CtrlS™

Asia's Largest Rated 4 Datacenter

Sustainability Report FY 23-24

About CtrlS

About CtrlS

CtrlS, one of Asia's largest data center (DC) and managed services providers, is headquartered in Hyderabad, India, and was founded in 2007. The company operates through its subsidiaries, including CtrlS Datacenters, Cloud4C, Pioneer Lab, and Schnabel DC Consulting. Recognized as a leader in innovation, CtrlS has played a pivotal role in driving technological advancements and transforming infrastructure solutions, employing over 2,000 professionals.

CtrlS operates 12 state-of-the-art Tier-4 data centers across major Indian cities, such as Hyderabad, Mumbai, Noida, and Bangalore, encompassing more than one million square feet of space. With an operational data center capacity of 140+ MW, the company supports some of the world's most demanding technology needs. CtrlS serves a diverse clientele, including 5 of the 7 hyperscalers and 6 of the 10 largest banks and financial services institutions. It is trusted by 60 of the Fortune 500 companies, boasting an impressive customer satisfaction score of 4.5/5 and a repeat business rate of 99.95%.

The company's strengths lie in its unparalleled service delivery, exceptional project management capabilities, and customer-centric teams, which have collectively enabled CtrlS to maintain a reputation for excellence in the industry.

Recognition

Innovations in Energy Efficiency	USGBC LEED Platinum Certification	Energy Efficiency	Golden Peacock Award
Winners for the past 10 years	4 Datacenters Certified	80 Innovations in the Energy sector	World's First to Win Eco-Innovation Award for Datacenters

About CtrlS

01 | CtrlS Datacenters Services

01
Colocation
Provides shared space for multiple clients' servers and equipment.

02
Hosting
Offers server space & management for websites & applications.

03
Remote Hands Eye
Enables remote monitoring & management of data center operations.

04
Internet Bandwidth
Supplies high-speed internet connectivity for data transfer.

05
BCP Seating Space
Provides secure & equipped space for business continuity planning.

02 | Datacenter Locations

01 | NOIDA

Noida DC
(Plot No 13,
Sector 127, Noida,
Uttar Pradesh,
201304)

02 | LUCKNOW

Lucknow Edge DC
(5th floor, 508-509,
Urbanac Business
Park, A-1, Vibhuti
Khand, Gomti Nagar,
Lucknow- 226010)

03 | PATNA

Patna Edge DC
(CtrlS Edge data
center-Plot No:18,
Industrial Area
Patliputra, Patna.
Bihar- 800013)

05 | MUMBAI

Mumbai DC
1, 2, 3, 4 & 5
(Plot Gen/72/1/A MIDC
TTC Industrial area
Mahape,
Navi Mumbai)

04 | HYDERABAD

PTDC
(No #16, software
units lay out, Pioneer
Towes , Hitech City,
Hyderabad- 500081)

GBDC I & II
(Survey No: 115/1,
Nanakaramguda,
Financial District,
Gachibowli,
Hyderabad- 500032)

06 | BANGALORE

Bangalore DC
(15/A, 2nd Main Road,
Electronic City, ISBR
Law College Lane,
Veerasandra Road,
Bangalore,
Karnataka- 560100)
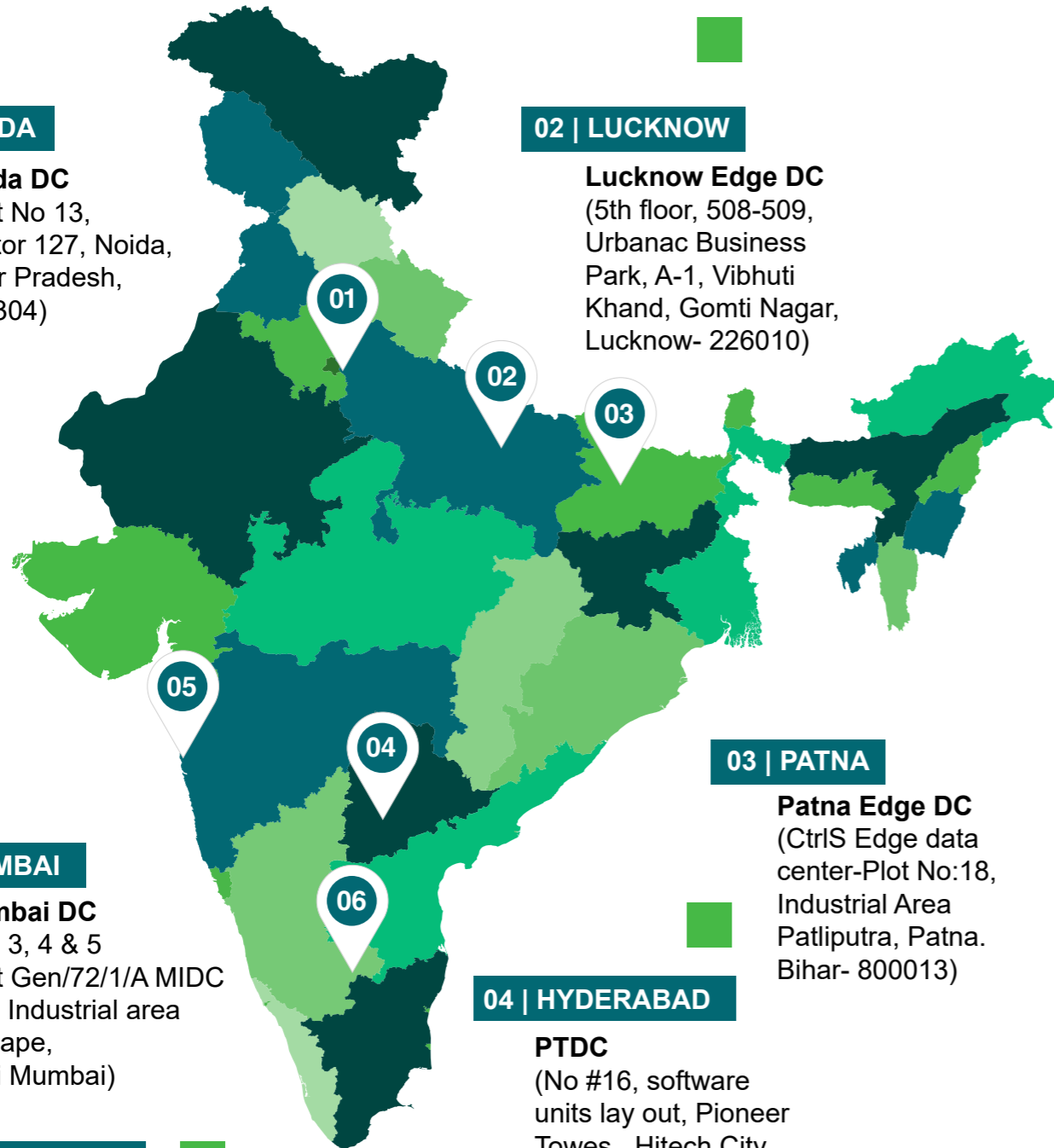
Great Place to Work, Certified in the March 2024

Golden Peacock Occupational Health and Safety Award.

Gold Award for The Royal Society for The Prevention of Accidents (RoSPA)

Solar Trailblazer Award at SAUR Energy's Annual Solar Leadership

Hyderabad GBDC-II, CII's Award for Excellence in Energy Efficiency

Awards and Recognition

03 | Quality Certifications

QUALITY MANAGEMENT SYSTEM
ISO
9001 : 2015

Business Continuity Management System
ISO
ISO 22301

Occupational Health & Safety Management System
ISO
45001
Certified

Information Security Management System
ISO
27001
Certified

IT SERVICE MANAGEMENT SYSTEM
ISO
ISO 20000-1:2018
CERTIFIED   COMPANY

ISO 50001 Energy Management
ISO
50001

ENVIRONMENTAL MANAGEMENT SYSTEM
ISO
14001
CERTIFIED

Information Security Management
ISO
27001
Certified

Information Security Management System
ISO
27018
Certified

U.S. GREEN BUILDING COUNCIL
LEED PLATINUM
USGBC

GENERAL DATA PROTECTION REGULATION
GDPR
APPROVED

Information Security Management
ISO
27017
Certified

04 | About the Report

Our fourth Sustainability Report provides a comprehensive overview of the financial year 2023-24, including the performance of CtrlS Datacenters Limited and the strategy for sustainability in our business activities and value chain. The objective of this report is to provide stakeholders with a comprehensive understanding of our dedication to and achievements in critical areas of sustainability and ethical business practices. CtrlS has consistently recognized the importance of integrating environmental, social, and governance (ESG) factors into its business plan to achieve long-term value creation and positive impacts. The objective of this report is to provide a comprehensive and lucid account of CtrlS's advancements in the areas of corporate responsibility and sustainability. By closely examining the company's operations, stakeholders can gain valuable insights into CtrlS's commitment to balancing profit with social and environmental responsibility.

The business has incorporated ESG factors to ensure a comprehensive and integrated sustainability approach. Examination of the impact of operations, the supply chain, and other critical activities on environmental outcomes, governance procedures, and social responsibility is a component of this. By incorporating ESG considerations into the report boundaries, the organisation aspires to provide stakeholders with a transparent and accountable representation of its sustainability initiatives, risks, and opportunities. This will comply with legal mandates and industry standards.

Reporting Boundary
The report illustrates our sustainability performance and the effects it has on critical operational areas. It evaluates the ESG efficacy of our plants, which include Mumbai DC 1,2,3,4 & 5, Hyderabad PTDC & GBDC, Bangalore, Noida, Lucknow Edge and Patna Edge DCs. The report encompasses operational activity data from April 1, 2023, to March 31, 2024.

Reporting Principle
The fourth sustainability report has been compiled in accordance with the Global Reporting Initiative (GRI) Standards - 'In Reference'. These standards provide a more centralised methodology for sustainability-related disclosures. Additionally, we have aligned our initiatives with the United Nations Sustainable Development Goals (SDGs). For additional details, please consult the GRI Index located at the end of this report.

Data Sources
The information contained in this report comes from our statistical reports and relevant documents. In this report, unless otherwise specified, financial data is presented in INR.

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Restatements of Information
There is no restatement of information.

External Assurance
No external Assurance is carried out for this report.

About CtrlS

05 | Chairman's Message

CtrlS datacenters have been at the vanguard of the datacenter revolution in India since our inception in 2007. Over the past one and a half decades, we have maintained our relevance, expanded, and continued to serve our clients effectively despite numerous disruptive shifts in the technology industry. The global demand for data centre capacity is expected to exceed threefold by 2030.

Sustainability and responsible growth are integral to our core values. Our datacenters are meticulously designed to minimize environmental impact. CtrlS is making notable progress in environmental sustainability by investing in renewable energy, with a particular emphasis on solar power. Furthermore, CtrlS is exploring advanced cooling technologies, including liquid cooling, which can enhance energy efficiency by as much as 40%. These initiatives collectively establish CtrlS as a frontrunner in sustainable datacenter design and operations. Our newly established datacenters are specifically engineered and optimized for artificial intelligence workloads, ensuring that they utilize less water for cooling purposes.

Our accomplishments have garnered recognition through various national and international awards, including the Datacloud Global Award for 'Towards On-Site Net Carbon Zero,' the CII Energy Efficiency Award, and the W.Media Sustainable Transformation Strategy Award, among others. Our recycling and upcycling initiatives have enabled us to preserve resources and conserve energy. We are resolute and dedicated to the reduction of our direct and indirect operational emissions. We remain committed to achieving our sustainability objectives while navigating an increasingly complex energy landscape. Our focus will continue to be on attracting, aligning, developing, and inspiring top-tier talent that embodies the principles of sustainability, thereby creating a distinctive competitive advantage. We will persist in generating value by fostering innovations that enhance our work, life, and the planet.

Global Expansion
CtrlS Datacenters Ltd, Asia's largest Rated-4 Datacenter (DC) operator, has signed an agreement with EECO (Eastern Economic Corridor Office) to lease a 10-acre (25-rai) land parcel in Chonburi Province, Thailand for 50 years. The land will be used to build a 150 MW greenfield data centre campus, marking CtrlS's first international market expansion. We see this datacentre as a unique opportunity to contribute towards development of Thailand's eastern region and offer a robust diverse option for international customers and partners for establishing their footprint in the country and region.

06 | Environmental Goals & Commitments

Datacenters play a pivotal role in the digital economy by supporting the vast infrastructure required for data storage, management, and processing. Given their energy-intensive nature, datacenters have traditionally been significant consumers of electricity. With Global data generation is expected to exceed 175 zettabytes by 2025, making data centers a major source of electricity consumption by 2030. In response to the growing concerns surrounding climate change, companies are re-evaluating their strategies to prioritize sustainability.

Transitioning to renewable energy sources is a critical step in mitigating the environmental impact of datacenters. By integrating solar, wind, and hydroelectric power, datacenters can significantly reduce their reliance on fossil fuels. On-site renewable energy generation and large-scale solar initiatives not only ensure a reliable and consistent supply of clean energy but also contribute to the reduction of carbon emissions.

At CtrlS, we are committed to achieving 100% renewable energy by 2030. To support this goal, we are constructing a dedicated solar plant in Wardha district of Maharashtra to power our datacenter in Mumbai. This transition to solar energy will significantly reduce our dependence on conventional energy grids, aligning with our overarching commitment to sustainability. However, our focus on renewable energy is just one component of a broader strategy for holistic sustainability.

