



EXL

2022

**Sustainability
Report**



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Sustainability
Report

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Message from our CEO

Data plays a critical role in today's world. At EXL, we make sense of that data to drive our customers' businesses forward and help them transform to achieve a sustainable competitive advantage. We believe there is always a better way.

We also believe we have a role and responsibility – through our operations, our customers, how we make sense of data and how we make responsible use of technologies like artificial intelligence and the cloud – to contribute to a sustainable future. We aim to make this contribution by infusing the right fundamentals into our business – innovation, data centricity, a dynamic and inclusive workplace, and a commitment to corporate social responsibility. Sustainability is integral to our purpose and values. It is also an important facet of our business strategy. We seek to not only respond to sustainability risk, but also find synergies with our business and new opportunities for growth and leadership.

By identifying and nurturing diverse talent, we have created an environment in which our people create, problem solve and serve our customers with excellence. In 2022, our leadership diversity initiative brought us closer to our goal to increase women in our leadership¹ to 25% globally by the end of 2025; representation of women in leadership at EXL reached 20.3%, up from 18.3% in 2021.

We are pursuing renewable energy opportunities that translate to direct cost-savings and mitigate climate change risks. In 2022, we reduced Scope 1 and Scope 2 greenhouse gas emissions by 43.5% over 2019 as we moved closer to our 2045 net zero target.

Through community engagement initiatives that focus on skills and education, our people help address opportunity gaps, while strengthening the future pipeline of talent in our communities. In 2022, 16% of our workforce joined our community initiatives as volunteers, surpassing our goal of reaching 15% employee engagement

¹ VP and above.

by 2023 a year early. More than 14,500 adults and children from underserved communities benefitted from our digital skills initiatives, a 28% increase over 2021. We continue to expand on our community engagement opportunities as we have found that participation by our employees is correlated with greater workplace satisfaction.

I am extremely proud that for the second year in a row, EXL has been recognized as one of America's Most Responsible Companies by Newsweek and Statista, Inc., as one of Barron's 100 Most Sustainable Companies and for the first time achieved a "Gold" rating from EcoVadis. We continue our commitment to the UN Global Compact.

As we look deeper and find a better way for EXL and our customers, we continue to factor sustainability into our strategic direction, culture, brand and what we offer our customers.



Rohit Kapoor

Vice Chairman and Chief Executive Officer

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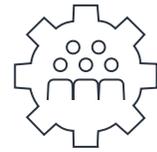
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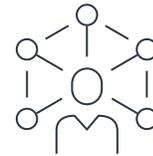
2022 sustainability highlights¹



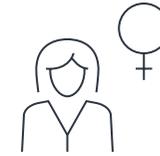
7,000+
employees
(16% of our workforce)
joined our community
engagement initiatives as
volunteers, surpassing our
2023 goal a year early



14,700+
volunteer hours,
up from 4,000+ hours
in 2021



14,500+
beneficiaries of
signature CSR
initiatives, a 28%
increase over 2021



41.1%
company-wide female
representation



\$65,657
provided in
charitable giving from
EXL employees and
company match²



Operating and Executive
Committees, together, are
60.9%
racially and
ethnically diverse



1.2M+
hours of training
consumed by
employees



44.4%
decrease in
GHG emissions
since 2019
(Scope 1 & 2)

¹ Data as of December 31, 2022 unless otherwise noted.

² Charitable giving total includes individual country giving totals and EXL's corporate matching in India, converted to USD.

Awards

- Barron's, 2022 & 2023 100 Most Sustainable Corporations
- EcoVadis, 2022 Gold Sustainability Rating
- Golden Peacock Awards: 2022 Occupational Health & Safety; 2023 Environment Management Award
- Newsweek, 2022 & 2023 America's Most Responsible Companies
- Transformance Forums, 2023 Best ESG Performer of the Year
- USA Today, 2023 America's Climate Leaders





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2 About EXL



Our purpose & mission

Bringing together deep domain expertise with robust data, powerful analytics, artificial intelligence (AI) and cloud, we create agile, scalable solutions and execute complex operations for the world's leading corporations in industries including insurance, healthcare, banking and financial services, media and retail, among others.

Headquartered in New York, EXL was founded on the core values of innovation, collaboration, excellence, integrity and respect. Focused on enabling faster decision making and transforming operating models, we create solutions that make sense of data and drive businesses forward.



Our purpose

We believe there is **always a better way**. We look deeper, we find it, and we make it happen.



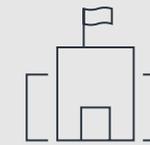
Our mission

We **make sense of data** to move your business forward.

EXL at a glance¹



820+
clients in 2022



52
offices



48,000
employees²



6
continents



\$1.41 billion
revenue in 2022

¹ Data as of December 31, 2022 unless otherwise noted.

² As of June 2023

We deliver **data-led insights** that generate higher-level outcomes for our clients and give them a critical edge in competitive industries.

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3 Sustainability at EXL

EXL is committed to building a better future by operating responsibly and sustainably. We align our environmental, social, and governance (ESG) practices with our evolving business strategy, advancing on our ESG goals and objectives, and enhancing reporting controls and procedures.

By integrating sustainable practices into our business model and working towards positive social change, we are a stronger and more resilient organization that can deliver long-term value to our stockholders and clients, while strengthening and empowering our business, people and communities, and protecting our planet.



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Sustainability strategy

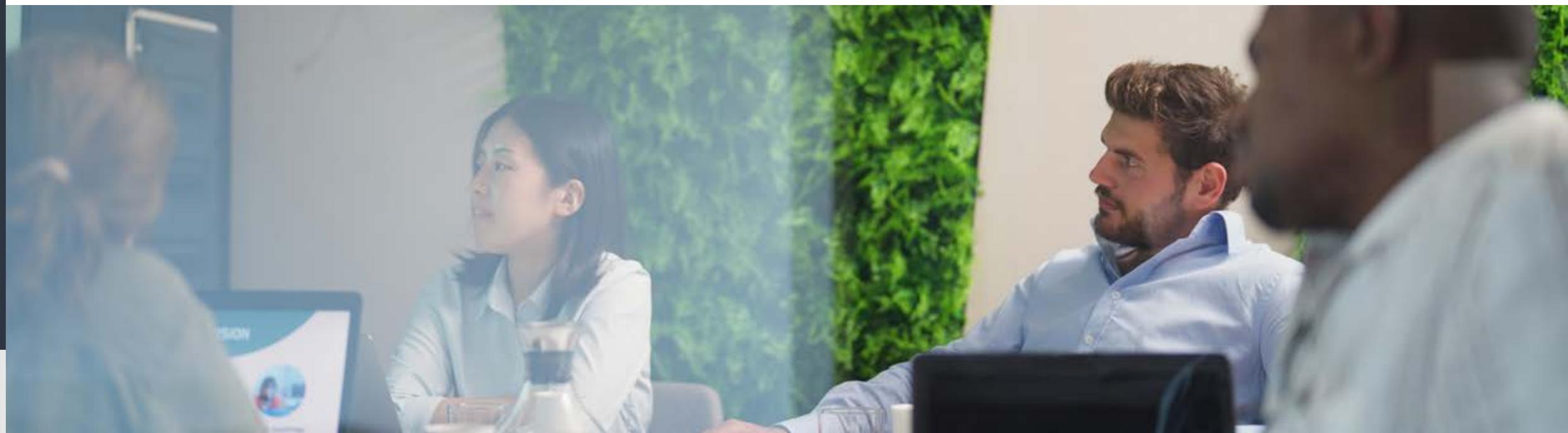
Our ESG program reflects and advances our mission to be an indispensable partner for data-led businesses. In 2022, we focused on deepening this alignment by beginning the transition from managing ESG risks to proactively leveraging ESG-related business opportunities. Our sustainability initiatives make us stronger, more responsible and better able to deliver for our stakeholders.

For example, our commitment to net zero is bolstered by a future operating model centered on hybrid in-office and work-from-home that is uncovering operational and cost efficiencies while reducing our greenhouse gas emissions. Our sustainability initiatives are present in all of our offices and help us to unite globally, while still addressing important local issues.

“We believe innovation, sustainability and ROI (return on investment), can all have a seat at the table. As our sustainability strategy evolves, we remain focused on the alignment of business value and societal benefit.”

