sify

VIRTUAL IS
REAL

Sify Technologies Limited
INTEGRATED REPORT 2020-21

Contents

CHAPTER 1

Welcoming our stakeholders to the 2020-21 Integrated Report

IN our mission to pursue sustained value creation as a responsible organization, we are proud to present our fifth Integrated Report. This Report aims to provide detailed insights into our financial and non-financial performance encompassing our strategy, leadership and culture and to showcase our value creation process to our stakeholders.

Reporting framework
The report follows the International <IR> Framework as developed by IIRC (www.integratedreporting.org) and should be read in conjunction with the financial statements and the notes thereto.

Reporting scope and period
The Integrated Report covering information on our business operations is aptly disclosed through six capitals as defined by International Integrated Reporting Council (IIRC). The Integrated Report considers the primary reporting period as April 01, 2020 to March 31, 2021. However, some of the sections of the report represent facts and figures of previous years to provide a comprehensive and continuing view to the stakeholders.

Our core elements to enhance value creation
Our 2020-21 Integrated Report adequately showcases our integrated organizational strategy, considering important risks and valued inputs from our Stakeholders. Our report is defined by the contours of the material topics derived and further elaborated in our six Integrated Reporting Capitals. We also endeavor to ensure that this Report addresses the impact and use of the Capitals on our strategy and business model.

Responsibility statement
Our Board believes that Sify's 2020-21 Integrated Report addresses all material topics, offers a balanced and holistic view of its strategy and the organizational ability to create long-term value. Our Board acknowledges the contents of this Report, which are prepared under the guidance of our senior leadership and based on the inputs received from various key functions. To ensure the integrity of facts and information, the Board of Directors and management have reviewed the Integrated Report.

6 Integrated Report capitals

Financial Capital

Manufacturing Capital

Intellectual Capital

Human Capital

Social & Relationship Capital

Natural Capital

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Introducing the capital

Inputs that deliver value

	Financial capital	Manu-factured capital	Intellectual capital	Human capital	Natural capital	Social & Relationship capital
What is it	Resource, generated or procured that are invested in the business to create value	Tangible infrastructure deployed to provides services and generate revenue for the Company	Intangible, knowledge-based assets	People, their skills, their passion and their performance in building the business	Natural resources consumed by business operations	Collaborating and communicating with stakeholders; looking towards the well-being of society
Management approach	Sustain the growth momentum	Maintain & create assets that deliver superior service	Innovation to be a key component of growth	Nurture an inclusive and balanced work environment	Optimise the burden of business operations on the Earth	Build trust among stakeholders and participate in community development
FY21 Highlights	**2,43,195** Revenue (INR Lakh) **50,856** EBITDA (INR Lakh) **15,319** Profit after Tax (INR Lakh)	**71.14** Data center capacity (MW) **30,239** Capex (INR Lakh)		**540** Addition to team **66,105** Training (Person hours)		**204** Investment in society (INR Lakh)

CHAPTER 2

Sify's Management Team believes that with digital transformation emerging as the new business mandate, Sify is in a vantage position to catalyze this transformation.

With the government laying more emphasis on self-reliance and data protection through localization, the demand for data center outsourcing market in India is expected to average 25% annual growth by 2023-24 to touch US$ 5 billion.

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Dear friends,
Data is the new Oil

Indeed. Data in the 21st century is what oil used to be in the 18th century: An immensely untapped valuable asset. As we move deeper into this age of digital economy, data gets more valuable than ever. In fact, data has become the key to the functioning of almost everything – from governments to small roadside stores. Without data, progress halts.

It's raining Internet around the world

Affordability and accessibility have made internet a productive tool for a major chunk of the global populace. It is believed that over 2.5 quintillion bytes of the data is created every day around the world, and this number is increasing by the day with the ever-increasing digital footprint.

In India, data generation is on a frenetic spurt

In the last five years, India's efforts to be a fully digital economy have resulted in better internet connectivity and infrastructure. Many robust developments such as the exponential growth of data, big data Analytics, e-commerce, digital wallets, artificial intelligence and the upcoming shift to 5G technology have been catalyzed by this digital drive. The average Indian would use about 12 GB data every month in 2019 – the highest consumption globally – and this is expected to reach 25 GB (gigabytes) by 2025. This is being driven by affordable data connectivity services and the increase in rich media consumptions. With the government insisting that all data generated in India be stored locally, Data Centers will be the next big business opportunity.

Securing the treasure gets more critical than ever

As we entered 2021, we came to know of a massive heist and the media reports that security researchers have found that in a breach of servers of a reputed payment gateway, sensitive data of over 100 million credit and debit cards users have been leaked on the

It is estimated that an investment of around $10 billion is expected to happen in the data center space in the near future

dark web. This, if used maliciously, could lead to a colossal loss for India in terms of trust and respect as well as for Indians in terms of financial frauds. This highlights clearly the growing need for data security in an increasingly digital India.

Data Centers turn the essential backbone

Data Centers have turned into one of the most essential components of the digital economy for their specialty in managing and preserving data in the safest way. To adapt to an exploding digital ecosystem, the demand for Data Centers is also spiraling across the country. The Covid-19 pandemic and the containment measures the authorities imposed made the business of Data Centers even more critical as lives turned more and more dependent on the internet. Accordingly, the sector was granted the essential status for continuity of mission critical services under the IT/ITeS/Data Center Industry framework advised by the government, which in turn has also notched up the significance of the industry, making a louder blip on the global investment radar.

Moreover, with the government laying more emphasis on self-reliance and data protection through localization, the demand for data center outsourcing market in India is expected to average 25% annual growth by 2023-24 to touch US$5 billion.

Sify: The custodian of the precious resource

At Sify, we are ready for this exponential growth. Continuous investment in cutting-edge technology enables us to align with the global security standards and remain relevant to our customers in an exceedingly dynamic sectoral ecosystem where we operate. I would like to draw your attention to a realization about the power of data. It is data that kept life moving when the onslaught of a virus brought most parts of the world to a halt. This gives us the realization about the potential the business of data holds and the prospect it has in store for the days to come.

Raju Vegesna
Chairman & Managing Director

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A DAY IN DATA

THE EXPONENTIAL GROWTH OF DATA IS UNDISPUTED, BUT THE NUMBERS BEHIND THIS EXPLOSION - FUELLED BY **INTERNET-OF-THINGS** AND THE USE OF CONNECTED DEVICES - ARE HARD TO COMPREHEND, PARTICULARLY WHEN LOOKED AT IN THE CONTEXT OF ONE DAY

463EB
of data will be created everyday by 2025 - IDC

500m
Tweets are sent every day - TWITTER

4PB
of data created by Facebook, including 350m photos, 100m hours of video watch time - FACEBOOK RESEARCH

DEMYSTIFIYING DATA UNITS

From the more 'bit' or 'megabyte', larger units of measurement are more frequently being used to explain the masses of data

UNIT	VALUE	SIZE
b bit	0 or 1	1/8 of byte
B byte	8 bits	1 byte
KB kilobyte	1,000 bytes	1,000 bytes
MB megabyte	$1,000^2$ bytes	1,000,000 bytes
GB gigabyte	$1,000^3$ bytes	1,000,000,000 bytes
TB terabyte	$1,000^4$ bytes	1,000,000,000,000 bytes
PB petabyte	$1,000^5$ bytes	1,000,000,000,000,000 bytes
EB exabyte	$1,000^6$ bytes	1,000,000,000,000,000,000 bytes
ZB zettabyte	$1,000^7$ bytes	1,000,000,000,000,000,000,000 bytes
YB yottabyte	$1,000^8$ bytes	1,000,000,000,000,000,000,000,000 bytes

294bn
emails are sent - RADICAL GROUP

320bn emails to be sent each day by 2021

306bn emails to be sent each day by 2020

3.9bn
people use emails

4TB
of data produced by a connected car - INTEL

65bn
messages sent over WhatsApp and two billion minutes of voice and video calls made - FACEBOOK

95m
photos and videos are shared on Instagram - INSTAGRAM BUSINESS

ACCUMULATED DIGITAL UNIVERSE OF DATA

4.4ZB — 2013

44ZB — 2020

PWC

Searches made a day — 5bn

Searches made a day from Google — 3.5bn

SMART INSIGHTS
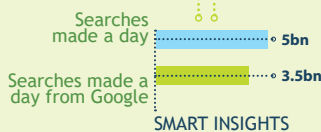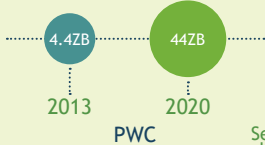
28PB
to be generated from wearable devices by 2020 - STATISTA

Change is the only
constant in a digital
world

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It is estimated that an investment of around US$ 10 billion is expected to happen in the data center space in the near future.

In December 2019, when the world first woke up to the debilitating effects of the coronavirus, the question uppermost on everybody's mind was how could business survive in a world devoid of physical interface.

One year and several iterations later, business has not only picked up, but the scope and contours have completely changed. Perhaps what has not changed is the expectation from Technology to be a productivity enabler during testing times.

Early in March 2020 amidst the lockdown, realising that a complete breakdown of communications would be imminent if infrastructure was not kept up and running, the government announced that Network and Data Center services were being accorded 'Essential Services' status. This spurred a flurry of innovation around a resource-agnostic Network architecture to overcome the curtailment of physical movement. So, bandwidth became elastic, multi-paths were a given, redundancy became standard and Dashboards became de-rigour.

Software applications were not too far behind. The momentum on patches and updates went into overdrive to protect public (read home internet access) points. The scope of intranet as we knew, was expanded to accommodate an explosive growth in WFH scenarios. Training and inductions went online. The biggest beneficiary was the Cloud. Up from just being a parking lot of transactional data, it moved to being the most experimental platform for all services, accommodating a wide range of custom-built, outcome-driven solutions. This led to an exponential rise in the need for data center farms to accommodate the demand from the cloud. Along the way, Cloud also established itself as the most fertile to test a range of resource-agnostic solutions spread across Networks, Data Center, Security services, Big Data and Analytics etc. Today, no RFP is complete without a scope for Cloud implementation.

The Covid pandemic has brought the untapped potential of hybrid cloud solutions into the spotlight. It is finally being recognised by Indian companies as they move away from legacy IT systems and adopt cloud solutions. More and more organizations in India are adopting the hybrid cloud model to adjust to the fast-evolving business needs triggered by the corona virus pandemic.

So much so that 63% enterprises in India said they have increased their investment in hybrid cloud, as compared to 46% globally, while 97% consider it the most suitable architecture compared to 87% globally, shows a report by Nutanix, a US-based cloud software and hyper-converged infrastructure (HCI) solutions provider. Though cost saving remains a key driver when it comes to making decisions regarding the modernisation of the IT infrastructure,

organizations are beginning to give more importance to other factors such as better control over usage of IT resources, business continuity process, increased speed to meet business needs and better support for customers.

Sify, a change catalyst

So, how is Sify addressing this change.

Since inception, Sify has not only aligned with change but also been the catalyst of it. Our Cloud@ Core strategy through which all our solutions and services will operate off a cloud iteration, positions us perfectly to capitalize on the promising opportunities to make a significant contribution to the new-generation Digital India. Our multi-cloud-flavored models, our hyperscale network services

Sify has been featured in Gartner's Market Guide on Public Cloud Managed and Professional Services (MSPs) Providers in Asia/Pacific region. The detailed study acknowledges the Company for its competency, background and business focus in offering Public cloud services besides its broad spectrum of ICT services in the Asia Pacific region.

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and transitioning skills and capabilities address client aspirations, making them digitally ready for any environment.

To strengthen our capability to cater to this cloud tsunami, we have undertaken a few important steps

1) We are adding Data Center capacities including hyperscale, in key locations over the next 3-5 years.
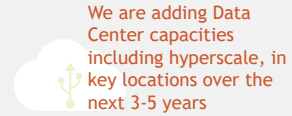
2) AMS-IX, the world leading Internet Exchange, and Sify announced the expansion of their footprint of internet exchanges in India. We are committed to enhancing the quality of the Internet in India by increasing connectivity through public peering. We are expanding our partnership (which started with the launch of a neutral and independent Internet Exchange in Mumbai) by expanding to the digital hotspots of Kolkata, Noida, Hyderabad and Chennai, with the objective of enhancing the quality of network interconnections in these regions as well.

3) Along with existing AWS, AZURE and OCI, we added GCP to ensure now customers can leverage SIFY as Single Vendor to define and execute their Public Cloud strategy.

Our value proposition

The continuing Covid era has been a litmus test. Not just for Sify, but perhaps the entire IT world. Most well-entrenched IT majors were found out of favour, burdened by the legacy of process, perhaps apt in a physically enabled world but irrelevant for a world that was second guessing every upcoming IT variant. This uncertainty, while taxing for others, is a boon for Sify. Having the entire gamut of ICT services helps Sify dig deep into its portfolio and build a solution that is completely outcome-based, transformational and malleable enough to cater to an uncertain future. A cursory glance at the recent solutions will reveal a curious pattern; of no single pattern. Every solution being distinct from the previous and the next and importantly, outcome based and not template dictated.

We are adding Data Center capacities including hyperscale, in key locations over the next 3-5 years

That is the world that Sify is relevant in. A world where change is the only constant.

Kamal Nath
Chief Executive Officer
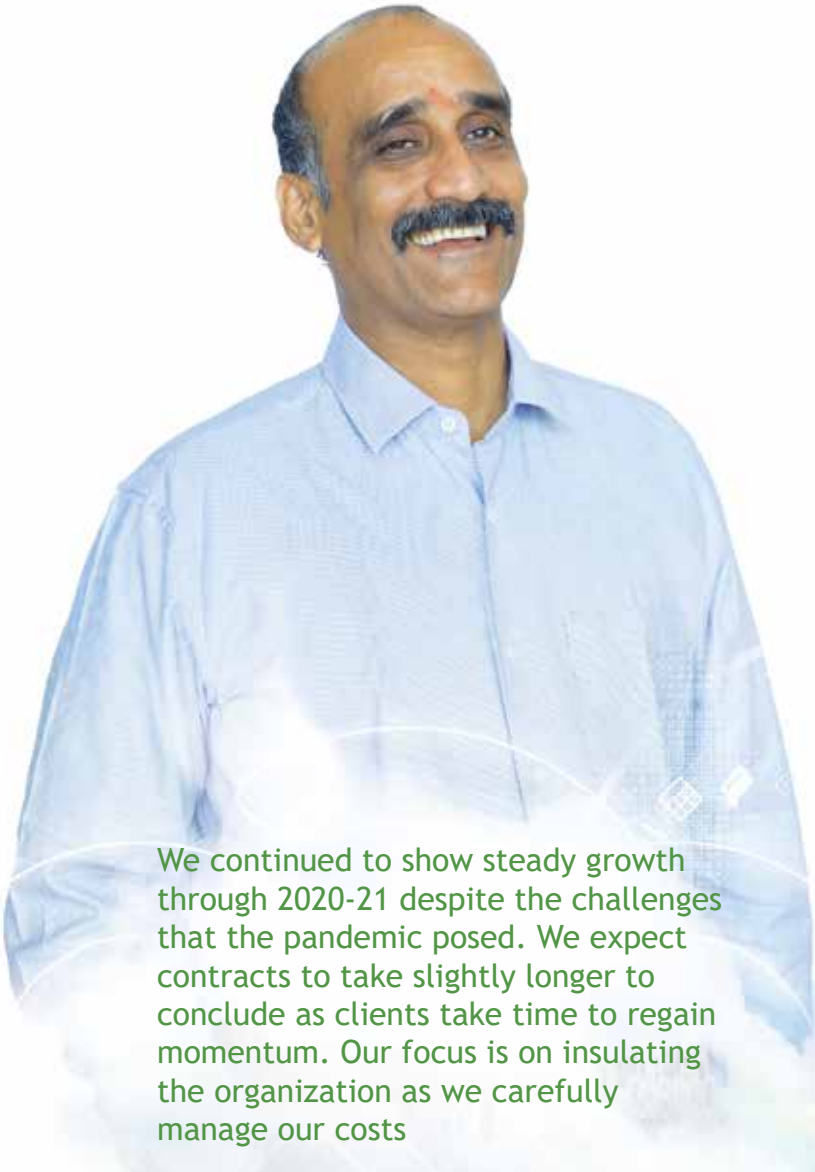
We continued to show steady growth through 2020-21 despite the challenges that the pandemic posed. We expect contracts to take slightly longer to conclude as clients take time to regain momentum. Our focus is on insulating the organization as we carefully manage our costs

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"Dear shareholders",
As I pen this statement, India is fighting the second wave of the COVID pandemic. My heart goes out to the brave healthcare professionals, frontline warriors and courageous fellow Indians who are working tirelessly to deal with the calamity.

'Digitalization' became a must-have mandate from the earlier 'good-to-have' solution.

Business activities have not been impacted as much as personal losses. This is because businesses were more prepared for a possible disruption – owing to their investments in digitization in and experience of FY21. And this period, interestingly, was an inflection point in our business.

The New Normal became the Normal

Just when we thought we had a breather, the second wave of the pandemic hit the country hard, extending the premise of remote working, distributed security, open source engagements etc. It further deepened the inevitability of the digital era and broadened the horizon for the virtual sphere. This time around mid-sized businesses adopted automation aggressively. 'Digitalization' became a must-have mandate from the earlier 'good-to-have' solution.

'New' from the New Normal faded as entrepreneurs accepted the reality that the pandemic is here to stay.

This mindset transition has a manifold impact on our prospects. Work from anywhere, movement to the hybrid cloud platform, strengthening of disaster recovery plans to enable business continuity, application modernization – all these market trends found a natural solution in Sify's "Cloud@core" model and offerings.

As remote working and security began to occupy larger management time, ESG began to occupy a large of share of voice in conversations.

This year, we took concrete steps to formalise our

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

The other trend that panned out in 2020-21 was the growth of Hyperscale CSPs and OTT players in India which accelerated our Data Center colocation business and strengthened our hybrid cloud offerings.

We endorsed several contracts with private companies operating in diverse sectors, financial institutions and government agencies for our cloud and managed services, among others. As a result, we continued to witness steady growth in revenue through 2020-21 despite the challenges posed by the pandemic; our EBITDA increased from INR 40,765 lakh in 2019-20 to INR 50,856 lakh in 2020-21. The Net Profit stood at INR 15,319 lakh in 2020-21 against INR 7,054 lakh in 2019-20. This growth vindicated that we are on the right side of the trend curve.

It increased our confidence to ramp up people and tools to increase our digital transformation capabilities. We commissioned new Data Center capacity at Rabale and Noida in 2020-21 and continued to extend our Network infrastructure through our Metro Project.

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

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Going forward

Large business houses are discovering the disruptive nature of AI, Distance learning, Telemedicine, Robotic Process Automation – long-term trends that are increasingly becoming accepted as a mainstream technology. These trends continue to stimulate demand for networks and data center capacity, a business segment that Sify is firmly committed to. We are excited by these trends as our products, services, and business models are in complete alignment with the customer's priorities. We will stay focused on ensuring liquidity and fiscal discipline. Our Data Center and Network expansion plans remain on track. We expect contracts to take slightly longer to conclude as clients take time to regain momentum.

Our focus is on insulating the organization as we carefully manage our costs, while ensuring that there is no lag in services delivery and customer experience. With India having firmly set its foot on the digital journey, Sify will catalyse this transformation with its customer-relevant services and solutions.

That said, we wish for the scourge of the pandemic to be eradicated so that people and livelihoods can return to normal.

