

Virtusa Corporation

Carbon Reduction Plan

Publication date: 13 June, 2025

Commitment to achieving Net Zero

Virtusa is committed to reach net-zero greenhouse gas emissions across the value chain by FY2040.

Virtusa's net zero ambitions are supported by targets approved by the Science Based Targets Initiative (SBTi).

About this Carbon Reduction Plan

Our environmental management system was initiated in 2008 as our response to climate change. We calculate our GHG inventory—Scopes 1, 2 (location—and market—based), and 3—using the GHG Protocol and Defra Environmental Reporting Guidelines, IEA CO2 Emissions from Fuel Combustion, and Supply Chain Greenhouse Gas Emission Factors for US Industries and Commodities. Our GHG emissions data is externally assured by Messrs. Ernst and Young in accordance with ISAE 3410 and ISAE 3000 (Revised).

The source of our Scope 1, 2, and 3 emissions are as shared below:

- Scope 1: emissions from fuel use in backup generators, natural gas consumption, waste water recycling and refrigerant leakage at our facilities.
- Scope 2: emissions from purchased electricity consumption at our offices.
- Scope 3: emissions from multiple sources within our value chain. These sources are: Purchased goods and services, capital goods, fuel and energy related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting, and leased assets.

This carbon reduction plan sets out our carbon reduction plans for our UK-operations as well as globally. As required by the Technical Standard, the reported data for this Carbon Reduction Plan has come from completing a carbon footprint for our GHG emissions from sources in the UK and includes Kyoto protocol gasses reported in units of carbon. Virtusa Consulting in the UK operates from leased office space, and we do not have operational control of direct emissions at this site.

Baseline Emissions Footprint

Baseline Year: FY20 (April 2019 through March 2020)

Additional Details relating to the Baseline Emissions calculations.

This Carbon Reduction Plan is based on a base year emissions inventory from the financial year of FY20 (April 2019 through March 2020). The base year selected for FY2020 (2019) aligns with SBTi's Corporate Net-Zero Standard to provide a comprehensive overview of emissions preceding the COVID-19 lockdowns. Note that the baseline emissions were calculated at corporate level.

| Baseline year (FY20) emissions in tCO ₂ e | |
|--|--------------------|
| Description | Global |
| Scope 1 emissions | 1065.350 |
| Scope 2 - location based | 16,771.840 |
| Scope 2 - market based | 16,093.400 |
| Scope 3 - Total | 97,848.000 |
| Purchased goods and services | 26,722.00 |
| Capital goods | 1,293.00 |
| Fuel and energy related activities | 5,649.00 |
| Waste generated in operations | 696.00 |
| Business travel | 20,225.00 |
| Employee commuting | 43,263.00 |
| Total emissions - location based | 115,685.190 |
| Total emissions - market based | 115,006.750 |

The baseline GHG emissions reported in this Carbon Reduction Plan does not contain the following Scope 3 emissions requested in the Technical Standard:

| Category | Reason |
|---|--|
| Upstream transportation and distribution | As a digital engineering and consulting company, we did not have any emissions related to upstream transportation and distribution during the baseline year FY20 (2019). Due to the work from home policy implemented in response to the COVID-19 lockdowns, we have accounted for the emissions resulting from the delivery of computers to our employees' homes from FY21. This includes emissions from the transportation of computers via land and air courier services. Thus, Scope 3 emissions from upstream transportation and distribution are accounted for in the emissions reported for FY24 (2023) in this Carbon Reduction Plan. |
| Downstream transportation and distribution | As a digital engineering and consulting company, we provide services and software solutions. Therefore, we do not have Scope 3 emissions associated with downstream transportation and distribution of goods. |

In this Carbon Reduction Plan, we are reporting emissions from the financial year of FY24 (April 2023 through March 2024), as the independent audit of emissions data for financial year of FY25 is still underway.

| Reporting year (FY24) emissions in tCO ₂ e | | |
|---|----------------|-------------------|
| Description | UK | Global |
| Scope 1 emissions | 7.896 | 1,065.555 |
| Scope 2 - location based | 13.145 | 10,186.424 |
| Scope 2 - market based | 17.592 | 7,852.590 |
| Scope 3 - Total | — | 42,969.849 |
| Purchased goods and services | — | 27,555.306 |
| Capital goods | — | 929.247 |
| Fuel and energy related activities | 6.223 | 4,742.312 |
| Upstream transportation and distribution | — | 147.182 |
| Waste generated in operations | — | 17.179 |
| Business travel (air, rail and road travel) | 630.384 | 7,702.482 |
| Employee commuting (UK and Europe) | 8.544 | 1,655.304 |
| Leased assets | Not applicable | 220.837 |
| Total emissions - location based | — | 54,221.828 |
| Total emissions - market based | — | 51,887.994 |

Note: Scope 3 emissions for purchased goods and services, capital goods, upstream transportation and distribution, and waste generated in operations are only calculated at global level. As a result, we

are not able to provide a UK breakdown for these categories. There are no emissions from upstream transportation and distribution and leased assets at our UK operations.