Ajay Ayyappan

General Counsel



Our sustainability ROI

Corporate strategy	Sustainability strategy	Societal value	Business outcomes
 AI capabilities	<ul style="list-style-type: none"> AI governance and anti bias measures through an AI Governance Policy and Committee 	<ul style="list-style-type: none"> Systems that emphasize data integrity and help eliminate bias in AI applications for sustainable use of AI 	<ul style="list-style-type: none"> Mitigating potential risk from skewed AI results
 Cloud-based solutions	<ul style="list-style-type: none"> Net zero goal for Scope 1 and 2 emissions by 2045 Goal to decrease energy use by 2% YoY Goal to decrease water usage by 2% YoY 	<ul style="list-style-type: none"> Minimizing EXL's and our clients' business impact on the environment 	<ul style="list-style-type: none"> Favoring the cloud for data storage is considered an environmental best practice, resulting in efficiencies both operationally and in terms of energy and water usage
 Future operating model	<ul style="list-style-type: none"> Leveraging EXL's future operating model (flexible in-office and work from home) to help achieve EXL's net zero goal 	<ul style="list-style-type: none"> Greenhouse gas reduction strategy aligned with global standards to limit average global warming to 1.5°C 	<ul style="list-style-type: none"> Increasing operational efficiencies and cost optimizations Our energy efficiency initiatives resulted in an estimated direct cost savings of \$250,000 in 2022
 Global employee engagement, talent recruitment and retention	<ul style="list-style-type: none"> Ensuring employee awareness of, and engagement in, EXL's ESG efforts through our ESG amplification campaign 	<ul style="list-style-type: none"> Passionate, well-rounded and active individuals leveraging their expertise both at work and in our communities 	<ul style="list-style-type: none"> Motivating EXL employees through an opportunity to connect to our broader purpose; EXL employees involved in our CSR activities have a lower attrition percentage than EXL employees globally
 Brand reputation and awareness	<ul style="list-style-type: none"> Transparent and detailed disclosures on EXL's sustainability strategy and progress that align to global best practice frameworks Strong performance across key ESG ratings and rankings 	<ul style="list-style-type: none"> Knowledge sharing of sustainability best practices Providing key stakeholders the information they need to make informed decisions based on ESG/sustainability criteria and values 	<ul style="list-style-type: none"> Increasing awareness of EXL's core purpose, and sustainability strategy and progress Increasing EXL's competitiveness in client pursuits; recognition related to specific ESG-related requirements in RFPs and client agreements Increasing investor awareness and satisfaction with EXL's social and environmental performance
 A sustainable and qualified talent pipeline	<ul style="list-style-type: none"> A community engagement strategy that develops relevant skills for a data-led economy, including coding, within our communities and underrepresented populations A robust training program to maintain a healthy internal talent pipeline 	<ul style="list-style-type: none"> Empowering individuals with market-relevant skills to succeed and a diverse talent pipeline for companies 	<ul style="list-style-type: none"> Building a pipeline to source qualified talent and mitigate the risk of a talent shortfall
 Client experience	<ul style="list-style-type: none"> Client community engagement and other ESG partnerships and participation in client questionnaires Discussions around ESG 	<ul style="list-style-type: none"> Helping our clients to deliver on sustainable supply chain and other sustainability-related goals 	<ul style="list-style-type: none"> Strengthening credibility with our clients and expanding the value we offer

Governance of sustainability

At EXL, ESG is an important priority of our Board of Directors, CEO and top executives, and our employees across all levels, functions and regions. Our Executive Committee and Board of Directors have ultimate responsibility for ESG performance. Our cross-functional ESG Steering Committee is responsible for setting our ESG strategy and risk management, providing implementation support, and establishing the systems, processes, goals, and metrics necessary to make progress and track our impact in our focus

areas. ESG performance continues to be considered in our CEO’s performance review, and in determining our CEO’s total compensation.

▶ Read more about CEO compensation tied to the achievement of ESG-related performance in our [2023 Proxy Statement](#) and about Board oversight of ESG in the [Governance, ethics & integrity](#) section of this report.





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Transparency & reporting

Transparent and quality reporting on our ESG initiatives is important for maintaining accountability and trust with our stakeholders. In 2022, we created a formal reporting policy and framework based on the Committee of Sponsoring Organizations (COSO) framework, the ESG Reporting Framework Policy, which aligns controls over ESG-related reporting and data collection with financial reporting. This report includes, for the first time, climate change disclosures in alignment with the Task Force on Climate-related Financial Disclosures (TCFD) standards for our operations in India, the Philippines and South Africa and we continue to report to other leading frameworks such as Sustainability Accounting Standards Board (SASB), the Carbon Disclosure Project (CDP), the Global Reporting Initiative (GRI) and the United Nations Sustainable Development Goals.

▶ [Read more about EXL's Sustainability Strategy.](#)



Stakeholder engagement



At EXL, engaging stakeholders remains a priority and critical channel for advancing our sustainability strategy. From employee surveys to town halls to investor and client meetings, we continued active engagement with key stakeholder groups in 2022. Highlights of these activities are noted below.

▶ Read more about our [approach to stakeholder engagement, channels, and examples of engagements and involvement in industry and business associations.](#)

	Employees	<ul style="list-style-type: none"> Internal ESG education and awareness campaign Enterprise-wide volunteering drive led by employee-level CSR champions and management 	<ul style="list-style-type: none"> Increased employee participation in CSR initiatives to 16% of our global workforce, surpassing our 2023 goal of achieving 15% participation a year early. Increased sustainability engagement and awareness. Continued to engage and excite our employees through numerous environmental campaigns and volunteer opportunities. Engaged employees in EXL's materiality assessment.
	Clients	<ul style="list-style-type: none"> Engagement with clients on their and EXL's sustainability strategies and management approaches 	<ul style="list-style-type: none"> Received client feedback that sustainability at EXL has positively influenced RFP decisions. Strengthened client relationship by supporting their own sustainability strategies and goals (e.g., participated in client materiality assessments). Increased client engagement and input into EXL's sustainability strategy (e.g., engaged clients in EXL's materiality assessment and participated in their surveys and questionnaires).
	Investors	<ul style="list-style-type: none"> Continuation of formal stockholder engagement program including specific focus on ESG discussion 	<ul style="list-style-type: none"> Held meetings with stockholders and EXL management, legal and investor relations teams to discuss sustainability-related topics (e.g., human capital management, DEI, and EXL's other ESG efforts). Engaged investors in EXL's materiality assessment.
	Suppliers	<ul style="list-style-type: none"> Analysis of supplier questionnaire responses on sustainability Dissemination of EXL Supplier Standards of Conduct to all suppliers 	<ul style="list-style-type: none"> Gained a clearer understanding of our suppliers' positions and activities around sustainability. Used analysis findings as a factor in determining whether to move forward with onboarding. Alignment with suppliers on EXL's expectations with respect to sustainability.
	Communities	<ul style="list-style-type: none"> Partnering with nonprofits that include volunteering opportunities 	<ul style="list-style-type: none"> Helped address challenges in our communities while inspiring and supporting our employees (e.g., EXL Global Technology team visited our education partner in Noida, India to share their expertise and skills).
	Governments & regulatory bodies	<ul style="list-style-type: none"> Communication with regulatory bodies as part of corporate compliance and as required by the applicable regulation 	<ul style="list-style-type: none"> Supported compliance with applicable regulations. Provided insights on upcoming regulatory changes. Informed management of social and environmental impact.

Materiality assessment & priority topics

In 2023, we conducted a new materiality assessment to ensure that our ESG strategy continues to evolve with the changing expectations of our stakeholders, ESG analysts, shifting business priorities and broader global challenges. Through desktop research, engagement with employees, clients and investors and analysis by an independent, third-party expert, we identified the most impactful and important issues to both EXL management and stakeholders.

We also gained insights into the priority issues for specific stakeholder groups. For example, Customer and Data Privacy is a top priority for employees, while Ethics and Integrity, Employee Health, Safety and Wellness, and Talent Attraction, Engagement and Retention most significantly impact their opinion of the company, pride in working at EXL, and/or their level of engagement at work.

100% of investor respondents indicated that Technology Innovation and Talent Attraction, Engagement and Retention most significantly influence their relationship with EXL or their decision to invest in EXL.

Clients see Cybersecurity and Data Protection, and Customer and Data Privacy, as the top topics for EXL’s business and that influence their decision to work with EXL.

