulations, is disclosed separately in this Annual Report.

### Integrated Reporting (IR)

Mindtree was one of the early adopters of IR in the IT industry. This is our Fourth IR which is set out in accordance with the integrated reporting framework outlined by International Integrated Reporting Council and SEBI circular on IR. Our IR has integrated thinking embedded in our strategic framework and our integrated business model defines our ability to create long-term value (outputs and outcomes) out of the capitals available to us (input) with value-accretive activities operating under the strong-governance framework. Our IR encompasses both financial and non-financial information and aids all the key stakeholders to get a holistic and long-term view of our company's strategic focus areas, future outlook and value creation which revolves around the 6 capitals – Financial, Manufactured, Intellectual, Human, Social and Relationship and Natural. The Integrated Report is a part of this Annual Report.

### Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outflow

Pursuant to the provisions of Section 134(3)(m) of the Act, read with the Companies (Accounts) Rules, 2014, the details of Conservation of energy, Technology Absorption, Foreign Exchange earnings and outgo are attached as Annexure 5 to this report.

### Sustainability, Green Initiatives and Corporate Social Responsibility Initiatives

Sustainability is embedded into the vision and mission of Mindtree since inception. Sustainability Triple Bottom Lines People-Planet-Profit are the cornerstones of our commitment to responsible business. We have in place a focused sustainability framework, with pillars of workplace sustainability, ecological stewardship and ethical governance. Our commitment to responsible business development is evident in our alignment with several global and national frameworks on sustainability and in our regular reporting on frameworks such as Carbon Disclosure Project (CDP), United Nations Global Compact (UNGC), Global Reporting Initiative Standards (GRIS), International Integrated Reporting Council (IIRC). Sustainability is closely integrated with our business strategy. Our emphasis on resource conservation in areas of energy, water, and waste management has been strong and our investments in green building and technology leverage for ecology have been fruitful. Our CSR efforts continue to create sustainable impacts on the communities.

Our focus on sustainability continued to maintain its impacts despite the challenge posed by the pandemic in the year under reporting. While we took necessary steps to provide the right response, relief to our people, communities around and managed to discover our resilience and recover as a business, continuing to serve our clients. Responsibility is an integral part of our organization, and the challenging year found us reiterating the fact.

As a green initiative, we send Annual Reports by email every year to those shareholders who have registered their email IDs with the Company/Depository Participant/Registrar and Share Transfer Agent.

As part of its Corporate Social Responsibility (CSR) initiatives, Your Company has undertaken several projects in accordance with Schedule VII of the Act. Mindtree implements its CSR initiatives via three channels:

- Directly by Mindtree;
- Through Mindtree Foundation;
- Through "Individual Social Responsibility" programs undertaken by Mindtree Minds and supported by Mindtree as appropriate

## Directors' Report

Further, Mindtree's CSR primarily focuses on programs that

- Benefit the differently abled;
- Promote education;
- Create sustainable livelihood opportunities

The Annual Report on CSR activities, is annexed herewith as Annexure 6.

### Auditors

#### Statutory Auditors

Your Company at its Twenty First Annual General Meeting held on July 14, 2020 had reappointed M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No. 008072S) as Statutory Auditors of the Company for a period of 5 consecutive years i.e., from the Twenty First Annual General Meeting till Twenty Sixth Annual General Meeting at a remuneration as may be fixed by the Board of Directors and Audit Committee in consultation with the Auditors thereof. The Statutory Auditors have confirmed that they satisfy the independence criteria as required under the Act.

#### Internal Auditor

During the year, the Company has appointed KPMG Assurance and Consulting Services, LLP as the Internal Auditor of the Company effective from FY 2021-22, in the place of Ernst & Young LLP.

#### Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Secretarial Audit has been carried out by Mr. G Shanker Prasad (CP NO. 6450), Practicing Company Secretary.

#### Auditor's Report and Secretarial Audit Report

There are no qualifications, reservations or adverse remarks in the Statutory Auditor's Report and Secretarial Audit Report for the Financial Year 2020-21. The Statutory Auditor's Report is enclosed with the financial statements in the Annual Report. The Secretarial Audit report is annexed as Annexure 7 and is a part of this report.