M P Vijay Kumar
Chief Financial Officer

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CHAPTER 3

A Fortune India 500 company, Sify Technologies is India's most comprehensive ICT service & solution provider. With Cloud at the core of our solutions portfolio, Sify is focussed on the changing ICT requirements of the emerging Digital economy and the resultant demands from large, mid and small-sized businesses.

Sify's journey: 25 years of transformation

1995-1999

CONSUMER FACING ISP
First private ISP in India

2000-2005

SHIFT TO AN ENTERPRISE SERVICES COMPANY
Launch of MPLS & Data Center services in India

2006-2012

FULL-FLEDGED TRANSFORMATION INTO AN ENTERPRISE SERVICES COMPANY
Launch of Cloud services

Sify's infrastructure comprising state-of-the-art DCs, the largest MPLS network, partnership with global technology majors, vast expertise in business transformation solutions modelled on the cloud, make it the first choice of startups, incoming Enterprises and even SME or large local Enterprises on the verge of a revamp. More than 10,000 businesses across multiple verticals have taken advantage of its unassailable trinity of Data Centers, Networks and Security services and conduct their business seamlessly from more than 1600 cities in India. Internationally, Sify has presence across North America, the United Kingdom and Singapore

Currently, the management has segregated its business operations into two verticals for focused attention and superior service delivery.

Network Centric services

1,600+
Towns and cities

49
Data Centers
Connected over a common data network infrastructure

Data Center centric IT services

10
Concurrently Maintainable Data Centers in Chennai, Mumbai, Delhi, Kolkata, Hyderabad and Bengaluru

Sify has partnered with some of the leading global service providers namely AWS, Microsoft, Oracle and SAP to firm up relations with its clients who desire to transcend the IT landscape in their country of origin.

10,000+
Customers

2,838
Team size

Nasdaq
Listed of
Equity shares

FORTUNE 500
Featured in this
coveted list

2013-2017

CONVERGED ICT
SERVICES PROVIDER

Launch of private and
hybrid cloud services

2018-2020

cloud@core

Launch of complete
end-to-end digital ICT
services

2021...

digital@core

Launch of Digital
transformation services

Mission

● Seed entrepreneurial abilities within
the organization ● Build convergence
technologies ● Deliver cost-effective
solutions

Vision

"We are building a world in which our
converged ICT ecosystem and our bring-it-on
attitude will be the competitive advantage
to our customers."

Values

At Sify, our values, which we call the Sify Way, drive our organizational behavior.

Sify Way:

| Put customers' needs first | Be accountable | Treat others with dignity | Be action oriented | Have the courage to confront issues | Always remember that you are part of the Sify team | Protect Sify's interest always |

Stakeholder engagement

At Sify, we believe that success of our business depends on strong relationships. This belief fosters an inclusive approach towards all stakeholders and is aimed at understanding the needs, interests and expectations of each one of them, enabling us to create better value for them as well as for the business.

Community

Government
& Regulators

Key stake

Employees

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Shareholders & Investors

Customers

Vendors / Partners

holders

Stakeholder group	Why are they important	Material matters
Shareholders & Investors	As providers of financial capital, they are the key stakeholders in our growth and expansion plans	• Good corporate governance • Sustainability of the business • Strategy implementation • Inclusivity and transformation
Employees	People are at the center of all our operations. Their collective experience, skill and knowledge are essential for our growth	• Skill development • Well-being • Employee retention • Employee satisfaction • Performance management
Vendors / Partners	Business operations are closely linked with the timely availability of quality hardware and their periodic maintenance. Access to contemporary software solutions from Global IT majors is essential for being relevant to customers	• Product awareness • Visibility and relationship management • Service satisfaction • Timely payments
Customers	Customer feedback is key to improvements - performance, quality and cost optimization. It provides rich insight into future trends	• Product satisfaction and awareness • Brand awareness • Sustainability and viability of the organization • Information sharing • Market dynamics • Consumer complaints and grievances
Community	A harmonious relation with communities where we are located is key to our social license to operate. They are partners in our progress and are crucial to our operations	• Investment in CSR programs • Focus on sustainability

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Engagement forums	How we create value
Investor calls, analyst meets and general meetings	• Maintaining sound and transparent corporate governance practices • Engaging with shareholders on the broader mandate • Monitoring the implementation of the strategic plan • Delivering year-on-year growth for enhancing shareholder wealth
Multiple Employee engagement initiatives, appraisals, grievance redressal mechanism	• Understanding employee needs and creating a conductive work environment • Managing talent effectively and creating a leadership pipeline • Nurturing an L&D strategy and operational framework • Encouraging diversity and inclusivity at the workplace • Focusing on health and safety management
Periodic interaction with key suppliers by the project and procurement team and the senior management. Maintaining a connect with Global IT majors for knowledge of new developments	• Strategic brand and product awareness approach • Strategic stakeholder management with an inclusive approach
Regular interaction with customers through digital and in-person meetings by team leads, business heads and the senior management	• Delivering on commitments made to the customer • Widening the services basket aligned with consumer needs • Institutionalising a culture of performance excellence • Maintaining an effective complaint management system • Entrench a culture of fair treatment
Need-based assessment surveys, community visits by company management	• Creating employment and self-employment opportunities • Uplifting underprivileged sections of the society • Reducing the environment impact of our operations

STAKEHOLDER TESTIMONIALS
What stakeholders think about us

My compliments to you and your team for going out of your way and delivering this link to us at such a critical stage.

Abhijit Chakravarty
Vice President - Head, IT Infrastructure Services
Axis Bank

Dear Sify Team
Thanks for the proactive monitoring and actions for cloud infrastructure.

Krishnan Kumar
Max Life Insurance

Thanks to you and your team for the better support in this scenario. We appreciate you and your team for this effort, as of now link is stable and working fine. You may close this call.

Saurav Suman
Senior Engineer
Walmart India

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The last few weeks have been quite challenging for all of us, managing different responsibilities, increased load, pressure and seeing things change around us at an unprecedented pace.

Amidst all of this we had our challenge of getting Virtual Desktops setup for employees, where we couldn't manage a laptop. It was great to observe that our key strategic partner stepped up to this challenge and helped us accomplish an end to end set up of AWS Virtual Desktops in just about a week's time.

Mayank Bhargava
CIO
Pramercia Life Insurance

I have been continuously watching your prompt and regular physical visits to NISCAIR Data Center in this hour of gross pandemic scenario. I, on behalf of NISCAIR, appreciate your commitment to the upkeep and running of our Data Center Services as well as M/s Sify Technologies professional approach towards their clients. My best wishes and advise on adopting safe measures against Covid-19 pandemic.

C. B. Singh
Head, Information Technology Division & Infrastructure Division
DC Administrator-NISCAIR Data Center

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CHAPTER 4

In keeping with the diverse and dynamic needs of the Enterprise community, Sify has bucketed its services into four segments. This demarcation has provided a clear and comprehensive understanding of Sify's services to its customers. For Sify, it has helped in sharper focus on each segment with an objective to make each vertical a profit center for the organization.

The business verticals

Pioneers in Data Center & Cloud Management

CLOUD & Data Center centric IT services

- Cloud assessment & migration
- Cloud assessment & migration
- DC (Colocation / White Labelling)
- cloudinfinitTM multi cloud CMP
- cloudinfinitTM enterprise cloud
- Hosted Azure Stack/ Oracle Exadata/SAP
- Cloud as a service
- Application migration: on-premises to cloud
- Multi cloud managed services

Experience in running Enterprise Apps and SaaS

DIGITAL SERVICES

- Supply chain management services
- (ForumNXTTM SFFNxt)
- eLearning services
- Livewire LMS
- Online examination services (iTest)
- Digital trust services (safescrypt)

Industry leader in Securing Enterprise IT

MANAGED SECURITY SERVICES

- Implement consistent set of controls to prevent security threats
- Continuously monitor to detect security breaches
- Tactical threat containment and automated response

ICT Pioneer - India's largest MPLS network
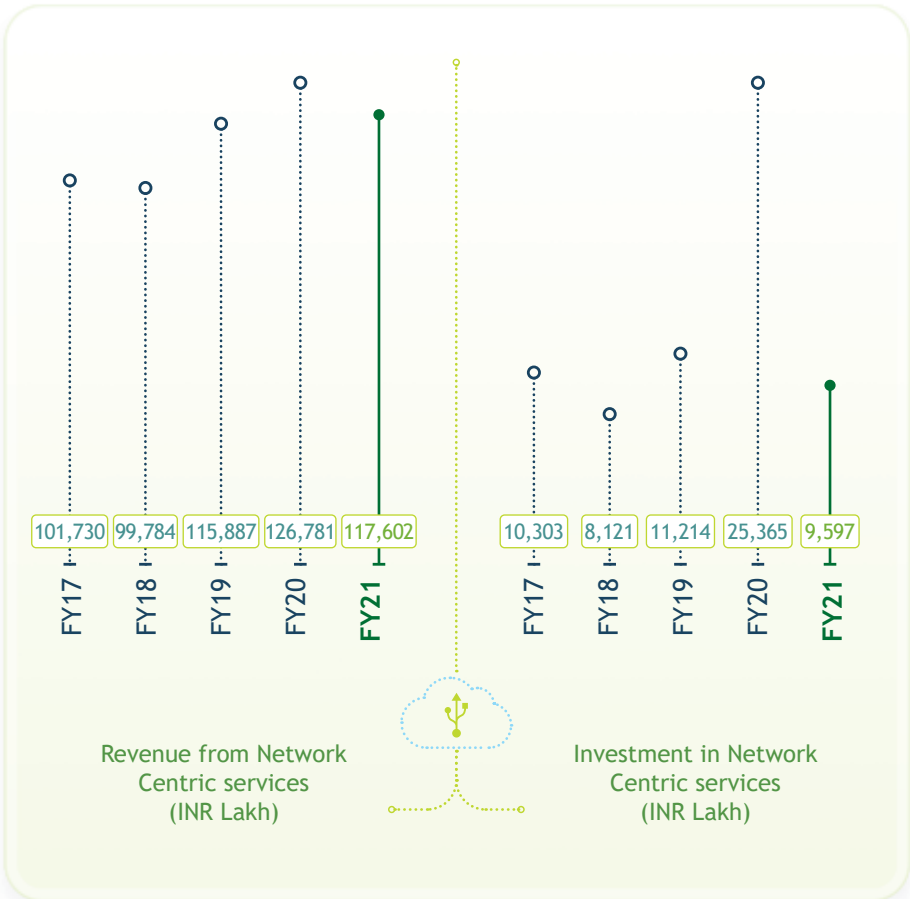
NETWORK CENTRIC SERVICES

- Cloud connect services
- SD-WAN
- EdgeConnect service for IT + OT + People
- Network transformation services
- Cloud enabled unified communication services

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Network Centric Services

From pioneering internet services for the common masses in India, Sify has come a long way in its network centric services. Over the years, the Company has graduated its network to provide a host of services namely Domestic Data, International Data, Wholesale voice etc. This has positioned Sify as one of the most versatile interconnectivity partners.

Currently, Sify owns the largest (Multiprotocol Label Switching) MPLS-enabled network in India which is able to seamlessly carry huge data traffic. Sify also offers one of the world's most extensive interconnect networks to connect users and customer locations across the globe.

Sify's robust, resilient and expansive network coverage and capabilities, has strengthened its position in the Data Center business and now in the contemporary Cloud and Managed Services segment.

	FY17	FY18	FY19	FY20	FY21
Revenue from Network Centric services (INR Lakh)	101,730	99,784	115,887	126,781	117,602
Investment in Network Centric services (INR Lakh)	10,303	8,121	11,214	25,365	9,597

01 Domestic network

Sify blankets India with one of the largest IP Multiprotocol Label Switching (MPLS) enabled networks. Its 1,15,000 Enterprise end-points spread across more than 1,600 cities today connects 49 Data Centers across India.

This multi-mesh network enables better scalability thereby nearly eliminating any downtime in operations. The network is also IPv6-ready, with a state-of-the-art backbone on fiber and multiple high-capacity circuits.

Sify continues to expand the capabilities of its network to handle spiraling data volumes. Its 100G Metro access ring network with multi-service access nodes (MSANs) across major Metros ensures high-quality traffic delivery-even at all times. Sify offers both global and domestic data connects. Its Open Cable Landing Station accommodates multiple international submarine cables that transport data between continents. Its international PoPs are strategically positioned to reap the benefits of the dense data traffic routes through global financial hubs. When this data lands on Sify's shores, it is transported through its network to partner network routes or carried by Sify's own network to its destination.

Enterprises in India may either have Sify commission a standalone network for their businesses and link them to an on-premise or co-located Data Center; or have leased bandwidth from Sify for their business connectivity.

Our services
Sify's key revenue earners in this space are MPLS services and Internet connectivity services. The Company also provides network managed services (including third party networks) to ensure network uptime as per agreed SLAs.

Our project
Sify embarked on its ambitious 'Metro Project' which an objective of strengthening its network in key Indian high-data traffic cities like Mumbai, Kolkata, Bangaluru, Chennai, Delhi-NCR and Hyderabad. This project also strengthens its prospects in the Data Center and Cloud services segments.

During the year, the Company completed the coverage of key cities. This project will continue in the current year too covering other select Metro and Tier II cities.
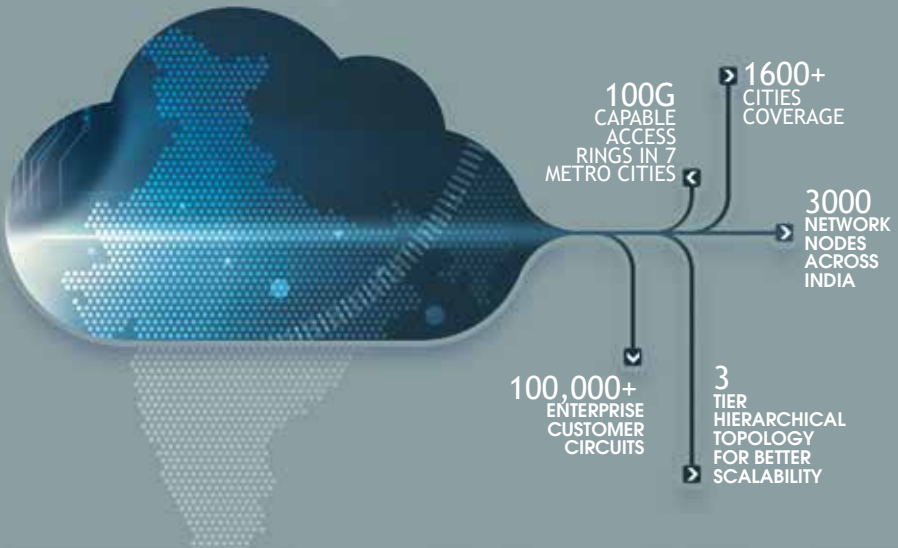
Our edge

- **Largest IP Multiprotocol Label Switching (MPLS)-enabled networks**
- **Network is built to support the move to fully digital business, with bandwidth services available to enterprises, content providers, over-the-top (OTT) providers and other network operators with speeds up to 100 Gbps throughout India.**

Multiprotocol Label Switching (MPLS)

Our India footprint

100G CAPABLE ACCESS RINGS IN 7 METRO CITIES

1600+ CITIES COVERAGE

3000 NETWORK NODES ACROSS INDIA

100,000+ ENTERPRISE CUSTOMER CIRCUITS

3 TIER HIERARCHICAL TOPOLOGY FOR BETTER SCALABILITY

Connecting!

One of India's large BFSI player with a dispersed presence in India required a large network with maximum uptime. Since no single service provider could cater to the complete requirement, the BFSI player engaged with multiple service providers namely Airtel, Tata Communications and Sify. Despite this, the internal team of the customer had to manage WAN links and feasibility issues. Also, reporting from various Service providers was different, hence difficult to collate and manage effectively.

To mitigate these challenges, this organization selected Sify as their single partner for their network management with three KRAs

● Network Cost Optimization

● Secure and Robust connectivity for the branches during uncertain times and be cloud ready.

● Organize their Network under a single trusted provider to ensure complete agility to scale up and down branches

In addition to meeting these requirements, Sify brought on the table some important value adds namely:

Configures the network for conditions unique to their branches, e.g. height of pole < 6 mt., fiber to last mile etc.

Extended connectivity to the last mile through 2 different Service Providers for redundancy at customer's DC, DR & Corporate Offices with 99.9% uptime

Deployed P2P links as 2 different links for utilization in active-active mode and

Provided Hybrid Managed NOC support with necessary presence of resources at India Bulls Head Office.

On-boarding Sify as their network partner made a world of difference to the marquee BFSI brand. It provided a single pane visibility for their digital initiatives; the superior network performance enhanced employee productivity. **More importantly, it provided a simplified and predictable pricing construct with the required SLAs across all the locations.**

Sify, through its global network comprising diverse cable assets and multiple POPs over different geographies with direct connectivity to a range of major IP network operators, offers a plethora of interconnect options to its global customers to access India geography.

The carrier-agnostic network has multiple levels of redundancy, including oceanic and cable — and a robust backbone of interconnecting hub locations.

It has peering points used to build redundant international network connections to the United States, Europe, the Middle East, Africa, Latin America and the Asia-Pacific region. POPs are located in New York, London, Marseilles, Los Angeles, Dubai, Singapore and Hong Kong over redundant cable systems on transatlantic and transpacific paths.

This enables Sify to provide end-to-end connectivity to global corporations and to provide remote management services for multiple locations in India and across the globe.

Open Cable Landing Station

Sify pioneered the concept of an open cable landing station, at a time when Indian Enterprises had limited access to global data interconnectivity - access to interconnects was restricted to traditional telecom players with their cable landing stations.

Unlike other dedicated landing stations, Sify's open landing station is agnostic to mobility and network players, making it the secondary carrier for most telcos.

Sify's cable landing station in Mumbai provides access to multiple submarine communications cable systems. It has helped lower the entry barrier by helping connect Telcos, Enterprises and OTT players with their global counterparts. At a macro level, this initiative has helped expand the available bandwidth capacity within the country.

Sify's undersea cable network has been designed to assure the maximum level of continuity and performance by providing diverse cable options for redundancy over some of the following multi-cable systems like Europe India Gateway, Middle East North Africa (MENA) and Gulf Bridge International (GBI).

As an accessibility provider, Sify enables connectivity on both Pacific and Atlantic sides through multiple level partnerships.

Data Center centric IT services

Sify biggest advantage has been its keen understanding of current trends and evolving business spaces before its time. From providing internet service to the Indian masses to providing path breaking global interconnectivity and to data management services, Sify has been at the forefront of creating new business spaces.

Even when the working Indians were hesitant to graduate to the digital bandwagon, Sify realized that this digital transformation would require astute data management.

As such, Sify emerged as a very early starter in offering smart data management of solutions by investing in Data Centers – in key commercial cities that churned data by the second – namely Mumbai, Chennai, Bengaluru and Noida.

As India took giant strides along the digital path in the last decade, enterprises, and small and large companies showed their urgency towards digital transformation. In keeping with this fast-evolving transformation Sify widened its service basket to include co-location, migration and transformation services through a managed multi-cloud environment.

It also leveraged its network services to firm up its clients' cloud and digital platforms through network security and transformation services, including its cloud connect services.

Investments in Sify's cloud infrastructure helped provide faster performance storage and data computation. Sify's experience and expertise earned it considerable global respect and reputation.

Sify today is a trusted partner for leading corporates and institutions across India with business relations extending several years.