▶ Read more about our [2023 materiality assessment process and outcomes](#), including our materiality matrix that highlights our Tier 1, 2 and 3 priority topics. Our GRI Index outlines how we are managing our Tier 1 priority topics.

Tier 1 priority sustainability topics



Governance, ethics & integrity

- Corporate culture & communications
- Responsible AI
- Ethics & integrity
- Regulatory compliance



Our people

- Talent attraction, engagement, & retention
- Employee health, safety, & wellness



Environment

- Data center energy management¹
- Energy consumption & use of renewable sources²



Operational excellence

- Business continuity & disruption of operations
- Cybersecurity & data protection
- Customer & data privacy
- Technology innovation

^{1,2} These are Tier 2 topics for us, but we are indicating that these are priority sustainability topics because we know that they are important to our investors, customers, employees and other stakeholders and therefore we are focused on managing and reducing our impacts in these areas.

Our goals & progress



EXL's sustainability strategy includes external goals in key areas, which are tracked against detailed roadmaps. We also strive for continual improvement across our sustainability priority areas through topic-specific strategies and internal targets.

Our sustainability goals were developed based on industry best practices, as well as stakeholder feedback. We are proud to present our progress across these areas as follows:

	Key area	Target	Status ¹
Environment	<ul style="list-style-type: none"> Data center energy management Energy consumption & use of renewable sources 	<ul style="list-style-type: none"> Reduce absolute greenhouse gas emissions across Scope 1 and Scope 2 by 67% by 2035 (over 2019 base year) and achieve net zero emissions by 2045. Decrease energy use by 2% YoY since 2019 base year. Decrease water usage by 2% YoY since 2019 base year. 	<div style="writing-mode: vertical-rl; transform: rotate(180deg);">on track</div> <ul style="list-style-type: none"> Reduced Scope 1 and Scope 2 greenhouse gas emissions by 44.4% since 2019. Decreased total annual energy consumption by 37%. 61.6% annual decrease in electrical consumption per employee compared to 2019 base year. Expanded use of renewable energy investments: added 99 kilowatts of on-site solar power in our Pune, Kochi, and Noida Centers; transitioned to 100% green energy in our UK and Pune Centers resulting in an estimated 8% emissions reduction. Focused on energy conservation management by relocating and increasing occupancy in LEED certified buildings and consolidating data centers to more efficient cloud providers. Began use of electric vehicle (EV) fleets to reduce emissions: EV employee logistics fleet (India) and EV taxi vendors (UK). In discussion regarding validation of GHG reduction targets with the Science Based Targets initiative (SBTi).² 74.1% decrease in water consumption per employee since 2019. In 2022, began our work to become water positive, through innovative water-saving technologies and experimenting with sensor-based water coolers that reduce water waste.

¹ Data as of December 31, 2022 unless otherwise noted.

² Data includes India and Philippines only.

	Key area	Target	Status ¹
Our people	<ul style="list-style-type: none"> Diversity, equity & inclusion Talent attraction, engagement & retention 	<ul style="list-style-type: none"> By the end of 2025, increase representation of women in leadership (VP and above) to 25% globally. 	<ul style="list-style-type: none"> Reached 20.3% representation of women in leadership (VP and above). 70+ active manager and above women leaders completed the Make Your Mark women's leadership program, 52% of participants received promotions and 91% continued leadership development activities. 22 women VPs completed the Women's Leadership certificate program through Cornell University. Women at EXL employee resource group (ERG) focuses on advancing careers and achieving professional growth through networking, training, development and mentorship.
	<ul style="list-style-type: none"> Talent attraction, engagement & retention Corporate culture & communications 	<ul style="list-style-type: none"> Achieve 15% total workforce participation in EXL volunteering and giving initiatives by 2023. 	<ul style="list-style-type: none"> Achieved and surpassed this goal a year early, reaching 16% of global workforce participation in 2022, totaling more than 14,700 hours of volunteering. Launched a global ESG amplification campaign to raise internal awareness of our sustainability efforts and inspire employees to join us in taking action. Expanded the global footprint for EXL's signature initiatives, Skills to Win and Education as a Foundation, to enable new regional participation and, resulting in more than 14,500 beneficiaries of these programs worldwide. Recognized 46 individuals and six EXL teams through EXL's annual Social Impact Awards that honor employee contributions and inspire a culture of volunteerism and giving.

¹ Data as of December 31, 2022 unless otherwise noted.

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4 Governance, ethics & integrity

We believe that key to our success is our clients', employees' and investors' confidence not only in our capabilities and expertise, but also in ethics and integrity being at the center of our business. By combining best practices in corporate governance, strong oversight of sustainability and a pervasive culture of compliance, and maintaining the highest ethical standards, we seek to exemplify our core values every day.



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Data as of June 2023



7

independent directors



1

executive director
(our Vice Chairman and CEO)

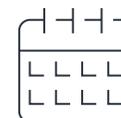


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female directors (37.5%)



**Continued Board
refreshment**



Average independent
director tenure:

4.2 years



50%

racial/ethnic diversity
at Board level



**Right to remove
directors**

with or without cause by the affirmative
vote of a majority of stockholders



**ESG performance
considered**

in CEO performance review and
tied to compensation

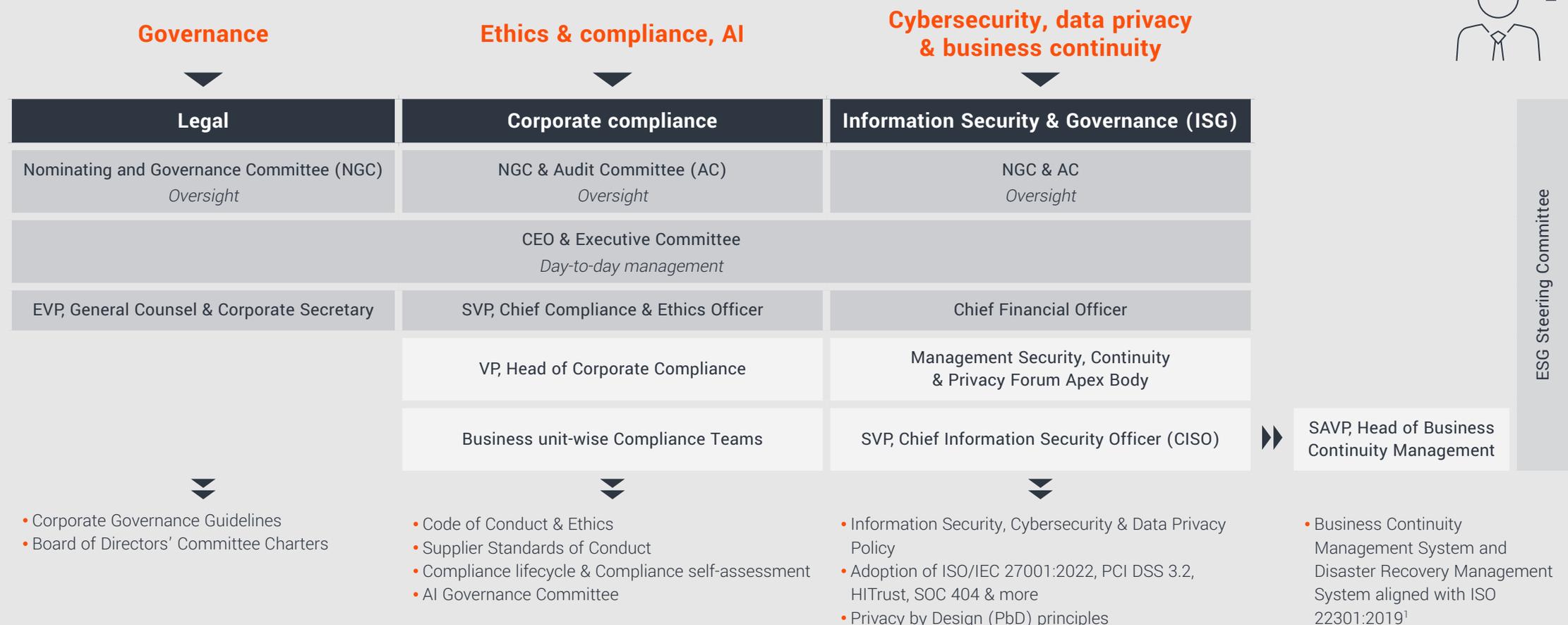
Corporate governance

Our Board of Directors oversees our risk management and strategic planning activities, including environmental, social and governance matters.

