FIRSTSOURCE SOLUTIONS LIMITED

Taskforce on Nature-related Financial Disclosures

FY 2025–26

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01 Introduction

About Firstsource Solutions Limited

Firstsource Solutions Limited (NSE: FSL, BSE: 532809), an RP-Sanjiv Goenka Group company, is a leading global provider of specialist, domain-led Business Process Services (BPS). Operating at the intersection of people, technology, and process transformation, Firstsource serves clients across Healthcare, Banking and Financial Services, Communications, Media and Technology, and Retail — solving complex challenges with inch-wide, mile-deep expertise.

With a global footprint spanning the United States, United Kingdom, India, Philippines, Mexico, Romania, Trinidad & Tobago, South Africa, UAE and Australia Firstsource employs thousands of professionals across 56 facilities worldwide. Our operating philosophy, UnBPO™, reimagines traditional outsourcing to deliver transformation-led outcomes that drive speed, scale, and smarter decisions for our clients.

Guided by FirstConscious — our ESG framework — Firstsource is embedding sustainability into the architecture of how we operate. We go beyond compliance to redefine what a responsible, future-ready business looks like, creating lasting value for our people, our clients, and the planet.

About the TNFD

The Taskforce on Nature-related Financial Disclosures (TNFD) is a global market-led initiative that provides organisations with a structured framework to identify, assess, manage, and disclose nature-related risks and opportunities. Its overarching goal is to redirect financial flows toward positive outcomes by fostering greater transparency and accountability in corporate and investment decision-making.

The TNFD framework is built around four interconnected pillars:

- Governance — Oversight mechanisms at board and management levels for nature-related dependencies, impacts, risks, and opportunities.
- Strategy — Evaluation of how nature-related factors influence business models, financial planning, and resilience across short, medium, and long-term horizons.
- Risk & Impact Management — Processes for identifying, assessing, prioritising, and managing nature-related risks throughout operations and value chains.
- Metrics & Targets — Measurable goals and performance indicators to track progress toward nature-positive outcomes.

Firstsource has adopted the TNFD recommendations to enhance transparency in our nature-related disclosures and to integrate environmental stewardship into our core business strategy. We believe that understanding and managing our dependencies on, and impacts to, natural systems is foundational to long-term business resilience and responsible growth.

02 Message from the CEO & MD

Dear Stakeholders,

Building a resilient business means looking beyond the risks we can see today and preparing for the forces that will shape our ability to create value tomorrow.

Nature is one of those forces.

At Firstsource, FirstConscious is our commitment to bringing these considerations into the way we govern our business, manage risk, make decisions and create long-term value.

Our relationship with nature may look different from that of businesses with a large physical or resource-intensive footprint. As a global intelligence partner operating across 10 countries, our direct environmental footprint is relatively contained. Yet our business still depends on the natural systems that support our people, our operations and our communities, from water availability and air quality to climate stability. Our facilities and value chain are also exposed to the wider risks arising from changes in these systems.

Understanding these dependencies is therefore not simply an environmental exercise. It is part of understanding the resilience of our business.

This report gives us a more structured view of where nature intersects with our business, where risks and opportunities may emerge, and where we need to strengthen our response.

From understanding to action.

Understanding our relationship with nature is only useful if it informs what we do.

Our assessment, aligned with the TNFD Recommendations v1.0, gives us a clearer view of our nature-related dependencies, impacts, risks and opportunities across our operational footprint. Using the LEAP approach, alongside tools including the WWF Biodiversity Risk Filter, WRI Aqueduct Water Atlas and ENCORE, we have assessed water risks across our facilities and begun evaluating biodiversity and ecosystem sensitivity at key locations.

We are also bringing these insights into the broader way we manage risk. Our climate-risk and double-materiality assessments are being integrated into our Enterprise Risk Management framework, helping us take a more connected view of the risks and opportunities that could affect our business over time.

This work sits within a broader environmental agenda. During the year, our near-term and Net Zero emissions-reduction targets were validated by the Science Based Targets initiative. We also reduced market-based Scope 2 emissions by 30.55% and Scope 3 emissions by 14.24%.

These are important measures of progress. But the larger objective is to build environmental considerations into how we operate and make decisions, not as a separate agenda, but as part of running a resilient business.

What comes next

We now have a stronger foundation from which to go further.

Our focus will be on deepening our assessments, strengthening site-level data and bringing nature-related risks and opportunities more systematically into decisions across our operations and value chain.

We will continue to improve the quality of our disclosures. But disclosure is not the end goal. The real measure of progress will be whether better information leads to better decisions, how we manage risk, strengthen resilience and create sustainable long-term value.

That is the standard we will hold ourselves to as we continue to build Firstsource for the future.

Sincerely,

Ritesh Idnani

Chief Executive Officer & Managing Director

Firstsource Solutions Limited

03 TNFD General Requirements

Application of Materiality

At Firstsource, understanding what matters most to our stakeholders is central to our sustainability strategy. We apply a Double Materiality approach, capturing both the financial impacts on our business and the environmental and social impacts of our operations on the world. This methodology ensures that our disclosures remain aligned with global expectations while identifying the nature-related issues that have genuine implications for long-term value creation.