#### Reporting of frauds by Auditors

During the year under review, the Statutory Auditors or Secretarial Audit of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Act, including rules made thereunder.

#### Quality Initiatives and Certifications

Mindtree continues to have a unique way of defining its quality processes. Our process methodology is context-composed; we work closely with customers to understand the unique 'value' expected from each engagement, and then tailor our processes to enable the realization of that value. One size does not fit all and hence composition of processes for fit the need of the project becomes paramount.

Mindtree QMS portal is one single focal point for processes and it helps to bring in standardization, institutionalization, and industry best practices/standards and frameworks. QMS is built on the concept of practitioner defined and refined where knowledge and best practices are shared and published. Process are developed based on industry trends, different project types and different Services that Mindtree caters to and make them available as reference documents for projects to start work and also ensure that the repository built, is the collection of best practices.

Mindtree uses multiple standards and models to predictably deliver high quality services.

Mindtree adopted the Capability Maturity Model (CMM) family since early 2002 and embarked on the CMMI-DEV and SVC Level 5 journey to enhance project management and engineering capabilities and to bring in continuous improvements in the organization.

In this path to business excellence, Mindtree reached a significant milestone by getting assessed to CMMI Level 5- 2.0 for our strategic projects. Mindtree is one of the first IT organizations to be globally recognized for the suite's development and services view.

Mindtree is a very active user of ISO standards and has been certified by adopting one-of-its-kind integrated audit approach. Mindtree is certified for ISO 27001 -Information Security Management, ISO 27701 – Privacy Information Management, ISO 200001:2018 – IT Service Management system, ISO 14001 – Environmental Management System, ISO 45001 – Occupational Health and Safety, ISO 22301 – Business Continuity Management . The Company has successfully completed the annual ISO surveillance audit.

Mindtree is also compliant to Payment Card Industry Data Security Standard v 3.2.1 (PCI DSS) and SSAE 18 (Type 2 & ISAE 3402 Type 2 Report 2 and SOC2 Type2). SOC1 reports address the internal controls over financial reporting and SOC2 is based on trust principles. The SOC 2 report focuses on a business's non-financial reporting controls as they relate to security, availability, processing integrity, confidentiality, and privacy of a system. Mindtree undergoes these assessments every year.

These certifications are a testimony of the excellent services by Mindtree every time and also during the unprecedented times like COVID.

Customer Satisfaction is the primary Business Objective of Mindtree. To ensure completeness of understanding customer's experience of our services, Mindtree has two levels of feedback surveys – CES and PFS.

The annual Customer Experience Survey (CES) aims at understanding customer's perception at account management and engagement practices administering CES to our customer organizations' CXO and Senior-level contacts.

The quarterly Project Feedback Survey (PFS) aims at understanding customer's satisfaction with Mindtree project execution and delivery practices. We administer PFS to our customer organizations' Mid-level contacts who have day-to-day interaction with our project teams. The project and account teams analyze the results from the surveys and take appropriate actions to improve the feedback.

Both our PFS and CES ratings have been record high, this becomes especially important given the backdrop of the pandemic.

#### Internal Control Systems and Adequacy of Internal Financial Controls

Mindtree has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Audit Committee, comprises of professionally qualified Directors, who interact with the statutory auditors, internal auditors and management in dealing with matters within its terms of reference.

Your Company has a proper and adequate system of internal controls. These controls ensure transactions are authorized, recorded and reported correctly and assets are safeguarded and protected against loss from unauthorized use or disposition. In addition, there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls within the meaning of the Act. An extensive program of internal audits and management reviews, supplements the process of internal financial control framework. Documented policies, guidelines and procedures are in place for effective management of internal financial controls.

To maintain its objectivity and independence, the Internal Auditor reports to the Chairperson of the Audit Committee of the Board. The Audit committee defines the scope and authority of the Internal Auditor. The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of Internal Auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and the necessary corrective actions are presented to the Audit Committee.

The internal financial control framework design ensures that the financial and other records are reliable for preparing financial and other statements. In addition, the Company has identified and documented the key risks and controls for each process that has a relationship to the financial operations and reporting. At regular intervals, internal teams test identified key controls. The internal auditors also perform an independent check of effectiveness of key controls in identified areas of internal financial control reporting. The Statutory Auditor's Report include a report on the internal financial controls over financial reporting.