In addition to our renewable energy initiatives, we are actively promoting water positivity through innovative recycling methods and sustainable operational policies. As our datacenter operations continue to expand, we are committed to reducing water consumption and continuously innovating to minimize water usage across our facilities.

We also prioritize responsible waste management, ensuring that 100% of the waste generated is responsibly disposed. All the e-waste and hazardous waste generated at CtrlS are entrusted to authorized vendors for responsible recycling and disposal.

Further, our Carbon-reduction strategy is centered on reducing the carbon intensity of our operations. We begin by assessing the environmental impact of our entire value chain—from asset design and construction to usage and disposal. This comprehensive approach allows us to better understand and manage our operational footprint, driving our long-term sustainability goals.

WATER POSITIVE BY 2030

NET ZERO CARBON BY 2040

100% RENEWABLE ENERGY BY 2030

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07 | Contribution to Sustainable Development Goals

Responsible Disposal of 176 tonnes of waste through authorized recycling agencies ensuring the safe disposal and reuse of hazardous materials.

Water footprint has been effectively decreased by 119,662 KL per year by changing water-cooled PAC to air-cooled PAC.

First 1 MW Solar Powered Rated-4 Datacenter Building with Integrated Vertical Solar System at Mumbai DC 2.

Reduced CO_2 emissions by nearly 634 metric tons annually through use of Solar PV

Commissioned 3MWp Grid Connected Solar PV project for Noida Data center.

Additionally, 137.5MW of Large Scale Solar PV Project is under commissioning at Nagpur, Maharashtra.

08 | Sustainability Snapshot

ESG Performance (Environment)			
Emission Intensity	**Scope 1 and 2 Emission**	**Total Energy Consumption**	
20.65	**2,80,125**	**14,02,757**	
tCO$_2$/Rs. in Million	tCO$_2$	GJ	

ESG Performance (Social)			
Safe Man-Hours Worked Operations	**Employee Training Hours**	**Amount Spent in Training**	**Lost Time Injury Frequency Rate**
12.576	**4,815**	**Rs 2.14**	**0.05**
Million Hours	Hours	Million	

ESG Performance (Governance)		
Economic Value Distributed	**Economic Value Retained**	**Board Gender Diversity**
Rs 3,617	**Rs 2,096**	**22%**
Million	Million	

Operational Performance		
Cooling Power Intensity	**Power Usage Effectiveness**	**Uptime (Annual DC availability %)**
0.21	**1.466**	**100%**
GJ/Total Power Used (GJ)		

Financial Performance
Revenue
Rs 13,565
Million

09 | Journey So Far

2008-2009

Datacenter launch
in Hyderabad
(PTDC)

2011-2012

Asia's largest
Datacenter launched
in Mumbai DC 1

2016-2017

Noida Datacenter
launch and
LEED Platinum
Certification

2018-2019

Bangalore
Datacenter
Launch

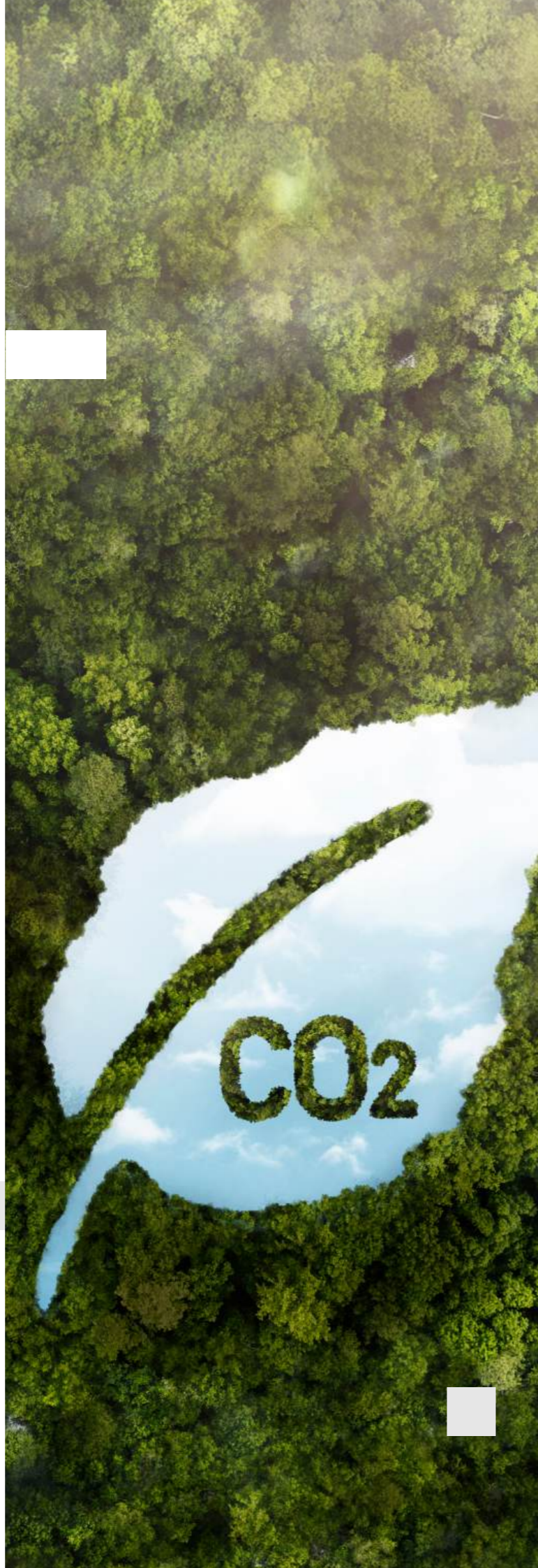**2019-2020**

Mumbai
DC-2 & 3
Launch

2022-2023

Mumbai DC 4,
Lucknow and Patna
DC Launch

2023-2024

Mumbai
DC 5 Launch

10 | Stakeholder Engagement

Our organisational protocols encourage open and meaningful stakeholder dialogues. To understand the perspectives of those most important to our business, identifying relevant issues and stakeholder attributes significant to our company can enhance meaningful engagement. Feedback from stakeholders helps us prioritise challenges and align our strategy with their expectations. We examined ESG concerns crucial to value creation in the changing global sustainability landscape through stakeholder engagement. The table below is showing participating stakeholder groups:
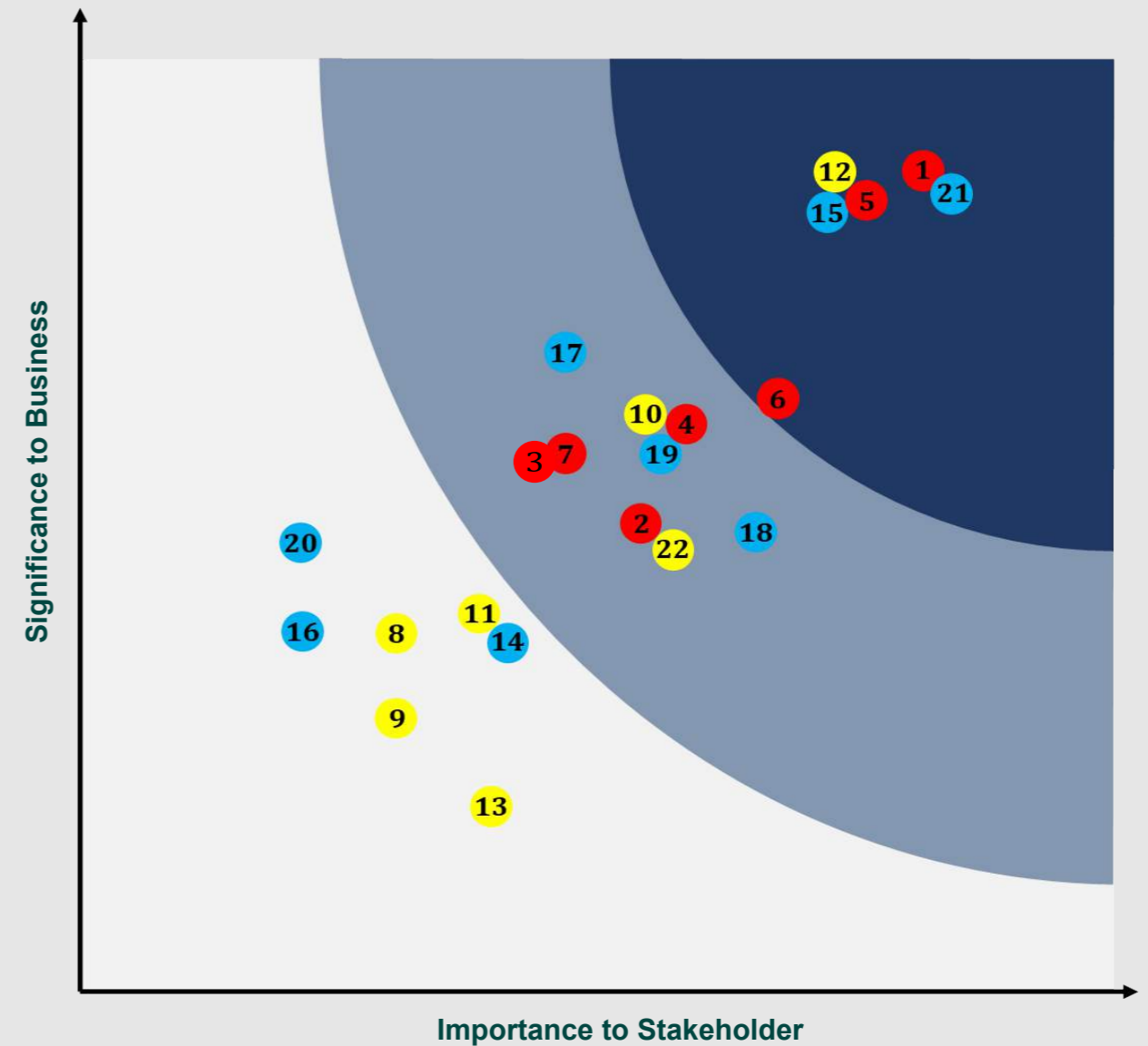
Stakeholder Group	Topics	Mode of Engagement
Shareholders/ Investors	• Financial Performance • Business Performance and Outlook • Growth Strategy • ESG Strategy	• Annual General Meetings • Site Visits • Regular Management Meetings • Strategy Meetings
Employees	• Learning and Development • Health and Wellness • Employee Engagement • Diversity and Inclusion	• Performance and Career Development Reviews • Internal Communications • Wellness and Recreational Activities • Team-Building Activities • Regular Town Halls
Customers	• Health and Safety • Sustainability • Expansion Plans • Construction and Operational Best Practices	• Regular Customer Meetings • Customer Satisfaction Surveys • Website • Social Media • Industry Events • Marketplaces (Online Platforms for Datacenters)
Suppliers/ Vendors	• Expansion Plans • Health and Safety Guidelines • Innovation in the Supply Chain	• Supplier/Vendor Screening Process • Site Visits • Regular Meetings
Industry Bodies	• Market Overview and Trends • Sustainability • Operational Efficiency	• Industry Events • Analyst Meetings
Community	• Health & Safety • Skill Development	• CSR Team Site Visit

11 | Approach to Materiality Assessment

Materiality assessment is key to identifying the issues that could potentially impact our value creation abilities over the long term. In the year 2023-24, we carried out a comprehensive materiality assessment exercise involving both internal & external stakeholders (employees, customers, suppliers, investors), aligned with GRI 2021 Standards.

The objective was to determine which ESG issues were most important to our stakeholders. This exercise ensured that our ESG focus was in line with stakeholder expectations by providing a comprehensive understanding of how our sustainability impacts our stakeholders and our business. Through the exercise, we identified twenty-two (22) material topics, which were then ranked based on business priorities and stakeholder expectations, and were also mapped with the relevant United Nations Sustainable Development Goals (UN SDGs). These stakeholder discussions helped create a material issues matrix for the company's business and growth. This matrix helps us create a resilient and proactive strategy to address these issues quickly and report the Company's progress consistently and transparently.

We continue to focus on the key materiality issues identified last year to prioritize the ESG issues that hold utmost significance for both the company and its stakeholders in the short, medium, and long term.

12 | Materiality Assessment Process

Identification & Selection of Material Issues → Engagement with Key Stakeholders → Analysis of Responses → Engagement with Key Stakeholders

Significance to Business (y-axis) / **Importance to Stakeholder** (x-axis)

Energy Efficiency ❶
Waste Management ❷
Green Buildings & Materials ❸
Greenhouse Gas Emissions ❹
Renewable Energy ❺
Water and Effluents ❻
Talent Attraction & Retention ❼
Training and Development ❽
Community Engagement ❾
Human Capital and Wellbeing ❿
Human Rights ⑪

Occupational Health & Safety ⑫
Diversity & Equal Opportunity ⑬
Governance Risk management ⑭
Governance & Compliance ⑮
Anti-Corruption ⑯
Economic Performance ⑰
Procurement Practices / Sustainable Supply Chain ⑱
Corporate Governance & Business Ethics ⑲
Anti-Competitive Behaviour ⑳
Data Privacy and Security ㉑
Grievance Redressal Mechanism ㉒

Materiality Assessment: Environment

Using energy efficiency, renewable energy, and innovative technology to decarbonize our operations while making sure that our waste and water are managed carefully.

