



Decarbonization Roadmap

2025-26

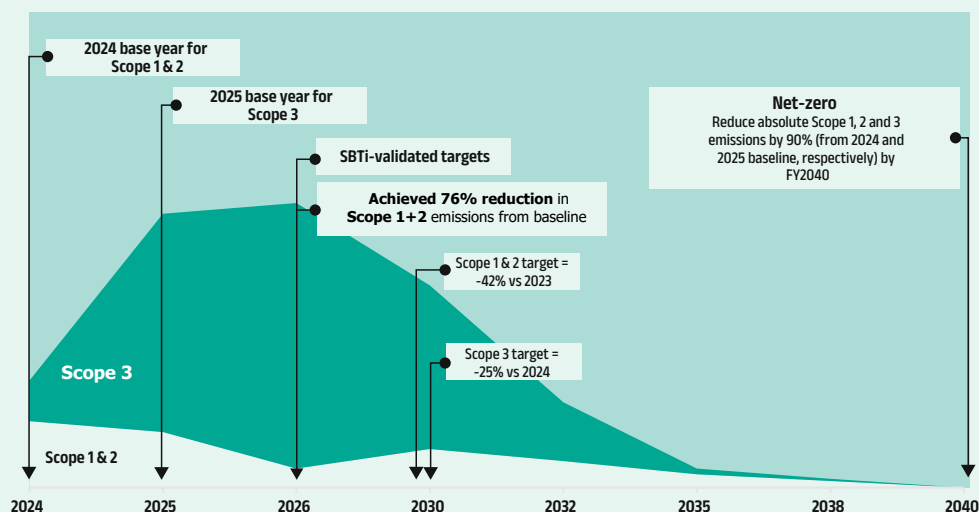


Net-zero roadmap

Coforge commits to achieving **net-zero emissions across its entire value chain by FY2040**. Its emission reduction targets reflect a **deep decarbonisation trajectory**, consistent with SBTi net-zero standards.

Coforge has established a **science-based, SBTi-validated pathway** to achieve **net-zero greenhouse gas (GHG) emissions across its value chain**. The roadmap is aligned with a **1.5°C climate scenario** and adopts a **structured, phased decarbonisation approach across Scope 1, Scope 2, and Scope 3 emissions**, in line with globally accepted standards.

Coforge's emission reduction trajectory



Emission reduction pathways to 2030

- Energy efficiency improvements across operations
- Transition to renewable energy
- Operational optimisation
- Supplier and value chain engagement

Residual emissions will be managed through high-integrity carbon removal and offsetting approaches, including nature-based solutions

Net-zero ambition will be achieved through:

- **Significant absolute emissions reductions (~90%)**, prioritising operational and value chain decarbonisation
- **Offsetting residual emissions (~10%)**, using credible and verified carbon removal solutions

Near-Term Targets (FY2030): Coforge has committed to the following **science-based targets for FY2030**:

- **42% reduction in absolute Scope 1 and Scope 2 emissions** from a 2023 baseline
- **25% reduction in absolute Scope 3 emissions** from a 2024 baseline

Achieved a 76% reduction in combined Scope 1 and Scope 2 emissions from the SBTi-validated baseline, exceeding the target and demonstrating strong progress on our decarbonisation journey.

Long-term targets (FY2040): As part of its net-zero commitment, Coforge has set the following **long-term decarbonisation targets**:

- **90% reduction in absolute Scope 1 and Scope 2 emissions by FY2040** (from 2023 baseline)
- **90% reduction in absolute Scope 3 emissions by FY2040** (from 2024 baseline)

Addressing residual emissions

For emissions that cannot be eliminated through current technologies or operational measures, Coforge will adopt a portfolio of **high-integrity carbon removal and offsetting approaches**, including **nature-based solutions**, such as afforestation and ecosystem restoration.

These interventions will be implemented with a focus on:

- Environmental integrity
- Transparency and traceability
- Alignment with evolving global best practices

Target-setting methodology and baseline selection

Coforge's science-based targets have been developed in alignment with the SBTi target-setting framework, following a structured methodology that includes selection of an appropriate base year, comprehensive emissions estimation, definition of target boundaries, and calculation of reduction pathways in line with a 1.5°C scenario.