Our materiality assessment follows a structured, multi-stage process:

- Identification of material topics relevant to our operations and stakeholders, drawing on sector benchmarks, regulatory developments, and peer analysis.
- Assessment of actual and potential impacts of material topics across our value chain — both upstream and downstream.
- Internal and external stakeholder engagement, including employees, clients, investors, suppliers, and community representatives.
- Prioritisation of material topics through further analysis, applying Double Materiality principles.
- Approval of the final material topics by the Sustainability Council and the CEO & Managing Director, followed by presentation to the Board of Directors.
- Linkage to business strategy and performance targets, ensuring material topics drive action and accountability.

Double Materiality Assessment (FY 2025-26)

In FY 2025-26, Firstsource conducted a comprehensive Double Materiality Assessment (DMA) to systematically evaluate sustainability priorities across both impact and financial dimensions. This assessment involved detailed evaluations of internal and external factors influencing Firstsource's value chain, including their effects on the environment, society, and business resilience. Through structured stakeholder engagement spanning employees, Board members, investors, clients, and external stakeholders, the DMA identified 17 board material topics across 3 ESG pillars: Environmental (including water risk, climate action, and biodiversity), Social (Human Rights, Talent Attraction and Retention, Diversity, Equity & Inclusion, Employee Health & Safety, and Community Engagement) Governance (Supply Chain Management, Data Security & Privacy, Corporate Transparency, Ethical Business Conduct, and Operational Excellence). Each material topic was scored across both impact materiality (actual or potential effects on environment and society) and financial materiality (risks and opportunities affecting business value), ensuring alignment with TNFD principles of identifying material nature-related dependencies, impacts, and opportunities. The DMA outcomes directly inform Firstsource's TNFD strategy, risk prioritisation, and disclosure focus, ensuring that nature-related and broader sustainability considerations are fully integrated into business decision-making and long-term value creation.

Scope of Disclosures

This report covers Firstsource Solutions Limited's global operations across facilities in the United States, United Kingdom, India, Philippines, Mexico, Romania, Trinidad & Tobago, South Africa, UAE

and Australia, including all wholly owned subsidiaries. Greenhouse gas (GHG) emissions data (Scope 1, 2, and 3) encompasses all locations with significant operational presence.

While the primary reporting boundary aligns with our financial consolidation scope, we also acknowledge and assess nature-related risks and opportunities beyond this boundary — including supply chain exposures — to reflect a comprehensive view of our value creation and risk profile.

Location of Nature-Related Issues

Understanding the local environmental context at each of our facilities is fundamental to effective nature-related risk management. Firstsource has conducted a comprehensive Water Risk Profile across its global facilities, identifying varying levels of water-related risk linked to critical river basins including India's Ulhas, Arkavathy/Vrishabhavathi, and East Coast basins; Cebu Island (Philippines); the Valley of Mexico Basin; and basins across the USA and South Africa.

Notable findings include:

- Between 5% and 7% of our facilities in certain river basins face high or extremely high water exposure — representing potential revenue risk.
- Water scarcity, declining water quality, urban flooding, and evolving regulatory challenges are the primary risk drivers at these locations.
- Facilities in India — particularly in Bengaluru, Chennai, Hyderabad, Mumbai, and Gurugram — are being assessed for broader biodiversity and ecosystem sensitivity using TNFD-recommended tools.

Future disclosures will incorporate geospatial overlays to better visualise and communicate site-specific nature-related risks, supporting more targeted mitigation and stakeholder engagement.

Integration with Global Frameworks

Firstsource's nature-related disclosures are integrated within a broader ecosystem of globally recognized sustainability frameworks. Our reporting aligns with:

Framework	Application
GRI Standards	Core sustainability disclosures covering environmental, social, and governance performance.
TCFD	Climate-related financial disclosures — risks, opportunities, scenario analysis, and governance.
TNFD (v1.0)	Nature-related financial disclosures — the foundational framework for this report.
BRSR	Business Responsibility and Sustainability Reporting, as mandated by SEBI for listed Indian companies.
UN SDGs	Alignment of sustainability targets with the United Nations Sustainable Development Goals.
UN Global Compact	Commitment to the UNGC's ten principles on human rights, labour, environment, and anti-corruption.
CDP	Annual climate and supplier engagement disclosures (CDP Climate B Score; Supplier Engagement A Score).
SBTi	Science-Based Targets initiative — Net Zero commitment by 2050 validated in line with 1.5°C pathway.

Time Horizons for Nature-Related Risks

Firstsource assesses nature-related risks across three time horizons, based on the likelihood, magnitude, and duration of potential impacts:

Time Horizon	Year	Description
Short-term	2030	Focus on immediate nature- and climate-related risks that may affect business continuity, operational performance, regulatory compliance, and client service delivery. This includes water stress, extreme weather events, resource availability, and evolving environmental regulations.
Medium-term	2050	Focus on building long-term resilience through sustainable resource management, infrastructure adaptation, supply chain transformation, and alignment with evolving climate and nature-related disclosure requirements. This horizon also aligns with Firstsource's Net Zero commitment.
Long-term	2080	Focus on potential systemic.