Material Topics	Stakeholders Impacted	SDGs
Energy Efficiency (1) **Green Buildings & Materials (3)** **Greenhouse Gas Emissions (4)** **Renewable Energy (5)**	• Customers • Investor • Suppliers • Government and Regulators • Industry Associations	7 AFFORDABLE AND CLEAN ENERGY · 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE · 11 SUSTAINABLE CITIES AND COMMUNITIES · 13 CLIMATE ACTION
Waste Management (2)	• Customers • Investors • Government and Regulators	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Water and Effluents (6)	• Customers • Investors • Government and Regulators	6 CLEAN WATER AND SANITATION · 14 LIFE BELOW WATER

Materiality Assessment: Social

Creating a safe, secure, diverse, and inclusive workplace while enhancing beneficial community impact.

Material Topics	Stakeholders Impacted	SDGs
• Talent Attraction & Retention (7) **• Training and Development (8)**	• Employees	8 DECENT WORK AND ECONOMIC GROWTH
• Community Engagement (9) **• Grievance Redressal Mechanism (22)**	• Employees • Customers • Investors • Suppliers • Local Community	11 SUSTAINABLE CITIES AND COMMUNITIES
• Human Capital & Wellbeing (10) **• Human Rights (11)**	• Employees • Customers • Investors	3 GOOD HEALTH AND WELL-BEING · 8 DECENT WORK AND ECONOMIC GROWTH
• Occupational Health & Safety (12)	• Employees • Customers • Investors • Suppliers	3 GOOD HEALTH AND WELL-BEING
• Diversity & Equal Opportunity (DEI) (13)	• Employees	5 GENDER EQUALITY · 10 REDUCED INEQUALITIES

Materiality Assessment: Governance

Empowering a resilient and sustainable digital future through an uncompromising commitment to governance and integrity, stronger cybersecurity, responsible procurement practices, and boosting the economic vibrancy of the areas where we operate.

Material Topics	Stakeholders Impacted	SDGs
• **Governance Risk Management (14)** • **Governance & Compliance (15)** • **Anti-Corruption (16)** • **Corporate Governance &** • **Business Ethics (19)** • **Anti-Competitive Behaviour (20)**	• Customers • Investor • Suppliers • Government & Regulators	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
• **Economic Performance (17)**	• Customers • Investor • Government & Regulators	8 DECENT WORK AND ECONOMIC GROWTH
• **Procurement Practices/ Sustainable Supply Chain (18)**	• Customers • Suppliers	8 DECENT WORK AND ECONOMIC GROWTH 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 17 PARTNERSHIPS FOR THE GOALS
• **Data Privacy and Security (21)**	• Customers	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
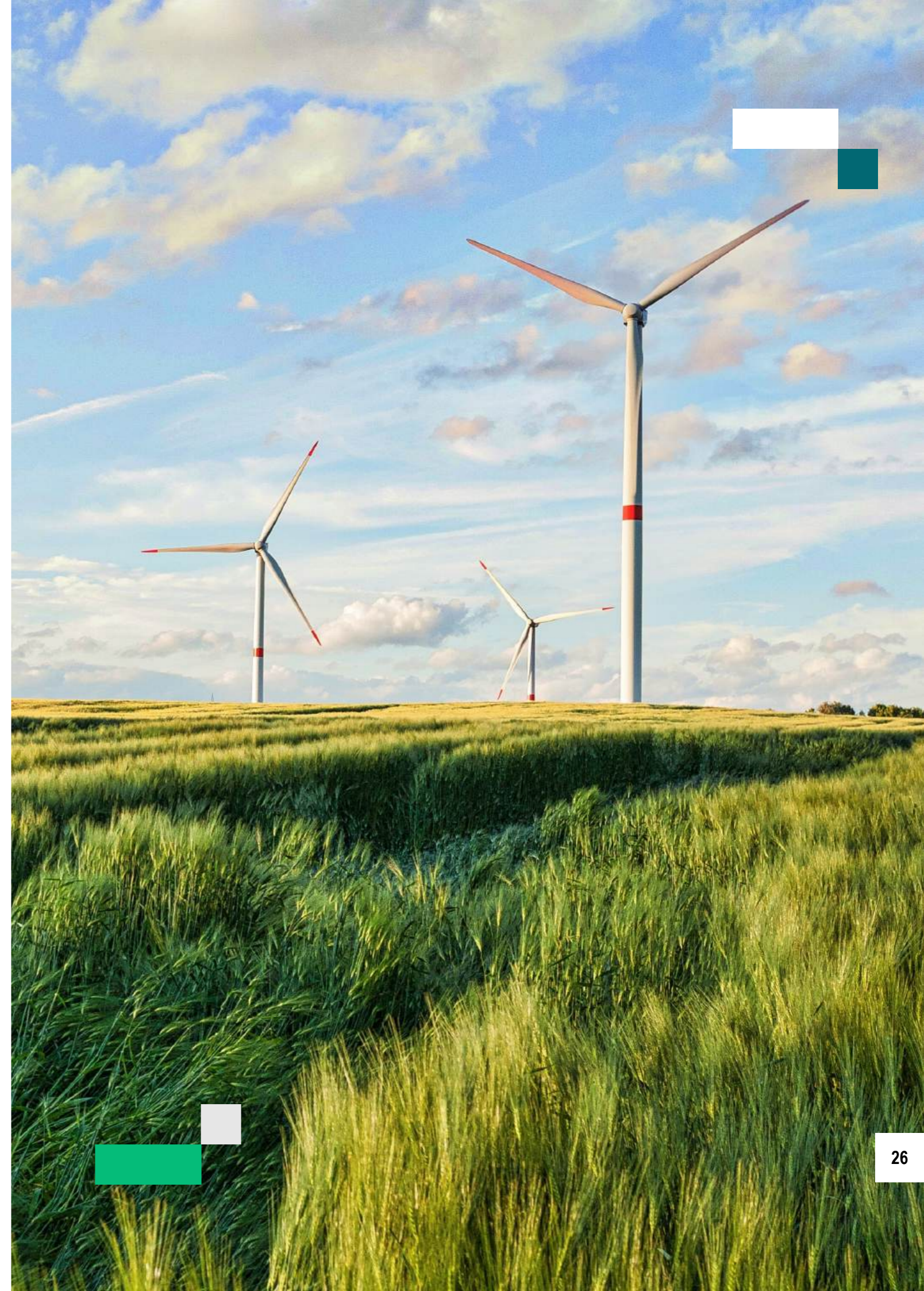
Environment Stewardship

Environment Stewardship

The company has put in place a defined environmental management system that seeks to maximize the use of natural resources, balance its operations in all areas, and adhere to the legal and regulatory requirements. In order to reduce the environmental impact within and surrounding the plant premises, all actions are evaluated using an aspect-impact analysis matrix. The adoption of cutting-edge environmentally friendly technology lowers pollution levels and uses less natural resources. In order to improve its environmental performance and adhere to performance indicators, it continually assesses and monitors important environmental data.
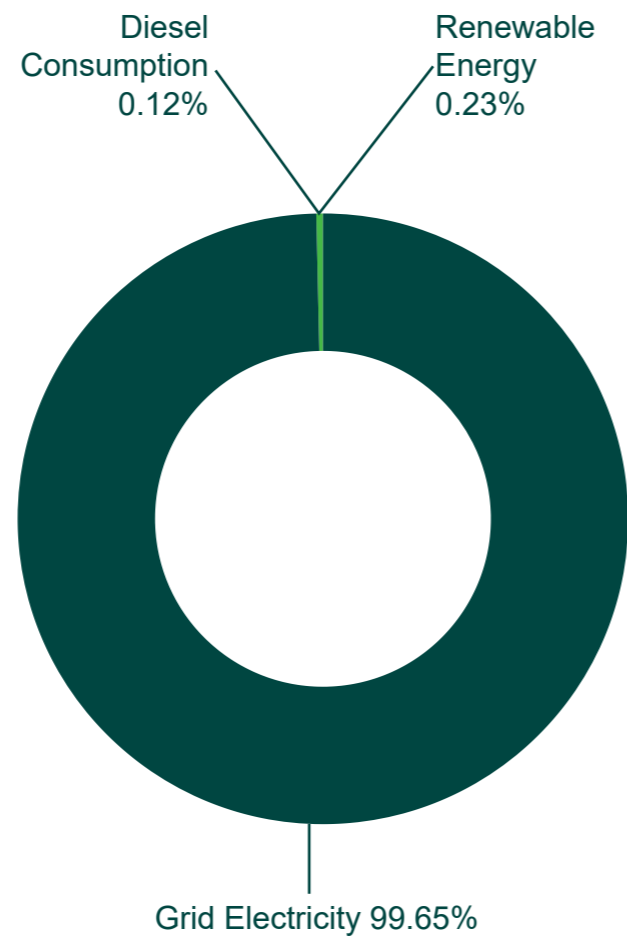
01 | Energy Management

With the goal of encouraging energy saving through effective operating procedures at all levels, CtrlS has put in place an energy management strategy. The strategy aims to constantly enhance energy performance while ensuring adherence to relevant regulatory requirements for energy usage, consumption, and efficiency. To cut down on energy usage throughout its activities, the organization implements energy-efficient solutions.

CtrlS supports its energy goals by establishing specific goals and targets and by deploying the knowledge and resources needed to meet them. This entails encouraging an energy-conscious culture and involving staff members in energy management programs. Through efficient resource allocation and ongoing enhancements, CtrlS is dedicated to improving its energy efficiency and setting an example for sustainability.

Energy Consumption and Power Usage Effectiveness

The major energy sources consumed by the Ctrls Datacenters are electricity purchased from the grid, renewable energy through solar PVs and Diesel in Diesel Generator Sets. Over the years, CtrlS has taken several initiatives to reduce their dependencies on fossil fuel based energy consumption.

Sources Of Energy For FY 2023-24

Diesel Consumption 0.12%

Renewable Energy 0.23%

Grid Electricity 99.65%

Energy Efficiency

In 2023-24, CtrlS conducted an energy audit at all data centre locations with their in-house energy audit team, which included one Certified Energy Auditor (CEA) and two Certified Energy Managers (CEM). The energy consumption was reduced by 5.73 GWh annually as a result of the team's implementation of energy-saving measures that were observed during the audit.

Annual Savings ₹46 Million

Investment ₹140 Million

Annual Energy Savings 5.73 GWh
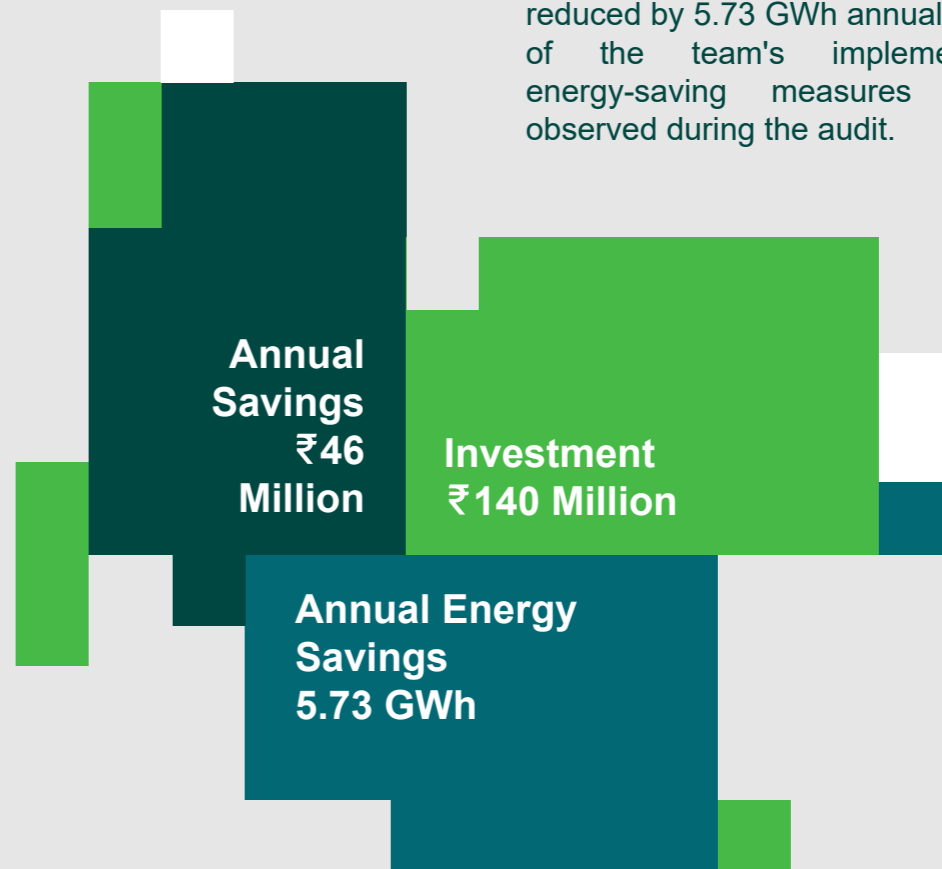
- Heating Ventilation and Air Conditioning 34.23%
- Optimized Operations 27.74%
- Energy Efficient Lighting and UPS 24.97%
- Replacement with Efficient Cooling Tower fills 10.15%
- Air Balancing 2.91%

Increase in Renewable Energy Consumption (GJ)

	FY 2021-22	FY 2022-23	FY 2023-24
	1,424	1,561	3,185

Power Usage Effectiveness

Power Usage Effectiveness (PUE) is an essential metric that highlights our dedication to energy efficiency and sustainable practices in our data centres. As a company committed to environmental, social, and governance (ESG) excellence, we acknowledge the substantial impact of our energy consumption on operational expenses and our total carbon footprint.