In Retrospect: 2019-20
Sify continued to add customers to its large and enviable client base through the year. As such, revenue from this business vertical grew 22% over the previous year. Its contribution to the total revenue pie stood at 55% in FY21.

FY17	82,589
FY18	1,07,055
FY19	99,593
FY20	1,02,733
FY21	125,593

Revenue from Data Center centric IT services (INR Lakh)

- 44% - Data Center Services
- 16% - Cloud & Managed Services
- 11% - Application Integration Services
- 29% - Technology Integration Services

Revenue by vertical - FY21

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01 Data center services

Sify is among the largest in the Indian Data Center space.

It offers the widest array of services and solutions to large and growing enterprises which, over the years, has strengthened its position in this space as the preferred data management partner.

Over the last two decades, Sify has evolved from being a data storage player to emerging as a digital transformation specialist for enterprises in India – from drawing the blueprint to turnkey management of IT architecture.

The Company owns 10 Concurrently Maintainable Data Centers which are designed to act as reliable, secure and scalable facilities to host mission-critical applications. Its services can be grouped under two heads namely co-location services and managed hosting services

Co-location services: It offers co-location services which allow customers to bring in their own rack-mountable servers and house them in shared racks or hire complete racks, and even 'secure cages' at the hosting facility as per their application requirements.

Managed hosting services: It also offers a wide variety of managed hosting services, such as storage, back-up and restoration, performance monitoring and reporting, hardware and software procurement and network configuration.

Competitive advantage

Perhaps India's only homegrown ICT player with rich experience that provides a clear understanding of the Data Center space, the evolving regulatory framework, technology advancement and business landscape evolution in India.

An entrenched network player which provides an important edge – a comprehensive understanding of clients' need from a Data Center and Network perspective.

Listing on NASDAQ attaches an edge to the Sify brand.

Concurrently Maintainable Data Centers with a POD-based architecture assures high-quality service at an optimized cost.

Our value-added services basket

Rack space - Half rack and full rack
Caged enclosures with access control system
Dedicated CCTV cameras
Cross-connect services
Rack cabling - Power and network
Dedicated seating space
Static transfer switch
Internet connectivity at the data center - Fixed bandwidth or data transfer model
Asset migration

Fireproof vaulting and off-site tape movement services
Managed services
Managed shared firewall services
Tape backup services
Remote hands support
FortKnox™ services - Security services suite
Private connectivity to national and international internet exchanges and multiple Public Cloud environments (Specific to Data Centers)
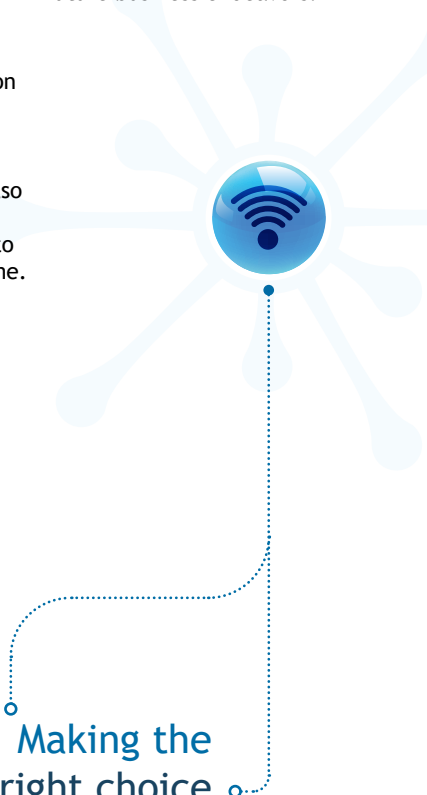
Data center transformation

One of India's pharma major's IT infrastructure was lacking scalability, agility and availability. Its existing Data Center at Gurugram was not financially viable to run from on-premise. The Company's applications demanded high performance storage whereas their IT infra was about to reach end of support cycle. Most of the IT budget was being used to keep the existing infrastructure running; little was available for upgrading the same. In addition, the Company faced cable congestions challenges with regard to cooling efficiency and traceability.

Sify adopted a consultative approach to build the right business case for the customer to address their pain points and for cost optimization. This was possible because the team had the knowledge and experience with large/ complex migrations for similar IT setups. Also, Sify's unique cloud adjacent Data Centers with deterministic connectivity to Hyperscalers was aligned to Sun Pharma's future plan for hybrid cloud.

The pharma company contracted Sify for a complete IT refresh.

Sify completed UAT and Production Setup migration with minimum disruption within 20 days only - one of the fastest complex workload migrations. It also provided for a "Parallel Setup" before migration to ensure near-zero downtime.

Moving to Sify improved availability, security and overall reliability of the IT landscape. The new infrastructure provided better application performance vis-a-vis existing IT setup. Moreover, the Company gained significant cost saving due to capex vs. opex pricing model and efficient management with simplified cabling. More importantly, the customer's cloud-ready IT Infrastructure ensures resiliency and security for future business endeavors.

Making the right choice provides lasting returns

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02 Cloud & Managed services

Cloud computing is a must for business growth.

The simple reason being that they help businesses reap the maximum benefits of cloud adoption by means of cost-effective and well-managed computing resources, IT efficiency, and flexibility.

Cloud and Managed Services refers to outsourcing daily IT management for cloud-based services and technical support to automate and enhance business operations. It creates the prudent balance between the scalability and facilities that a public cloud can provide and the promise of better reliability that on-premise solutions can offer. Today's managed cloud services represent a collaborative effort between service provider and customer. The service provider contributes to the expertise, technology, and experience for the customers' inputs on their specific business objectives.

Generally, providers of cloud and managed service solutions manage cloud security, computing, storage, network operations, application stacks, vendors and a lot more. Depending on the client's IT needs, they also manage monitoring and reporting, performance testing, backup and recovery.

As the Cloud and Managed Services space gained acceptance, Sify entered this space early and in a very short time the Company has on-boarded a large number of clients that include respected corporates, Government institutions and financial agencies. This is owing to its wide array of services positioning it as a go-to-partner in this space.

Sify's service basket

Sify educates and handholds its customers to graduate to the cloud platform as the foundation for their digital business models. This involves explaining to the client the vulnerability of their data and the need to safeguard their capital.

Sify's Data Center Services (DCS) offer industry-specific solutions keeping application and technology landscape as the center point and builds models focused on the business outcome, helping customers align their IT infrastructure and solutions with their business objectives.

Sify's ties with global giants like SAP, Oracle and Microsoft Azure allow Sify to offer their entire suite of on-demand cloud services, which also provide its customers with the option to 'rent' software licenses on a monthly 'pay as you go' basis – as opposed to purchasing software - minimizes expenses. This helps Indian enterprises, large and small, to safely

utilise globally prevalent IT solutions which enhances their service quality to their customers.

Sify also provides Infrastructure Managed Services. As the name suggests, this includes proactive management and support of the customer's operating systems, applications and database layers. For this, the Company uses specialized monitoring tools and infrastructure experts to ensure optimal performance of the customers' infrastructure.

As a dependable partner, Sify's Center of Innovation advises clients on their future technology roadmap that will align with their current IT infrastructure, optimise future investments and will deliver better ser-vices. This allows the client to stay at the cutting edge of technology evolution.

Sify's on-demand storage service reduces the complexities of deploying and managing multiple storage tiers and lowers operational costs by automating management with flexible need-based pricing.

Going forward, the Managed Cloud Services is expected to increase owing to the Company's Cloud@Core strategy through which all its solutions and services will move to the cloud.

As an important step in strengthening this vertical, Sify entered into a partnership with Google Cloud Platform. With this partnership, Sify will be able to help enterprises effectively modernize their existing infrastructure by leveraging the capabilities of Google Cloud Platform (GCP).

Sify's solutions powered by GCP's modern application management platform, Anthos, and cloud interconnect can help enterprises unlock the power of serverless computing, containerization, and microservices.

Sify will offer its Google Cloud Interconnect which extends client's on-premise network to Google's network through a highly available, low latency connection.

Sify's certified GCP Professional Cloud Architects will guide businesses in effectively managing their cloud services portfolio.
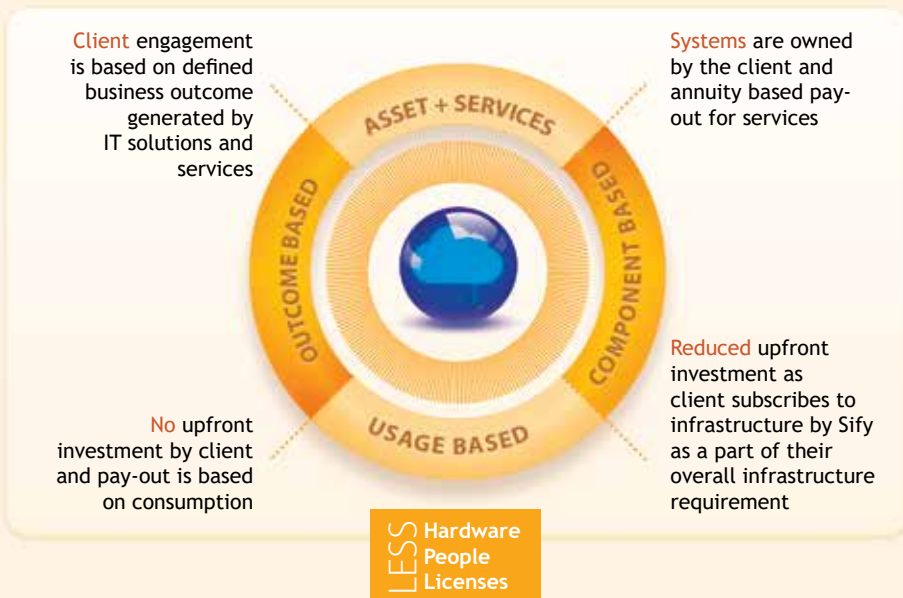
cloud@core
Aligned to our customers cloud transformation pursuit

Cloud Enabling
- Cloud DC
- Hyper reach/Hyper scale transport Oracle FastConnect | ExpressRoute | DirectConnect | Partner Interconnect
- Software Defined Network services
- Cloud build Private | Hyperconverged | Enterprise
- Security services for cloud
- Migration and Implementation service

Cloud Inspired
- Oracle Exadata-As Service
- SifycloudinfinitTM
  - Public/Private
  - Workload specific cloud (e.g. S4 HANA grid)
- EdgeConnect
- Collaboration services on Cloud

Cloud Pure
- AWS Cloud services
- Azure Cloud services
- Oracle Cloud services
- Multi-Cloud Management platform
- Multi-Cloud Managed services

Cloud Enhanced
- Digital SCM (ForumNXTTM, SFFNxt)
- Digital Learning (Livewire LMS)
- Digital Assessment (iTest)
- Digital trust (Safescrypt)
- Digital Innovation (App modernization, Analytics, AI/ ML, DevOps)
- Enterprise Mobility
- Industry solution-as-a-service

Our services

Workload Migration Service	Cloud Assessment Service	Multi-Cloud Managed Service
• Move from on-premise to public and/or private Cloud • On-premise DCs to Sify's world-class Data Centers	• Recommend the to be architecture and approach for a least disruptive and reliable migration	• Multi-cloud infrastructure and applications
Managed Security Services	**Sify's Cloud Expertise Extends Over**	**Investments in Cloud Infrastructure Help Customers Embrace Multi-Cloud Platform**
• Implement consistent set of controls to prevent security threats • Continuously monitor to detect security breaches • Tactical threat containment and automated response	• All aspects of building Cloud infrastructure • Managing Public and Hybrid Cloud services • cloudinfinitTM CMP to provide multi-cloud operational best practices • AWS/Azure/Oracle/Google Cloud implementation • Experience in delivering Sify proprietary applications like ForumNXTTM, iTest, Safescrypt and, eLearning from cloud in a SaaS model.	• cloudinfinitTM enterprise • Cloud and Public Cloud • Disaster recovery on Cloud model • Workload specific Cloud (HANA grid etc) • Hosted Azurestack • Exadata as a service

Our engagement model

Client engagement is based on defined business outcome generated by IT solutions and services

Systems are owned by the client and annuity based pay-out for services

ASSET + SERVICES

OUTCOME BASED

COMPONENT BASED

USAGE BASED

No upfront investment by client and pay-out is based on consumption

Reduced upfront investment as client subscribes to infrastructure by Sify as a part of their overall infrastructure requirement

LESS Hardware People Licenses

Globally present. Digitally connected

A global investor who has raised US$ 15 billion since inception and employs over 200 people, including a team of 120 investment professionals, working across 16 offices globally had issues with his current infrastructure.

What existed...

The current infrastructure of the customer was crippling their true potential. Their Data Center (DC) and Disaster Recovery (DR) were on-premise at London and Singapore respectively. These were managed by an in-house IT team based in India. They were using VMWare vSphere 6.0 for virtualization with over 75 VMs at DC and 40 VMs at DR. Platform on Microsoft with MS SQL DB and their hardware was due for refresh.

Its challenges and more (with Covid-19)

With the current setup, customer was facing frequent hardware failures and capacity expansion issues. Their DR was not at optimal capacity and their on-premise DR was not tested with drills.

The pandemic surfaced certain hitherto unknown challenges. In these trying times, DC & DR accessibility became a challenge due to lockdown. Managing on premise DC & DR was also difficult for in-house team which needed physical access for their operations e.g. hardware replacement. Also, their onsite teams had limited capability which further impeded performance of the infrastructure.

Sify onboarded... Why?

Sify was selected as the single partner to help the Company address the challenges. It was selected for the following reasons

It has the in house competency of building & managing complex Hybrid Multi cloud solutions.

It delivers complete solution with Network for Cloud, Hybrid Multi Cloud Security and managing regulatory compliances.

It has the required Cloud migration experience with strong presence in financial services segment.

Sify's Proposed Solution

Sify proposed setting up a DC environment on VMC at London Region. This would involve migration of 75 Instances from on premise DC (London) to VMC on AWS at London Region.

The DR environment would be setup at AWS Singapore region. This would involve building a fresh DR @100% Capacity (from DC setup) on AWS at Singapore Region AZ for 41 Instances.

A tunnel would be created between VMC London and AWS Singapore for seamless connectivity. The customer's DC & DR on VMC & AWS respectively will be monitored and managed by Sify.

The Network and Security would be configured as per customers' compliance requirements. Sify also provided its own Backup solution (Commvault).

> This solution has delivered more than the promised commitment. Sify has created an enduring relation.

03 Applications Integration Services

As the need for digital transformation gained momentum, cloud moved to the core of IT strategy for all business enterprises.

To cater to this growing traction for cloud services, Sify incubated a business around Enterprise Application and Platform Services with industry standard products like Microsoft, SAP and Oracle.

Today, Sify offers a complete bouquet of services around products, including Cloud Infra Services like Microsoft Azure and Azure Stack, Oracle Exadata as a Service and SAP Private Cloud, the Implementation and Migration Services around these applications and platforms and Infrastructure and Applications Managed Services.

Prior to its partnership with industry giants, Sify had built a credible suite of home-grown applications like iTest, ForumNXT™ and Beacon. These applications are also witnessing renewed interest fueled largely by the country's automation aspiration.

The world of e-learning is progressing rapidly for multiple reasons. To cater to this large and rapidly growing opportunity, Sify is building on its Virtual Reality and Augmented Reality strengths.

With multiple IPs pending for homegrown solutions, applications based on these will see a growing demand in the coming years.

The big demand driver will be human resource management as the HR aims to fill the skill gap in the incoming workforce and provide education to bridge the divide between the theoretical and hands-on industry exposure.

Oracle
Oracle Public Cloud, Oracle Exadta, Oracle Migration services

Amazon web services
AWS Platform, AWS Digital services, AWS Platform Security services, AWS Migration & Management services

Microsoft AZURE & 0365
Azure Platform, Azure Digital services, Azure Security services, Migration & Management services, 0365 Migration & Rollout services, LSP

SAP services
SAP Private Cloud, SAP Public Cloud (AWS-Azure), SAP 5/4 Hana Migration services, SAP managed services

A bouquet of our industry standard applications

04 Technology Integration Services

Sify offers turnkey solutions to clients who are new to both technology and technology refreshes.

The Company leverages its homegrown expertise in design, implementation and maintenance to deliver end-to-end managed IT services across Data Center, Network, Collaboration and Security.

These are challenging projects that are implemented at multiple locations pan India simultaneously. Its focus on service desks and command centers, voice and video conferencing, hosted contact centers, unified communication and unified access, virtualization, data center build, campus/local area network (LAN)/data center networking, wide area network (WAN) architectures, and enterprise and end-point security.

Unlocking scale for the businesses

Early in 2021, Sify decided to give shape to an idea that was festering for some time from a business and stakeholder value perspective. Both data Center and the IT services offered off them, were attaining critical traction and recall among the various constituents of the Enterprise market. It was time to give them their space to grow.

At the start of the year, the Company carved out 2 business into subsidiaries; Sify Infinit Spaces Limited and Sify Digital Spaces Limited.

Sify Technologies will continue as the parent and reside all business related to Network connectivity under it.

Sify Infinit Spaces is the name and ambition covering all of the company's Data Center pursuits, related to real estate acquiring, the project builds and colocation for clients.

Sify Digital Services is where all the value adding, differentiating IT services will be offered off. Hence, the new age services like

Cloud, Managed Digital services and Applications Integration will reside under this subsidiary.

Each of these subsidiaries have a management team who will take care of operational and strategic decisions.

Three-fold intent

1. Promoting Growth of Individual Business Segments

a. Each businesses have different attributes, drivers and has reached a scale where they require independent strategy while still retaining the overall ICT leadership and positioning.

2. Focus

a. The competition and customers, vendor ecosystem of these businesses are diverse.

b. Each business segments has promising growth outlook and hence the segregation of business units would bring deeper focus and would allow each business segment to scale it up individually

3. Leveraging or unlocking the value

a. It helps in leveraging or unlocking value of each stream of business.

b. This structure also enables exploring partnerships and tieups with strategic players for operational strength, business growth and value creation.

CHAPTER 5

The pandemic put our business space in the spotlight.

FY21 was the most challenging period in living history. We stepped into the unknown.

Until the end of FY20, normal life as we knew it seemed to be proceeding along relatively predictable paths, but the global pandemic changed life to anything but predictable.
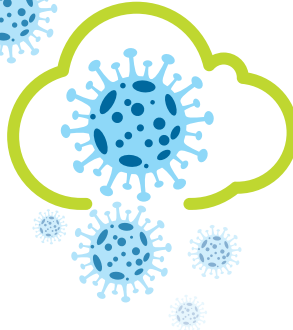
In the span of weeks, our way of life has changed dramatically, with millions of people and businesses around the world adjusting to social distancing requirements. A massive portion of our global workforce is now working from home.

'Work from Home' which as a concept was largely alien to the Indian work culture, and was looked down upon, became the norm.

Every establishment was forced to adopt this the New Normal. It had to be done immediately as the challenge to life and livelihood from the invisible enemy was colossal. But for business activity to happen, data was essential, connectivity became critical. The success of remote working squarely relied on a strong network. Because a strong network facilitated access to data pool, connectivity with people and the window to the larger world. Networks necessarily needed to be strong to allow for the sudden spike in bandwidth consumption.

In these challenging circumstances, the data management and networking spaces emerged as critical for survival. Data Centers enabled digital commerce, banking and online meetings – in a nutshell they played a crucial role in keeping companies functional - making digital infrastructure more important than ever before. That has given the data center world a sense of achievement, and kept digital businesses operating and growing despite the lockdowns instituted across India.