Emissions reduction targets

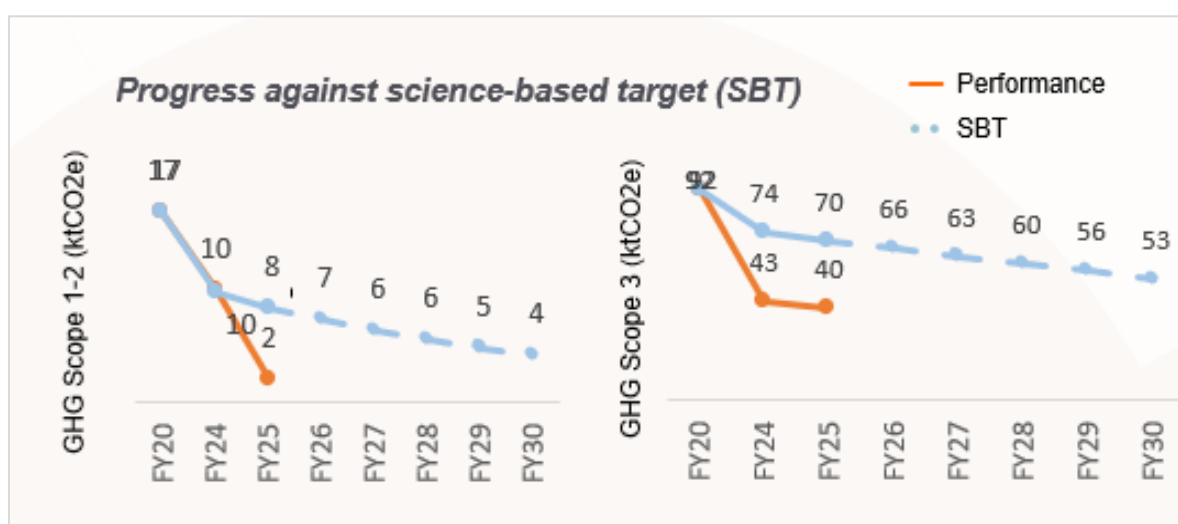
Virtusa's SBTi approved targets are aligned to the Paris Agreement and 1.5°C pathway.

- **Near-Term Targets:**
 - Committed to reduce absolute scope 1 and 2 GHG emissions 75% by FY2030 from a FY2020 base year.
 - Committed to reduce absolute scope 3 GHG emissions from purchased goods and services, capital goods, business travel, and employee commuting 42% within the same timeframe.
- **Long-Term Targets:** Virtusa Corporation commits to reduce absolute scope 1, 2 and 3 GHG emissions 90% by FY2040 from a FY2020 base year.

These targets have been set at group level for Virtusa Corporation and will result in emissions reductions at our facilities across all geographies, including our UK operations.

For more information on our approved net-zero targets see: [Target dashboard - Science Based Targets Initiative](#).

Progress against these targets can be seen in the graphs below:



| Target | Base year | Target year | Target % | FY2024 status |
|---|-----------|-------------|----------|---------------|
| Near-term | | | | |
| Science Based Target: Reduce Scopes 1 and 2 (market-based) emissions (absolute target) | FY2020 | FY2030 | 75% | 48% |
| Science Based Target: Reduce Scope 3 greenhouse gas (GHG) emissions from purchased goods and services, capital goods, business travel, and employee commuting (absolute target) | FY2020 | FY2030 | 42% | 59% |
| Obtain energy from renewable sources* | FY2024 | FY2030 | 100% | 28% |
| Long-term | | | | |
| Science Based Target: Reach net-zero GHG emissions across the value chain | FY2020 | FY2040 | 90% | 55% |

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the FY2020 baseline. The carbon emission reduction achieved by these schemes equate to **63,118.756 tCO₂e**, a **55% reduction** against the FY2020 baseline and the measures will be in effect when performing the contract.