Our energy team is continuously exploring latest technologies such as Direct Liquid Cooled (DLC), Liquid Cooled Servers, Hydro-MX (Liquid to be used instead of evaporator water in HVAC system), Battery refurbishment before battery EOL replacement, to reduce our Power Usage Effectiveness.

Our goal is to consistently improve PUE metrics year over year by:

- Investing in emerging energy-efficient technologies.
- Expanding our use of renewable energy sources.

The increase in the share of solar power consumption in the CtrlS energy mix demonstrate commitment towards achieving Net Zero target by the year 2030.

Power Usage Effectiveness

	FY 2022-23	FY 2023-24
PUE	1.490	1.466
IT Energy GJ	7,76,857	9,33,751

IT Energy GJ ■ PUE

Scope 1 & 2 Emissions

Direct Emission, Scope 1: 1%

Indirect Emission (Electricity)
Scope 2: 99%

02 | GHG Emission

One of the most significant challenges that humanity is currently facing is climate change. The global economy is experiencing chaos as extreme climatic events become more frequent as climate change intensifies. Organisations face numerous hazards because of the warming of the planet, including labour issues, increased insurance costs, and disrupted supply chains. Our objective is to increase the productivity of our resources and, as a result, decrease our expenditure to convert this risk into business opportunity. We are deeply committed to fostering innovation and promoting the development of new products and services that are less carbon intensive. We are confident that collaborating to achieve this objective will foster environmentally conscious competition and create new business opportunities.

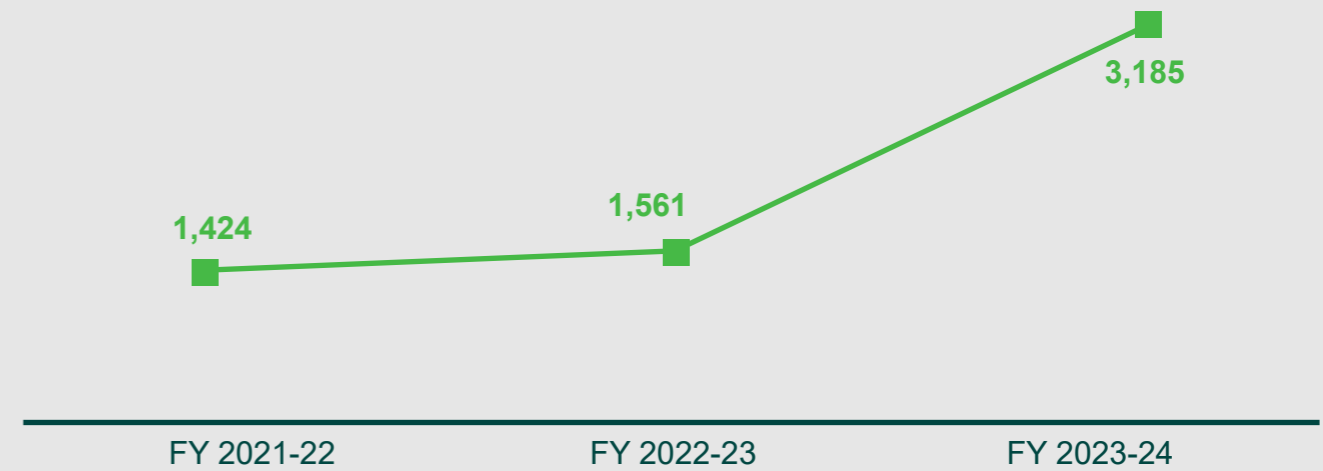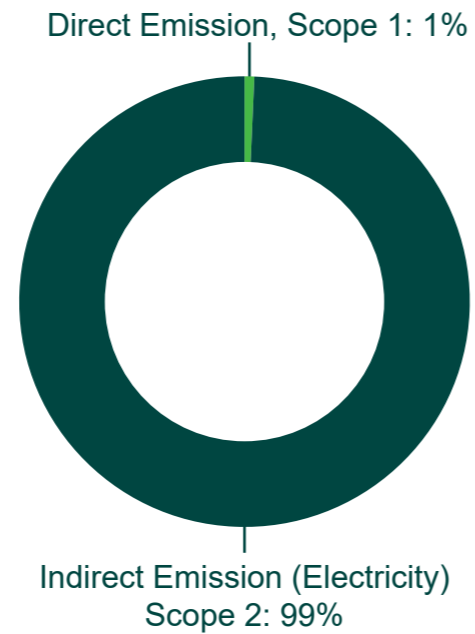The primary source of direct emissions (Scope-1) at CtrlS is the stationary combustion of High Speed Diesel in DG sets and vehicles, fire suppression equipment, and leakages of refrigerant within the company's boundaries. The indirect emissions (Scope-2) encompass emissions from grid electricity that has been purchased. The emission intensity for the reporting period remained consistent with the previous year, with just 0.2% decrease.

Emission Intensity (tCO$_2$/INR Mn.)

20.69 — 20.65

	FY 2022-23	FY 2023-24
	2,34,454	2,80,125
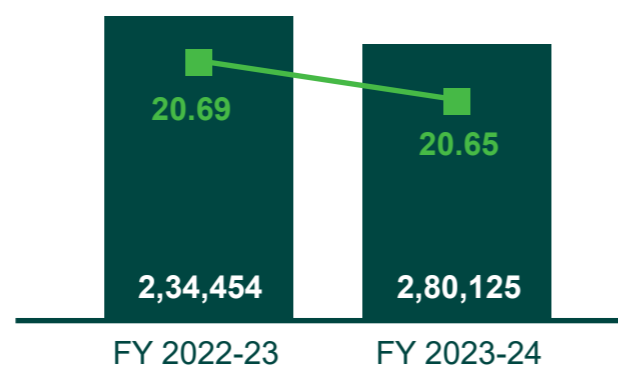
■ Scope1 & 2 Emission (tCO$_2$)
■ Emission Intensity (tCO$_2$/INR Mn)

operational risks like supply chain interruptions and regulatory constraints. The organization assesses its water usage and implements action to reduce consumption and also to recycle the wastewater.

Water Consumption and Intensity

41 — 30

	FY 2022-23	FY 2023-24
	4,68,330	4,09,037
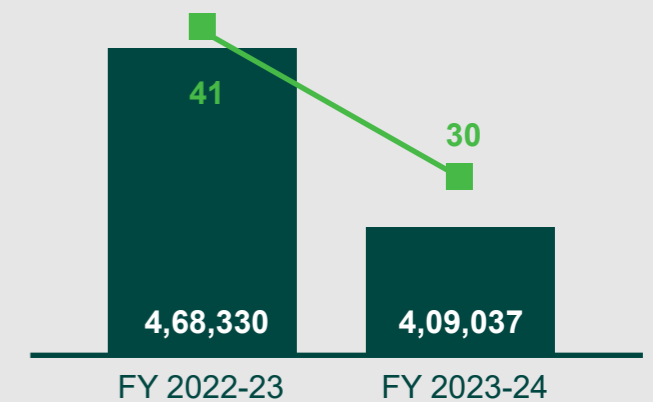
■ Water Consumption (m3)
■ Water Intensity (m3/INR Mn.)

03 | Water Management

Water management is crucial for environmental sustainability and business resilience. Water conservation is essential to minimizing environmental effects like pollution and water scarcity as well as

Implementation of Zero Liquid Discharge (ZLD) Systems

Air-based Chillers and Precision Air Conditioners Cool Data Centers Efficiently, Reducing Water Use

Recycled Treated Wastewater for the Use of Sanitation and Gardening

Established Rainwater Harvesting (RWH) Systems

04 | Waste Management

As an ISO 14001-certified organisation, we prioritise environmental preservation and adapt to changing environmental conditions while simultaneously managing socioeconomic obligations. We recognise that the reduction of pollution is beneficial for both the environment and our economic growth. Our operational control methods are designed to minimise waste and adhere to ISO 9001 standards. As our activities do not involve the consumption of materials, these methods effectively reduce the formation of unnecessary refuse, particularly from non-production sources and packaging.

Waste Generation in Tonnes

Bar chart showing Waste Generation in Tonnes by category for three fiscal years (FY 2021-22, FY 2022-23, FY 2023-24):

Category	FY 2021-22	FY 2022-23	FY 2023-24
E-Waste	3.4	4.7	0.2
Plastic Waste	1.8	1.3	2.9
Used Oil	15.1	0.5	12.6
Paper Waste	8.6	24.8	34.8
Wood Waste	17.5	14.9	54.5
Battery Waste	63.7	18.1	70.6

■ FY 2021-22   ■ FY 2022-23   ■ FY 2023-24
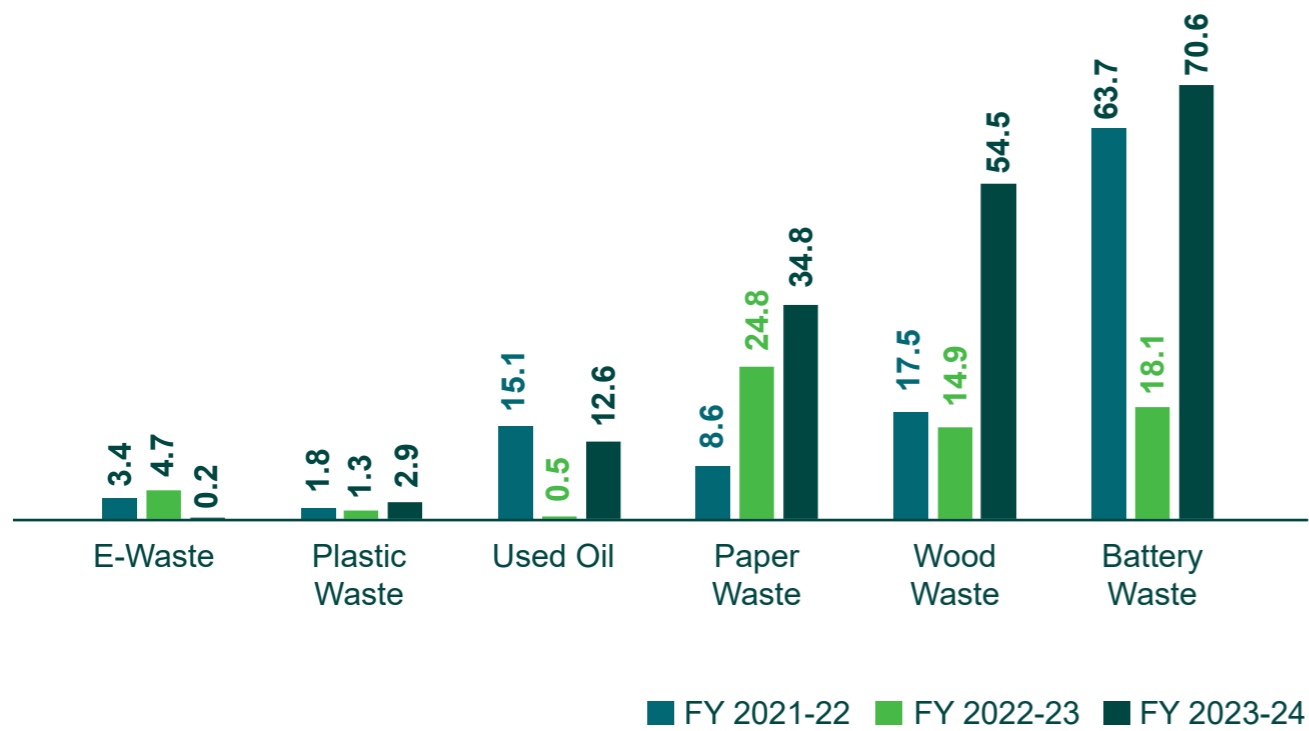
Waste Composition (%) FY 2023-24
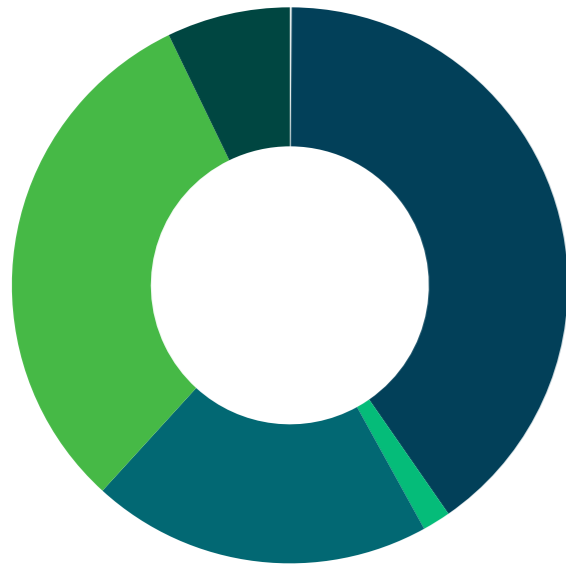
- Battery Waste 40%
- E-Waste 31%
- Paper Waste 20%
- Wood Waste 7%
- Plastic Waste 2%
- Used Oil 1%

The company has a specialized waste management staff in place to supervise all waste management-related tasks, including managing, disposing of, and storing garbage in accordance with regulations. To guarantee that all trash is managed in compliance with contractual and legal requirements, CtrlS employs a strong, methodical approach for waste collection, treatment, and disposal. It does this by collaborating with approved third-party waste handlers.