The emergence of new business environment in the wake of Covid-19 is expected to boost cloud services and digitization as companies overhaul their digital infrastructure to deal with new ways of working. A recent report by Crisil, similarly, had pointed out that India's data consumption has seen a sharp 38% rise year-on-year for FY21 on account of Covid-19.

EXPERTS ESTIMATE THAT US$ 7.1 BILLION (INR 50,000 CRORE) WOULD BE SPENT IN INDIA ON CLOUD INFRASTRUCTURE OVER THE NEXT TWO YEARS.

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Data Centers & Cloud

In India, the demand for hyperscale Data Centers shot up in the last two years as more businesses are moving their IT infrastructure to the cloud, especially driven by increasing demand for app-based services and OTT platforms, and the intensifying conversation around locally storing data of Indian users.

The pandemic and the resultant lockdowns have only catalysed the demand for Data Centers. Data center providers in the country witnessed a spike in demand in the ongoing lockdown as more and more people worked from home. Data Centers were put to the test as a large workforce suddenly moved to remote working during the global crisis. Companies were able to access, manage and process their data from a remote location due to data center networks working full throttle, to the extent of data center services being classified as one of the essential services.

Interestingly, the Data center business today is not a standalone business. The interconnection between data center and the Cloud world has become very important. With more people working from home, the need to store data in the cloud increased exponentially.

While Covid has acted as a catalyst in Cloud adoption with organizations betting big on their digital transformation strategies, factors such as ballooning data consumption led by video and social media platforms, rise of OTT platforms and e-commerce, have accelerated the trend. Government initiatives and data localisation laws are also playing a part in accelerated Cloud adoption. Also, with operational flexibility becoming more critical for businesses, especially in the aftermath of the pandemic, there is also an increasing adoption of infrastructure-as-a-service.

According to data accrued by IT asset management firm, Snow Software, which polled 250 IT leaders from around the world about how the onset of the pandemic had affected their cloud adoption plans. Out of those surveyed, 82% said they had ramped up their use of cloud in direct response to the pandemic and the shift to remote working patterns this had ushered in.

In a nutshell, the emergence and acceptance of the new normal – adoption of cloud and acceleration of digitisation – have now become the pillars of the business continuity strategies for the post-Covid-19 world.

THE QUARTERLY PERFORMANCE

Inching forward - Step by step

Q1

(April - June 2020)

INR **5259** Mn	INR **1,153** Mn	INR **172** Mn
Revenue	EBITDA	Profit after tax
(5) % growth	**32** % growth	**(20)** % growth

Data Center centric IT services

5 %
Growth in revenue over corresponding quarter of the previous year

Data Center Services	Cloud & Managed Service	Application Integration & Technology Integration Services
• Multiple customers migrated from their on-premise Data Center to Sify DC. • 6 new customers signed up for modernization of their DC. • An insurance major signed up for their DC infra refresh	• One of India's leading fashion brands and a central government body were among the customers who contracted to migrate their workload from their on-premise DC to multi-cloud • Received contracts from 2 customers for greenfield Cloud implementation • Customers contracted Sify for Cloud managed services from verticals such as Power, IT and Government. • Major customers signed multi-year contracts for managed security services.	• New customers signed up for multiple services like AWS CDN, DRaaS, PaaS and IaaS from verticals such as Education, Insurance, Non-banking Finance and Private Equity. • Customers signed up for supply chain integration on the Cloud.

Network-centric Services

(12) %
Growth in revenue over corresponding quarter of the previous year

Domestic network	International network
• One of India's largest private home-financing players signed up for the complete outsourcing and transformation of their Network. • A major niche chemical manufacturing player and a pharma major contracted with Sify for managed and secure SD-WAN services.	Entered into a partnership with Google Cloud Platform to further expand its Cloud and Managed services portfolio. Sify will be able to help enterprises modernize their existing infrastructure by leveraging the capabilities of Google Cloud Platform (GCP).

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Q2

(July - September 2020)

INR**5899**Mn	INR**1,189**Mn	INR**257**Mn
Revenue	EBITDA	Profit after tax
2% growth	12% growth	35% growth

Data Center centric IT services

12%
Growth in revenue over corresponding quarter of the previous year

Data Center Services	Cloud & Managed Service	Application Integration Services Technology Integration Services
6 major customers migrated from their on-premise Data Center to Sify DC.	One of India's oldest software majors, a leading fashion brand, and one of the most established banks in India contracted Sify to have their workload migrated from their on-premise DC to multi-cloud. A leading automotive financial company, the mining subsidiary of one of India's oldest MNCs contracted for greenfield Cloud implementation Three customers contracted Sify for Cloud managed services from IT and Business Processing verticals. Two customers signed up for multi-year complete Digital Transformation services to build and deploy new age Hybrid IT services, DC colocation services, Cloud services, Managed Network and Security services.	10 new customers from diverse verticals signed up for multiple services like CDN, DRaaS, PaaS, and IaaS

Network-centric Services

(8)%
Growth in revenue over corresponding quarter of the previous year

Domestic network	International network
• Major retail chain signed up for Energy management across their business, an important win for the IoT services. • Contracted to build the on-premise and pan India SDWAN for the Central government's payment gateway. • A public sector non-life Insurance company, an IT major, and a logistics player contracted with Sify for managed and secure SD-WAN services. • Public and private BFSI players, higher learning institutions, and manufacturing majors signed up for remote collaboration services.	• Added an interconnect path to the cloud with the commissioning of Oracle Fast Connect. • A US MNC contracted Sify to build a contact center service to enhance its Enterprise service experience. • Banks and private NBFCs contracted with Sify to expand their existing engagement for Information Security services.

Q3

(October - December 2020)

INR**6,301**^{Mn}	INR**1,291**^{Mn}	INR**252**^{Mn}
Revenue	EBITDA	Profit after tax
7% growth	**17**% growth	**54**% growth

Data Center centric IT services

21%
Growth in revenue over corresponding quarter of the previous year

Data Center Services	Cloud & Managed Service	Application Integration & Technology Integration Services
• One of India's premier automotive finance companies and an Indian multinational pharmaceutical company, migrated from their on-premise Data Center to Sify DC, while a major Indian fintech player migrated their captive DR to Sify DC. • 3 customers contracted with Sify to modernize and expand their Disaster Recovery within Sify's Data Center; among them is a subsidiary of the Central Bank, a global content delivery network, and a cybersecurity and cloud service company.	An MNC electronics retailer entering India contracted for a greenfield Cloud implementation for their new applications on AWS. 5 customers signed up for SAP Cloud and Managed Services, across multiple verticals. A scheduled commercial bank signed a multi-year contract to commission their Private Cloud and host their Core banking infrastructure. This contract includes IT, Network, security, and management of their DC IT services. One of the largest gas-powered power plant operators in the North East contracted with Sify to build a new DC for their non-IT infra and migrate their IT services. A major Public Sector lender signed a multi-year contract to renew their security and managed services, as well as to refresh their IT Services, Technology, and Security.	• An industrial product subsidiary of one of India's oldest business conglomerates signed up for migration to AWS, while one of India's fastest growing FMCG companies signed up for AWS services. • A major construction subsidiary of one of India's oldest business houses signed up to fully integrate their backend supply chain on the Cloud. • 5 clients signed up for SAP Basis support, which includes one of India's largest B2B e-commerce platforms. • A major International Fintech and Payment services player contracted with Sify for Kubernetes /Docker as a Service and the complete suite of Digital Transformation services.

Network-centric Services

(5)%
Growth in revenue over corresponding quarter of the previous year

Domestic network

• Received a contract for building a Multi-Terabit DCI network for a Hyperscale cloud provider in Mumbai.
• A major fashion brand contracted with Sify for pan-India implementation of IoT services.
• A pharmaceutical major contracted with Sify for managed and secure SD-WAN services.
• Signed up multiple clients across multiple verticals for interconnection to the Cloud
• Multiple clients from diverse verticals contracted Sify for pan India MPLS network services
• Multiple clients including a premier Indian stock exchange contracted Sify for WAN commissioning on a pan-India basis.
• A multinational investment bank and a leading Indian two-wheeler manufacturer signed up for collaboration services at their premises.
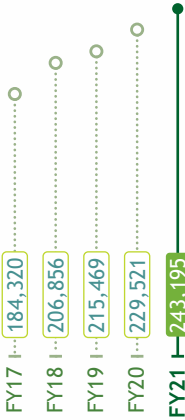
VIRTUAL IS
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INR**6,860**Mn	INR**1,453**Mn	INR**904**Mn
Revenue	EBITDA	Profit after tax
20% growth	40% growth	575% growth

Data Center centric IT services

22%

Growth in revenue over corresponding quarter of the previous year

Data Center Services	Cloud & Managed Service	Application Integration & Technology Integration Services
• Customers, from diverse verticals moved from in-house / competitor DC to Sify DC. • A major Public Sector Insurance client contracted for a complete refresh and augmentation of their DC and DR.	• Customers signed up to migrate their workload from their on-premise DC to multiple Cloud platforms, including Cloudinfinit and AWS. • Clients signed up for greenfield Cloud implementation • Multiple clients contracted for Managed Services	The online test platform saw more than 300,000 tests being conducted for clients from Education, Heavy Engineering, State government, and the Health sector.

Network-centric Services

(7)%

Growth in revenue over corresponding quarter of the previous year

Domestic network	International network
• The country's largest bank signed a multi-year contract for setting up next-generation NOC and management of network across 4 Data Centers in India, 24,000 branches in India, and 120 branches outside India. • Significant investment and expansion of the next generation fiber access networks across 6 key markets covering Data Centers, SEZs, and Commercial Business Districts. • Customers from several verticals including IT, Retail, Banking, and Digital Wallets signed up for MPLS Network builds while a retail major signed up for pan-India SD-WAN service.	With Cloud interconnects gaining momentum, significant contracts were concluded with a global content delivery network, private and public sector banks, automobile manufacturers, a retail chain, and a couple of insurance players.

THE GOVERNMENT OF INDIA SIGNED UP FOR A MULTI-YEAR, MULTI-SERVICES GREENFIELD DEPLOYMENT OF DISASTER RECOVERY.

KEY PERFORMANCE INDICATORS

Gaining momentum

Sify uses financial Key Performance Indicators (KPIs) to measure performance and health of its business. KPIs reflect how the Company operates and are fundamental to how the Company track progress towards achieving its strategic objectives.

Revenue from Operations (INR Lakh)

FY17	FY18	FY19	FY20	FY21
184,320	206,856	215,469	229,521	243,195

y-o-y growth (%): 6

EBITDA (INR Lakh)

FY17	FY18	FY19	FY20	FY21
25,704	28,558	31,221	40,765	50,856
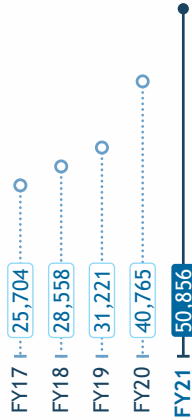
y-o-y growth (%): 25

Profit before Tax (INR Lakh)

FY17	FY18	FY19	FY20	FY21
6,431	9,233	10,714	10,197	16,003

y-o-y growth (%): 57

Profit after Tax (INR Lakh)

FY17	FY18	FY19	FY20	FY21
6,424	9,233	10,687	7,054	15,319

y-o-y growth (%): 117

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Earnings per share
(INR)

FY17	FY18	FY19	FY20	FY21
4.45	6.11	6.86	3.94	8.53
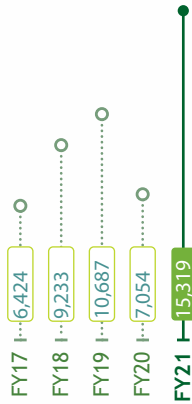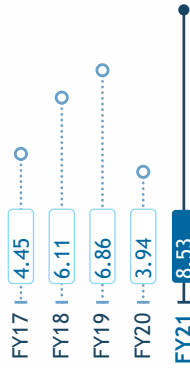
y-o-y growth (%): 117

Shareholders Fund
(INR Lakh)

FY17	FY18	FY19	FY20	FY21
82,626	90,030	107,772	113,494	131,636
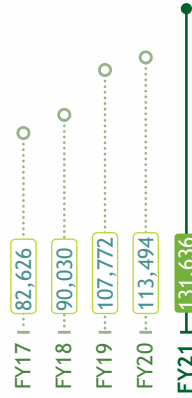
y-o-y growth (%): 16

Term Debt
(INR Lakh)

FY17	FY18	FY19	FY20	FY21
22,844	31,956	55,112	58,439	60,733
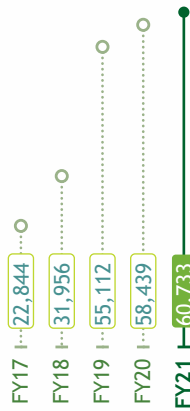
y-o-y growth (%): (4)

Cash balance at the year-end
(INR Lakh)
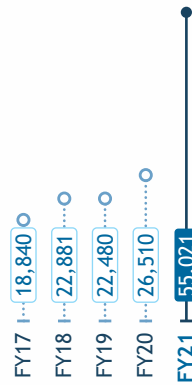
FY17	FY18	FY19	FY20	FY21
18,840	22,881	22,480	26,510	55,021

y-o-y growth (%): 108

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CHAPTER 6

How do we create value?
We strive to allocate our capital and resources in the best possible way to create sustained value for all our stakeholders. Given the constrained and interconnected nature of the capitals we rely upon, we must make smart choices about where to allocate our resources to generate sustained value.

BUSINESS MODEL

Inputs

	Financial Capital • Shareholder's fund: INR 113,494 Lakh • Gross Debt: INR 9,443 million • Capital Employed (April 01, 2020): INR 11,349 Million
	MANUFACTURED CAPITAL • DC capacity: 71.14 MW • Network length: 83,492 Kms. of Dark Fibre • Enterprise end-points. 115,000
	INTELLECTUAL CAPITAL • Proprietary Products: 2 • Product development expenditure: INR 172 Lakh • Product development team: 156 members
	HUMAN CAPITAL • Employees on roll: 2838 associates • L&D number of courses : 3470 • Number of associates who underwent courses : 2477
	SOCIAL & RELATIONSHIP CAPITAL • No. of Shareholders: 9,340 • No. of Customers: 10,000+ • CSR spend: INR 204 Lakh
	NATURAL CAPITAL • Diesel consumption: 592 KL (FY20-21) • Energy consumption: 34 MW (FY20-21)

Value creation approach

Mission	Values
• Seed entrepreneurial abilities within the organization • Build convergence technologies • Deliver cost-effective solutions	**At Sify,** our values which we call the Sify Way, drive our organizational behavior.

Strategic objectives

1) Objective Value-Driven growth	*2) Objective* Cementing customer connect	*3) Objective* Sustainable

Business segments and product basket

Data Center centric IT services	Network Centric Services
• Data Center Services • Cloud & Managed Services • Applications Integration Services • Technology integration Services	Network Services.

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Outcome

	FINANCIAL CAPITAL • Revenue: INR 243,195 Lakh • EBITDA: INR 50,856 Lakh • EBITDA margin: 21% • Net Profit: INR 15,319 Lakh • Capital Employed (March 31, 2021): INR 13,164 million
	MANUFACTURED CAPITAL • Proportion of multi-year contracts for Data Center centric IT services: 80% • Proportion of multi-year contracts for Network Centric Services: 50%
	INTELLECTUAL CAPITAL • Revenue from proprietary product: INR 9x amount invested in product development
	HUMAN CAPITAL • Revenue per employee: INR 85.69 Lakh • EBITDA per employee: INR 17.92 Lakh • Number of engaged learning hours: 66105
	SOCIAL & RELATIONSHIP CAPITAL • CSR beneficiaries: VIRRD Trust: INR 190 Lakh • VHS Trust: INR 14 Lakh
	NATURAL CAPITAL • Reduction in energy consumption in NOC/Offices/Guest House: 4.27% • E-waste recycling: 7.8 tonnes

Financial Capital

At Sify, efficient capital utilization has always been in the spotlight. We have always identified and implemented ways, to enhance profitability and build financial reserves for sustainable operations.

Sify follows a robust system on capital allocation among various competing capital expenditure projects and the need to deleverage the organization. Accordingly, utilization of funds between investment (in capacity and capability) and redemption (of debt) is calibrated to ensure that the leverage ratios are within acceptable levels without compromising on business growth.

Given the Company's capacity creation strategy, sizeable business surplus was deployed in capacity creation. Hence, the impact of capital projects was marginal on the Company's debt portfolio.

Sify remains alert and agile in capitalizing opportunities with an objective of reducing its interest cost.

Also, the Company has consistently maintained a competitive borrowing rate by adopting an appropriate balance between fixed and floating interest rate. A strict adherence to its financial management systems and risk control measures has helped the Company achieve a superior Return on Capital Employed (RoCE) and stronger cash flows.