Stakeholder Engagement

Firstsource engages with a diverse range of stakeholders on nature-related topics, human rights, and broader ESG matters. Our engagement is structured to ensure that local environmental and social issues are addressed at the appropriate level, while maintaining coherence with our global sustainability strategy.

Key stakeholder engagement channels include:

- Clients and Partners: ESG performance disclosures, responsible sourcing frameworks, and supply chain engagement through our supplier sustainability assessment programme (77% of supplier spend evaluated against ESG metrics).
- Employees: Engagement through FirstConscious awareness campaigns, internal sustainability initiatives and the ESGFirst data platform, which drives transparency and employee accountability.
- Investors and Analysts: Annual ESG reports, CDP disclosures, DJSI submissions, and ongoing investor relations engagement on material sustainability risks.
- Regulators and Industry Bodies: Participation in UNGC, SBTi, DJSI, and alignment with SEBI BRSR requirements and international standards.
- Communities: CSR initiatives focused on environment, education, healthcare, gender equality, and biodiversity conservation near key operational locations.

04 Governance

Firstsource's approach to nature-related governance is embedded across board-level oversight, executive management structures, and stakeholder engagement practices — aligned with the TNFD recommendations. The company recognises that nature-related dependencies, impacts, risks, and opportunities have material implications for its long-term sustainability, value creation, and social licence to operate.

Board-Level Oversight

At Firstsource Solutions Limited, board-level oversight of climate and nature-related risks is embedded within the Company's ESG governance framework. The Board Level Risk Management Committee provides strategic guidance on environmental, social, and governance priorities, including climate and emerging nature-related considerations aligned with the recommendations of the Taskforce on Nature-related Financial Disclosures. The risk management comittee reviews ESG performance, key sustainability risks, compliance obligations, and long-term resilience initiatives through periodic updates from the management team and relevant Board Committees. Oversight of ESG matters is further strengthened through quarterly monitoring by Managing Director & CEO.

Key board-level governance activities include:

- Provides strategic oversight of ESG, climate-related, and nature-related risks and opportunities, including water security, resource management, and regulatory developments.
- Reviews sustainability strategy, performance, key risk exposures, and progress against climate and environmental commitments.
- Oversees integration of material sustainability risks within the Enterprise Risk Management (ERM) framework.
- Provides guidance to the Sustainability Council on climate resilience and sustainability priorities.

05 Strategy

This section outlines the effects of nature-related dependencies, impacts, risks, and opportunities on Firstsource's business model, strategy, and financial planning — in line with TNFD guidelines.

The LEAP Approach

In accordance with TNFD recommendations, Firstsource has adopted the LEAP (Locate, Evaluate, Assess, Prepare) framework as its structured methodology for identifying and managing nature-related Dependencies, Impacts, Risks, and Opportunities (DIROs) across its global operational footprint.

LEAP Phase	Code	Indicator	Firstsource Approach
Locate Interface with Nature	**L1**	Span of business model and value chain	Assessment covers direct office and service delivery operations across all facilities, while screening upstream (technology vendors, hardware supply chains) and downstream (client industries) linkages for contextual nature-related relevance.
	L2	Dependency and impact screening	Sectoral tools — including ENCORE, WWF Aqueduct and WWF's Biodiversity Risk Filter (BRF) — used to screen nature-related dependencies and impacts, supplemented by internal operational data from the ESGFirst platform for site-specific accuracy.
	L3	Interface with nature	Water risk assessments conducted across all global facilities, including detailed basin-level analysis for high water stress sites. Biodiversity surveys initiated at key owned campuses in India.
	L4	Interface with sensitive locations	TNFD-recommended tools — WWF Biodiversity Risk Filter (BRF) and WRI Aqueduct Water Atlas — used to screen all facilities for proximity to protected areas, Key Biodiversity Areas (KBAs), and high-water-stress basins.
Evaluate Dependencies and Impacts	**E1**	Identify environmental assets & ecosystem services	Ecosystem services mapping and review conducted at key operational sites to identify and prioritise critical environmental assets — including freshwater provisioning, air quality regulation, and climate stabilisation services.
	E2	Identification of dependencies and impacts	Dependencies and impacts identified using ENCORE, WWF BRF, and WRI Aqueduct, cross-referenced with internal facility data and sector-specific exposure profiles for BPS operations.
	E3	Dependency and impact analysis (intensity and scale)	Intensity of dependencies and impacts assessed per facility using internal data guided by WWF and WRI tools; results integrated into risk prioritisation for the ERM framework.
	E4	Impact materiality assessment	Firstsource identifies impacts on operations, employees, and local communities as key material factors; prioritisation based on business relevance, regulatory exposure, and Double Materiality principles.