100% Safe Disposal

Fostering Social Value

01 | Employee and Employment

Our people and the communities we serve are the foundation of our worldwide presence and success at CtrlS. Our commitment to fostering an environment that is both inspiring and stimulating is evidenced by our strategic emphasis on employee engagement. In a similar vein, CtrlS continues to provide funding for programs that enhance employee well-being, advance skill development, and cultivate a strong sense of community. Our comprehensive approach to employee engagement is indicative of our conviction that a workplace that is cohesive, diverse, and motivated is essential for long-term success.

Our primary objective is to ensure the welfare of our employees. The purpose of our employee-centric policies is to cultivate a work environment that is both motivating and encouraging at all of our locations. Our objective is to provide agile, responsive services and collaborate directly with business stakeholders in order to create value and satisfaction for our employees. This guarantees that our employees are motivated and adequately equipped to contribute to our collective success.

We are committed to the establishment of a workplace that is inclusive and diverse, and that value a wide range of perspectives, experiences, and expertise. We aspire to cultivate creativity and collaboration by promoting diversity, as these are essential for the success of our organisation. Our talent procurement approach is essential for enhancing workplace diversity, which provides us with a competitive advantage. This method emphasises the inclusion of a diverse array of viewpoints, ideas, age groups, genders, and ethnicities in order to promote creativity and productivity. Our recruiting strategy is specifically designed to enhance gender and age diversity, with specific objectives for annual advancement.

Workforce Details (Gender Wise)

Employee Level	Male	Female	Total
Senior Management	43	3	46
Middle Management	224	25	249
Junior Management	504	133	637
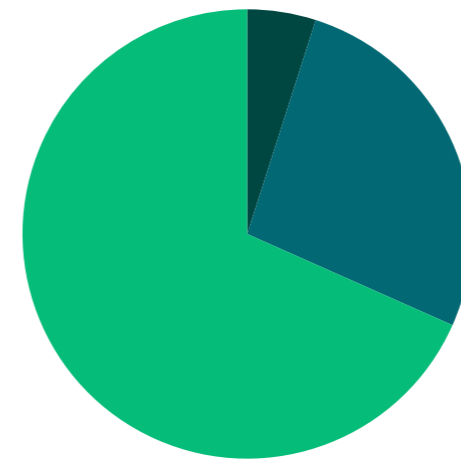
- Senior Management 5%
- Middle Management 27%
- Junior Management 68%

Senior Management

93%
07%

Middle Management

90%
10%

Junior Management

79%
21%

Employee Appreciation
The people at CtrlS are an integral part of our journey and the milestones we achieve and our gratitude to them knows no bounds. Through our Milestone Achiever's Awards, we honoured their unwavering commitment and celebrated their long-standing journey with us.
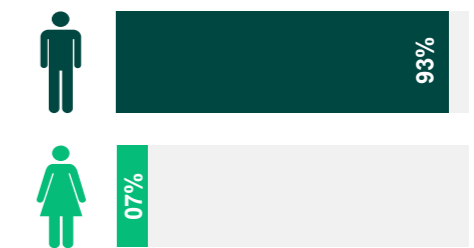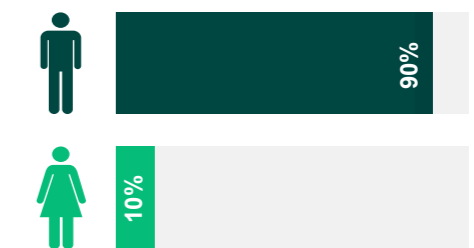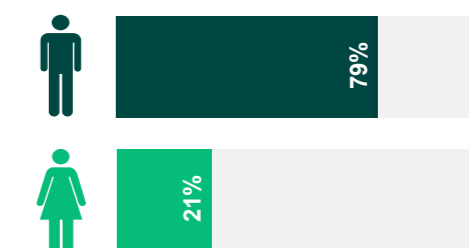
Employee Benefits

At CtrlS, we understand the importance of employee perks in attracting, retaining, and inspiring a skilled staff. We hope to increase job happiness, encourage loyalty, and advance our employees' well-being by providing a competitive benefits package. A healthy and inclusive corporate culture is facilitated by benefits including retirement plans, work-life balance programs, professional development opportunities, and full health insurance. This investment in our staff members fosters their professional and personal development while also increasing engagement and productivity, all of which eventually contribute to the company's long-term viability and success.

Employees:
Full-time employees are entitled to the following benefits.

Benefits

Loan	Term Insurance	Mediclaim Policy	Accident Policy

Category	Employees Covered	
	FY 2023-24	FY 2022-23
Provident Fund	1090	882
Gratuity	20	19

CtrlS is committed to an environment that is both inclusive and supportive that values the well-being of our employees and their families. As part of our dedication to work-life balance and gender equality, we offer comprehensive parental and maternal leave benefits to all eligible employee.

10
Employees took maternity leave and returned to work after leave

27
Employees that took paternity leave and returned to work after leave

02 | Learning and Development

Our goal at CtrlS is to empower our staff and promote organizational growth by promoting ongoing learning and development. Our learning and development initiatives aim to improve leadership and technical skills, in line with our strategic objectives and the changing demands of the company. We provide a variety of training options, individualized learning pathways, and mentorship programs to encourage professional development and flexibility. By making investments in the professional growth of our staff, we foster a knowledgeable, motivated workforce that enhances our competitive advantage and long-term success.

In the reporting year, the organization conducted trainings which covered all topics related to Execution Leadership Program, ISO 27001/27017 and similar related to business, health and safety, environment, etc. New employees are given induction training on quality, environment, occupational health and safety etc.

Learning & Development

Leadership Development
The emphasis is on training leaders and improving their professional skills in order to take on crucial duties and operate efficiently in diverse leadership roles.

Personality Development
The emphasis is on soft as well as hard skills to acquire technical and behavioral competencies of a person that would enable them to carry out their job effectively and efficiently.

Certifications
Certifications allow learners to train and develop a specialized skill based on a business necessity. It helps organizations achieve professional goals and also helps associates enhance their professional careers.

Training

Information Security and Cyber Security Awareness

Execution Leadership Program

GxP Training

**ISO 9001
ISO 27001
ISO 27701
ISO 20000-1**

CompTIa+ Security

Category	FY 2023-24
Total Hours of Employee Training (Hours)	4,815
Amount spent on Education/Training Assistance (INR Million)	2.14

Programs For Upgrading Employee Skills And Transition Assistance Programs

CtrlS provides employees throughout the organisation with the requisite competencies by means of upskilling, role clarification, and ample resources to motivate and facilitate their maximum potential. Training is provided by the organization's internal or external academic members. The employee may also capitalise on external training when a requirement is identified.

Category	FY 2023-24		FY 2022-23	
	Male	Female	Male	Female
Number of employees who received career development grants	67	13	86	29

FY 2023-24

08%

09%

FY 2022-23

14%

25%

03 | Occupational Health And Safety

Occupational Health and Safety At CtrlS, we prioritise the health, safety, and well-being of our employees, as we recognise the critical role that a safe and healthy work environment plays in the success of both the company and its employees. We are committed to constantly improving our safety techniques and adhering to stringent Occupational Health and Safety regulations to ensure that all employees can work in a safe and supportive environment.

Risk assessments, safety training, and emergency readiness exercises are frequently implemented to mitigate potential hazards. Our Occupational Health & Safety management system adheres to national safety standards. Furthermore, we foster an awareness-based culture and proactive risk management by promoting employee engagement in safety programs.

We also monitor and report on critical safety indicators, including workplace incidents, accidents, and near-misses, to identify patterns and implement corrective actions. Our goal is to foster an environment in which health and safety procedures are consistently enhanced, while simultaneously reducing the incidence of occupational diseases and injuries.

We aspire to protect our employees, reduce operational disruptions, and maintain a motivated and productive workforce by prioritising occupational health and safety. These objectives ultimately contribute to the organization's long-term success.

Safety Performance

	FY 2022-23	FY 2023-24
Total Lost Time Incident Frequency Rate (LTIFR)	0.33	0.05
Total Reportable Lost-Time Injury Incident Rate	1.07	0.25
Total Recordable Incident Rate (TRIR)	0.07	0.01

■ FY 2022-23   ■ FY 2023-24
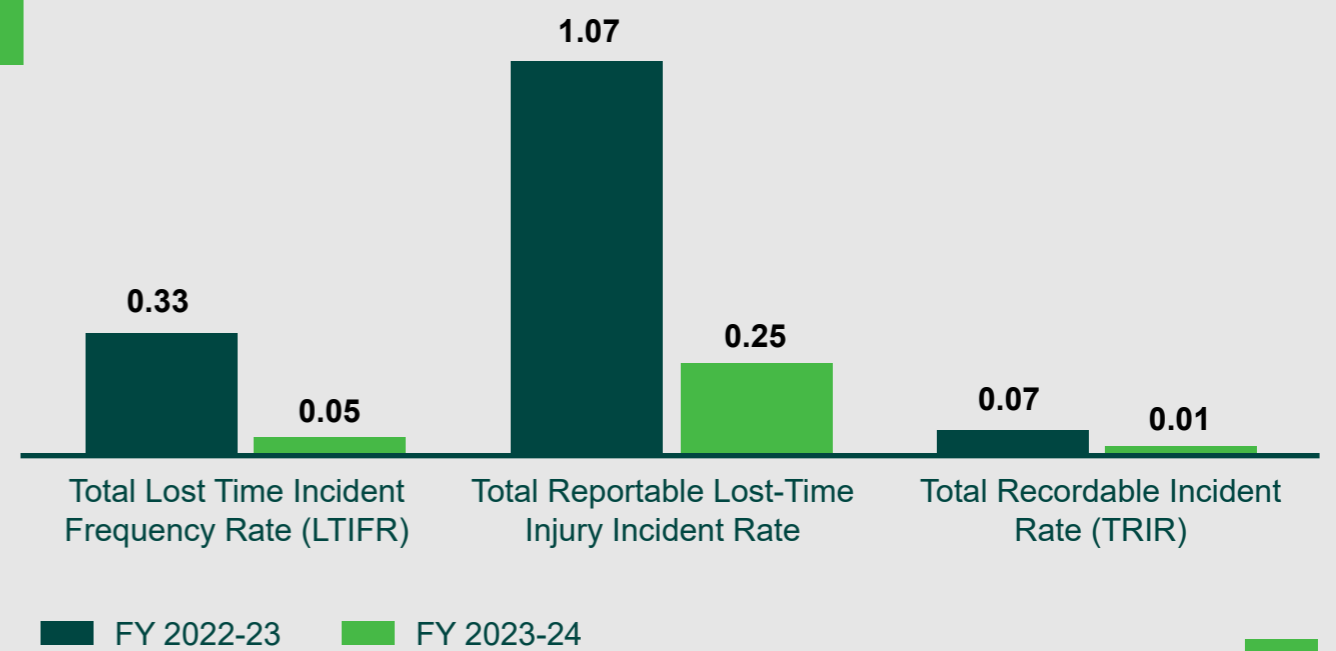
04 | Safety Performance

Fostering Social Value

05 | Community Engagement

Corporate Social Responsibility (CSR) is a fundamental component of CtrlS's sustainability approach. By encouraging empowerment and aiding in social development, we are committed to making a positive difference in our local communities.

Health and Sanitation

Environment Sustainability

Focus Area

Quality Education

Skills and Community Development

Sectors Served

Education And Empowerment
We aim to improve lives by supporting elementary and secondary education, granting postsecondary scholarships (particularly for disabled students), and using athletics to develop students. We support college and university founding and skill enhancement and vocational training to increase career opportunities.

CtrlS Asia's Largest Rated 4 Datacentre — Featured in The CSR Universe

Giving Back to Society

CtrlS leads with purpose and makes a lasting impact

Health And Relief
We raise awareness and encourage improved health-seeking to make healthcare more affordable and accessible in India. We provide basic, secondary, and tertiary care, run health camps with medicines and consultations, and focus on mother and child health through behavioural modification. We also help the visually handicapped, fight communicable and non-communicable diseases, and improve healthcare through creative outreach. We use technology for clinical decision help, competence evaluations, and training to improve healthcare.

Conservation
Through various projects, we improve livelihoods and quality of life by promoting environmental sustainability. These projects prioritise natural resource protection, biodiversity enhancement, ecological sustainability, and soil, air, and water quality. We also recommend switching to renewable energy to protect the environment for future generations.