Borrowing summary (INR Lakh)

	FY17	FY18	FY19	FY20	FY21
Long-term loans					
From banks	9,211	15,450	29,731	37,268	38,784
From others	8,441	14,646	24,412	21,171	21,949
Financial obligation	5,192	1,860	969	14,701*	17,726
Short-term facilities	26,371	25,978	27,971	34,944	34,195
Cash Balance	18,840	22,881	22,480	26,510	55,021

*Due to adoption of Ind AS 116 / IFRS 16 LEASES

FY2020-21: In retrospect

2,43,195
Revenue (INR Lakh)
6% growth over
FY20

50,856
EBITDA (INR Lakh)
25% growth over
FY20

15,319
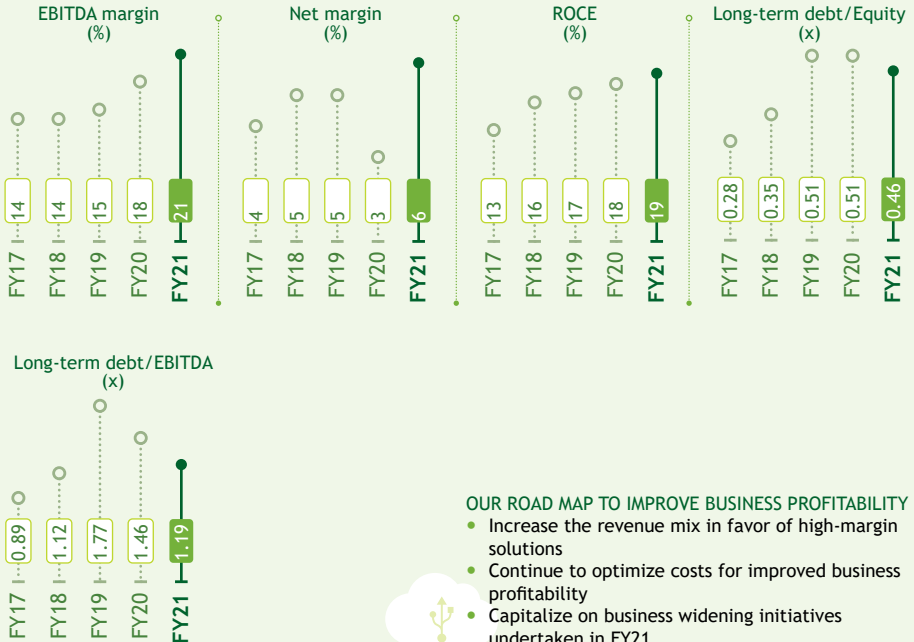Net Profit (INR Lakh)
117% growth over
FY20

69,670
Net cash from Operations (INR Lakh)
37% growth over FY20

8.53
Basic Earnings
per share (INR)

Key Performance Indicators

EBITDA margin (%)

FY17	FY18	FY19	FY20	FY21
14	14	15	18	21

Net margin (%)

FY17	FY18	FY19	FY20	FY21
4	5	5	3	6

ROCE (%)

FY17	FY18	FY19	FY20	FY21
13	16	17	18	19

Long-term debt/Equity (x)

FY17	FY18	FY19	FY20	FY21
0.28	0.35	0.51	0.51	0.46

Long-term debt/EBITDA (x)

FY17	FY18	FY19	FY20	FY21
0.89	1.12	1.77	1.46	1.19

OUR ROAD MAP TO IMPROVE BUSINESS PROFITABILITY
- Increase the revenue mix in favor of high-margin solutions
- Continue to optimize costs for improved business profitability
- Capitalize on business widening initiatives undertaken in FY21
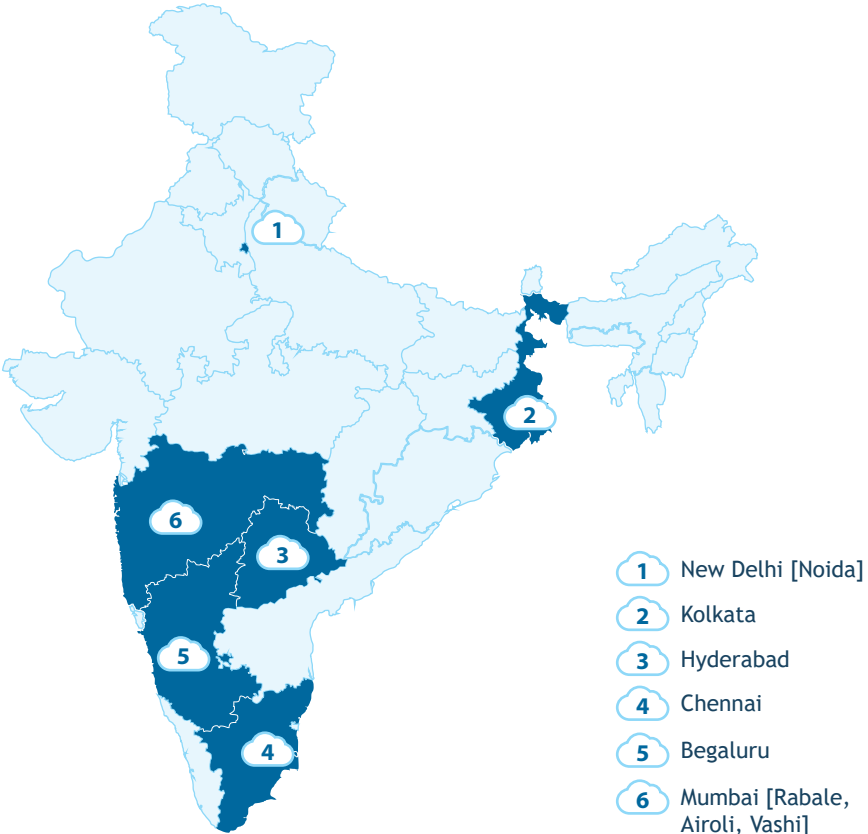- Box item ends

Manufactured Capital

At Sify, capacity building is always a strategic call to make the business more adaptive and resilient, thereby enabling it to be relevant to the most demanding customers. In doing so, it aims to remain steadfast on its commitments to create value.

Sify's tangible assets comprise its storage infrastructure across its multi-locational operating sites together with its network assets that connect more than 1,600 cities in India. Consistent investment in capacities over the last decade has positioned Sify as an important player in the Data Center space in India.

The Company has 10 Concurrently Maintainable Data Centers located in different seismic zones, with highly redundant power and cooling systems that meet the highest standards of the industry. Intelligent capacity creation has facilitated in balanced infrastructure across regions - these assets enable the Company to deliver its diverse service offering to more than 1,000 business enterprises in India and across the world.

1. New Delhi [Noida]
2. Kolkata
3. Hyderabad
4. Chennai
5. Begaluru
6. Mumbai [Rabale, Airoli, Vashi]

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FY2020-21 in retrospect

Strengthened our Data Center infrastructure

- We deployed a 6.5 MW data center capacity in NOIDA
- We deployed a 2 MW data center capacity in Hyderabad

Strengthened our Network infrastructure

The team completed the networking of three important cities namely Kolkata, Pune and Hyderabad under the Metro Project.

The metro networks are built focused around Data Centers in each of the cities. This network supports high capacity DCI and help Sify's data center business by supporting multi-DC and hybrid cloud deployments for its customers.

The integrated solutions focused around low latency and direct cloud connects couple with the Sify Data Centers provide a strong value proposition to customers in their digital journey.
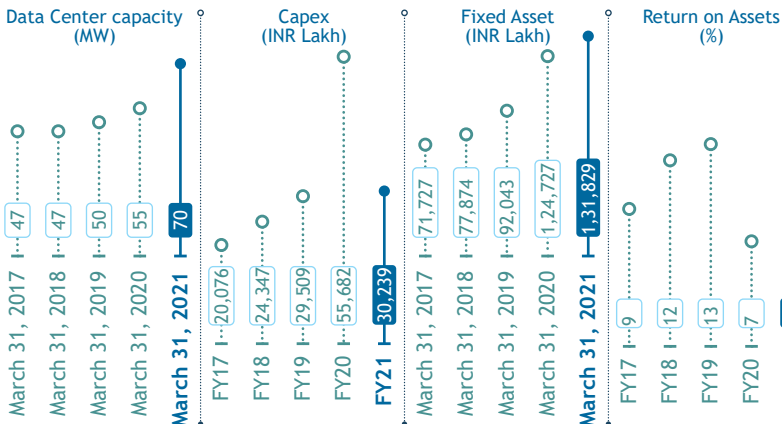
Blueprint for tomorrow

Going forward, Sify plans on adding capacities in Mumbai, Delhi, Chennai, Bangalore and Hyderabad over the next 3-5 years. These new Data Centers are next generation, campus Data Centers, each with a capacity in excess of 50 MW, large floor height, on-premise substation and very high power density per rack. In the networking infrastructure, Sify will focus on deploy including other Metro and Tier 2 cities under its ambitious Metro Project. It plans to invest in high-capacity wireless and IoT focused network – being ready for the fast evolving business space.

Key Performance Indicators

Data Center capacity (MW)

March 31, 2017	47
March 31, 2018	47
March 31, 2019	50
March 31, 2020	55
March 31, 2021	70

Capex (INR Lakh)

FY17	20,076
FY18	24,347
FY19	29,509
FY20	55,682
FY21	30,239

Fixed Asset (INR Lakh)

March 31, 2017	71,727
March 31, 2018	77,874
March 31, 2019	92,043
March 31, 2020	1,24,727
March 31, 2021	1,31,829

Return on Assets (%)

FY17	9
FY18	12
FY19	13
FY20	7
FY21	12

Intellectual Capital

Sify's intellectual capital is its slew of contemporary products and platforms created by its team leveraging the knowledge and expertise resident within the organization.

These products enable its customers access to a host of products and services and enable them to be part of the digital transformation wave that is sweeping through the nation.

Product / Platform	Details of the product	Edge of this product over others in the space
SMAC	SMAC wireless radio 3.0 is a product to meet Sify's various needs to cater to enterprise connectivity and high-end applications	**Sify owns the IP for HW design of SMAC 3 wireless radio-Hardware.** • Rigid Hardware Design for extreme weather conditions – Built-in RF & ETH surge protection, IP 67 enclosure, 100% integrated antenna • SMAC3 comes with Latest technology like Dying Gasp, GPS. Temperature sensor, Dual Radio and MiMo • Extension for IoT platform **Sify owns the IP for customized wireless firmware for SMAC 3 -Software** • Single Software for all type of deployment models like Backhaul, PTP, PTMP • Latest software features like DDRS, DCS, ATPC and Spectrum Scan to mitigate interference. • Security – AES 256, MAC ACL, Radius and FW filtering features • Jumbo frame size support- 9000 bytes, Built-in traffic generator **NMS** ZTP, High scalability, Auto discovery, Bulk operations, Asset management, Topology, API Integration with auto ticketing, SMS and SMTP GW support, Threshold based alerts. **Sify owns the IP for the customized mobile App** The mobile app can be used for alignment, configuration, survey scan, performance test and debugs the links.

| Product / Platform	Details of the product	Edge of this product over others in the space
ServiceNow	ITSM Tool for Internal and Customer Process. This includes Configuration Management, Service Assurance (Customer & Network Incidents), Service Delivery, Change Management, Preventive Maintenance.	• Extended & Customized implementation for Telecom Service Provider Environment. • Customized Automation for Traditional Network, Nextgen SDWAN, IVR Systems, Field Management System. • Customization in Service Relationship for Service Modelling. • Complete Automation of Service Assurance (Auto Ticketing, Auto Correlation, IVR (Inbound &Outbound) Process, Auto Healing/Resolution etc). • eBonding for Partners and Enterprise Customers.
Sify Beacon™	NMS tools for Shared and Dedicated Managed Service Platform. Provides Fault Management, Configuration Management & Performance Management.	• Complete Inhouse Development & Support. • Reduced Device Certification Cycle(Two weeks). • Agility in new Feature Development/Enhancements & Support.
VuNet	AI Ops Platform for Managed Service Platform. Provides Fault Management, Configuration Management & Performance Management.	• Provides Frameworks for Predictive Analytics, Supervised and Unsupervised Learning. • Increased Operation Efficiency for Capacity planning, Outlier Detection etc.

Upcoming Products
- VuNet – For Extensive AI Operations
- IoT Automation – For Predictive Preventive Maintenance & Better Operation Efficiency
- Service Provisioning Automation – Traditional Networks and Next Gen Networks (SDWAN)
- SMAC 3 –GPS sync, TACACS, NMS integration with auto ticketing, Hot standby 1+1, channel bonding, extension for IoT

Product / Platform	Details of the product	Edge of this product over others in the space
Sify's DCA 5.0	In-house developed Data Center Architecture SDA 5.0 builds upon the POD-based SDA 4.0 design architecture and is a cost-optimized design suited for the Indian ecosystem	**Higher flexibility** Provides for increased customization even as it optimizes the cost of design and construction. **Better yields** Its enhanced customization options. allows for customization to higher resilience and densification options to 2x which helps in maximising KW yield **Lower capital cost** The inside-out design philosophy, increased standardized features and components, in-house engineering and delivery team and just-in-time, modular construction reduces the capital cost for setting up the Data Center.
cloudinfinit™	Offers on-demand infrastructure on a multi-tenant, robust and fully scalable platform. Utilised to host the most demanding IT applications of client.	**Wide array of service** Include a wide range of choices across the portfolio of Compute, Storage, Network, Security, Analytics and Protection services to provide end-to-end IT infrastructure on pay-per-use basis **Safety and service assurance** IT applications of client are located in enterprise-grade, secure, highly available and self-service environment backed with stringent service-level guarantees.
ForumNXT™	An India-centric inventory management solution to handle local supply chain management challenges for global companies entering India.	**Integration of multiple services** This Cloud-based solution is integrated with Sify cloudinfinit™ and Amazon's Web Services (AWS) platform, - it can easily scale to meet the needs of large international businesses. **Visibility** Gives brands visibility on their products, distribution, challenges, markets and demand.

Global Cloud Connect

Sify's Global Cloud Connect provides connectivity to leading cloud providers such as AWS, Azure, GCP and other services to connect with their offices, Data Centers and workloads in other public clouds, leveraging Sify's countrywide IP VPN (MPLS) network. Google Cloud customers can also utilize Sify's Data Center Interconnect services, which provide cutting-edge performance for mission-critical and latency/high-availability sensitive applications. This service is offered from 49 Data Centers in the country, including 10 of Sify's own carrier neutral co-location facilities.

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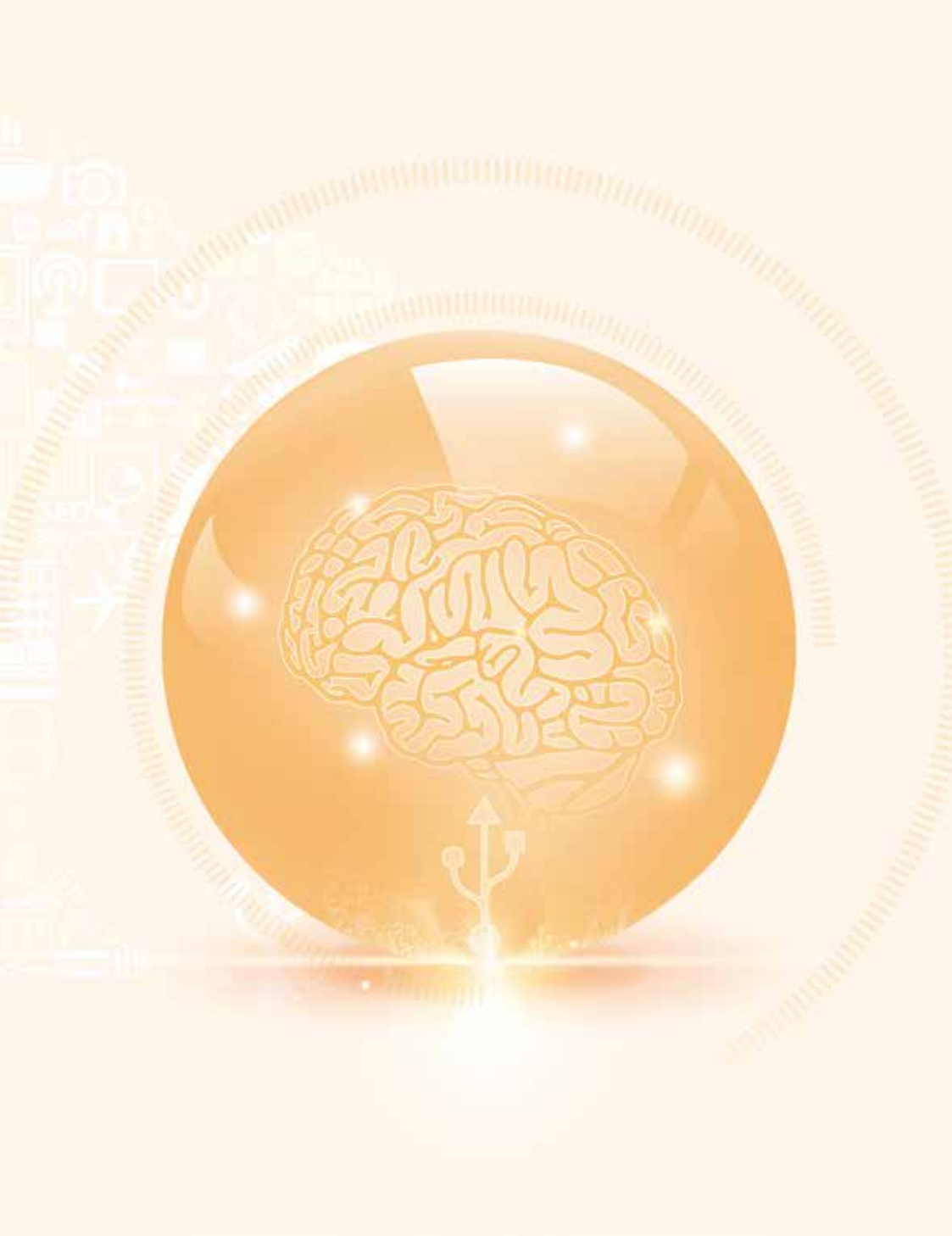
Human Capital

Business is run by people. Especially in a business where impeccable service sustains relations and wins clients. This holds true for Sify for it is in a service-led business, catering to a few thousand clients across the Indian landmass. As such, its team is primarily responsible for growing the business and establishing its repute as a dependable partner.

Sify's people passion and perseverance was aptly showcased in a challenging FY21.

FY21 was an out-of-the normal period owing to the unprecedented health emergency that enveloped the world. It mandated sweeping changes in everything people did – personally and professionally. 'Work from Home' emerged as the accepted working culture. Data Centers transformed into an Essential Service. Connectivity became the life blood for every activity. People of all ages, cultures and walks of life wanted one thing – fail-safe connectivity and access to data.

This was quite challenging for the team. Because even as it endeavored to meet these demanding requirements, they needed to brave the pandemic itself.

Sify's team rose upto the challenge. Their Bring it on Attitude enabled them to brave the odds while delivering on its service commitment to customers.

Their efforts were supplemented by the HR team who connected with every team member to seek updates on their health and well-being, build their morale, and motivate them to enhance their productivity and remain committed to customer service.

COVID COVER

The entire workforce except for 24x7 critical services works from home.

Signed up with a reputed Tele – medicine consultation services for our employees and their family members.

Introduced the Covid Home Care Program for employees and their families affected by Covid. Fully sponsored by Sify, this was a one-month program covering vital aspects during Covid treatment.

Tied up with super-speciality hospitals to provide hospital services for the employees and their family members.

Enhanced the coverage for its Group Mediclaim (Hospitalization) Policy for Employee and Parental Policy.

Doubled the sum insured for the Group Term Life Insurance and Group Personal Accident Policy.

Taken a separate policy called CORONA KAVACH for the associates and their immediate families in case of hospitalization or quarantine.

Signed up with professionals to provide professional counselling and mental wellbeing services for

our employees and their families.

Reimbursed the Covid vaccination cost for all our employees, their spouse, children and parents.

Reimbursed the Covid Lab test charges (RTPCR or Antigen) for associates, their spouse, children and parents.

EAP PROGRAM

Maintained a daily connect with associates for getting updates on their health and well-being.

Sent Covid Kits to associates who are tested positive. The kit comprises of Oximeter, Thermometer, N95 Mask, 3 ply Masks and Sanitizer.

Maintained connect with few partners for vaccination drive at the Company premises which would be implemented subject to government approval.

Philosophy

To be an Employer-of-Choice by creating a high-performance work culture through effective people practices that makes Sify's associates feel empowered and develop a feeling of ownership and pride.

Human Capital Summary

Sify's passion and perseverance to widen its services to align with the dynamic business ecosystem we operate in and to meet customer aspiration has created interesting employment opportunities. During the year under review, the Company added 540 people to manage the rapidly expanding business – recruitments were primarily done virtually. As such the Sify team comprised of 2,838 associates as on March 31, 2021.

Talent Acquisition

Sify's hiring strategy is pivoted on two words – Energy & Experience.

On-boarding fresh talent provides the much-needed energy to service growing business needs; lateral hiring focuses on specialized and niche skills where years of experience and expertise are required for formulating business strategies aligned with the evolving business space and disciplined business management for meeting budgeted goals.

Campus Connect: As the name suggests, this program is designed to recruit freshers into the organization.

Basis the Annual Business Plan, Sify identifies the need for additional role-specific talent that would need to be put on board. Students from reputed engineering and management institutes are shortlisted for aptitude and technical capabilities and shortlisted.

Selected students are inducted into the system through a robust onboarding and orientation program which includes classroom and on-the-job training on business, products, delivery process, and key behavioral and teambuilding skills.

The comprehensive training program is concluded on the Graduation Day where the students who successfully complete the training are conferred with certificates and assigned different teams.

Sify has created a dedicated team to manage the Campus

Program for promoting the campus corporate relationship. This includes active participation in campus held seminars, workshops and extending internships to students from various streams.