We maintain best practices in corporate governance by reviewing and approving our governance policies including our [committee charters](#), [Corporate Governance Guidelines](#), and [Code of Conduct and Ethics](#) at least annually. We continued to support Board diversity this year, introducing gender-neutral clauses into our by-laws.

▶ Visit our Proxy for more on [Board performance and effectiveness](#).

Governance: Governance, ethics & integrity





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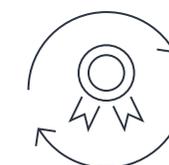
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Business continuity excellence

EXL's Business Continuity Management System and Disaster Recovery Management System are aligned with ISO 22301:2019 and industry best practice¹. Our Board and senior leaders continue active engagement and oversight. In 2022, we increased our focus and extended disaster recovery testing to cloud-enabled technologies and security, strengthened crisis monitoring and incident management and established comprehensive cyber crisis management and communication protocols. Our Board and management also completed cyber crisis simulation exercises to further strengthen our preparedness in the event of a need to address a variety of cybersecurity threat scenarios.

In 2022, EXL was recognized by [The Business Continuity Institute](#) across multiple awards for profound business continuity expertise and implementation practices. EXL also holds the COVID-19 assurance statement from the British Safety Council for all of its delivery centers globally, demonstrating quality pandemic response practices.



¹ ISO 22301:2019 certification for ~65% of EXL delivery centers; certification audit was completed for 35 delivery centers across India, South Africa, the Philippines, Europe (Bulgaria, Romania, Czech Rep.) and Colombia.

Board oversight of ESG

As a best practice, we distribute ESG-related oversight responsibilities across our Board committees, and reflect those responsibilities in their charters to ensure effective and appropriate oversight¹. Our Board and its committees receive regular reports on ESG and sustainability risks, including those relating to ESG disclosures, employee safety, environmental-related efforts, human capital management matters, and corporate governance trends and best practices. Our Board and its committees also oversee our ESG goals, receiving committee-level updates throughout the year, and a full Board update annually. In 2022, we renamed our

Compensation Committee to the Compensation and Talent Management Committee to reflect charter changes and more accurately describe the human capital management-related focus areas of that Committee. We also increased the frequency of our Board committee review, which can be seen in the visual below.

► Read more about ESG governance and our ESG reporting controls in the [Sustainability at EXL](#) section of this report.



► Read more about EXL's Board and governance structure (including Board expertise, Board age distribution, diversity, and tenure breakdown), enterprise risk management and our Board's role in risk oversight, ESG risk management, CEO total compensation tied to the achievement of ESG-related performance goals, and business continuity management and planning.

¹ Upon incorporation of ESG matters into SEC reporting, the Audit Committee will review ESG reporting as part of its SEC reporting review process.

² The NGC is also part of the full board annual review for a total of four reviews per year.

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Ethics & compliance

At EXL, we take pride in our unwavering commitment to operating with integrity in all that we do. Our [Code of Conduct and Ethics](#) outlines our expectations of our employees and others performing work on behalf of EXL to help ensure clarity and alignment on how to live our core value of integrity every day.

Our Compliance team is comprised of professionals with many skillsets, including chartered accountants, corporate secretaries, certified fraud examiners, individuals with certifications in risk management and privacy, among others. The team reports quarterly to the Board's Audit Committee on the general state of compliance within EXL along with various trends related to compliance risk and controls.

We encourage a "speak-up" culture, providing many avenues for our employees to report concerns and help ensure that potential compliance issues are identified early, investigated promptly and remediated fully. We educate our employees on compliance topics and emerging risks to help them effectively perform their jobs while continuing to enhance our culture of integrity. All new and current employees are required

to complete annual training¹ on our Code of Conduct and Ethics, along with other critical ethics and compliance policies and topics including Anti-bribery, Securities Trading, Conflict of Interest, Data Privacy and Cybersecurity, and Fraud Risk Management.

Our [multi-stage compliance lifecycle](#) provides compliance monitoring, reporting and management based on industry best practice. In 2022, we expanded our Compliance Self-Assessment program to all geographic regions and continued expanding the risks covered by self-assessments. We also created a library of compliance and fraud risks at the enterprise level and did an assessment of mitigating controls for each of the identified risks to help ensure appropriate mitigation. In 2023, we incorporated our ESG policy requirements into our Compliance Self-Assessment process.

¹ EXL's Code of Conduct and related trainings listed here are reviewed and, if needed, refreshed annually.

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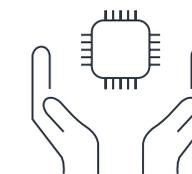
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Responsible AI

A global policy and framework sets out EXL's approach and commitment to achieving trustworthy AI and mitigating AI bias, which includes a three-pronged approach:



Centralized, cross-functional AI Governance Committee

With a focus on and oversight for high-risk AI projects, the AI Governance Committee is led by Corporate Compliance and supported by our legal team, including our General Counsel, and engineering, digital and analytics leads.

A required and standardized enterprise-wide approach

Applied to new AI, this approach includes assessing the level of AI bias risk through EXL's AI due diligence questionnaire and applying industry leading bias solutions, such as the AI Fairness 360 tool that checks for biases throughout the entire machine learning pipeline from data to algorithms to final predictions.

Training and educating employees

Working with experts in responsible AI we train and educate our employees about the dangers of biased data and best practices in responsible AI. This includes customized training for different employee functions, a training portal containing blogs, articles, training videos and other resources dedicated to responsible AI, and an employee awareness campaign.

▶ Read more about our approach to compliance, our Code of Conduct and Ethics and supporting policies, our ethics hotline and speak-up culture, and our responsible AI governance and approach.

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Cybersecurity & data privacy

Given the nature of our business, EXL is highly focused on maintaining a robust and comprehensive program that identifies and manages a broad range of cybersecurity and data privacy risks on behalf of our clients and their customers, as well as our employees, contractors and any relevant third parties. We have implemented, maintain and regularly improve upon governance, policies and processes, and our tools and technologies to identify, protect, detect, respond, and recover from cyber threats, incidents, and attacks.



Examples include:

- Enriching our overall cybersecurity program with stronger governance from the Board's Audit Committee and the Executive Committee
- Developing an accelerated cybersecurity roadmap to bridge the gap between risk appetite and current residual risk
- Strengthening our next-generation cybersecurity framework with a Cloud Security Framework
- Investing in the digitization and automation of our cybersecurity operations
- Strengthened our cybersecurity response by engaging managers in simulation exercises and establishing a crisis communication plan
- Maturing our capabilities to proactively discover malicious software
- Strengthening governance and visibility of the data that EXL holds to identify granular privacy obligations



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Because our services and solutions are sometimes created by us in part and hosted by third parties, we have developed and implemented Privacy by Design (PbD) principles that should be adopted when anyone creates any components of or hosts our solutions. Those PbD principles are aimed at ensuring that privacy safeguards are built into the relevant solution. Additionally, we have implemented guidelines around our AI solutions to respond to increased interest in the use of AI-based solutions and the need to address AI-specific issues relating to privacy.

Each of our employees receives regular knowledge and awareness training on risk mitigation and the management, controls and procedures relating to information security, cybersecurity and data privacy. We also periodically engage third-party experts to review and assess our cybersecurity governance and management approach.

▶ [Read more about our cybersecurity and data privacy regulatory compliance and cybersecurity risk management.](#)

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Supply chain responsibility

As part of our overall commitment to sustainability and promoting a positive work environment, we require our suppliers to operate in line with our core values and applicable laws embodied in our [Supplier Standards of Conduct](#). These address human rights, labor standards, safe and healthy workplaces, freedom of association, anti-discrimination practices, ethical conduct and environmental sustainability. In 2022, we began including terms in our standard contractor agreement that require compliance with our Supplier Standards of Conduct, where reasonable. We also added a new section on sustainable procurement to our Procurement Policy, effective beginning January 2023.

Through our supplier questionnaire that we distribute to new suppliers, we collect background information on supplier policies and performance related to sustainability matters and their ability to adhere to our Supplier Standards of Conduct. In 2022, we were able to collect this information from 95% of suppliers onboarded through our supplier onboarding platform. We also shared the Supplier Standards of Conduct directly with each existing supplier. From the second quarter of 2023 onwards, we began to analyze supplier questionnaire responses to better understand our suppliers' positions and activities around sustainability, including their own supply chain sustainability practices, as well as their diversity, equity and inclusion policies, environmental management and progress, human rights compliance, sustainability reporting, and more. We use supplier responses to our questionnaire to inform our decision-making on whether to move forward with onboarding.