CSR Project List

Project	SDG
Providing Micro-Scholarships to students based on the assessment results	4 QUALITY EDUCATION
Setting up Smart Classrooms and imparting language in various government schools in and around Telangana	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Conducting Workshops for students to create awareness about global issues and importance of diplomacy Develop skills in the areas of Leadership, Management and Public Speaking	8 DECENT WORK AND ECONOMIC GROWTH
Distribution of Smart Phones to 100 female students to promote education	4 QUALITY EDUCATION / 5 GENDER EQUALITY
Contribution to Athletes like Mr. Karthik for promotion of sports.	3 GOOD HEALTH AND WELL-BEING / 4 QUALITY EDUCATION
Treatment of children with Heart Ailments, Congenital and acquired and other deformities, upto the age of 18 years who are from the economically weaker sections.	3 GOOD HEALTH AND WELL-BEING
Construction of new water channel and for the improvement, Maintenance and Conservation of Chennai Zoo.	14 LIFE BELOW WATER / 15 LIFE ON LAND
Installation and Commissioning of 10 KLD water treatment plant and one RO treatment plant at Bansilalpet Stepwell, Hyderabad.	6 CLEAN WATER AND SANITATION
Donation of clothes, books, toys, blankets and other essentials to kids at Aman Vedika group of orphanage homes.	1 NO POVERTY
Promotion of Gender Equality and raising awareness among women regarding health and safety. Contributed to the development of rural areas through the installation, upgrading, and maintenance of surveillance cameras and related equipment and technologies for enhanced public safety.	5 GENDER EQUALITY / 11 SUSTAINABLE CITIES AND COMMUNITIES

CSR Project List
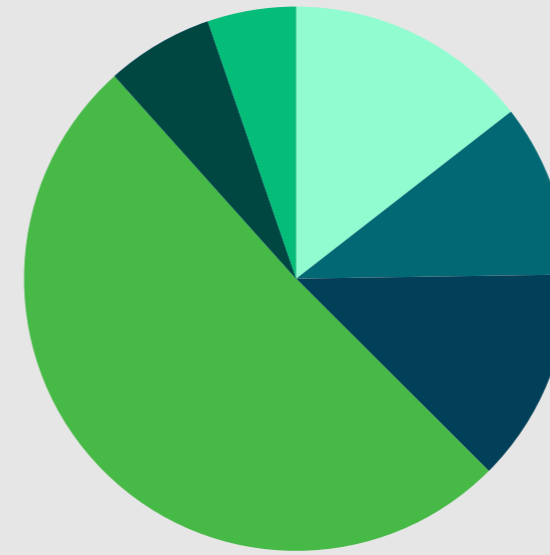
- Conservation of Natural Resources 51%
- Promotion of Education 15%
- Promotion of Health Care 13%
- Promotion of Sports 10%
- Promote Gender Equality 6%
- Safe Drinking Water and Eradicating Hunger Poverty 5%
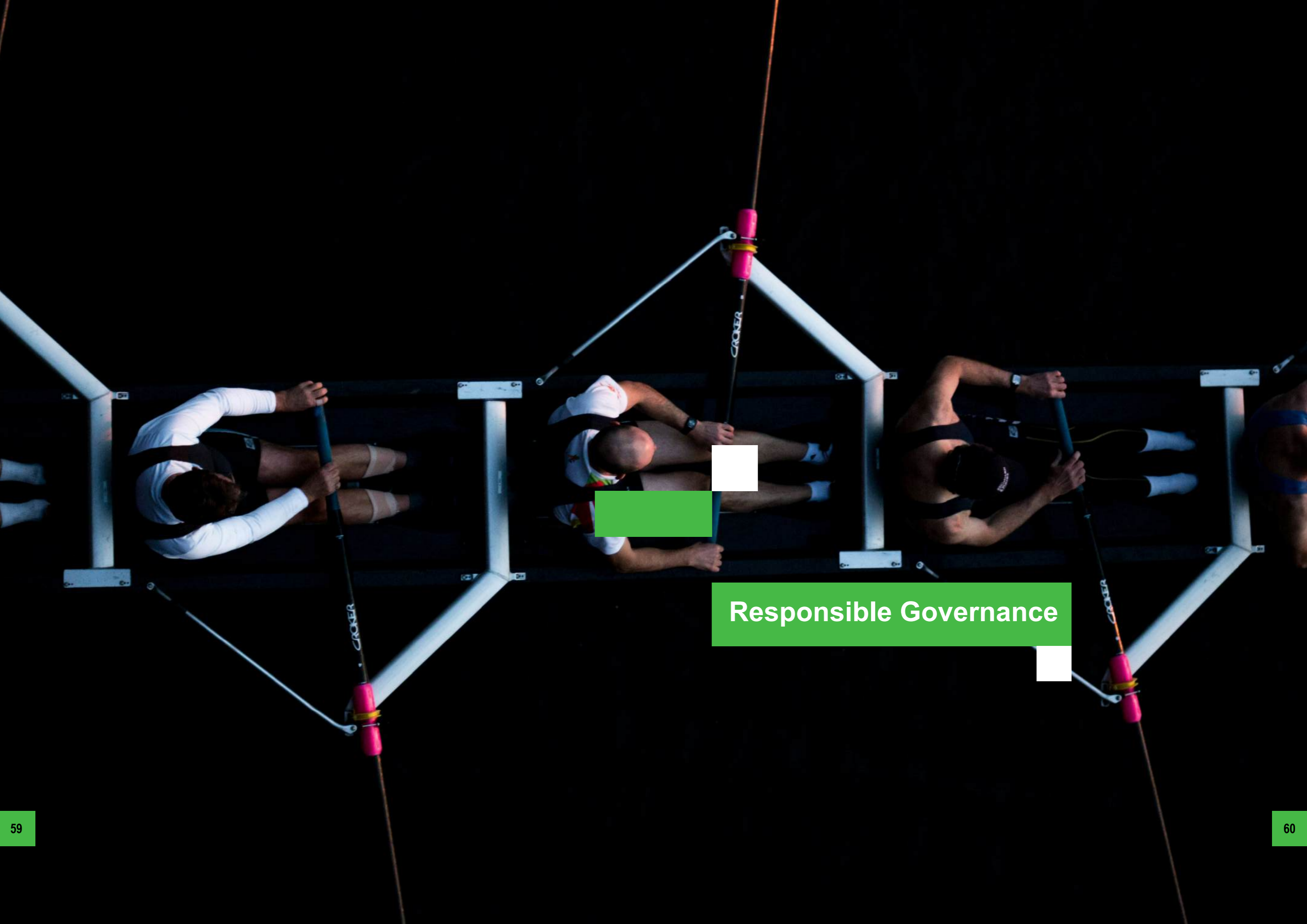
Responsible Governance

01 | Governance Structure And Composition

The Board of Directors consist of nine directors. The company is in compliance with the provision of Section 149 of the Companies Act, 2013 with regard to the Board Composition. The Company has two Independent Directors and women directors and half of the Board comprises of Non-Executive Directors. Transparency, effective leadership, and ethical business practices are the cornerstones of CtrlS's endeavours.

Mr. Pinnapureddy Sridhar Reddy
Chairman &
Non-Executive Director

Mrs. Rajani Reddy Pinnapureddy
Whole Time Director
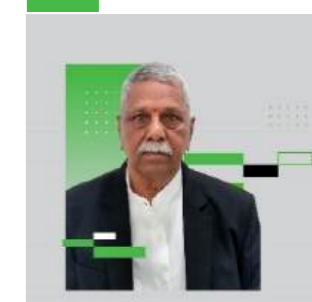
Mr. Pinnapureddy Mohan Reddy
Director

Mr. Munjuluri Nagabhushana Rao
Independent Director

Mrs. Usha Bala Kesam
Independent Director

Dr. Nori Senani Siva
Director

Mr. William Lamont Barney
Director
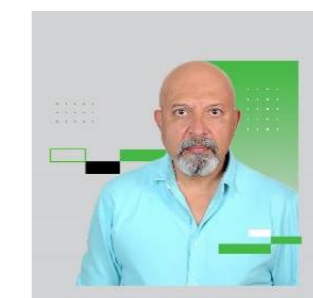
Mr. Anil Jaggia
Director

Mr. Rajiv Trivedi
Additional Director

S No.	Name of The Key Managerial Personnel	Designation
01	Mr. Jugalkishore Gopal Agarwal	Company Secretary
02	Mr. Mohit Pande	Chief Financial Officer

02 | Nomination and Selection of the Highest Governance Body

To ensure a culture of performance, it is made certain that the selection of the Board of Directors is carried out in compliance to the Nomination and Remuneration Policy.

The Remuneration Policy, recommended by the Remuneration Committee, governs the criteria for determining qualifications, positive attributes, and independence of a Director. It also lays down the fair remuneration principles for Directors, Key Managerial Personnel, and other employees.

The policy lays down the procedure for the selection and appointment of Board Members and KMP and the appointment of executives other than Board Members, compensation structure for Executive Directors, Non-Executive Directors, KMP, and other employees.

The policy includes provisions for identifying and selecting suitable candidates for appointment to senior management positions, considering factors such as professional qualifications, experience, and personal qualities. It also outlines the criteria for evaluating the performance of senior management personnel and the Board of Directors.

03 | Competency of the Highest Governance Body

Knowledge, Expertise, and Education of the Board of Directors enable them to possess the necessary competencies.

Name of the Director	Core Skills/Expertise/Competencies
Pinnapureddy Sridhar Reddy	Mr. Sridhar is the Founder and CEO of CtrlS, the world's leading cloud Managed Services provider serving Fortune 500 clients, and CtrlS, the Asia's largest Rated 4 DCs. Mr. Sridhar is a pioneer in the information and communications industry and has spent the last two decades building innovative technology solutions in cloud computing and infrastructure, energy management, and software development. Mr. Sridhar has been credited with launching several industry firsts, including Disaster Recovery as a Service (DRaaS) and the world's 1st Community Cloud for Banks.
Rajani Reddy Pinnapureddy	She is a successful entrepreneur and advisor for multiple next-generation business projects ranging from complete pipe solutions, surveillance, dark fiber & last mile connectivity to large Telcos, apart from enterprise, SME, franchise, and retail segment ISP services.
Pinnapureddy Mohan Reddy	Mr. Mohan Reddy has more than 4 decades of experience in the Agriculture and Real Estate sectors and has been associated with the Company since its inception. He has been responsible for Company strategy and risk assessments while also overlooking the Company's overall functioning.

Name of The Director	Core Skills/Expertise/Competencies
Munjuluri Nagabhushana Rao	Mr. Rao has significant success in managing turnarounds and scale-ups in different contexts. He has a deep appreciation of good governance and management assurance, and a genuine ease of working globally in diverse sectors and contexts. He also has an abiding interest in sustainability and in design issues: in what it takes to craft new operating models and build enterprises that accomplish apparent odds.
Usha Bala Kesam	Ms. Usha Bala Kesam has rich experience of more than 3 decades in the Real Estate sector, Business Management, Finance and Accounts, etc.
Nori Senani Siva	Mr. Senani has helped develop and implement IT solutions covering various technologies, which solve business problems and add value. He is engaged in developing AI & ML (Artificial Intelligence and Machine Learning) solutions using Big Data technologies for global customers.
William Lamont Barney	Across the telecom and technology sectors, Mr. William is recognized as an advocate for regulatory and industry change and a major proponent of Cloud Computing and Open networks.
Anil Jaggia	Mr. Jaggia brings in considerable expertise in Information Technology along with other areas such as Customer Service, Operations, Financial inclusion, Enterprise Transformation, Quality Improvement, and Administration. He is presently an Advisor and Consultant in the Financial Services sector.
Rajiv Trivedi	A highly decorated IPS officer, retired in 2021. His 40 years of experience include systems analysis, computer programming, customer service, investigation, law and order, intelligence, and commanding and deploying large security teams.

Role of the Highest Governance Body in Sustainability Reporting

The Board of Directors reviews the material issues and gives its approval. ESG Committee reports are regularly and periodically reviewed during the board meetings. Decisions are taken to ensure that the team is adequately supported in achieving its ESG goals. The organization conducts regular and periodic meetings with stakeholders.