Onboarding & Feedback: The onboarding process ensures smooth induction of the associate into the system by catering to his/her work needs – both prior and post joining – and thereby provides a pleasant and memorable experience at work.

In keeping with its penchant for improvement, Sify has created an associate feedback which is recorded through an online survey. It provides regular feedback from the associate which is shared with concerned stakeholders to facilitate timely interventions and ensure associate satisfaction.

Employee Engagement

In a people-driven business, people bonding, and camaraderie is critical to build a cohesive force. Interestingly, this happens in an 'out-of-work' environment rather than while at work. With this realisation, Sify has created multiple employee engagement forums which have helped in building a strong people force. Some of the key initiatives are listed below:

Talent showcase: Cultural programs and competitions are organized on a quarterly basis to enable employees showcase their talent and skills in various fine arts and creative arts.

Sports: Tournaments such as cricket, football and badminton are organized at periodic intervals to promote team bonding at the workplace. This also helps encourage the team members undertake extracurricular activities and build their physical fitness.

Health camps: Health camps are conducted at periodic intervals in the office premises, with the objective of promoting the general health and wellbeing of employees. The health camps covered the aspects of general health, eye, dental and cardio checkups among various other health screenings.

In FY21, the physical engagement calendar remained relatively muted owing to the Covid-19 pandemic. This was suitably replaced with virtual engagement forums across teams.

Communication

Organizational communication is a core component of any business and without it, the tasks and procedures that need to be carried out in order for the business to run would not occur.

At Sify, the team members are encouraged to interact with colleagues and seniors. This open door communication platform provides clarity on job responsibility and expectations and allows associates to upgrade their skills and imbibe efficiency traits.

Town Halls: Town Hall meetings are organised at regular intervals where

the senior leadership team address the entire Sify on business performance, sectoral opportunities and challenges and business strategies. In this open forum, associates are encouraged to express their views and seek clarification on key aspects of business.

eZine: Sify's quarterly newsletter serves as an effective medium of communication with employees as it features various business initiates and people achievements – it includes industry interactions, seminars and conferences in which Sify has actively participated, people matters, client appreciations for services, and employee engagement events. The team recently introduced a section titled 'People Matters' with an intent to publish content relevant to the associates for the quarter.

Other Forums: The Company shares statements from the Chairman, CEO, CFO, internal communications team, marketing team and the HR team with its team members on various subjects that are relevant to the organization and the employee at frequent intervals.

Employee-related policies

Environment, Health & Safety: The policy ensures responsible and ethical business conduct focusing on occupational health and safety of associates, property and environment, in conformance with statutory and government regulations. The Company further endeavors to implement proactive EHS practices across all daily operations undertaken by the associates. The policy ensures that non-compliance of the Company's EHS policy will be met with zero tolerance by the management. The policy seeks to promote and pursue continuous improvement of the EHS management system.

Sexual harassment policy: Sify has zero tolerance for sexual harassment and the Company has implemented the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. During the financial year 2020-21, the Company received no complaints on account of sexual harassment.

Policies and updates: As an organization, it is important for all associates to understand policies revolving around the code of conduct, sexual harassment and whistleblower. These policies have been developed as learning courses and hosted in Sify's LMS portal.

Employee involvement

In its effort to building the strategic skills of its middle management team, Sify encourages its middle management team to attend and participated in scheduled business review meetings; they are encouraged to showcase new ideas and projects in these forums. Some executives are nominated to spearhead certain strategic business projects – it allows them to collaborate with key stakeholders and form a platform for undertaking

larger organizational responsibility over the coming years.

Leadership pipeline

Sify has consciously picked its high-performing associates with the right attitude to be groomed as future leaders of the organization.

These associates are fast-tracked within the organization.

They are nominated for specific learning and certification programs to enhance their skill sets and introduce them to emerging global trends.

They were covered under a structured retention program which provides them with significant benefits.

They are enrolled into succession planning programs which grooms them to leadership roles in the organization.

Their efforts and achievements are recognised and rewarded at Annual Business Summits motivating them to strive harder.

Performance management

Sify's appraisal process in Sify comprises of quarterly review of every associate against a set of articulated KRA's – most of which are quantifiable metrices and goals.

Standardized KRAs, designed in line with the SMART formula, across all roles have been integrated into the QPR (Quarterly Performance Review). The QPR ensures timely feedback to the associate basis and provides an opportunity for course correction actions through a well-structured PIP (Performance Improvement Plan).

As such, the Performance Management System has resulted in promoting a performance-driven culture.

Learning & Development

Sify continues to invest in its people – building their capability, sharpening their expertise and nurturing the spirit of leadership – which positions it as a learning and knowledge building institution.

The Learning and Development (L&D) function of Sify caters to all formats of learning (Technical, Behavioural and Functional) across levels and geographies. The role of L&D is to create a culture of learning within the organization and keep the workforce ready for the future.

L&D delivers competency based behavioural / soft skills training programs in the form of monthly calendar for different levels across the organization.

Every associate is mapped to their respective roles and the skills required to deliver the work effectively. Based on this, skill development in the areas of technology and behavioural / soft skills is mapped in the LMS module (Learning Management System). The associate undergoes the courses and its related assessments to ensure role readiness.

For Business Unit specific requirements, an in-depth Learning Needs Assessment (LNA) is carried out with clear objectives and benefits articulated for the learning intervention. The LNA is then signed off by the business to move ahead on the design, delivery and evaluation. This is done for all the customised learning solutions for business units.

Three teams have been created within the L&D vertical to cater to the needs of the business – it emphasises the importance of L&D to the sustainable growth of the organization.

Learning Business Partner: The team focuses on understanding the business to play a consultative role in providing impactful learning solutions aligned to business goals

Learning Solutions: A team of content developers and instructional designers with support from SMEs involved in creating the solutions contextualized to Sify. Multiple learning stacks are being created on technical / products / services across different lines of business. The core enablement is

backed by a benchmarking assessment to validate the associates understanding of the respective technology/product/service.

Learning Operations: The team facilitates learning requirements seamlessly to ensure learning metrics are met aligned to organizational strategy.
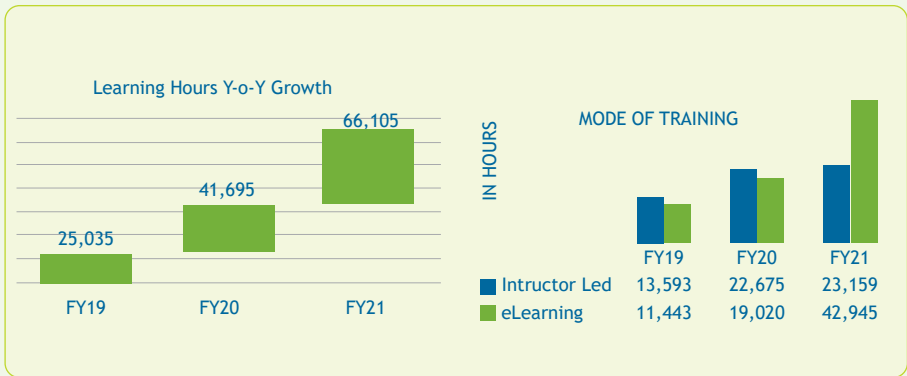
In the FY21 L&D function covered close to 2,814 associates and accomplished 66K hours of learning through virtual classroom, eLearning, OEM portals and professional workshops modes. The learning absorption is validated by quizzes, labs practice, assessments and in-house certifications.

Campus Hire Induction Program (CHIP)

L&D plans and delivers foundation program for Engineering Graduates called CHIP (Campus Hire Induction Program). This focuses on generic technical training and stream training along with behavioural / soft skills modules. **In the FY21, L&D team has inducted nearly 181 engineering graduates and 31 management graduates into the respective streams.**

Learning Hours Y-o-Y Growth

25,035	41,695	66,105
FY19	FY20	FY21

MODE OF TRAINING

IN HOURS

	FY19	FY20	FY21
■ Intructor Led	13,593	22,675	23,159
■ eLearning	11,443	19,020	42,945

Internal Assessments FY-21

24x7			
3,330	**6,660**	**1,599**	**138**
No. of Hours	No. of instances	No. of Associates	No. of Titles

Key Indicators	FY19	FY20	FY21
Learning Hours	25,035	41,695	**66,105**
No. of Participants	2,030	2,714	**2,814**
Avg. Learning Hours/Person	12.33	15.36	**23.49**

Social & Relationship Capital

Sify fosters an inclusive business environment by stressing on collaborative efforts involving its stakeholders so that it can create value for itself as well as for every individual associated with it.

Growing the sector

Sify has to its credit the respect of growing the market size as opposed to the natural endeavour of growing market share.

*Its first data center, two decades ago, laid the foundation stone in India for Data Centers being looked upon as profitable business space. Today, the Data Center sector has attracted significant investments from large domestic companies and leading global conglomerates.

* It built India's first network to support the move to fully digital business, with bandwidth services available to enterprises, content providers, over-the-top (OTT) providers and other network operators with speeds up to 100 Gbps throughout India. Today, this customer agnostic network – India's largest IP Multiprotocol Label Switching (MPLS)-enabled network -- is ready to facilitate India's transformation to a digital ecosystem.

* It's open cable landing system, the first in India by a non-mobility player, democratized connectivity across the globe (on both Pacific and Atlantic sides through multiple level partnerships) for other Telcos, Enterprises and OTT players.

These pioneering initiatives have positioned Company as one of the most sought-after brands for every enterprise, small and large, which decides to undertake the imperative transformation to digital ecosystem.

A helping hand

Serving the society is innate in the genes of Sify. Over the years, the Company has created a systematic approach to improve the conditions of the underserved strata of the society.

Sify aims for maximum impacts in its CSR initiatives with a major focus on healthcare, education, sanitation and general wellbeing. The Company's CSR 2020-21 report demonstrates how it has been contributing to the business community and the society at large through its CSR programs.

VIRRD Trust: INR 190 Lakh patient amenities.

Voluntary Health Services Trust: INR 14 Lakh

To date, Sify has contributed a total of INR 204 Lakh towards its CSR program.

Beyond the mandate

Sify listing on the Nasdaq mandates it to follow the stringent global governance - combining an allegiance to the SOX Act and its own high standards of ethical performance. Moreover, with the Company catering to large and globally respected clients makes it necessary to following international standards for business ethics.

In-touch with associates

At Sify, an open policy forms the bedrock of communication within the organization. Every team member is encouraged to interact with colleagues and her/his seniors for seeking clarity on work-related issues and on ways to imbibe efficiency traits into their day to-day work. eZine, Sify's in-house quarterly newsletter serves as an effective medium of communication with employees and features various sections covering the company and business-based events. Also, the Company's people-related initiatives during the pandemic has created a strong bond between the team and the corporate.

Upfront with investors

The Company maintains an impartial relationship with shareholders.

This comprises of the following:

All investors are kept abreast of all information without any bias.

Periodic 1x1 meetings with investors have helped keep the personal touch while catering to a larger business demand.

No announcement, that is perceived as having material benefit, is permitted during blackout period.

No selective engagement is done with any investor.

No material is selectively shared with any investor.

All material information is first uploaded on the corporate website before any third-party dissemination.

Sify is one of the first in the business space with global certifications such as ISO 27001, Information Security Management, ISO 9001, Quality Processes, ISO 20000, ITIL based Service Delivery and PCI DSS.

Natural Capital

Data Centers are energy guzzlers. This is reflected in an interesting reality. Data Center capacity is measured in Mega Watt, which is a unit to measure energy.

The power consumption is high, primarily due to the data management infrastructure, the server loads, the cooling systems and other utilities. While Data Centers have become a must-have for every nation that aspires to transition to the digital platform, energy consumption has emerged as a key concern area.

Policy

As an environment-respecting organization, Sify has adopted the Green Data Center Policy in its effort to create an eco-friendly environment. A green Data Center includes deploying advanced technologies and formulating and executing energy efficient strategies. Sify has adopted this approach in its recently commissioned Data Centers.

Sify has adopted the Environment Impact Assessment (EIA) guidelines prescribed by the Ministry of Environment and Forests (MoEF). During the construction and operations phase of its Data Centers, it conducts regular audits – every six months – and the findings are submitted to the MoEF.

Data Center construction

The Data Center uses several green features such as site ecology, water conservation, smart energy meters and equipment, reduction of CO_2 emissions, high recycle content, effective waste management and eco-friendly interiors. Sify uses a POD for its Data Centers that allows for floors and power load to be templatized and hence enable scaling of the Data Center and Power load..

Power

In its effort to minimise its operating burden on the planet, Sify adopted renewable power for operating some of its infrastructure. While some of its towers leverage renewable power such as solar power and wind energy. The Company expects to increase its consumption and reliance on sustainable energy sources for its upcoming assets – thereby reducing its carbon footprint. Other energy optimization measures include, using motion-sensor lighting, recycling water for non-drinking purposes, energy-efficient star rated DG sets etc.

Recycling

Sify has a 100% buy back of all its infrastructure with its vendors including the laptops used by its associates. Carbon components like batteries in UPS and other electrical items are disposed off only through authorized green-recycle marts and vendors.

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CHAPTER

7

EMERGING TRENDS

Data management will be crucial

Data is the new oil and is critical to India's digital aspirations. Faster speeds to enable greater data consumption will be critical to laying the foundations of a digitally empowered society in the country.

THE ICT SECTOR

ICT spending is projected to grow by **over 10% to reach US$ 91 billion in 2021**

Enterprises' focus during the current pandemic to ensure future growth, innovation and resilience are helping to revive ICT spend in India with a strong positive outlook in 2021. According to a report released by the International Data Corporation (IDC), India's ICT spending is forecast to grow by over 10% to reach US$ 91 billion in 2021 and increase further to reach US$ 111 billion by 2024. Economic revival together with growing consumer demand has fuelled this growth. The accelerated push towards the digital platform is owing to a change in focus of enterprises, be it their business model or to create digital products and services and deliver digital-first experience.

Moreover, to make enterprises more competitive the government has taken various steps such as the recent production-led incentives (PLI), infrastructure modernization to remove bottlenecks in the supply chain, Atmanirbhar Bharat, Make in India and others. To derive benefit from these policies, technology-led investment towards digital transformation is inevitable. The banking and telecom industry is expected to contribute the most to India's ICT spending in 2021, accounting for around 14% of the overall spending. The telecom industry is expected to increase its ICT spends by 9% in 2021.

THE DATA CENTER SPACE

India's Data Center market provides an **opportunity of US$ 4.9 billion investment by the year 2025**

According to a report by JLL titled (re)Imagine Data Centers: Running India's digital economy, India's data center capacity is expected to grow from 375 MW (megawatt) in H1 2020 to 1,078 MW by 2025, presenting a US$ 4.9 billion investment opportunity. The impact of data protection laws, increased shift from captive to co-location Data Centers and implementation of new technologies like 5G, edge computing and the internet of things (IoT) will drive sustained investor demand for this asset class over the next five years.

Other factors that are likely to contribute to the growth of the India data center market include:

- Impact of the COVID-19 Pandemic
- Increased Investments on Edge Data Centers
- Procurement of Renewable Energy in Data Centers
- Adoption of Hyperconverged & Converged Infrastructure Platforms

Growth in the sector will be further powered by co-location sites which, through lower upfront costs, heightened data security, uninterrupted services and scalability, will, further, influence investors to re-imagine the potential of India's data center space. The India market will witness significant investment from colocation service providers due to high demand from BFSI, logistics, transportation, e-commerce, and government agencies, fuelled by the outbreak of the COVID-19 pandemic. The 703 MW expected capacity additions translates to 9.3 million sq. ft of space, which will open up greenfield investments

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for real estate developers and investors to fuel the future development of the sector.

Several global colocation and data center service providers have shown a tremendous inclination toward the Indian data center market, which is likely to contribute to the market growth.

Moving to the **Cloud**

The COVID pandemic has driven up cloud adoption as working from home became a norm. In 2021, experts anticipate an increase in Enterprise spend in cloud technology to ensure the smooth and efficient running of businesses. This continued demand for cloud services will also accelerate data center construction projects; a fair share of which would be hyper-scale projects.

An NTT report on cloud technology says about 89 per cent of Indian businesses agree that the pandemic has forced their business to rely on technology more than ever before. The report, which conducted research with 950 decision-makers in 13 Asia Pacific countries, including India, says hybrid cloud is now seen as critical to data-driven processes and real-time decisions, both now and in the future. India's small & medium businesses (SMBs) present a huge untapped opportunity.

A recent NASSCOM study indicates that while over 60% of the SMB survey's respondents have adopted cloud, nearly 50% are still at a nascent stage and only about 15% are advanced users. Given the pandemic, SMBs will also fast-track cloud adoption, with many skipping the proof-of-concept stage.

According to NASSCOM, cloud spending in India is estimated to grow at a CAGR of 30% to reach US$ 7.1 billion in 2022.

CLOUD BECOMES ESSENTIAL

96.2%
Respondents agree the cloud is critical to meeting their immediate business

90%
Say technology is their lifeblood and Covid-19 has caused them to focus on it even more!

60.3%
Of organizations are already using or are in the process of piloting a hybrid cloud solution

THE COMPLEXITY OF SECURITY

95.7%
Struggle to keep up with compliance obligations

51.2%
Say managing data security is the number one barrier to adopting cloud

67.2%
Say security and compliance are critical

SOURCE: NTT 2021 HYBRID CLOUD REPORT COMPILED BY: SAMREEN AHMED

According to Gartner, worldwide public cloud services spending is estimated to grow at 18% annually to over US$ 360 billion by 2022, from about US$ 258 billion in 2020.

5G - the Game Changer

5G is poised to change the world and revolutionize the digital experiences for all of us.

The next-generation of wireless technology brings along a slew of benefits, including a greater transmission speed, increased website traffic, and faster download speeds. But, these are only the tip of the iceberg. There's one particular aspect of the 5G network that's going to bring about a world of difference - super-low latency (latency refers to a measure of delay - it calculates the total time taken by the data to reach its destination and back across the network)

If India is to keep pace and compete with leading developed economies of the world, quick adoption of 5G will have a key role to play. From smart cities, industrial automation, connected devices, big data and cloud computing, 5G will truly be a game-changer.

A 5G future will help close the digital divide and promote digital inclusion for more people throughout the world, with its speed, low latency, and the ability to connect huge numbers of shared locations

To catalyse this interesting opportunity, US-based Cisco Systems, Inc., which has set aside US$ 5 billion to fund projects for 5G services globally, will invest part of it in India to help telecom operators build crucial components of wireless networks comprising core, transport, mobility, and security solutions.

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Software-as-a-service

SaaS refers to a cloud computing offering and a way of delivering applications over the Internet.

It provides an alternative to standard software installation in the business environment, where users can build the server, install the application, and configure it.

With India's emerging startup landscape and its rapid strides in digital adoption, the demand for SaaS products is seeing an upward graph. According to data from NASSCOM, as of FY2020, the country's SaaS revenue has reached US$ 3.5 billion, with 75% sales coming from global markets. Another report from Bain & Co. noted that SaaS firms including Zoho, Freshworks, Druva, and Icertis have already garnered a US$ 100 million annual recurring revenue mark, with a healthy pipeline of companies well-placed to follow over the next 12 to 18 months.

The COVID-19 pandemic has significantly expedited enterprise cloud adoption as companies seek to keep going their business. An IDC survey published last November revealed that over 60 percent of the organizations in India plan to leverage cloud platforms for digital innovation as they re-strategise their IT spending plans as a result of the pandemic. The survey further divulged that the crisis enabled them to spend more on public cloud IaaS, PaaS solutions and SaaS.