The Audit Committee and the Board are of the opinion that the Company has sound Internal Financial Control commensurate with the nature and size of its business operations and operating effectively and no material weaknesses exist during the financial year 2020-21.

#### Audit Committee Recommendation

During the year, all recommendations of the Audit Committee were accepted by the Board. The Composition of the Audit Committee is as mentioned in the Corporate Governance Report.

#### Compliance Monitoring System

Your Company believes that good statutory Compliance system is essential requirement for the successful conduct of business operations and high standards of Corporate governance. The Company ensures that appropriate business processes and adequate tools are in place for adherence with all the statutory obligations and has a framework on "Global Compliance" which outlines the Company's requirement of compliance under various regulations across the locations in which the company conducts its business. Global compliance framework at Mindtree includes a) transparency, accountability, integrity and Independence. b) Act in the spirit of law and not just the letter of law, c) Do what is right and not what is convenient d) Provide complete transparency on our operations and follow openness in our communication to all our stakeholders. We focus on transparency, accountability, integrity, and independence as the core elements of our Global Compliance Framework.

## Directors' Report

We have established a unique systematic Global compliance framework that is supported by Tool and is fully prepared for any change that affects the compliance structure. It is a highly preventive rather than curative system, which allows Mindtree to seamlessly engage in relevant markets without compromising on ethical standards, resulting in enhanced brand integrity and deeper connect with governments, investors, customers, vendors and Mindtree employees. Under this framework, identified key stakeholders across business units, corporate functions ensure and confirm compliance with the provisions of all applicable laws on a continuous basis. Your Company also engages external consultants to update the existing list of compliances applicable globally and key compliances/regulations are covered as part of internal audit every year. The Global Compliance update is placed before the Audit Committee on quarterly basis and the Committee updates to the Board at its meetings confirming status of compliances along with remediation plan for non-conformities, if any.

### Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021 is available on the Company's website at <https://www.mindtree.com/sites/default/files/2021-06/annual-return-march-31-2021.pdf>.

### Compliance with Secretarial Standards

The Company complies with all applicable mandatory secretarial standards issued by the Institute of Company Secretaries of India.

### Significant & Material Orders passed by Regulators or Courts

There are no significant and material orders passed by Regulators or Courts, during the year under review.

### Particulars of Loans, Guarantees and Investments

Disclosure on details of loans, guarantees and investments pursuant to the provisions of Section 186 of the Act and LODR Regulations, are provided in the financial statements.

### Listing Fees

The Company affirms that the annual listing fees for the year 2021-22 has been/will be paid to National Stock Exchange of India Limited (NSE) and BSE Limited (Bombay Stock Exchange).

### Other matters

The final report is awaited on the inspection from Office of Regional Director, Ministry of Corporate Affairs, carried out under section 206 of the Act during the year 2019-20.



### Acknowledgements

The Board places on record, their deep sense of appreciation to all the Mindtree Minds, support staff, for adopting to the values of the Company, viz., collaborative sprit, unrelenting dedication and expert thinking, for making Mindtree an expertise led organization and the Company's customers for letting us deliver the Company's Mission statement, to engineer meaningful technology solutions to help the businesses and societies flourish. The Board also immensely thank all the Departments of Central and State Government of India, Authorities, Reserve Bank of India, Ministry of Corporate Affairs, Securities and Exchange Board of India, Stock Exchanges and other governmental/ Semi-governmental bodies and look forward to their continued support in all future endeavors. The Board also would like to thank our shareholders, investors, vendors, service providers, bankers and academic institutions and all other stakeholders for their continued and consistent support to the Company during the year.

The Directors are deeply grateful for every person who risked their life and safety to fight this COVID-19 pandemic. The Directors appreciate and value the contribution made by every Mindtree Mind to combat COVID 19.

For and on behalf of the Board of Directors

Place: Bengaluru  
Date: April 16, 2021

**R Shankar Raman**  
Director  
(DIN 00019798)

**Debashis Chatterjee**  
CEO & Managing Director  
(DIN 00823966)