Assess Risks and Opportunities	**A1**	Risk and opportunity identification	Nature-related risks and opportunities identified for all facilities; risk assessment conducted using WWF BRF, WRI Aqueduct, and Firstsource's internal ERM processes.
	A2	Adjustment of existing risk mitigation frameworks	Nature considerations integrated into existing risk assessment frameworks, including the Water Risk Profile, biodiversity impact assessment programme, and ESG data monitoring on ESGFirst.
	A3	Risk and opportunity measurement and prioritisation	Criteria developed to prioritise risks aligned with internal governance thresholds and regulatory developments; financial impact ranges estimated for top material risks.
	A4	Risk and opportunity materiality assessment	Assessment considers major impacts on natural resources, water cycles, and pollution — aligned with Double Materiality principles and Firstsource's business exposure across its global footprint.
Prepare to Respond and Disclose	**P1**	Strategy and resource planning	Mitigation actions aligned with FirstConscious ESG framework goals; resources allocated for nature-related initiatives including water efficiency, energy transition, and biodiversity programmes.
	P2	Target setting & resource management	Measurable targets set on nature-related impacts — including water usage reduction, emissions intensity, and renewable energy sourcing — aligned with SBTi, CDP, and TNFD recommendations.
	P3	Reporting	Nature-related disclosures integrated into annual ESG Report, TNFD Report, BRSR, and CDP submissions; monitored in real-time through ESGFirst.
	P4	Presentation	Facility-wise nature impact profiles developed progressively and disclosed through the ESG Report, TNFD Report, BRSR, TCFD disclosures, and the Company's Integrated Annual Report.

Firstsource has also aligned its nature-related disclosures and actions with Target 15 of the Kunming-Montreal Global Biodiversity Framework (GBF), which calls on businesses to assess, disclose, and reduce their negative impacts on biodiversity. By implementing the LEAP approach and embedding biodiversity considerations into our strategic planning and facility-level ESG programmes, we contribute to the global agenda of halting biodiversity loss, restoring natural systems, and building long-term ecosystem resilience across our operational footprint.

Nature-Related Dependencies and Impacts of Firstsource

Firstsource's operational footprint as a global BPS company involves interactions with various natural ecosystem services that support its business both directly and indirectly. As a services-based organisation, Firstsource does not rely on material or resource-intensive physical inputs; however, certain ecosystem services — particularly water provisioning, air quality regulation, and climate stabilisation — remain critically important for operational continuity and employee well-being across our global facilities.

The WWF Biodiversity Risk Filter (BRF) and the ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) tool have been applied to evaluate these dependencies and identify associated nature-related impacts at the sector and site levels.

Dependency on Ecosystem Services

ENCORE Indicator	Water Supply	Global Climate	Local Climate	Rainfall Pattern	Air Quality
Dependency Level	Low	Very Low	Low	Very Low	High

WWF BRF Category	Key Indicators	Dependency Level
Physical	Water Availability	Low
Physical	Air Condition	High
Physical	Extreme Heat	High
Physical	Landslide Hazard	Medium
Physical	Wildfire Hazard	Medium
Physical	Tropical Cyclones	Medium
Physical	Water Condition	Low
Reputational	Media Scrutiny	Low
Reputational	Sites of International Interest	Very Low
Reputational	Risk Preparation & Governance	Low

Firstsource's dependencies on most ecosystem services are low to very low, reflecting the services-oriented nature of BPS operations. However, the WWF BRF highlights high dependencies on air condition and extreme heat management — particularly relevant for facilities in India, the Philippines, and Mexico — and medium-level exposure to landslides, wildfire hazards, and tropical cyclones across certain geographies.

Nature-Related Impacts

ENCORE Impact Indicator	GHG Emissions	Noise/Light Pollution	Water Use	Solid Waste	Land Use
Impact Level	Low	Medium	Very Low	Very Low	Very Low

These assessments confirm that Firstsource's operations have generally low material impacts on sensitive ecological or social systems. Localised medium-level impacts from noise and light pollution are noted at urban campuses and managed through facility design standards and operational protocols. The BPS sector's inherently low material footprint enables Firstsource to focus its mitigation efforts on the most significant exposure areas: energy-related GHG emissions, water consumption in high-stress basins, and e-waste generation from technology operations.

06 Risk and Impact Management

Firstsource has developed a structured approach to identifying, assessing, prioritising, and managing nature-related risks and opportunities — fully integrated within its Enterprise Risk Management (ERM) framework and the FirstConscious ESG framework.

Key Nature-Related Risk Categories

Based on assessment using the WWF Biodiversity Risk Filter (BRF) and WRI Aqueduct Water Atlas, and cross-referenced with Firstsource's internal water risk profile (covering all facilities), seven nature-related risks have been identified as most material to Firstsource's global operations:

Physical Risk	Key Findings	Primary Geographies	Risk Outlook	Potential Business Impact
Water Stress	Identified as a critical and persistent risk across multiple operational locations, with high to extremely high exposure continuing across all scenarios and time horizons.	India (Karnataka, Tamil Nadu, Telangana, Haryana, Andhra Pradesh, Rajasthan), Mexico City, UAE (Dubai), South Africa (Cape Town), USA (California, Colorado)	High	Increased water sourcing costs, operational disruption, and potential impacts on business continuity in water-scarce regions.
Drought	Emerging long-term risk, with severity increasing towards 2050 and 2080, particularly in international locations under higher-emission scenarios.	Mexico City, South Africa, UAE, Australia (Melbourne), Romania (Bucharest), USA (California, Colorado, Texas, Florida), Puerto Rico	Medium to High (Long-term)	Increased water costs, resource constraints, and potential disruptions to facility operations.
Rising Temperatures	Consistent and rapidly intensifying risk across all locations, transitioning from low risk in the near term to high and very high risk by 2080.	Global Operations	High	Higher cooling costs, increased energy consumption, employee health and productivity impacts, and infrastructure adaptation requirements.
Riverine Flooding	Largely localized risk, with a limited number of locations showing persistent high exposure.	India (Mumbai, Vijayawada), USA (Texas, Tennessee, Colorado, Ohio)	Medium	Facility damage, operational disruptions, infrastructure repair costs, and business continuity challenges.
Coastal Flooding	Risk remains location-specific, with persistent exposure in several coastal locations.	Philippines (Cebu, Metro Manila), South Africa, Australia, UAE, USA (Florida, California), Puerto Rico, Puducherry	Medium	Damage to assets and facilities, increased resilience investments, and potential operational interruptions.
Tropical Cyclones	Concentrated exposure in specific geographies, particularly the Philippines and parts of the United States.	Philippines (Cebu, Metro Manila), USA, Mexico	Medium to High	Service disruption, asset damage, increased insurance costs, and workforce availability impacts.
Heavy Precipitation	Risk remains generally low and stable across most locations, with only localized exposure.	Maharashtra (India), Metro Manila (Philippines)	Low to Medium	Localized flooding, connectivity disruptions, and temporary operational interruptions.

Cold Waves	Exposure remains low and stable across most locations, with higher risk limited to colder geographies.	USA (Colorado), UK, Northern Europe	Low	Increased energy costs and limited operational disruptions.
Sea Level Rise	Risk remains negligible across the portfolio with no material escalation across scenarios and time horizons.	Global Operations	Low	Minimal direct business impact under current projections.

Nature-Related Opportunities

Alongside risks, Firstsource has identified several material nature-related opportunities that can enhance long-term competitive positioning, client trust, and operational resilience:

- Green Client Solutions: Growing demand from clients in Healthcare, BFSI, and Retail for sustainability-integrated BPS services creates opportunities to differentiate through nature-positive service delivery and green process transformation.
- Nature-Positive Employer Brand: Leading nature and ESG disclosures strengthen talent attraction and retention, particularly among sustainability-conscious professionals across our global workforce.
- Regulatory Readiness Premium: Early TNFD adoption positions Firstsource as a preferred partner for clients and investors seeking nature-disclosure-ready service partners, ahead of emerging mandatory disclosure requirements.
- Energy Transition Revenue: Expansion of ESG-related advisory and analytics services (leveraging ESGFirst capabilities) for clients navigating their own sustainability transitions.
- Cost Savings from Water Efficiency: Smart sensor-based water management systems deployed across facilities have already delivered measurable water consumption reductions, with further efficiency potential across high-stress basin sites.

Risk Management Integration

Nature-related risks are embedded within Firstsource's Enterprise Risk Management (ERM) framework and assessed with the same rigour as financial, operational, and strategic risks. The integration process involves:

- Annual nature risk identification using WWF BRF, WRI Aqueduct, and ENCORE tools, refreshed with updated facility data.
- Quarterly risk reviews by the Risk Management Committee for material risks.
- Site-level risk registers maintained for all facilities with significant nature-related exposure, including mitigation action plans and responsible owners.
- Integration of nature risk considerations into new facility selection criteria, capital expenditure approvals, and supplier qualification processes.
- Real-time monitoring of key nature-related KPIs — water consumption, energy intensity, GHG emissions — through the ESGFirst platform, enabling rapid detection of deviations and corrective action.

Supply Chain and Value Chain Risk Management

Firstsource's supply chain consists primarily of technology vendors, facilities management providers, and professional service partners. While the direct nature footprint of BPS supply chains is relatively contained, Firstsource manages nature-related risks in its value chain through:

- Supplier ESG Assessments: 77% of supplier spend evaluated against environmental and social KPIs. Assessments include water management practices, GHG emissions, and biodiversity.
- Supplier Engagement Programme: Collaborative engagement with key suppliers on nature-related best practices, aligned with Firstsource's CDP Supplier Engagement A rating.

07 Metrics and Targets

Firstsource tracks a suite of nature-related metrics across its global operations, aligned with TNFD recommendations and integrated within the FirstConscious ESG framework. Data is collected and monitored in real-time through the ESGFirst platform across all 56 global facilities.