*SOURCE: ANALYTICS INSIGHT, FEBRUARY 2021
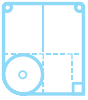
STRATEGY
The **blueprint**

Sify has evolved its services lineage in anticipation of a meteoric rise in the demand for digital services. It builds and host applications for its customer along with the IT and network infrastructure they need. The Company not only provides data services to its clients, but also transforms their network landscape by adoption of cloud. In doing so, Sify strengthened its market promise of a converged ICT ecosystem player offering hybrid IT and Data Center with integrated security services to meet the needs of businesses across verticals.

Sify has drawn a strategic blueprint which promises to sustain profitable growth while strengthening the organizational edifice; the Company continues to work on this blueprint each year with the aim of strengthening its position in its business space as a preferred brand for customers who want managed services (on-site or remote), addressing all the required models with a hosted Data Center plus Cloud.

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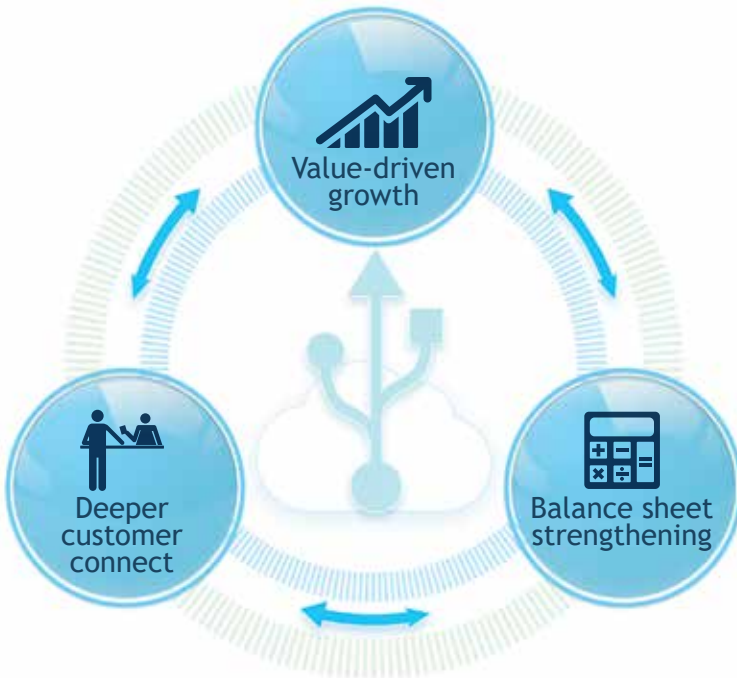
STRATEGY 1

Strategic focus
Value-driven growth

⬇

- Focus on niche Cloud Solutions
- Increase the number of long-term contracts for Data Management
- Enhance the quality of internet in India

⬇

Initiatives in 2020-21
Added 15+ customers in the Cloud MS and Standalone MS
Entered into long-term contracts with a number of new customers across sectors
Augmented the Data Center capacity by 15 MW in multiple locations
Entered into a partnership with Google Cloud to Expand the Cloud and Managed Services Portfolio
Entered into an alliance with AMS-IX, the world leading Internet Exchange for improving internet quality

STRATEGY 2

Financial focus
Balance sheet strengthening

⬇

- Enhance free cash flow generation
- Reduce Debt
- Increase capacity utilization

⬇

Initiatives in 2020-21
Cash flow from business operations increased by 37% over the previous year
Repaid long term debt cumulating INR 23,050 Lakh

STRATEGY 3

Customer initiatives
Deeper customer connect

⬇

- Strengthening connect with existing customers
- Tap newer customers in existing sectors and enter newer verticals with customised services

⬇

Initiatives in 2020-21
Intensified Intensified customer connect through multiple forums
Added customers across diverse business sectors in the Data Center centric IT services and Network Centric Services

RISK MANAGEMENT

Being prepared for
business volatility

Flexibility and customization is key

Risk management at Sify is an integral part of the business model, focusing on making the business model emerge stronger and ensuring that profitable business growth becomes sustainable. The risk management framework encompasses strategies and operations and seeks to proactively identify, address and mitigate existing and emerging risks. In the current environment, flexibility to fit the altered operating scenario and customizing services for the customer become de facto way forward.

1 The circumstances brought on by the pandemic may push customers to press the pause button on their IT spends. This could negatively impact the Company's revenues and operating results.

Relevance: IT budgets are closely dovetailed to the economic performance and business progress of customers. Factors such as the pace of economic recovery, management of large government deficits, currency fluctuations, sovereign ratings of government bonds, which remain challenging in many countries and may continue to be so in the near future, or any slowdown in global IT spending may adversely affect Sify's revenue growth due to the markets in which its clients operate.

Mitigation: In the wake of the present pandemic, Indian enterprises have realized that moving to the Cloud environment is not just a need for today but the only way forward for business continuity over the coming years. Moreover, this transition will only reduce IT spends for an organization by eliminating or reducing the people dependency in the system. Most enterprises have been toying with not wanting to take on the burden of an unpredictable IT environment and hence the idea of offshoring their IT

environment to specialists. From the Company's view point, Sify has adopted measures to ensure that it offers services at competitive prices to its customers. For this, regular budgets are prepared and are compared with actual performance to ensure that the difference continues to reduce. In addition, the Company has implemented numerous measures to optimize its operational costs. The management remains focused on ensuring fiscal discipline in the spend on any new infrastructure.

2 Currency fluctuations could adversely impact financial performance.

Relevance: Sify has receivables and payables in foreign currency. Significant exchange rate fluctuation between the Indian rupee and the US dollar over the near term could adversely affect cash flows arising on account of settlement of these balances.

Mitigation: Sify uses derivative financial instruments, such as foreign exchange forward and option contracts, to hedge the risk of changes in foreign exchange rates on net receivables and payables.

3 Growing competition could impede business profitability.

Relevance: A significant number of players have entered India's ICT service business space. The large OTT and Cloud players, especially those with deep pockets could adopt a price war strategy to wean customers away.

Mitigation: Over the years, Sify has built a comprehensive business portfolio that straddles three critical spaces namely Network Centric Services, Data Center centric IT services and Cloud and Applications Management which enable it to provide comprehensive solutions to its customers. The Company has nurtured long standing business relations with its customers by delivering quality services on a timely basis. The focus of the sales pitch is to ensure that the contracts are broad-based and hence multi-year allowing for a deeper fostering of the relationships. The management continuously monitors its cost structure with budgets to ensure that it maintains competitive prices for its products and services.

The Company's open architecture and vendor agnostic policy make it a preferred partner for corporates and partners alike. Further, the Company's ability to populate its service basket with customer relevant solutions ensures that Sify remains relevant to its customers. Recently, the company has innovated on outcome-based pricing bringing a direct correlation to the outcome for the client. This has helped the clients see value and pay for the same and not on a time and materials management scale

4 **High cost of power could put the Company's Data Center operations at a disadvantage.**

Relevance: The single largest operating cost in Data Centers is power. Sify's Data Centers are located in proximity to or on the periphery of major urban centers. If competitors are able to locate and operate their Data Centers in remote locations successfully (which give them the advantage of reasonably priced land parcels and low-cost power) they would have a pricing advantage over Sify.

Mitigation: Sify understands that power is the critical billing factor in Data Centers. It also realizes that the power cost will continue to rise. To de-risk itself, the Company has adopted two initiatives: 1) it is adopting measures to increase its dependence on renewable power source and 2) it has adopted the Green Data Center Policy which promises to maximize energy efficiency, thereby reducing power consumption.

As power stability grows outside of the traditional financial and business hubs, we would also explore cost-efficient locations for our facilities.

5 **Inability to meet with the SLAs could impact revenue and lead to client attrition.**

Relevance: Since IT has become the core to most business operations, IT companies, including Sify, need to commit to a very high service level to its customers in the contracts. If these service levels are missed, the client could activate the force majeure clause to the detriment of Sify.

Mitigation: Sify has worked on automating every aspect of its service delivery to its customers, making its operation largely geography agnostic and field force independent. The success of its sustained efforts, over the last 3 years, towards this goal was experienced during the lockdown consequent to the global pandemic. During the nationwide lockdown, the Company did not experience a single serious network breakdown or service disruption.

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The COVID-19 impact
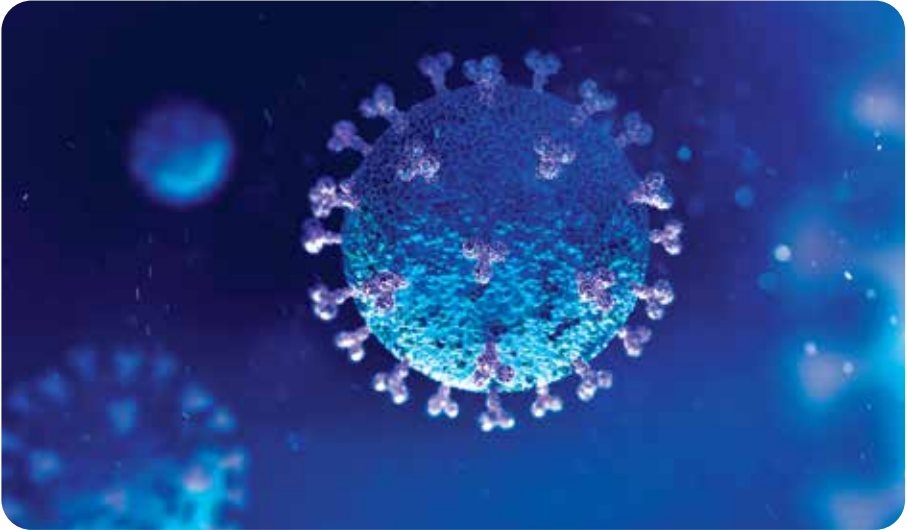
The Covid-19 pandemic is having an impact on our entire risk landscape and will continue to impact our operating ecosystem for some time, the extent of which depends on various factors which are beyond the control of the Company.

We have incorporated Covid-19 commentary below, which gives an overview of the related uncertainties and potential impacts on the Company. These are to be considered along-with the other principal risk factors.

COVID-19 PANDEMIC

The global Covid-19 pandemic has had a an impact on our associates, operations, suppliers, customers, governments and the general public. It has resulted in a series of measures implemented by governments around the world aimed at mitigating the further spread of the virus. The extent of the impact on the Company is dependent on a variety of factors including, but not limited to, the length of lockdowns in India and the geographies in which our customers and suppliers operate, levels of employee absence, virus recurrence, insolvency rates, unemployment levels, nature and extent of any government interventions, severity of economic effects and the subsequent speed and nature of the recovery.

The Covid-19 pandemic has resulted in adverse impacts on sales activity and demand, which may be partially offset by increased use of connectivity, data center and cloud usage by existing customers. There is a potential that supply chain issues and/or prolonged associate absence may inhibit our ability to deliver products and services to customers, with

an associated impact on our customer experience.

Due to the uncertainty of the duration and economic impact of the Covid-19 pandemic, we are continually evaluating variety of scenarios with the financial impacts across the Group, as well as assessing the liquidity mitigation options that could be used if required. We are also carrying out risk assessments for each of our customer-facing business units, considering potential strategic, operational, regulatory and associate related impacts.

The availability of vaccines for the general population has brought some semblance of confidence that normal life might slowly return. While these counter other natural factors like vaccine hesitancy, trepid production and distribution and the associated costs, the growing number of inoculated public is proof that we might be on track to return. What is however, guaranteed is that Enterprises having braved the pandemic with a switch to automation are going to invest further, deeply and continuously to mitigate any like- scenarios in the future.

Governmental risk

The Covid-19 pandemic presented challenges related to our infrastructure resilience, support for staff and customers. Any failure to manage these challenges would likely have created governmental pressure on the Company.

Industry regulations

Our associates are focused on maintaining critical services and meeting customers' needs. An inflexible approach to regulation during the Covid-19 pandemic could stretch the delivery capabilities of our associates and could result in significant non-compliance.

Cyber security

The sustained absence of key staff due to the Covid-19 pandemic could adversely affect our ability to defend against cyber-attacks. We continue to develop our cyber defense capability making use of proactive threat-hunting and investing more in automatic detection and prevention systems. If we are unable to successfully implement these enhancements, we may not be able to keep pace with the evolving threat and protect our assets and our customers' assets.

Supply chain

Our supply chain which has a combination of global partners and domestic partners in India, could be adversely affected by the Covid-19 pandemic. While we take all efforts to minimize the risks, any adverse impact on our supply chain could impact our customer experience, result in higher costs and cause potential damage to our brand.

IT projects

Our IT projects with reference to improving customer experiences, automate processes, simplify products play a critical role in our transformation journey. With the Covid-19 pandemic, the resources could become scarcely available for these transformational projects (e.g., shortage due to availability, remote working and also other important developments due to the impact of Covid-19) and could negatively impact customer experience, operational efficiency and thereby ability to make future investments.

Customer projects

Covid-19 related challenges like associate absenteeism, supply chain disruption, impact on supplier and customer businesses, may also impact our ability to deliver all aspects of the projects. This may impact our future revenue, profitability and cash generation adversely.

Associate engagement

Due to cost optimization and austerity measures that may be required to be taken by us if the Covid-19 pandemic adversely affects our businesses and liquidity in the future, we may fail to retain employees and attract suitable talents to the company. This could further adversely affect our ability to develop our business.

Committed cash outflow

Few of our business have fixed costs like office space, associate costs and there are semi-variable costs like networking costs, maintenance costs, power and fuel costs. With the adverse impact of Covid-19, we might have to continue to make payments towards these expenses, irrespective of the amount we would be able to receive from the customers. This could adversely impact profitability and liquidity of the Company. A deterioration in liquidity might have an adverse effect of Board's assessment of going concern.

Expansion and replacement capex

Covid-19 pandemic could adversely impact customer demands and also the liquidity and/or ability to raise additional funds for expansion of business and replacement of existing capital expenditure to sustain current businesses. This could affect our ability to grow and make profits.

Compliance costs

Due to stricter regulations on account of Covid-19, our cost of compliance of safety regulations for associates, partners, customers and vendors could increase. This would impact the profitability which might not be correspondingly reflected in the product pricing.

Internal controls

Covid-19 pandemic has had significant impact in the way our business processes are being carried out. Due to the demanding times and the changes that were required to be made to combat the situation causes, our internal controls over financial reporting could have been exposed to inherent risks which may not help us prevent or detect misstatements. This could result in financial misstatement, financial loss or key decision being taken based on incorrect information.

Privacy and data protection

Due to Covid-19 pandemic, an increased number of our associates are currently working from home and using a mix of public and private networks for correspondence. This could present additional data security and privacy related risks.

CHAPTER 8

At Sify, we believe in transparent and ethical business practices. Sustained efforts of the leadership team, our valuable employees and other stakeholders have helped us win accolades in the spheres of Sustainability, Corporate Social Responsibility and People Practices. These recognitions encourage us to step up our efforts in our journey to become a global sustainability champion.

Governance & Reporting

The Governance system

We are committed to benchmark with the best standards of corporate governance. It is our firm faith that good corporate governance practices are powerful enablers to build trust and confidence and to attract and retain financial and human capital.

Regulatory Changes and Compliance

In our increasingly dynamic and highly regulated business ecosystem (which included global and Indian complexities), we firmly believe that it is necessary to have a zero non-compliance status at all times for sustainable business operations.

With this object, we have put in place a structured mechanism and a comprehensive compliance management system for ensuring full compliance of various statutes, rules and regulations applicable to and impacting the Company.

The Governance framework

Transparency and openness form the bedrock of corporate governance at Sify. It has established a corporate governance structure that works towards achieving sustainable growth in the medium and long term.

Stakeholder grievance mechanism

Sify is committed to promoting responsible behaviour and value for social and environmental well-being. It has a policy on business conduct that is applicable to all its employees and value chain partners. It has a structured stakeholder grievance redressal mechanism through which stakeholders freely share their concerns and grievances with the company.

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Corporate governance framework
Transparency and openness

Board of Directors

Balanced Board of Executive and Non-Executive, Independent Directors with diverse range of expertise and experience
Provides strategic direction and evaluates overall performance

Board Committees
Audit | Nomination and compensation | Corporate Social Responsibility

Management reporting

Executive committee   Operation functions below the Executive Committee

Key corporate functions

Finance   Risk   Legal   Technology & Technical Support

Sales & Business   Business Process & Customer Care   Human Resource   Product & Content Development

BOARD OF DIRECTORS
"Our driving force"

The Company's Board of Directors consists of respected thought leaders who create trust by example. They instill hope and confidence about the future and make employees feel enthusiastic and proud of being part of the journey. The Board's primary responsibility is to draw the Company's vision and draw the strategic path which translate the Company's vision into reality. In 2020-21, the Board of Directors held 4 meetings.

Raju Vegesna
Chairman & Managing Director
Having acquired majority stake in Sify in 2005, he took over the reins as its Chairman and Managing Director. Prior coming onboard, Mr. Vegesna has had an illustrious career as a technocrat with significant success in the start-up domain.

Having founded Server Engines he spearheaded it to a leadership position in network and storage convergence products. When it was acquired by Emulex in 2010, he donned the role of the chief strategist, evangelizing the adoption of Emulex products to key customers and partners.

He founded Server Works Corporation in 1994 which emerged as a world leader in computer chipsets. At the start of his illustrious career, Mr Vegesna co-founded and served Ross Technology Inc as its Chief Architect, piloting the creation of the HyperSparc processor, a CPU used by Sun Microsystems to create its first multiprocessor computer servers.

An electronics engineering graduate from the reputed Bangalore University, Mr. Vegesna, completed his Masters in computer engineering from Wayne State University. Mr Vegesna holds several patents on microprocessors and multiprocessor technologies.

Deeply hidden inside the serial technology entrepreneur resides a softer humane side that works on uplifting mankind. The Raju Vegesna Foundation finances various programmes on the availability of clean water and education for people in need.

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Ananda Raju Vegesna
Executive Director

Mr. Vegesna dons many hats. In addition to performing as the Executive Director since June 2007, Mr Vegesna also steers Infinity Satcom Universal Private Limited as its Managing Director. To add to this, he is a director on board Village Inns Limited, Raju Vegesna Infotech & Industries Limited, Raju Vegesna Developers Private Limited and Ramanand Core Investment Company Private Limited.

Bala Saraswathi Vegesna
Director

Having served as the Finance Controller of Server Works Corporation Mrs Vegesna is now the director of the Raju Vegesna Foundation. She leads the foundation in its multiple welfare activities, both in India and in the US. Mrs Vegesna is also a nominee of Infinity Capital Ventures LP (Infinity), USA, on the board.

Padma Shri Dr. TH Chowdary
Director

The fountainhead of the Center for Telecommunication Management and Studies in Secunderabad, joined the Sify Board of Directors as an advisor and a mentor for new-age industries. The veteran public servant was conferred the Padma Shri, the fourth highest civilian award, from the Government of India. He served as the chairman of Bharatiya Vidya Bhavan (Indian Institute of Culture), Hyderabad, from 1989 to 1993. He set up and managed eight public schools in Andhra Pradesh and Karnataka.
Dr. Chowdary was a member of the governing body of the University College of Engineering, Osmania University, and also of the governing board of the American Studies Research Center (ASRC), Hyderabad.
Dr. Chowdary is a senior member of the IEEE, New York, a fellow of the Institution of Engineers in India, a distinguished fellow of the Institute of Electronics & Telecom Engineers in India and a past president of IETE in India.
The active philanthropist and community leader chairs Pragna Bharati, an association of national intellectuals that publishes articles on different topics in Telugu newspapers.