The base years have been selected to reflect Coforge's **most representative and complete emissions profile**, ensuring alignment with SBTi requirements. Accordingly, 2023 has been adopted as the baseline for Scope 1 and Scope 2 emissions, while 2024 has been selected for Scope 3 emissions, based on improved data availability and expanded coverage across value chain categories.

To establish reduction trajectories, Coforge undertook scenario analysis comparing business-as-usual (BAU) emissions projections with SBTi-aligned decarbonisation pathways. These projections incorporate key operational assumptions, including business growth rates, grid emission factor evolution, renewable energy transitions, and energy efficiency improvements.

Scope 3 target boundaries have been defined based on material categories contributing significantly to total emissions, including purchased goods and services, capital goods, fuel and energy-related activities, business travel, and employee commuting, ensuring alignment with SBTi requirements for coverage and completeness.

Net-zero governance mechanism

Coforge monitors progress against its SBTi validated net-zero targets through structured annual performance assessments against defined baselines and interim milestones.

To stay aligned with our net-zero goals, Coforge has enhanced its measurement systems by improving data collection processes, increasing reliance on activity-based data sources, and expanding coverage across relevant upstream categories. In parallel, focused interventions have been initiated across procurement (including supplier engagement and low carbon sourcing), business travel (through optimisation and policy interventions), and employee commuting (via carpooling and sustainable mobility initiatives) to strengthen emissions control over time.

Progress is tracked through defined KPIs linked to key decarbonisation levers, including renewable energy adoption, infrastructure optimisation, asset lifecycle management, and sustainable mobility. Monitoring is conducted at multiple levels, with monthly and quarterly reviews by operational teams and oversight by the ESG function and senior leadership. This enables timely identification of variances, supports corrective action, and ensures continued alignment of performance with Coforge's net-zero roadmap.

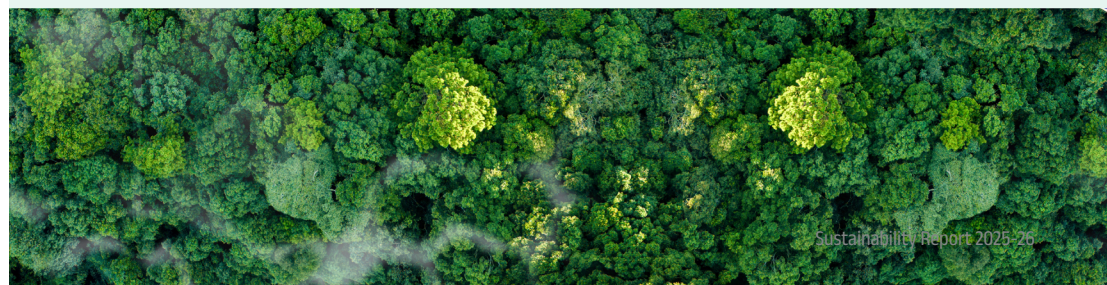
Internal carbon pricing

Coforge has introduced an **internal carbon price of approximately US\$18 per tCO₂e** based on an **implicit pricing approach**, which reflects the actual cost incurred by the Company in reducing its GHG emissions. Under this approach, the ICP is derived from investments made in emission reduction initiatives and represents the cost of abatement across operations.

The ICP is applied to **Scope 1 and Scope 2 emissions within the Company's operational control**, ensuring that climate considerations are embedded in operational and investment decisions. The pricing reflects expenditures on key initiatives such as renewable energy adoption, energy efficiency improvements, and infrastructure upgrades that contribute to measurable emissions reductions. This mechanism is **embedded across key business processes** and serves as a strategic tool to assess the effectiveness of decarbonisation efforts and guide resource allocation. It is **integrated into financial and operational decision-making processes**, including capital allocation, infrastructure planning, and investment in low-carbon technologies. It supports evaluation of initiatives based on both cost and carbon impact, enabling more informed decision-making and encouraging adoption of energy-efficient and low-emission solutions.

The key objectives of this approach are to

- Support **cost-benefit analysis** of sustainability initiatives by assessing the cost per tonne of emissions reduced.
- Drive **energy efficiency improvements** through targeted investments in infrastructure and operations.
- Facilitate **low-carbon investment decisions** by prioritising initiatives with higher emissions reduction impact.
- Enable identification of **carbon reduction opportunities** across facilities, IT infrastructure, and operations.
- Strengthen integration of **climate considerations into business planning and financial decision-making**.
- Support long-term **decarbonisation planning and resource allocation** aligned with business growth.





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