Environmental Performance Metrics

Metric	FY 2024-25	FY 2025-26	Change
Scope 1 Emissions (tCO_2e)	250.13	721.46	▲ 188.4%
Scope 2 Emissions (Location-based) (tCO_2e)	21,223.32	33,388.57	▲ 57.3%
Scope 2 Emissions (Market-based) (tCO_2e)	15,309.41	10,632.21	▼ 30.55%
Total Scope 3 Emissions (tCO_2e)	46,708.19	40,054.43	▼ 14.24%
Employee Commuting Emissions (tCO_2e)	26,934.00	18,758.72	▼ 30.4%
Fuel & Energy Related Activities (tCO_2e)	2,298.93	1,218.59	▼ 47.0%
Business Travel Emissions (tCO_2e)	3,871.00	4,513.07	▲ 16.6%
Renewable Energy Share (%)	26.6%	22.0%	▼ 4.6 pp
Water Withdrawn (KL)	242,065.44	282,542.00	▲ 16.7%
Water Consumed (KL)	7,849.68	28,254.00	▲ 260.0%
Water Discharged (KL)	234,216.24	254,288.00	▲ 8.6%
Operations in High/Extremely High Water-Stress Areas (%)	20.5%	56.0%	▲ 35.5 pp

Nature-Related Targets

Target	Target Year	Framework Alignment	Status
Achieve Net Zero GHG emissions across all scopes	2050	SBTi / TNFD	Validated; Transition milestones set
Reduce Scope 1 & 2 emissions in line with 1.5°C pathway	2035	SBTi / Paris Agreement	On track
Source 100% renewable electricity across owned facilities	2030	TNFD /SBTi	Progressing
Reduce travel by 15% globally	Ongoing	SBTi	Ongoing
Complete water risk assessment for all centres	FY 25-26	TNFD / WRI Aqueduct	Completed in FY26
Achieve zero e-waste to landfill (authorized recycling only)	Ongoing	TNFD / Circular Economy	Compliant in FY25
Assess 100% of supplier spend against ESG KPIs	2026	TNFD / CDP Supplier	77% achieved in 2026

Eliminate single-use plastic from all facilities	2025	TNFD / SDG 12	On track

Recognition and External Validation

Firstsource's nature and sustainability performance has been independently recognised and validated by leading global benchmarks:

- Firstsource's Near-Term and Net Zero (Long-Term) emissions reduction targets have been validated by the Science Based Targets initiative (SBTi), confirming that our climate commitments are aligned with the latest climate science and the goal of limiting global warming.
- S&P Global Corporate Sustainability Assessment: Top 1% recognition (CSA Score: 87);included in the S&P Global Sustainability Yearbook for the third consecutive year.
- CDP Climate Disclosure: B rating (2024), Water Security: B (2024) & Supplier Engagement Assessment: A rating (2024).
- EcoVadis: Bronze Medal, placing Firstsource in the top 15% of companies globally.
- UN Global Compact: Active member, committed to UNGC's ten principles on environment, human rights, labour, and anti-corruption.
- Recognized by the ESG Research Foundation at the 3rd Prithvi Awards for excellence in Environmental, Social, and Governance performance
- Recognized by the Institute of Directors (IOD), India with the prestigious Golden Peacock Award for ESG 2025 for demonstrating excellence in environmental, social, and governance performance and embedding sustainability into business strategy and operations.

08 Conclusion

This TNFD report represents Firstsource's inaugural structured disclosure against the Taskforce on Nature-related Financial Disclosures (TNFD) Recommendations. It reflects our commitment to transparency, accountability, and responsible business stewardship — and our recognition that nature-related risks and opportunities are material to our long-term strategy, resilience, and value creation.

As a global BPS company operating across facilities in ten countries, Firstsource's interaction with natural systems — through water consumption, energy use, GHG emissions, and waste generation — requires rigorous, evidence-based management. Through the application of the LEAP framework, WWF Biodiversity Risk Filter, WRI Aqueduct Water Atlas, and ENCORE tools, we have built a foundational understanding of our nature-related dependencies, impacts, risks, and opportunities.

Key highlights from this inaugural TNFD disclosure include:

- Completion of a comprehensive water risk assessment across all global facilities — identifying high-exposure sites and initiating targeted water efficiency and resilience measures.
- Structured identification of nature-related risks, with mitigation strategies integrated into our Enterprise Risk Management (ERM) framework.
- Deployment of ESGFirst — our real-time ESG data platform — enabling continuous monitoring of nature-related KPIs and more granular, reliable reporting.
- Progress against our science-based climate commitments, including a 30.55% reduction in market-based Scope 2 emissions, a 14.24% reduction in Scope 3 emissions, and enhanced water risk profiling across our global footprint during FY2025-26.
- Commitment to publishing a biodiversity baseline for key Indian campuses in FY 2025–26, advancing alignment with Kunming-Montreal Global Biodiversity Framework Target 15.

Looking ahead, Firstsource will continue to deepen its nature-related disclosures — progressively incorporating geospatial risk overlays, site-level biodiversity assessments, and more granular supply chain nature risk data. We remain committed to working collaboratively with our stakeholders — clients, investors, employees, regulators, and communities — to advance a nature-positive future.