Meetings	No. of Meetings	Attendance
Board Meeting	6	64.81%
Audit Committee (AC)	2	66.67%
Nomination and Remuneration Committee (NRC)	1	66.67%
Corporate Social Responsibility (CSR) Committee	2	66.67%
ESOP Committee (ESOPC)	1	100%

05 | Non-Statutory Committees

People Management Committee (PMC)	Disciplinary Proceedings Committee (DPC)	High Level Committee (HLC)	Grievance Redressal Committee (GRC)
• Mr. R S Prasad Rao- • Mrs. P Rajani Reddy • Mr. V Surender Reddy • Mr. V Shiv Kumar • Mr. C Pushpa Raju • Mr. Chandra Sekhar Sarma G	• Mr. R S Prasad Rao • Mr. Chanakya • Mr. Anil Nama • Mr. Chandra Sekhar Sarma G	• Mr. R S Prasad Rao • Mrs. P Rajani Reddy • Mr. P Sridhar Reddy • Mr. Chanakya • Mr. Anil Nama • Mr. Chandra Sekhar Sarma G	• Mr. R S Prasad Rao • Mrs. P Rajani Reddy • Mr. V Surender Reddy

04 | Board Committees

Audit Committee (AC)	Nomination and Remuneration Committee (NRC)	Corporate Social Responsibility Committee (CSRC)	ESOP Committee (ESOPC)	Internal Complaints Committee (ICC/POSHC)
• Mr. Munjuluri Nagabhushana Rao • Mrs. Usha Bala • Dr. N Siva Senani	• Mr. Munjuluri Nagabhushana Rao • Mrs. Usha Bala • Dr. N Siva Senani	• Mr. Munjuluri Nagabhushana Rao • Mrs. Pinnapureddy Rajani Reddy • Dr. N Siva Senani	• Mrs. P Rajani Reddy • Mr. Munjuluri Nagabhushana Rao • Mrs. Prachita Kuchkulla	• Mrs. Kavita Siva • Mrs. Prachitha Kuchkulla • Ms. Sreedevi Devireddy • Mr. V Surender Reddy
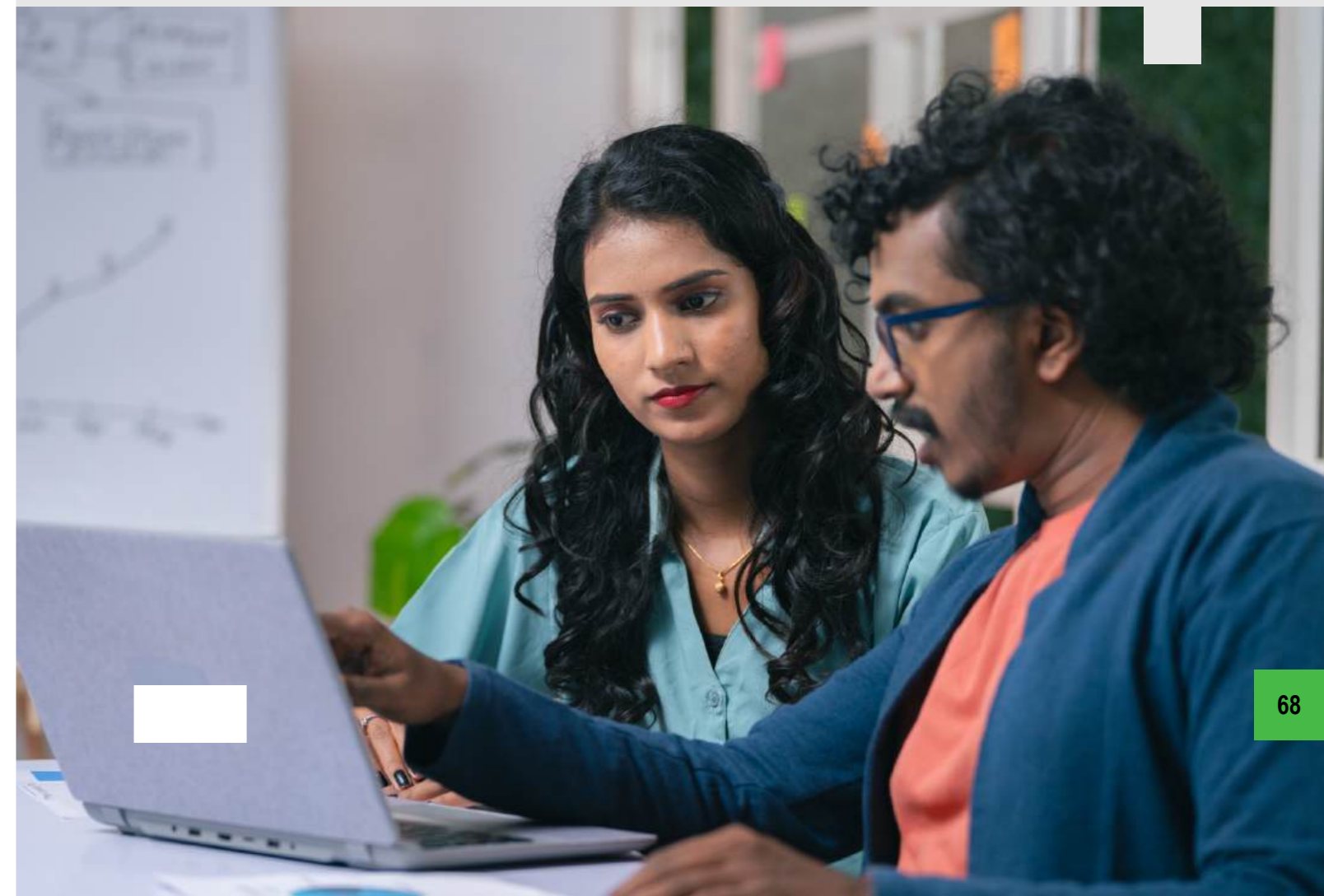
Remuneration Committee

The Remuneration Committee's (NRC) roles, powers, and duties are determined by the Board from time to time. Its terms of reference are under the provisions of Section 178 of the Act: All members of the NRC are Non-Executive Directors. An Independent Director acts as the Chairperson of the Committee and is present at all meetings of the NRC.

Remuneration Process

The organization's policy underlines the belief that the total fixed salary should be fair and reasonable after taking into account the following factors:

• The scope of duties, the role, and nature of responsibilities;

• The level of skill, knowledge, and experience of the individual;

• Core performance requirements and expectations of individuals;

• The Company's performance and strategy; and

• Legal and industrial Obligations.

The Board of Directors has authorized the compensation in accordance with the Remuneration Policy, which was suggested by the Remuneration Committee. Key managerial personnel, non-executive directors, executive directors, managing directors, and other staff members may be eligible for basic salary and other benefits. Other allowances are part of the Perquisites. Both fixed and variable components may be included in the total remuneration.

Responsible Governance

06 | Board Ethics

Policy Commitments

In all aspects of its activities, CtrlS is totally dedicated to respecting the highest standards of human rights and responsible business conduct, abiding by globally accepted frameworks and norms to guarantee moral business practices. Internal policies that regulate corporate governance, social responsibility, and commercial behaviour are developed and implemented with this commitment in mind. Corporate governance, according to the corporation, is about cultivating a culture of honesty, openness, and responsibility rather than just following the law. By incorporating these principles into its daily activities, CtrlS guarantees that its regulations comply with national and international norms.

Some Important Codes, Policies, and Programs adopted in this regard are –

Major Policy	Description
Code of Ethics and Business Policy	Designed to set certain standards of conduct for all Stakeholders (as defined below) of CtrlS Datacenters Ltd., and its subsidiaries and affiliates and all the Stakeholders of the Company
Anti-Bribery Anti-Corruption Policy	The Company has "zero-tolerance approach" to fraud, bribery, and corrupt business practices. The Policy is reflected in and consistent with the Business Ethics and Compliance Policy which sets out the rules and guidelines by which all Company employees must abide to ensure that business is conducted according to the highest ethical standards
Whistle Blower Policy	Enables Stakeholders associated with the Company to voice their genuine concerns in a responsible and effective manner. It is a fundamental aspect that an Employee shall faithfully serve the employer, shall not misuse his/her position in the Company and shall not disclose confidential information about the employer's affairs for personal gain
Finance and Accounts Governance Policy	Standardizes the way finance and accounting activities are carried in the Company in order to i: ensure consistency ii: providing guidance to all staff of Accounts and Finance for smooth execution of their duties iii aiming to maintain accurate financial and other data to enable the decision makers to have timely access to the financial and other information to make informed decisions

Major Policy	Description
Conflict of Interest	This policy sets out the standards to identify and deal with the potential conflict of interests which occurs when an individual's personal interests could compromise his or her judgment, decisions, or actions in the workplace. To ensure the highest standard of ethical conduct, we consistently strive to avoid actual or potential conflicts of interest. Accordingly, we have established this policy to outline how CtrlS addresses such situations.
Vendor Code of Conduct	This Policy delineates the set of standards that CtrlS and its suppliers agree to ensure that a set level of legal, ethical, environmental and social practices are met. CtrlS expects its suppliers to engage in legal, ethical, social, and environmental practices that align with its brand values. In selecting suppliers, CtrlS seeks to do business with reputable business partners who are committed to ethical standards and business practices compatible with those of CtrlS. This Code applies to all suppliers of CtrlS including all of the CtrlS Suppliers' facilities. CtrlS strongly encourages suppliers to exceed the requirements of this Code and promote best practices and continuous improvement throughout their operations.
Gifts, Hospitality and Entertainment	This policy aims to establish principles for regulating the practice of offering and/or receiving gifts, entertainment, hospitality and/or other business courtesies. It sets out the minimum guidelines on the conduct expected from CtrlS employees, stakeholders and third parties acting on its behalf. It also aims to present internal control mechanisms for preventing and detecting any situations that could be interpreted as noncompliance.

Few other important Policies mentioned below demonstrate CtrlS Datacenters' Commitment to Responsible Governance:

Code of Conduct for the Board of Directors and Senior Management Executives	Corporate Social Responsibility Policy
Code of Conduct for Regulating, Monitoring, and Reporting Trading by Designated Persons	Policy & Manual/Procedure of Sexual Harassment at Workplace
Risk Management Policy	

Embedding Policy Commitments

CtrlS is committed to integrating its policy principles throughout all business operations, ensuring that every decision reflects its core values of accountability, integrity, and respect for stakeholders. The code of conduct serves as a vital framework for directors and senior management, outlining expectations regarding honesty, integrity, conflict of interest, regulatory compliance, fair dealing, confidentiality, and asset protection. It emphasizes human rights, environmental stewardship, and ethical decision-making, ensuring leadership complies with national and international laws while fostering sustainability and social responsibility.

The organization has implemented various management systems, including ISO 14001 for environmental management, ISO 50001 for energy management, and ISO 45001 for occupational health and safety, demonstrating its commitment to quality, environmental responsibility, and employee well-being. These certifications highlight CtrlS's dedication to delivering exceptional services while minimizing environmental impact, enhancing energy efficiency, and ensuring a safe work environment.

Moreover, CtrlS emphasizes proactive risk management by regularly assessing potential threats to its goals. The Risk Management and Control System enables the company to identify, evaluate, and manage risks effectively, ensuring the achievement of its commitments and positive outcomes. By incorporating risk mitigation strategies into its management systems and strategic plans, CtrlS reinforces its long-term dedication to sustainability, ethical practices, and building stakeholder trust.

Process to Remediate Negative Impacts

A grievance process has been established by CtrlS to handle complaints from stakeholders. A customer's complaint is addressed in accordance with the quality management system's stated process. Employees can voice their complaints in person with the HR department and their reporting manager/BU head. Systems for receiving and addressing complaints from other stakeholder groups are in place at the company. The website lists the different ways they can file their complaints.

Stakeholder Group From Whom Complaint is Received	Current Financial Year 2023-24		Previous Financial Year 2022-23	
	Number of Complaints Filed During The Year	Number of Complaints Pending Resolution at Close of The Year	Number of Complaints Filed During The Year	Number of Complaints Pending Resolution at Close of The Year
Communities	0	0	0	0
Employees and Workers	48	5	0	0
Shareholders	0	0	0	0
Investors (Other Than Shareholders)	0	0	0	0

Mechanisms for Seeking Advice and Raising Concerns

The Vigil Mechanism/Whistle Blower Policy was established in accordance with Section 177(9) of the Companies Act, 2013 to provide stakeholders and employees with a secure and confidential environment for reporting any unethical or unlawful activities they may witness or be aware of within the company. The policy guarantees the protection of the whistle-blower from victimization or reprisal, as well as the organization's investigation and proper action against misconduct.

The policy describes how reports are to be made, who can receive them, the protections for whistle-blowers, the investigative process, and the repercussions for anyone who doesn't follow the rules. The policy further emphasizes the importance of confidentiality, stating that the whistle-blower's identity will only be disclosed if necessary for the investigation and appropriate action. The Company upholds the highest standards of professionalism, honesty, integrity, and ethical behaviour because it believes that the affairs of its constituents should be conducted fairly and transparently. There have been no reported cases involving whistle-blowers.

Risk Management

For corporate operations to be resilient, a strong risk management system is necessary. Our risk management procedures help us identify and evaluate operational risks, make well-informed decisions, and put the right policies in place to reduce those risks and take advantage of opportunities. The corporate risk management methodology developed by CtrlS allows us to efficiently identify, rank, and reduce risks. It involves using internal control systems, identifying, evaluating, monitoring, and mitigating risks, as well as creating response plans to guarantee the accomplishment of corporate goals. CtrlS follows step by step process to identify the risk, evaluate, control, monitor and implement a thorough risk management plan.

Identify Risks	Evaluate & Assess Risks	Handle/ Control Risks	Monitor/ Report	Implement Risk Management Policy
1	2	3	4	5
Recognizing potential risks through inquiries, observations, and analysis	Analyzing risks based on significance and likelihood	Implementing strategies like prevention, avoidance, transfer, retention, and control	Continuously tracking and reporting on risk status	Establishing and applying risk management policies

Strategic Risk
It includes the range of external events and trends (like Government policy, competition, political and economic instability, Market Dynamism, International economy, Foreign Currency risk) that can adversely impact the Company's strategic growth trajectory and destroy shareholder value.

Business Risk
It includes risk associated specifically to the Company and having an adverse impact on the company's capability to execute activities critical for business growth, thereby affecting its near-term performance.

Operational Risk
Operating Risks are those risks which are associated with operational uncertainties, like
a) Risks arising from failure to comply with operational policies and procedures on a daily basis, e.g. maintenance, supplier selection, quality, etc.
b) Risks arising from variations in the quality and availability of the company's personnel, e.g. recruitment, training, remuneration, development, etc.
c) Risks associated with computer and communications hardware, software and data, e.g. obsolescence, security, availability, access, back-up, etc.