Supplier diversity

Through our Supplier Diversity Program, we seek to encourage U.S.-based suppliers of diverse backgrounds, including without limitation, suppliers owned by people belonging to minority groups, women, the LGBTQ+ community, veterans, specially-abled people, and small business enterprises to participate in our sourcing. In 2022, approximately 5% of our supplier spend was with suppliers who have obtained third-party diverse supplier certifications. In India, we also look to work with Medium and Small Enterprises (MSME) as part of our supplier diversity efforts. In 2022, 33% of suppliers in India were MSMEs, representing 3% of total supplier spend in India.

► Diverse suppliers are encouraged to submit their information through our [Supplier Diversity Registration Form](#).



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Our people and their expertise create tremendous value for EXL and play a direct role in delivering digital intelligence to our clients. We invest in our people's success through employee engagement, workforce training and capability development. We embrace diversity of thought and experience, and remain committed every day to cultivating an inclusive culture, driven by EXL's core values.



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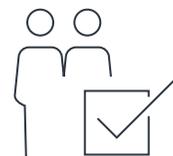
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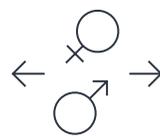
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Data as of December 31, 2022 unless otherwise noted



87.9%

employee
engagement score



41.1%

company-wide
gender diversity



20.3%

women in VP
and above
leadership roles



22%

women in our
management
team¹



60.9%

racial and
ethnic diversity in our
management team¹



28 hours

of training consumed per
employee; 1.2M+ total
hours consumed



2023

**Hispanic/Latino Professionals
Association (HLP)**

America's Best Places to Work
for Hispanics / Latinos



2023

BEST Award

from The Association
for Talent Development

¹ Executive and Operating Committees.

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EXL has a diverse and talented global workforce, comprised of more than 48,000 professionals across Africa, the Americas, Asia, Australia and Europe¹. Our people are our key differentiator, playing a crucial role in delivering data-driven solutions that help drive our business forward and activate our long-term strategy and growth.

¹ As of June 30, 2023.



EXL employees at an HR offsite in Jaipur, India.

Governance: Our people





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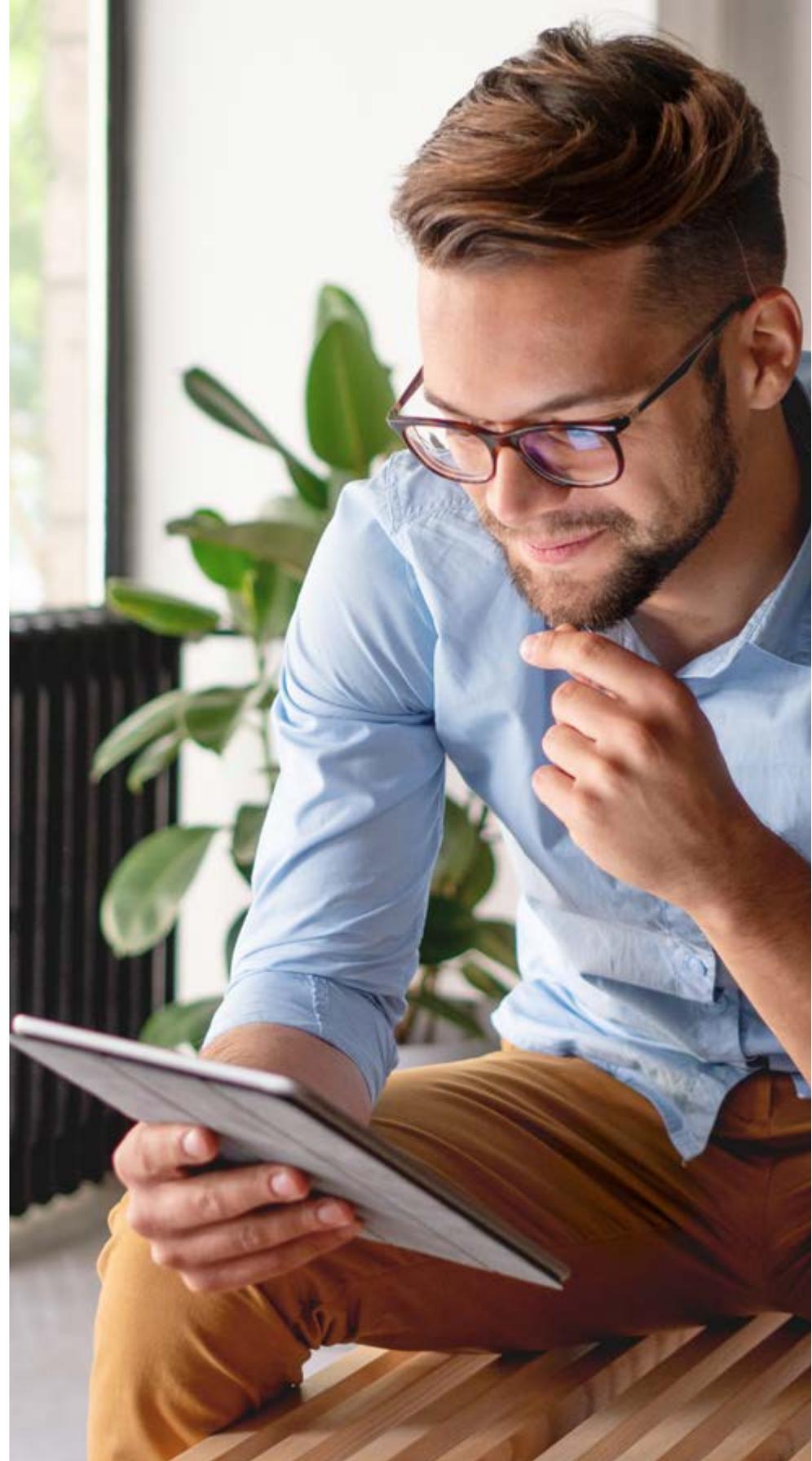
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Our talent strategy focuses on identifying and developing critical skills, while also offering democratized self-learning for all EXL employees. Despite a challenging global job market in the first half of 2022, ambitious, programmatic changes to our human capital management strategies helped EXL make significant progress in talent acquisition and development over the course of the year:

- We prioritized **integrating and activating our culture through the “Better Way Code,”** our culture activation plan and framework modeled around our core values of collaboration, innovation, excellence, integrity and respect.
- We focused on building **best-in-class talent development opportunities by launching ReNew, an all-in-one learning management platform** that offers each of our employees a self-directed and personalized learning experience.
- We introduced **new development and compensation programs** to recognize employee efforts and bolster employee retention, and our global talent acquisition teams hired in record numbers – approximately 24,500 employees – throughout the year.
- We adopted **a hybrid working model, which we refer to as our “future operating model,” and which provided our employees with a degree of additional flexibility.** We continued to use and improve digital-first and multi-channel approaches to keep our employees across the globe informed and engaged.
- We continued our **strong focus on our diversity, equity, and inclusion (DEI) initiatives,** including building women leadership representation, developing targeted interventions for underrepresented people, providing training for managers on inclusive hiring, and growing our employee resource groups (ERGs).
- And we continued to move from **an enterprise-centric approach to human capital management to one that is employee-centric.** This included a series of conversations with our colleagues to uncover the key moments that matter for employee experience at EXL. Looking forward to 2024, we plan to reimagine employee experience to inspire our people to do their best work and attract the best talent.

▶ Read more on our approach to our people, and our human capital management strategy, in our [2021 Sustainability Report](#).



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“Acquiring, developing, and engaging critical talent with complex skills is a top priority at EXL. As we deliver on our data-led strategy and drive digital transformation for our clients, talent is more and more critical. We are sharply focused on pivoting our existing talent base and acquiring new talent to deliver on the new and more complex value-creation that our strategy now demands.”

Pamela Harrison

Executive Vice President and Chief Human Resources Officer



We believe our strong employee value proposition, encompassing career management and development, culture, engagement and retention, and employee health and wellness, is making a significant impact. It ensures our readiness to execute our human capital strategy, which is aligned with our overall business strategy for 2022, 2023 and beyond.

▶ [Read more about the EXL employee experience framework.](#)



Local volunteering brings together EXL employees in Colombia.