09 Appendix

Appendix I: Global Facility Footprint Summary

Geography	Primary Nature-Related Risks
India	Water stress, temperature rise, air quality, flooding
Philippines	Tropical cyclones, coastal flooding, water stress
United States	Drought, water stress, flooding, tropical cyclones
United Kingdom	Flooding, regulatory developments
Mexico	Water stress, drought, temperature rise
UAE	Water stress, drought, extreme heat
South Africa	Water stress, drought, coastal flooding
Romania	Drought, water stress
Australia	Drought, water stress, wildfire risk
Trinidad & Tobago	Coastal flooding, extreme weather

Appendix II: Tools and Methodologies Used

- ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) — Sector-level dependency and impact screening tool.
- WWF Biodiversity Risk Filter (BRF) — Site-level biodiversity and nature risk assessment for all owned and leased facilities.
- WRI Aqueduct Water Atlas — Water risk assessment and basin-level exposure mapping across all global facilities.
- ESGFirst Platform (Firstsource proprietary) — Real-time ESG data collection, monitoring, and reporting platform aligned with GRI, TNFD, TCFD, and CDP.
- GHG Protocol — Methodology for Scope 1, 2, and 3 greenhouse gas emissions accounting.
- TNFD LEAP Framework (v1.0) — Structured methodology for locating, evaluating, assessing, and preparing nature-related risk disclosures.

Appendix III: Biodiversity Risk Assessment Data — FY 2025-26

The following table presents the WWF Biodiversity Risk Filter (BRF) Scape Risk Results for all FSL operational sites assessed during FY 2025-26. Risk scores are on a 1–5 scale, where higher values indicate greater risk exposure. Scores are colour-coded: **≥4.0 High**, **≥3.5 Medium-High**, **≥3.0 Medium**, **<3.0 Low**. "Missing data" indicates no data available for that indicator at the site.

Site Name	Physical Risk	Water Avail.	Reg. Services	Wildfires	Extreme Heat	Trop. Cyclones	Flooding	Reputational Risk	Pressures Biodiversity	Environmental Factors	Key Bio. Areas	Wetlands Intl.
Sandhya Infocity	3.76	3.00	3.76	3.00	4.50	3.00	2.50	2.90	2.79	1.50	1.50	3.00
Ozone Tech Park	3.76	3.00	3.76	3.00	4.50	3.00	2.50	2.90	2.79	1.50	1.50	3.00
Raja Complex	3.71	2.35	3.43	3.00	4.50	N/A	2.38	2.98	2.96	1.00	1.00	1.00
Savitha Plaza	3.85	2.55	3.83	3.00	4.50	3.50	2.50	2.83	2.67	2.00	2.00	3.00
Paradigm	3.97	2.00	4.06	3.50	4.50	2.50	2.50	2.65	2.29	2.00	2.00	3.00
BTG (Brigade Tech Gardens)	3.47	2.70	3.44	3.50	3.50	N/A	2.12	2.90	2.79	1.25	2.00	1.00
BTG - A block	3.47	2.70	3.44	3.50	3.50	N/A	2.12	2.90	2.79	1.25	2.00	1.00

Site Name	Physical Risk	Water Avail.	Reg. Services	Wildfires	Extreme Heat	Trop. Cyclones	Flooding	Reputational Risk	Pressures Biodiversity	Environmental Factors	Key Bio. Areas	Wetlands Intl.
BSR-IT	3.66	2.70	3.83	3.50	4.00	N/A	2.38	3.02	3.04	1.00	1.00	1.00
Medha IT Tower	3.73	2.80	3.71	3.00	4.50	2.50	2.62	2.90	2.79	2.00	2.00	3.00
Umang Towers	3.97	2.00	4.06	3.50	4.50	2.50	2.50	2.65	2.29	2.00	2.00	3.00
Millenia	3.76	3.00	3.76	3.00	4.50	3.00	2.50	2.90	2.79	1.50	1.50	3.00
Elnet Software city	3.76	3.00	3.76	3.00	4.50	3.00	2.50	2.90	2.79	1.50	1.50	3.00
Tidel Park	3.91	2.95	3.83	3.00	4.50	N/A	2.12	2.96	2.92	2.00	2.00	3.00
Hanudev Infopark	3.91	2.95	3.83	3.00	4.50	N/A	2.12	2.96	2.92	2.00	2.00	3.00
Parvathy Towers	3.91	2.95	3.83	3.00	4.50	N/A	2.12	2.96	2.92	2.00	2.00	3.00
ND Fusion Mall	3.47	2.70	3.44	3.50	3.50	N/A	2.12	2.90	2.79	1.25	2.00	1.00
Intellion Square	3.97	2.00	4.06	3.50	4.50	2.50	2.50	2.65	2.29	2.00	2.00	3.00
Candor Techspace	4.10	3.30	4.19	3.50	4.50	N/A	2.50	2.79	2.58	2.00	2.00	3.00
Athena Towers	3.97	2.00	4.06	3.50	4.50	2.50	2.50	2.65	2.29	2.00	2.00	3.00
Transcrop	3.91	2.70	3.82	2.50	4.50	N/A	1.75	2.83	2.67	1.25	2.00	1.00
Skyrise 1	3.40	1.93	3.05	2.50	3.00	4.00	2.50	2.73	2.58	2.50	2.50	3.00
Skyrise 2	3.40	1.93	3.05	2.50	3.00	4.00	2.50	2.73	2.58	2.50	2.50	3.00
Science Hub 1	3.69	1.80	3.51	3.00	3.50	4.00	2.88	2.73	2.58	2.50	2.00	1.00
Science Hub 2	3.69	1.80	3.51	3.00	3.50	4.00	2.88	2.73	2.58	2.50	2.00	1.00
Melbourne	3.05	2.10	3.09	3.00	3.00	N/A	1.75	2.17	2.33	2.00	1.50	1.00
Centre Square One	3.07	1.80	3.15	3.00	2.50	3.00	2.25	2.52	2.53	2.50	2.50	3.00
Pride Park	3.10	1.95	3.32	2.50	2.50	3.00	2.12	2.52	2.54	2.50	2.50	1.00
Duncreggan	2.85	1.80	2.82	2.50	2.50	3.50	1.75	2.12	2.24	2.00	2.00	3.00
Motherwell Campus	2.85	1.80	2.70	3.00	2.50	3.50	1.88	2.45	2.41	2.50	2.00	3.00
Stirling House	2.85	1.80	2.70	3.00	2.50	3.50	1.88	2.45	2.41	2.50	2.00	3.00
Stranraer Local Hub	2.96	1.80	2.91	3.00	2.50	3.50	1.75	2.54	2.57	2.50	2.50	3.00
Isle of Wight	3.35	1.95	3.32	3.00	2.50	3.50	2.12	2.31	2.12	2.50	2.00	3.00
Lisburn	2.99	2.10	2.98	3.00	2.50	3.50	2.12	2.12	2.24	2.00	2.00	3.00
Bucharest	3.48	2.45	3.45	3.00	3.50	N/A	2.00	2.42	2.83	2.00	2.00	1.00
Boulevard Office Park	3.28	2.65	3.07	3.50	2.50	N/A	2.38	3.06	2.96	3.00	3.00	3.00
Salt River	3.28	2.65	3.07	3.50	2.50	N/A	2.38	3.06	2.96	3.00	3.00	3.00
Gardens	3.28	2.65	3.07	3.50	2.50	N/A	2.38	3.06	2.96	3.00	3.00	3.00