Compliance Risk
Compliance risks are those associated with the need to comply with laws and regulations. They also apply to the need to act in a manner which stakeholders expect, for example, by ensuring proper corporate governance. Risks arising from non-compliance with existing laws and regulations or the potential adverse impact of a change in rules and regulations, e.g. Health & Safety, Environmental, Labour Laws, Food & Safety Laws, Foreign Exchange laws, Electricity Laws etc.

Financial Risk
Risks arising from failure to manage financial aspects, e.g. credit (customers), liquidity (availability of cash) and market risk exposures (foreign and commodity price fluctuations) and to provide complete, accurate and meaningful financial reports for internal and external users.

Environmental Risk
Environmental Risk including pollution control measures of the Government. The potential adverse effects and harm to living organisms or human life associated with environmental pollution from effluents, emissions, waste, accidental chemical releases, energy consumption, or the depletion of natural resources.

Health and Safety Risk
It includes risk of accident/Incident that results in injury, illness, disease, damage or loss at workplace.

The following table highlights some specific ESG Risks to the Company along with their corresponding Mitigation Measures:

Category	Risk	Measures
Environment	Weather, Natural Disasters and Accidents	Optimum protective measures undertaken & insurance of all datacenters hardwares, machines and equipments
	Greenhouse Gas Emissions	As part of our sustainability program CtrlS is taking measures to combat climate change. Installation of Solar PV, Building Integrated PVs, Energy Efficiency measures are taken regularly to avoid the GHG emissions
Social	Workforce Attrition	Quality staff members are retained by motivating them through both monetary and non-monetary benefits, such as job rotation and higher responsibilities, as well as by providing training in multiple skills.
	Losing Key Staff to Competitors	Non-compete letter signed as part of nondisclosure agreement at the time of joining and at the time of exit by the employee.
Governance	Contractual Liability	Vetting of contracts with focus on contractual liabilities, deductions, penalties and interest conditions is undertaken on a regular basis
	Country Risk	Risks associated with the countries (with which we are doing business) will be examined before getting into any contract

07 | Economic Performance

CtrlS is dedicated to upholding a robust balance sheet and an ideal capital structure as fundamental components of our approach to increasing stakeholder value. This emphasis is essential to our financial planning because it guarantees that we have the resources needed to achieve our our twin goals of long-term liquidity and cost effectiveness. Our finance strategy closely reflects our long-term strategic objectives as well as our operational requirements. We place a high priority on prudent capital allocation in order to spur growth, seeking a harmonious blend of expansion, operational effectiveness, and stability. By following these guidelines, we hope to safeguard both our long-term stability and financial performance.
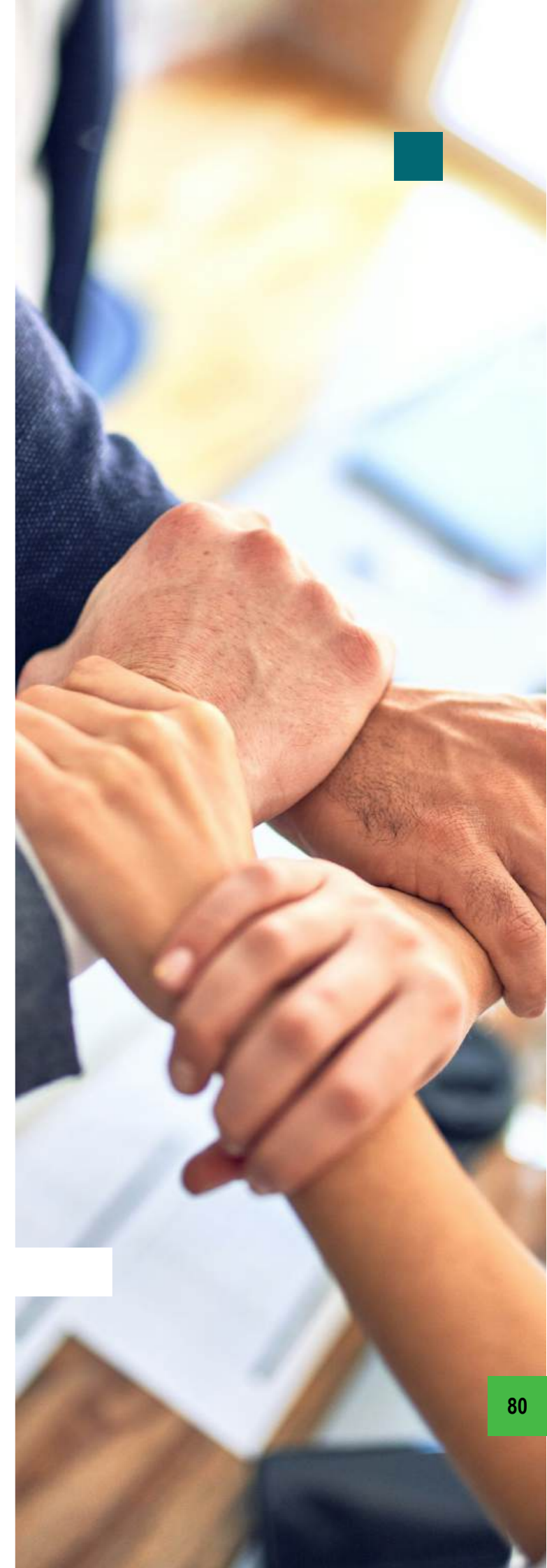
Economic Value Generated Distributed and Retained

Particulars	2023-24 (INR Million)	2022-23 (INR Million)
Revenue from Operations	13,390	11,213
Total Cost of Input	9,948	7,472
Value Added	3,442	3,741
Add: Income From Any Other Sources	175	119
Earnings Available for Distribution	3,617	3,860
Employees as Salaries & Wages, Retirement Benefits, etc.	1,521	962
Company as Retained Funds	2,096	2,898
Total Distribution of Earnings	3,617	3,860

Financial Performance (INR Mn.)

	Revenue	Profit Before Tax	Profit After Tax
FY 2023-24	9,398	3,861	2,864
FY 2022-23	11,332	3,881	2,898
FY 2021-22	13,565	2,845	2,096
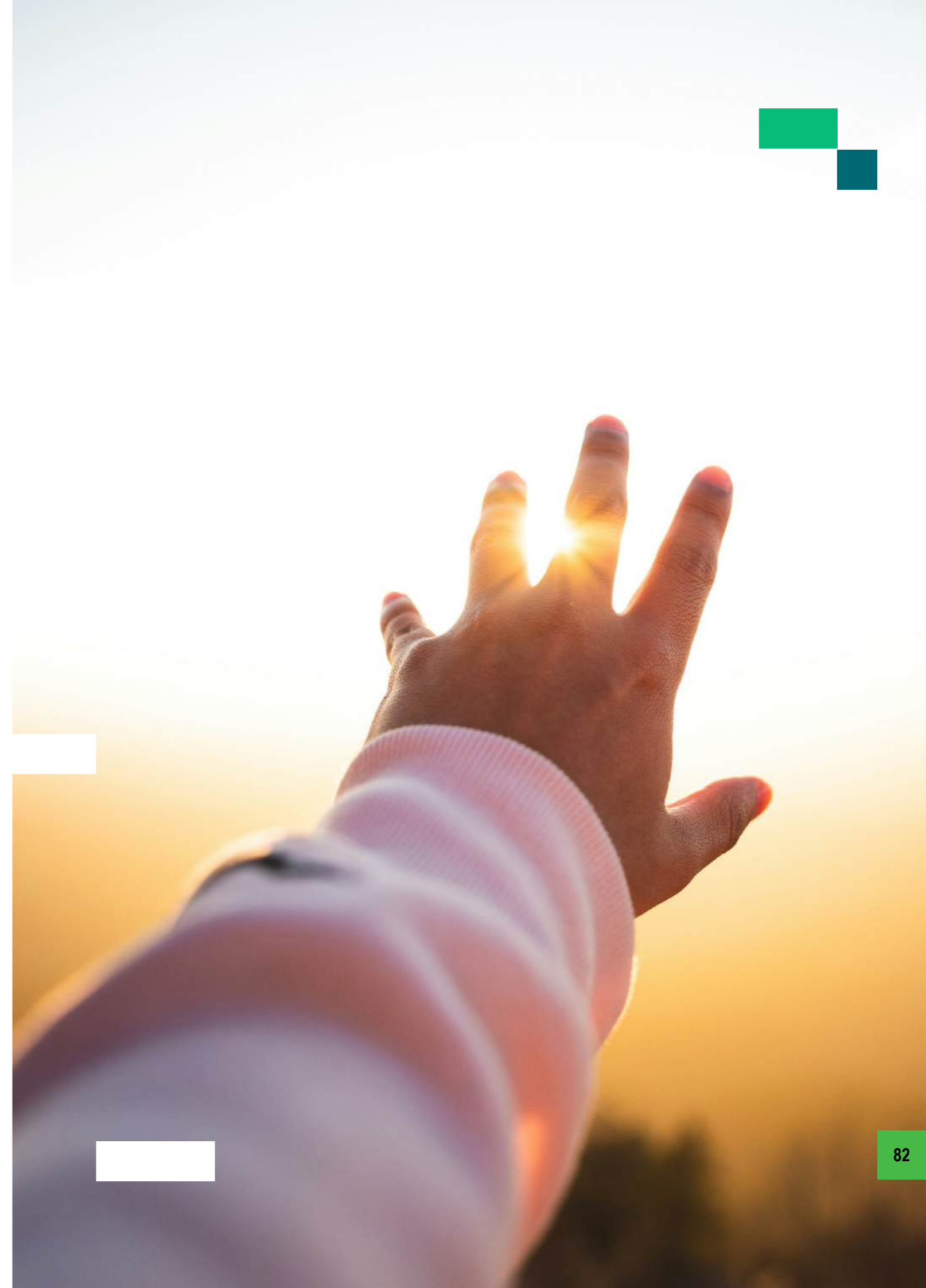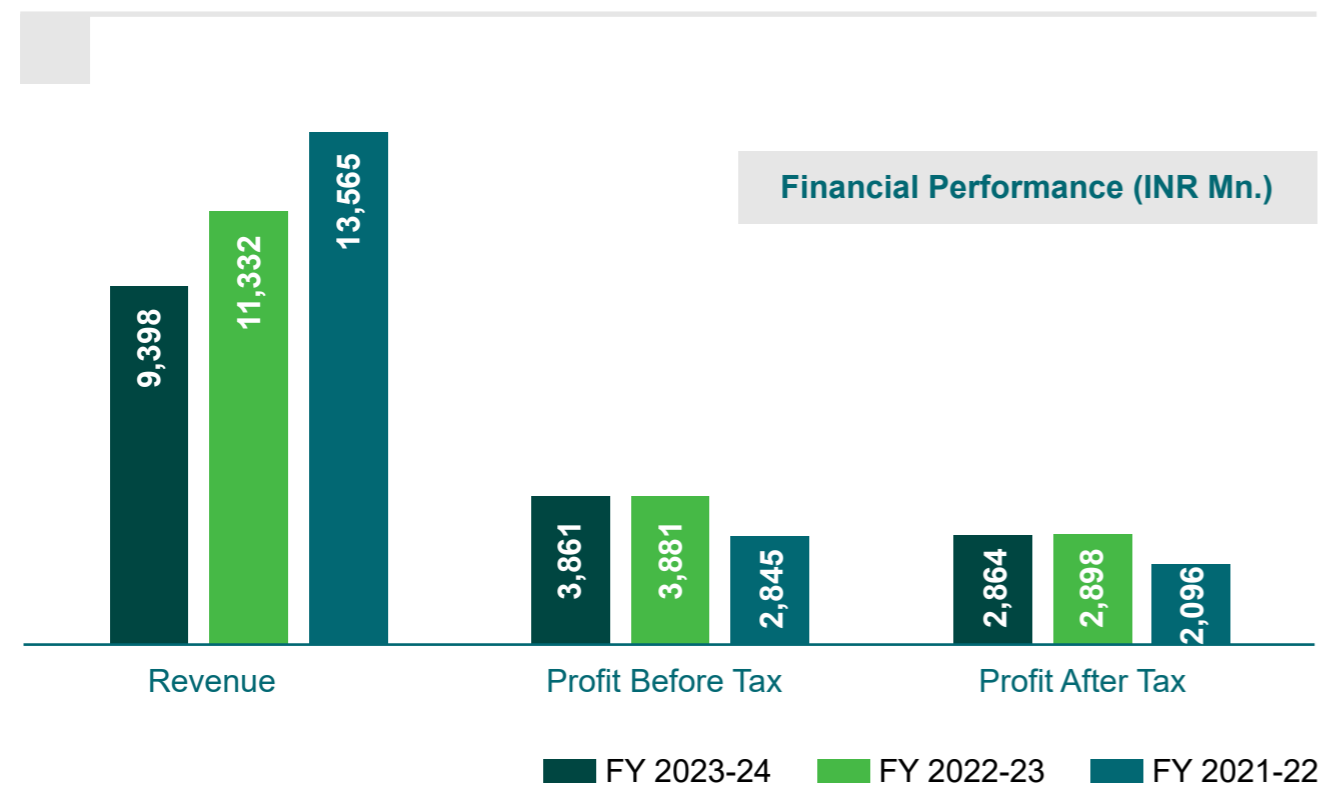
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