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The Better Way Code: EXL's culture activation plan



Development

Shifting to a **self-learning culture**

Increasing access to **learning anytime, anywhere** through our digital learning platform

Offering virtual learning programs on digital specializations, domain and leadership



Knowledge sharing

Creating the SME Network program: a **knowledge-sharing platform** for employees

Building communities of practice within our internal platform for content and best practice sharing

Featuring a series of **thought leadership**, white papers and articles by EXL leaders



Culture of advocacy

Generating employee stories and celebrating individuals and teams exemplifying the EXL brand



Communication

Increasing **communication and engagement** through townhalls and virtual connects

Our values



Collaboration



Innovation



Excellence



Integrity



Respect

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Employee engagement

The experience of our employees is supported and enhanced through our commitment to employee engagement and communications. With more than 70% of our employees working remotely or on hybrid schedules in 2022, and use of our remote and hybrid future operating model going forward, communication and engagement is critical to helping our employees, leaders and teams effectively work, collaborate and feel connected to each other and our culture.

Our employee communications strategy in 2022 focused on amplifying the “why, what, and how” of EXL’s data-led approach. Our new “Outconnect” initiatives are helping employee-driven connections and social engagement and reinforcing EXL’s shared purpose and common values.

As we pivoted to our future operating model in 2022, we continued to rely on digital communication channels such as Microsoft Teams for enterprise-wide communications, and we began to ramp up in-person, smaller group meetings. Virtual Town Halls, attended by all employees worldwide, and VP All Meetings, attended by all vice presidents and above worldwide, continued in 2022, complemented by in-person town halls and employee round tables as employees returned to the office.

Engagement surveys are crucial for us to receive valuable insights into employee sentiment. They help us to identify areas that work well and areas that need improvement. In 2022 and continuing into 2023, we used a chatbot based engagement survey platform to enhance the employee experience and significantly increased participation to 86% within two weeks. In 2022, our employee engagement score¹ increased to 87.9%² (from 86% in 2021).

In December 2022, we launched an ESG amplification campaign to raise internal awareness of our sustainability efforts and inspire employees to take action in their own regions.

¹ Q2 2022 employee engagement survey results.

² For 87.9% of respondents the mean engagement score across the following three questions was greater than 3.25. These questions include: 1. You would always recommend EXL to a friend who is seeking employment. 2. You hardly ever think about leaving EXL to work somewhere else. 3. EXL motivates you to perform your best every day.



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Employee engagement highlights

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92%

of employees feel they receive the support they need from their managers¹



90%

of employees feel their manager sets clear goals for their performance¹



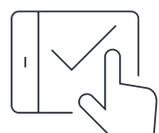
86%

of employees feel EXL actively supports learning and development of its employees¹



85%

of employees feel our senior leaders demonstrate EXL values¹



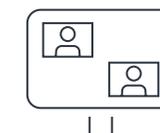
~86%

of employees completed our new AI enabled employee engagement survey



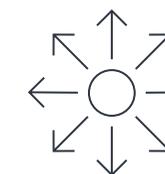
87.9%

overall employee engagement score¹



33,125+

employees attended town halls



50%

increase in overall reach through company communication platforms

¹ Q2 2022 employee engagement survey results.

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Inspiring purpose-driven engagement

“Our sustainability strategy cuts across our values – spurring innovation, building respect, protecting our integrity, demonstrating excellence, and fostering collaboration. Just as our employees are integral to our success, so is how we operate responsibly – our ESG efforts and our workforce are inextricably connected.”

Rohit Kapoor

CEO

We know that employees who participate in our CSR activities have a lower attrition percentage than employees globally. Through our volunteering and giving efforts globally, employees have a major impact on the lives of people in the communities in which we live and work.

▶ Visit the [Community engagement](#) section of this report to learn about how EXL employees give back to their communities.



EXL team members from Europe visit one of the company's CSR initiatives in India focused on building market-relevant skills.



Our female VP leadership development program is dedicated to helping established women executives become extraordinary leaders.





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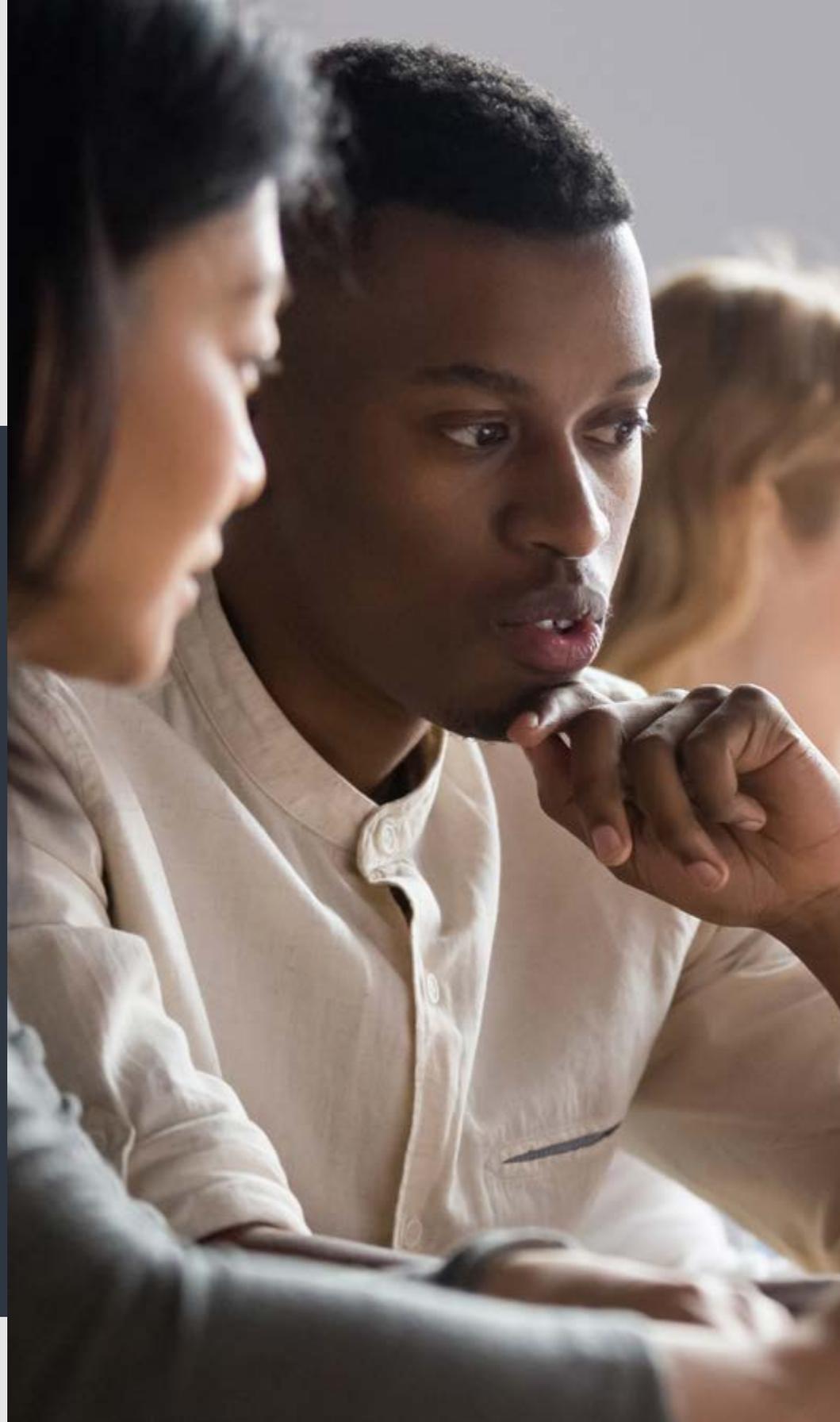
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Talent acquisition, training & development

Our talent strategy is a key driver for EXL's long-term business strategy of turning data into a sustainable competitive advantage for our clients. To deliver on this complex work, we focus on identifying the critical skills and roles necessary to our business so that we can attract and retain the talent needed, while also providing an ecosystem of democratized self-learning where any EXL employee can learn key digital skills, at any time, from anywhere and anyone.

Our revamped talent model is based on building a distributed workforce for our multifaceted talent needs. We use data, technology and business insights to help us create a global talent network through employee social networks and our alumni network. This helps enable us to stay ahead of a dynamic talent economy and ensures our readiness for future growth.