Given our large operational footprint in India and Sri Lanka, most of our GHG emissions reductions initiatives have been implemented in these regions. As Virtusa Consulting in the UK operates from a leased office space, the emissions and energy reduction initiatives we can carry out are limited. Some of our energy and emissions reduction activities carried out globally are:

- **Certifications:** In 2021, we obtained ISO 14001:2015 and ISO 45001: 2018 certification for our UK office. As of FY24, 89% of our workforce are in offices covered by our EHS management system (ISO 14001 and ISO 45001). In addition, 64% of our real estate is LEED-certified and three of our owned campuses in India are certified for ISO 50001:2018 (energy management).
- **Green procurement/Energy efficient IT devices:** We implement green procurement practices to minimize environmental impact, focusing on sustainable and energy-efficient products. For instance, our procurement guidelines for IT hardware, specifies that all devices, including laptops, servers, endpoints, and networks, must meet standards set by the EPEAT ecolabel from the Global Electronics Council (GEC). As a result, our IT equipment is rated EPEAT™ Gold, ENERGY STAR® 8.0 (laptops) and EPEAT™ Gold, ENERGY STAR® 6.1 (desktops).
- **Energy efficient lighting and HVAC systems:** Our facilities build-out guide mandates the use of energy efficiency lighting. Where we have operational control, we also replace older HVAC systems with more energy efficient systems.
- **Investment in renewable energy (RE):** To achieve our target of obtaining 100% of our energy from renewable sources by 2030, we have increased our renewable energy consumption through investments in onsite solar, power purchase agreements, Energy Attribute Certificates (EACs), and green tariffs for our offices. While we are able to invest in onsite renewables and RE power purchase agreements for the campus facilities that we own in India, for offices in leased premises, such as our UK office, we have to rely on Energy Attribute Certificate

(EACs) and Renewable Energy Certificate (RECs). In FY24, purchase of EACs accounted for 15.551MWh (24%) purchased electricity in our UK office.

- **Cloud strategy:** With our cloud-first strategy, we were an early adopter of cloud. Virtusa has migrated 100% applications (production) and over 75% core workloads to the cloud. Cloud usage reports estimate that we were able to avoid 105.76 MT CO₂e emissions in FY2024 by switching to cloud. Beyond servers, we have continuously focused on reducing/migrating other supporting security hardware and infrastructure to the cloud.
- **Data centre footprint:** We have consistently followed a highly stringent elimination, modernization, and consolidation strategy to ensure effective and sustainable data centre management over the years. This strategy has enabled us to centralize the organization's shared IT operations and equipment for storing, processing, and disseminating data and applications for internal and external clients and reduce data centre real estate space globally by 60%. We optimized resource use by consolidating data centres; this action minimized the use of devices that have a high energy footprint (like servers and HVAC units). By continuously focusing on replacing End of Sale/End of Life (EOS/EOL) devices, such as servers and HVAC units across data centres, and implementing energy-efficient infrastructure, Virtusa has modernized 95% of legacy systems.
- **Public reporting:** We publicly report our emissions through the CDP Climate Change disclosure, EcoVadis, and the UN Global Compact Communication on Progress (COP) as well as through our annual sustainability report, which aligns to Global Reporting Initiative (GRI) Standards, the Sustainability Accounting Standards Board (SASB) standards for Software & Information Technology (IT) Services, and Task Force on Climate-related Financial Disclosures (TCFD) recommendations.
- **Supply chain management:** To track supplier contributions to the achievement of our SBTi targets, we are requesting the top 200 suppliers by spend to report sustainability performance. We have installed 23 EV charging points in our facilities in India and Sri Lanka. Within our supply chain, we are engaging with vendors to encourage them to adopt targets for EV utilization and switch 20% of their fleet to EVs each year.
- **Sustainability as part of culture:** All employees undergo environment, health, and safety (EHS) training (Safety First) during onboarding and are required to renew the certification annually. In addition, we share tips on environmental responsibility and resource conservation with employees on a periodic basis. These include notices to switch off lights and monitors in meeting rooms when not in use.

We also introduced a line of sustainability service offerings to support our clients' transition to a low-carbon economy. Our offerings focus on four areas: sustainability reporting & compliance; decarbonization & net-zero; climate and nature risks; and green products & services. Detailed information on these service offerings are available on our website: [Sustainability Consulting Services | Virtusa](#).

In the future, we hope to implement the following measures at our UK office:

- Explore possibility of maintaining temperature at 19°C for winter and 21°C for summer based on approval by the landlord.
- Create awareness among team members on the best practice of turning off meeting room screens when not in use.
- Explore possibility of accessing building management system (BMS), which is controlled by the landlord. If the landlord agrees to provide Virtusa access to the BMS, energy usage can be adjusted to improve efficiency.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:



M S Subrahmaniyam,
Director & Controller Finance,
Virtusa Consulting & Services Ltd

Date: June 13, 2025

¹<https://ghgprotocol.org/corporate-standard>

²<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

³<https://ghgprotocol.org/standards/scope-3-standard>