Site Name	Physical Risk	Water Avail.	Reg. Services	Wildfires	Extreme Heat	Trop. Cyclones	Flooding	Reputational Risk	Pressures Biodiversity	Environmental Factors	Key Bio. Areas	Wetlands Intl.
Mark Dabling Building	3.03	2.85	3.05	3.00	2.50	N/A	1.38	2.38	2.50	1.50	1.00	1.00
Bryant Woods South	3.25	1.80	3.51	2.50	3.00	N/A	2.12	2.35	2.46	2.00	2.00	3.00
Grant Avenue	3.43	1.50	3.36	2.50	3.50	N/A	2.25	2.39	2.53	2.00	2.00	1.00
Atrium Centre	3.21	1.50	3.41	2.50	4.00	N/A	2.50	2.44	2.62	2.00	2.00	1.00
Salt lake city	3.01	2.55	3.02	2.50	3.00	N/A	1.75	2.50	2.50	2.50	2.50	1.00
Commerce Park	3.44	2.30	3.00	3.50	4.00	4.00	2.50	2.62	2.74	2.50	2.50	3.00
Chattanooga	3.18	1.80	3.36	3.00	3.50	N/A	2.38	2.38	2.50	2.00	2.00	1.00
Thousand Oaks 230	3.81	3.35	3.87	4.00	3.00	2.00	2.25	2.52	2.79	2.00	2.00	1.00
Laporte	3.43	2.10	3.36	3.00	3.50	N/A	2.50	2.35	2.46	1.50	2.00	1.00
Sunrise	3.57	2.30	3.26	3.50	4.00	4.00	2.62	2.24	2.24	2.00	3.00	1.00
Chico	3.20	2.25	2.90	4.00	3.50	N/A	2.25	2.50	2.75	2.00	1.00	1.00
Bridgewater	3.66	2.10	3.44	3.00	4.00	3.50	2.25	2.31	2.36	1.50	1.50	1.00
Ohio	3.51	1.80	3.52	2.50	4.00	N/A	2.25	2.38	2.50	1.50	1.00	1.00
Mexico	3.82	3.20	4.14	3.50	2.50	N/A	2.25	2.77	2.54	2.00	2.00	3.00
Trinidad & Tobago	3.00	2.10	3.00	3.50	3.00	3.00	2.00	2.70	2.65	2.50	2.50	3.00
Trinidad	3.00	2.10	3.00	3.50	3.00	3.00	2.00	2.70	2.65	2.50	2.50	3.00
Mayaguez	3.25	1.95	2.75	3.00	3.00	4.00	2.50	2.79	2.58	2.00	2.50	1.00
Guaynabo	3.25	1.95	2.75	3.00	3.00	4.00	2.50	2.79	2.58	2.00	2.50	1.00
Dubai	3.39	3.05	3.73	3.00	4.50	N/A	1.62	2.75	2.21	2.50	2.50	3.00

Source: WWF Biodiversity Risk Filter (BRF) v3.0. Risk scores computed for FSL's operational portfolio based on site-specific activity and geographic location. Physical risk covers provisioning services, regulating services and cultural services. Reputational risk covers pressures on biodiversity, environmental factors, and socioeconomic factors. Assessment conducted in FY 2025-26.