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Talent acquisition

2022 was a dynamic year for talent. EXL experienced record hiring due to company growth, as well as increased attrition across the technology industry, ending the year with approximately 24,500 new hires.

Our talent acquisition strategy framework revolves around a “Build, Acquire, and Partner” approach. In certain circumstances, we use an AI-driven infrastructure to help our human resource leads anticipate and find critical talent and build market-relevant skills and capabilities when and where we need them. This new and nimble approach helps ready us for anticipated growth driven by digital, analytics, domain, and technology skills, and supports and develops role-based specializations on critical capabilities.

Our current approach to winning talent includes:

- **Using data, technology and business insights** to proactively create a hiring pipeline through referrals and alumni contacts, using insights to identify top sources of talent, and leveraging effective channels to hire talent
- **Tapping into and creating a global talent network** through our social networks and our alumni network to scope greater opportunities for acquiring potential talent
- **Leveraging digital platforms** for recruitment and onboarding to interview, assess and onboard talent based on a distributed workforce and complex talent needs; helping us hire multifaceted, critical talent and execute a geography-focused and global sourcing strategy aligned to regional talent demands



- **Using our partner channel**, which provides us with the agility to scale up our hiring, while ensuring stringent quality assurance on the talent sourced; also supporting business continuity in the event that we are challenged to source talent directly.

In 2022, we increased campus hiring for talent for our Analytics and Digital business units and built stronger partnerships with top universities in India.

- **Focusing on the candidate experience** throughout the talent acquisition journey, which helps forge positive connections with prospective candidates and enhance brand value and candidate engagement
- **Building a differentiated employer brand** through branding, communications and social media campaigns that showcase EXL’s culture and employee experience to potential candidates; increasing presence on leadership webinars and industry forums has helped promote employment experiences at EXL to expanded candidate groups

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Talent training & development

We continue to promote opportunities for large-scale upskilling and reskilling of our employees, while also fostering a learning environment conducive to individual skill-building and career advancement.

In 2022, we underwent a fundamental shift in our capability development approach, transitioning from a corporate-driven model to an ecosystem of democratized self-learning, where every EXL employee has the opportunity to learn anything digital, anytime, anywhere and from anyone through our learning platform, ReNew.

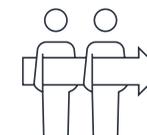
ReNew supports our employees' learning journeys, their individual development goals and their skills building with AI-driven recommendations, curated content libraries, the latest digital training and certifications, and intelligent web-sourced content. Our partnership with Skillsoft drives technical learning on the ReNew platform, providing an exceptional range of STEM learning opportunities for our employees, particularly in coding. We also offered new development opportunities such as domain certifications and trainings.

Talent training & development objectives



Address roles critical to strategy

Build role-specific specialized capabilities to address talent gaps.



Place the right people in the right roles

Continuously assess our critical role holders. Develop/mobilize people with the appropriate skillsets for critical roles company-wide.



Create a future-ready workforce

Proactively build a talent pool with cutting-edge capabilities, including by upskilling and reskilling our existing workforce.



Raise the company baseline

Continuously build company-wide culture around a strong understanding of digital technologies.

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2022 talent development outcomes

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9x

digital specializations from 750 in 2019 to 7,000+¹ in 2022



4x

increase in digital talent from 5% in 2019 to 20% in 2022



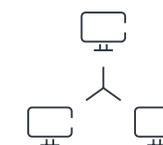
5,900

individuals trained and upskilled for critical roles in digital technologies, methodologies and domain



1.2 million

hours of training across our employees



4,600

managers and above participated in peer-to-peer learning sessions



Capability Development team

recognized with a "2023 BEST Award" from the Association for Talent Development

¹ In cloud, data visualization, data science, data management, and more.

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“The dedication and expertise of our Capability Development team have significantly contributed to my personal development, professional growth and the success of our organization. Through their well-designed training programs, they both foster a culture of learning and continuously equip us with the skills and knowledge needed to excel in our roles. Their innovative approach, engaging learning experiences, and commitment to continuous improvement have transformed our workplace. I feel fortunate to be part of an organization that values and invests in its employees’ growth.”

Rekha Shivdas

Senior Manager, Insurance F&A



Leadership development

Since 2017, we have offered a Management Trainee Program in partnership with premier business schools in India and the Philippines, which helps build our leadership pipeline. Since the program’s inception, we have hired 110+ management trainees from campuses like the Asia Institute of Management (Manila), the Indian Institute of Management (Ahmedabad, Calcutta, Bangalore and Lucknow), and the Faculty of Management Studies (New Delhi). The program provides trainees with accelerated and immersion-led learning, as well as interaction and mentorship by EXL senior leaders. We had 26 participants join us in 2022, reaching over 110 total participants to date.

We also offered digital leadership programs through Stanford and Columbia Business Schools beginning in late 2022 and running through the second quarter of 2023. 26 VP and above members of our Digital team participated in this program, which focused on product-vision and management-level leadership skills and strategy.

▶ Read more about our [training and development](#) and see our [2022 training and development data](#) in our [ESG performance data tables](#) in this report.

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Diversity, equity & inclusion

Our diversity, equity and inclusion philosophy aims to create a fair and inclusive work environment that harnesses the power of diversity to drive organizational success. We recognize that the world we live and work in is diverse and fueled by innovation. To thrive in this environment, we foster a culture that values diverse perspectives, embraces differences and promotes leadership opportunities in a way that reflects the world we operate in.



Acquiring diverse talent

We remain committed to acquiring and developing diverse talent through various programs and are working to minimize attrition through benefits and talent development. Initiatives to acquire diverse talent in 2022 included:

- Working with organizations such as the Hispanic/Latino Professionals Association and other diversity conferences and events, diversity organizations and diversity-focused job boards to provide internships and support the acquisition and retention of diverse talent in analytics
- Partnering with Women Who Code, an organization dedicated to empowering diverse women and non-binary technologists
- Continuing our impact sourcing efforts in South Africa where we have placed over 3,000 youth (18 – 34) in work readiness programs, learnerships, internships and internal referral programs at EXL to date. EXL has hired over 120 marginalized individuals through impact sourcing through this initiative
- Launching an inclusive hiring workshop for hiring managers to learn how to mitigate the role of unconscious bias and candidate diversity; launch of a leadership development workshop for VP+ in the United States
- Seeking to improve the diverse candidate pipeline for every role, including through the use of gender diverse interviewers, among other measures
- Where appropriate, seeking gender balance in our shortlist for hiring of VP+ candidates
- Providing a monthly diversity sourcing training for U.S.-based recruiters

Pay equity

Pay equity is an important aspect of our long-term strategy, and we conducted an analysis in 2021 to identify and rectify any gender pay gaps. Our assessments, conducted with external experts, revealed no systematic gender pay inequity.

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Building leadership diversity

We believe that maintaining diversity in our leadership is one of the most important gateways to building an inclusive business and, in recent years, we have placed a special focus on female leadership development from mid to senior levels through the following activities:

- Actively developed women in AVP and Senior AVP roles to prepare for promotion
- Rigorously tracked female VP+ attrition risks and sought to minimize attrition through DEI initiatives and benefits, and active succession planning through our internal pipeline
- Offered a women’s leadership certificate through Cornell University (eCornell) to all women VPs at EXL. In 2022, 22 of our VPs completed this training that focused on strengthening digital, leadership and finance skills, as well as presence and communication acumen

Make Your Mark: Supporting Women’s Leadership

Make Your Mark is an exclusive six-month, virtual women’s leadership program, including group sessions, 1:1 coaching, and curated learning resources. In 2022, 21 women leaders completed the program. To date, more than 95 women leaders from manager-level and above have participated since the program was first initiated. Of the participants who have remained with EXL, 52% have received promotions following their participation.

Fostering inclusive communities

We actively strive to enhance representation for underrepresented groups and foster inclusion across all levels of our organization. EXL encourages the formation of Employee Resource Groups (ERGs), employee-led groups who come together based on shared interests or characteristics to offer support, networking and a sense of community within the workplace. These groups build strong allyship, organize webinars, fireside chats, and sensitization campaigns to promote inclusion, and facilitate open forums and sessions for employees to engage with each other on a global scale.

For example, our Women at EXL ERG is designed to support women of EXL in advancing their careers and achieving professional growth through discussion, collaboration, networking, training, development and mentorship opportunities. EXL Collage brings together our LGBTQ+ community and allies across EXL.