CB Mouli
Director

The taxation and corporate law expert chairs the audit committee for Sify, in addition to serving as a director. Mr Mouli is a member of the Institute of Chartered Accountants of India. He holds bachelors in law and is a partner at CB Mouli & Associates, a chartered accountancy firm, and a director on the board of Ammana Bio Pharma Limited and Ammana Equity Fund Private Limited.

CES Azariah
Director

Mr. Azariah rose through the ranks of India's oldest banking institution, State Bank of India, before retiring as Chief General Manager. He then took charge as the chief executive of the Fixed Income, Money Markets & Derivatives Association of India (FIMMDA). He was member of a high-power committee on corporate bonds and securitization, led by Mr. RH Patil.

Mr. Azariah set up the Corporate Bond Trade Reporting Platform and drafted FIMMDA's Code of Conduct which has since been mandatorily used by all market participants.

Arun Seth
Director

The IIT-IIM graduate is recognised as one of the earliest Indian telecom leaders. Mr. Seth was the founding managing director of British Telecom in India in 1995, helping it acquire a 45% stake in Airtel and seeing through its transformation first to Mahindra BT and eventually to Tech Mahindra. He relinquished office as a non-executive chairman in 2012 after an illustrious 17-year stint on its board. Mr. Seth has been a founding charter member of TiE Delhi and Indian Angel Network and advises/mentors a number of technology startups in India and the US.

An active evangelist of the software product ecosystem, he co-chairs the Nasscom Product Conclave and the Nasscom Product Council. He served in the executive council of the Indian IT lobby for over 10 years while working in British Telecom and Alcatel.

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An active backer of NGOs, Mr. Seth chairs the Nasscom Foundation, which drives CSR initiatives across the IT industry. His focus has been in working with NGOs that support the disadvantaged sections. He has served on the board of governors for IIM Lucknow and IIIT Delhi and also been an advisory board member of TERI and a governing member of the TERI University board.

THE MANAGEMENT TEAM
Our driving force

Raju Vegesna
Chairman & Managing Director

The serial tech entrepreneur, who flaunts a series of successful start-up stories cradled by him, has brought to Sify his unmatched efficacy, fine sense of purpose and deep insight into the Indian market. It's his unwavering passion and dedicated efforts that has been instrumental in reorienting Sify towards a nascent enterprise market in India that drives excellence even in technology. His passion to experiment with his ideas was blended in a unique chemistry with his tremendous foresight and alacrity. The success of Sify stands testimony to his vision. His investment in both capital and intellect has kept Sify on the course to rule the ICT market in India.

David Nishball
Chief Strategy Officer

His grey matter is seasoned in mapping the blueprint for success. His excellence came to the fore in many success stories of building and managing enterprise telecom operations in the Asia-Pacific region. He has led the enterprise segment for several global operators, joint venture companies and emerging market operators and set their businesses in a higher orbit. Sify banks on his three decades of experience in leading the telecom industry to make its dream to rule the ICT space come true.

Kamal Nath
Chief Executive Officer

If disruption is the buzzword in the IT sector, then the disruptor is this BIT Sindri graduate. It is this man's disruptive thinking that had set Sify on track for an aggressive adoption of Cloud as a delivery and enablement platform. His in-depth knowledge of systems integration, IT infrastructure management, technology integration and strategic outsourcing services gave Sify a new direction at every crossroad.

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M P Vijay Kumar
Chief Financial Officer

The audacity of an auditor, the number crunching finesse of an accountant, and the deft decision-making abilities of an ace administrator – that's the unique blend Sify treasures in its financial leader. Listed among the top 100 CFOs in the country, he is associated with various boards and committees on financial accounting. The eight books he has authored have been in continuous reprint since first published and serve as the guiding tool for aspiring financial professionals. His contribution to financial accounting has fetched him several national and international awards, among them, The 100 most Influential CFOs in India by CIMA, the Roll of Honour of the Top 100 CFOs in India and recently, the National Award for contribution to the Financial Accounting by Capital Foundation Society. He is an active member of CII-Accounting Standards Board, National CFO Forum. He is also Member of IIA, USA, was previously the Governor and was Vice President on the Board of Governors, Chennai Chapter of IIA.

CR Rao
Chief Operating Officer

He has a fine sense of business, a deep understanding of legal affairs, and is adept at managing the business with his impeccable planning and operations management skill. Sify trusts his three decades of experience in spearheading large projects to fruition on time and capital explicitly.

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CHAPTER 9

Environment, Social and Governance

ESG World is an online platform that allows Sify to communicate its ESG initiatives to all its stakeholders. Through ESG World, stakeholders can easily track Sify's ESG initiatives and receive updates on a real-time basis without waiting for the company's annual report or other static annual disclosures. Furthermore, the ESG Profile is mapped with major global standards for sustainability reporting such as GRI, SASB, UN SDG and UNGC.

An ESG Profile is freely accessible to the Company's shareholders, potential investors, research analysts, rating agencies and lending banks. By consolidating all of Sify's ESG initiatives onto one platform, the profile enables each stakeholder to efficiently assess the Company's commitment to ESG best practices. An ESG Profile will also allow customers to complete their ESG due diligence on Sify as part of their selection process. It further ensures that ESG initiatives are not missed out in disclosures and are easily accessible by AI search tools increasingly used by investors and rating agencies."

The factors governing ESG and the alignment of Sify's ESG initiatives depicted as under.

1 ESG profile: Building blocks

Company Overview				• Quick assessment of company's ESG commitment • Focus on most topical ESG issues
Environment 46 Subfactors	**Social** 59 Subfactors	**Governance** 48 Subfactors	**Resilience** **16 Subfactors**	• Detailed review of ESG factors • Public sources of information only • Multiple sources of information in one place
Metric: 20 Non-Metric:26	Metric: 17 Non-Metric: 42	Metric: 11 Non-Metric: 37		
Assurances	**Certificates**	**Memberships**	**Partnerships**	• External validation of company's ESG initiatives • Adopted methodology: GRI, SDG, TCFD • External recognition of ESG success - Certificates • Enhancing knowledge of ESG processes - Memberships • Actively working with other organizations - Partnerships
	ESG Videos and News	**Profile Sources**		• Real time reaction to material ESG related events • ESG related company press releases

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2 Enviromental Subfactors (46)

Business Strategy Product Development	Material Usage Energy Efficiency	Air Pollution	Water Preservation	Waste Management
Strategy Environment strategy in place **Financing** • Environmental covenanted financing • Environmental capital budgeting • Environmental tax credits **Product Development** • Maximizing product life • Product free from harmful substances • Recycling old products	**Resource Efficiency** • Amount of material usage • Material usage history • Material usage initiatives • Protecting natural resources and biodiversity **Process Optimization** • Energy efficiency initiatives • Energy savings • Energy efficiency history • Transition to renewable energy • Clean technology initiatives • Green building design • Other circular economy initiatives	**GHG Emissions** • Amount of GHG emissions • GHG emission history • GHG reduction target **Air Pollution Control** • Amount of air pollution • Air pollution reduction initiatives • Air pollution history	**Water Preservation** • Water savings initiatives • Amount of water usage • Water usage history • Waste water safe discharge • Amount of water pollution **Plastic Usage** • Amount of plastic pollution • Reduction in plastic use	**Waste Management** • Amount of waste generated • Waste generation history • Waste reduction initiatives • Reusing waste • Recycling waste • Waste to energy • Eliminating landfill waste

3 Social subfactors (59)

Overview
- Social strategy in place
- Communication of labour policy
- Supplier responsibility initiatives
- Customer responsibility initiatives
- Product safety and quality metrics
- Incident management reporting
- Policy breach action taken

Diversity and Equality
- Diversity and inclusion disclosure
- Board gender split
- Senior management gender split
- Workforce gender split
- Pay performance gap management
- Gender pay differentials addressed

Workforce responsibility
- Labour management initiatives
- Fair wage, benefits and contracts
- Compulsory employer pensions
- Voluntary employer pensions
- Fair working hours
- Fair working and living conditions
- Employee wellbeing programs
- Employee engagement initiatives
- Workforce training
- Participation in conferences
- Broader education initiatives

Community contribution
- Community support initiatives
- Youth unemployment initiatives
- Local employment and sourcing
- Community investment policy
- Wider stakeholder initiatives
- Total donations made

Operating Ratios
- Staff turnover rate
- Percentage of contractors
- Percentage of part time workers
- Percentage differently abled
- Number of trained staff
- Lost time incidents
- Health and safety incidents

Health and Safety
- Health and safety board oversight
- Independent health and safety verification
- Emergency procedure guidelines
- Respecting employee rights
- Modern slavery supply chain disclosures
- Preventing child labour
- Preventing forced and bonded labour
- Freedom of association allowed

Safe workplace
- Collective bargaining allowed
- Anti-harassment workplace
- Anti-discrimination workplace
- Supporting protected classes
- Effective grievance mechanisms

4 Governance Subfactors (48)

Governance Framework *Shareholders*	Board of Directors *Management*	Regulatory & Risk Controls	External Factors
Framework • Corporate governance policies • Governance oversight framework • Allocation of duties and responsibilities • Corporate culture management • Behavior and business ethics **Shareholders** • Voting results transparency • Failure to secure voting approval • Shareholder rights and relations policy • Shareholder right to vote on compensation • Soliciting shareholder ESG feedback	**Board of Directors** • CEO / Chairperson separation • Disclosure of board age ranges • Board skill map matrix • Board non executives • Board independence • Entrenched board members • Founders represented on board • Audit committee composition • Remuneration committee composition • Sustainability committee • Other board positions • Financial expertise on audit committee • Disclosure of board and subcommittee attendance **Executive Management** • Executive shareholder ownership • Material executive share trading • Executive pay disclosures • Executive pay performance alignment policies	**Regulations** • Regulatory breaches and penalties • Regulatory recommendations actioned **Risk Control** • Fraud risk control policies • Anti-corruption policy • Anti-corruption training • Related party transactions • Anti-competitive practices controls • Whistle blower schemes • New partner due diligence • Acquisition ESG due diligence • Political contributions	**Resilience Factors** • Crisis related contingency plans • Resilience related targets and goals set • Managing move to a low carbon economy • Data privacy, cyber security and systems protection • COVID-19 responses **Other External Factors** • Penalty disclosures • Environmental, social or ethical litigation claims • Non-compliant staff actions • Tax transparency disclosures • Material controversies identified • Auditor fee disclosure

5 Resilience (16)

Climate	Financing	Health and Safety *Policies, Risk Control*	Suppliers *Technology*	Workforce *Responsibility*
• Crisis related contingency plans • Climate impact assessment • Climate scenario development • Managing move to a low carbon economy • Resilience related targets and goals set	• COVID-19: Providing financial or other support • COVID-19: Requesting financial or other support	• COVID-19: Implementing health and safety plans • COVID-19: Community contributions • COVID-19: Consistency with ESG policies • Data privacy, cybersecurity and systems protection	• COVID-19: Monitoring supplier non-compliance • COVID-19: Adapting to technology needs	• COVID-19: Communication of crisis actions • COVID-19: Responsible labour practices • COVID-19: Fair workforce or pay reductions

SDG 3: Good Health and Wellbeing
- Health and safety
- ISO 45001 - health and safety
- Contractors health and safety
- Assessment scheme
- Emergency procedure guidelines
- Health and safety metrics
- Health and safety oversight
- Health and safety policies
- Implementing health & safety plans
- Tenant wellness initiatives
- COVID-19: implementing health and
- Safety plans
- Employee engagement initiatives
- Employee well-being programs
- Health and safety board oversight
- Health and safety initiatives
- Independent health and safety verification

SDG 4: Quality Education
- Workforce training
- Anti-corruption training
- BACS education and skills
- Broader education initiatives
- Number of trained staff
- Participation in conferences

SDG 5: Gender Equality
- Gender pay, diversity and inclusions report
- Board gender split
- Gender pay differentials addressed
- Pay performance gap management
- Senior management gender split
- Workforce gender split

SDG 6: Clean Water and Sanitation
- Water consumption
- Amount of water pollution
- Amount of water usage
- Waste water safe discharge
- Water savings initiatives
- Water usage history
- Alliance for Water Stewardship (AWS)
- Deep-water group
- Sustainable dairying: water accord
- Innovative waste water technologies
- Rainwater harvesting
- Water efficient irrigation

SDG 7: Affordable and Clean Energy
- Energy consumption
- Energy star
- Green-E energy
- ISO 50001 - energy management
- Leadership in energy and
- Environmental design (LEED)
- Energy efficiency history
- Energy efficiency initiatives
- Energy savings
- Transition to renewable energy
- Waste to energy
- On-site renewable energy

SDG 8: Decent Work and Economic Growth
- Environment strategy in place
- Environmental capital budgeting
- Environmental covenanted financing
- Environmental tax credits
- Facilitating other sustainability financing solutions
- Community investment policy
- Community support initiatives
- Compulsory employer pensions
- Fair wage, benefits and contracts
- Fair working and living conditions
- Fair working hours
- Labour management initiatives
- Local employment and sourcing
- Lost time incidents
- Percentage differently abled
- Percentage of contractors
- Percentage of part time workers
- Staff turnover rates
- Total donations made and philanthropy
- Voluntary employer pensions
- Wider stakeholder initiatives
- Youth unemployment initiatives

SDG 9: Industry
- Green building design

7 UN SDG Mapping (10-16)

SDG 10: Reduced Inequality
- Colmar Brunton branding
- Courtauld 2025
- Social value quality mark
- UK roundtable for sustainable soya
- Anti discrimination workplace
- Anti harassment workplace
- Collective bargaining allowed
- Diversity and inclusion
- Freedom of association allowed
- Modern slavery supply chain disclosures
- Pay performance gap management
- Preventing child labour
- Preventing forced and bonded labour
- Respecting employee rights
- Supporting protected classes

SDG 11: Sustainable Cities and Communities
- Paper usage
- Waste recycling
- Waste volumes
- Communication of labour policy
- Customer responsibility initiatives
- Incident management reporting
- Policy breach action taken
- Social strategy in place
- Supplier responsibility initiatives

SDG 12: Responsible Consumption and Production
- Amount of GHG emissions
- Amount of material usage
- Amount of waste generated
- Clean technology initiatives
- Eliminating landfill waste
- Material usage history
- Material usage initiatives
- Maximizing product life
- Other circular economy initiatives
- Product free from harmful substances
- Recycling old products
- Recycling waste
- Reusing waste
- Sustainability retail products
- Waste generation history
- Waste reduction initiatives
- Indoor air quality upgraded
- Physical climate risk analysis
- Product and fee transparency
- Product safety and quality metrics

SDG 13: Climate Action
- Carbon disclosure / GHG report
- Air pollution history
- Air pollution reduction initiatives
- Amount of air pollution
- Amount of GHG emissions
- GHG emission history
- GHG reduction target
- Climate bonds initiative
- Climate leaders coalition signatory
- GHG report
- Indoor air quality upgraded
- Physical climate risk analysis

SDG 14: Life Below Water
- Amount of plastic pollution
- Reduction in plastic use
- UK plastics pact
- World ocean council

SDG 15: Life on Land
Protecting natural resources and biodiversity

SDG 16: Peace
- Companywide profit sharing
- Company website governance links
- Allocation of duties and responsibilities
- Anti-competitive practices controls
- Anti-corruption policy
- Anti-corruption training
- Audit committee composition
- Behaviour and business ethics
- Board independence
- Board skill map matrix
- CEO / chairperson separation
- Corporate culture management
- Corporate governance policies
- Financial expertise on audit committee
- Founders represented on board
- Fraud risk control policies
- Governance oversight framework
- Regulatory recommendations actioned
- Related party transactions
- Remuneration committee composition
- Shareholder right to vote on compensation
- Shareholder rights and relations policy
- Tax transparency disclosures
- Voting results transparency
- Whistle blower schemes
- Website - Governance

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8 GRI Mapping (303-419)

GRI 303: Water and Effluence
- Amount of water pollution
- Amount of water usage
- Waste water safe discharge
- Water savings initiatives
- Water usage history

GRI 304: Biodiversity
Protecting natural resources and biodiversity

GRI 305: Emissions
- Carbon disclosure / GHG report
- Air pollution history
- Air pollution reduction initiatives
- Amount of air pollution
- Amount of GHG emissions
- GHG emission history
- GHG reduction target

GRI 306: Effluents and Waste
- Amount of plastic pollution
- Amount of waste generated
- Amount of water pollution
- Eliminating landfill waste
- Other circular economy initiatives
- Recycling old products
- Recycling waste
- Reduction in plastic use
- Reusing waste
- Waste generation history
- Waste reduction initiatives
- Waste to energy
- Waste water safe discharge

GRI 307: Environmental Compliance
- Environment strategy in place
- Environmental covenanted financing
- Environmental, social or ethical litigation claims
- Penalty disclosures

GRI 308: Supplier Environmental Assessment
- New partner due diligence
- Supplier responsibility initiatives

GRI 401: Employment
- Compulsory employer pensions
- Fair wage, benefits and contracts
- Voluntary employer pensions

GRI 402: Labour and Management Relations
- Communication of labour policy
- Labour management initiatives
- Percentage of contractors
- Percentage of part time workers

GRI 403: Occupational Health and Safety
- Health and safety oversight
- Emergency procedure guidelines
- Health and safety initiatives
- Incident management reporting
- Independent health and safety verification
- Lost time incidents

GRI 404: Training and Education
- Anti-corruption training
- Broader education initiatives
- Number of trained staff
- Participation in conferences
- Workforce training

GRI 405: Diversity and Equal Opportunity
- Gender pay, diversity and inclusions report
- Corporate culture management
- Board gender split
- Gender pay differentials addressed
- Pay performance gap management
- Percentage differently abled
- Senior management gender split
- Workforce gender split

GRI 406: Non-discrimination
Supporting protected classes

GRI 407: Freedom of Association and Collective Bargaining
- Collective bargaining allowed
- Freedom of association allowed

GRI 409: Forced or Compulsory Labour
Preventing forced and bonded labour

GRI 410: Security Practices
- Broader education initiatives
- Workforce training

GRI 411: Rights of Indigenous Peoples
Supporting protected classes

GRI 412: Human Rights Assessment
- Anti-harassment workplace
- Effective grievance mechanisms
- Fair working and living conditions
- Fair working hours
- Modern slavery supply chain disclosures
- Respecting employee rights
- Staff turnover rates

8 **GRI Mapping (303-419)** [CONTINUED]

GRI 413: Local Communities
- Community investment policy
- Community support initiatives
- Diversity and inclusion
- Employee engagement initiatives
- Total donations made and philanthropy
- Wider stakeholder initiatives
- Youth unemployment initiatives

GRI 414: Supplier Social Assessment
Policy breach action taken

GRI 415: Public Policy
Political contributions

GRI 416: Customer Health and Safety
- Amount of material usage
- Material usage history
- Material usage initiatives
- Product free from harmful substances

GRI 417: Marketing and Labelling
- Customer responsibility initiatives
- Product safety and quality metrics

GRI 418: Customer Privacy
Customer responsibility initiatives

GRI 419: Socioeconomic Compliance
- Environmental, social or ethical litigation claims
- Penalty disclosures
- Social strategy in place

for the detailed analysis of Sify's ESG endeavours,
please visit https://bit.ly/3khPOn9

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