EXL employees celebrating the strength of female leaders on International Women’s Day.

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DEI by the numbers



41.1%

company-wide female
representation



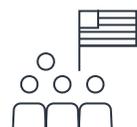
22%

female representation in
our management team¹



60.9%

racial and ethnic diversity
in our management team¹



51.3%

racial and ethnic diversity
in the United States



17.5%

underrepresented minorities
(URM) in the United States²

¹ Executive and Operating Committees.

² URM includes African American, Hispanic, Native Hawaiian/Pacific Islander, American Indian/Alaskan Native, and people who mark two or more races. In 2021, EXL had a representation of URM in the United States at 16.9%.

Progress on our DEI goal

Global

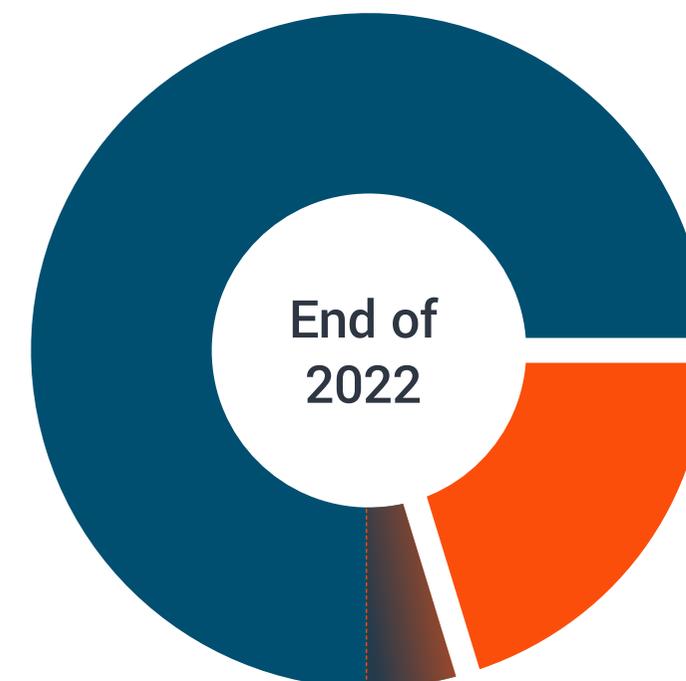
Leadership gender diversity (Vice President & above)

Men

79.7%

Women

20.3%



Goal (end of 2025)

25%

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New programs for 2022 and 2023

We expanded our efforts to promote diversity by including individuals with disabilities (PWD) and military veterans in our sourcing initiatives. Through our community engagement initiatives, we are providing training programs for PWD in partnership with the American India Foundation, and its implementation partner, V-shesh Learning Services, with the goal of offering them employment or internship opportunities upon completion.

▶ Visit the [Community engagement](#) section of this report for more on our support of individuals with disabilities.

To effectively attract and source talent from diverse groups, our recruiting team undergoes monthly training sessions. They learn best practices and use AI tools to create compelling proactive outreach strategies for diverse candidates and seek to ensure that our job descriptions are not unintentionally biased toward any particular group. As part of our efforts to recruit from underrepresented groups, we have established a dedicated human resources team in the United States that collaborates with organizations like the Hispanic/Latino Professionals Association and other diversity organizations and diversity-focused job boards to identify and recruit talent.

In 2022, we launched the "Umbrella Project," a global initiative celebrating inclusion with our LGBTQ+ colleagues, communities, and allies, and planned a range of special activities for Pride Month to further enhance our commitment to LGBTQ+ inclusion.

▶ Read more about EXL's [Diversity and inclusion efforts](#) and visit the appendix of this report for comprehensive DEI data.



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Health, safety & wellbeing

As our people are critical to our success, it is our responsibility to likewise provide a safe and healthy workplace for our employees. EXL has a well-defined Health and Safety Management System that is certified to ISO 45001:2018. As of 2022, 75 percent of delivery centers worldwide are now ISO 45001:2018 (Occupational Health and Safety) certified.

In 2022, EXL conducted an employee environmental, health and safety (EHS) survey with over 800 responses received. The survey gauged employee interest in areas including personal health, EHS trainings and awareness and organizational EHS support. Respondents showed particular interest in activities supporting mental wellness, stress management and maintaining work-life balance.

Additionally, in 2021, EXL received the COVID-19 assurance statement from the British Safety Council for all of its delivery centers globally, demonstrating that we are fully equipped with excellent health and safety protocols for the safe return of our employees at our delivery centers.

In 2023, we received a Five Star Rating from the British Safety Council for best practices in occupational health and safety for our UK and India centers, following audits conducted in 2022. This rating highlights our excellence in health and safety standards for our employees, vendor partners, clients and other stakeholders.

▶ [Read more about our approach and management of health, safety and wellbeing.](#)



Health & safety awards

- International Safety Awards 2022: British Safety Council: India, UK, US and South Africa
- Golden Peacock Awards: 2022 Occupational Health & Safety
- World Safety Forum: Global Safety Summit 2022: National Environment Award & National Safest Workplace Award
- International Institute of Security & Safety Management (IISSM) Awards, 2018-2022 IT/ITeS Category & Safety Excellence Award for Women Safety
- 2023 Five Star Rating from British Safety Council in Occupational Health and Safety for India and UK centers

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#EmployeeWellbeing

Our employee wellness initiatives focus on three areas: promoting good mental and physical health, supporting employees' abilities to manage stress, and enabling positive thinking.

Additions in 2022 and 2023 to our wellness offerings included:

- Expanding U.S. paid maternity leave from six weeks to eight weeks, and four weeks of paternity leave effective June 1, 2023
- Providing parental insurance coverage to employees
- In India expanding our 24*7 online doctor consults and medicines and testing at a discount benefit through partnerships with additional hospitals and healthcare providers
- Offering a eight-week global program on "Mindfulness for Wellbeing & Performance" and a five-week global program on "Integrating Mindfulness for Resilience and Positivity"

▶ Read more about employee wellbeing in our [2020 Sustainability Report](#).

Benefits

We continued to offer a competitive benefits package including:

- 24*7 online doctor consults, medicines and testing at a discount (available across select locations)
- Internal helpline/helpdesk with a central information hub for resource availability, such as hospitals, oxygen, in-demand medicines, testing etc. for employees in India and the Philippines
- Epidemic leave during COVID-19+ to enable employees care for themselves and their families (not available in the U.S.)
- Enhanced insurance coverage available including parental, vehicle, and more in India
- Digital town halls, webinars, workshops, and trainings that focus on the psychological and mental wellbeing of our employees
- Access to counselor support to help employees effectively manage stressful situations in the Philippines, South Africa, U.S. and India
- Employee Assistance Program for employees in India, the United States, the United Kingdom, the Philippines and South Africa offering 24/7 confidential counseling services
- Global employee wellness monthly newsletters

In 2022, we also launched our employee stock purchase plan (ESPP) in India, the United Kingdom and the United States to enable our employees to participate in our success. We expect to expand the ESPP to our other locations soon.

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At EXL, we prioritize environmental stewardship because it makes business sense and is the right thing to do. Across our global operations, we strive to continuously mitigate our carbon footprint, improve energy conservation, minimize waste and develop sustainable infrastructure and operations. Our employees play a principal role in driving our sustainable operations and workplace practices and devote their time to support environmental causes in our communities. We are focused on becoming a net zero emissions¹ business by 2045, and are always looking to innovate and improve our practices to help us get there.

¹ Scope 1 and 2 emissions.



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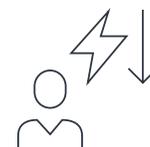
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Environment highlights

Data as of December 31, 2022 unless otherwise noted



Net Zero Goal¹



11.7%

annual decrease in
electrical consumption
per employee



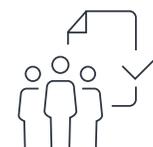
74.1%

decrease in water
consumption per employee
since 2019²



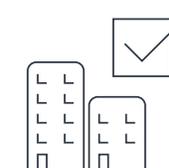
Transitioned 4 centers to renewable energy

with our Pune and United Kingdom
Centers transitioned to 100%
renewable energy use



95%

of suppliers onboarded in 2022
completed questions on environmental
management and sustainability
practices



54%

of EXL's operations
(area by square feet)
are located in LEED
certified buildings

¹ Scope 1 and 2 emissions.

² Data includes India and Philippines only.

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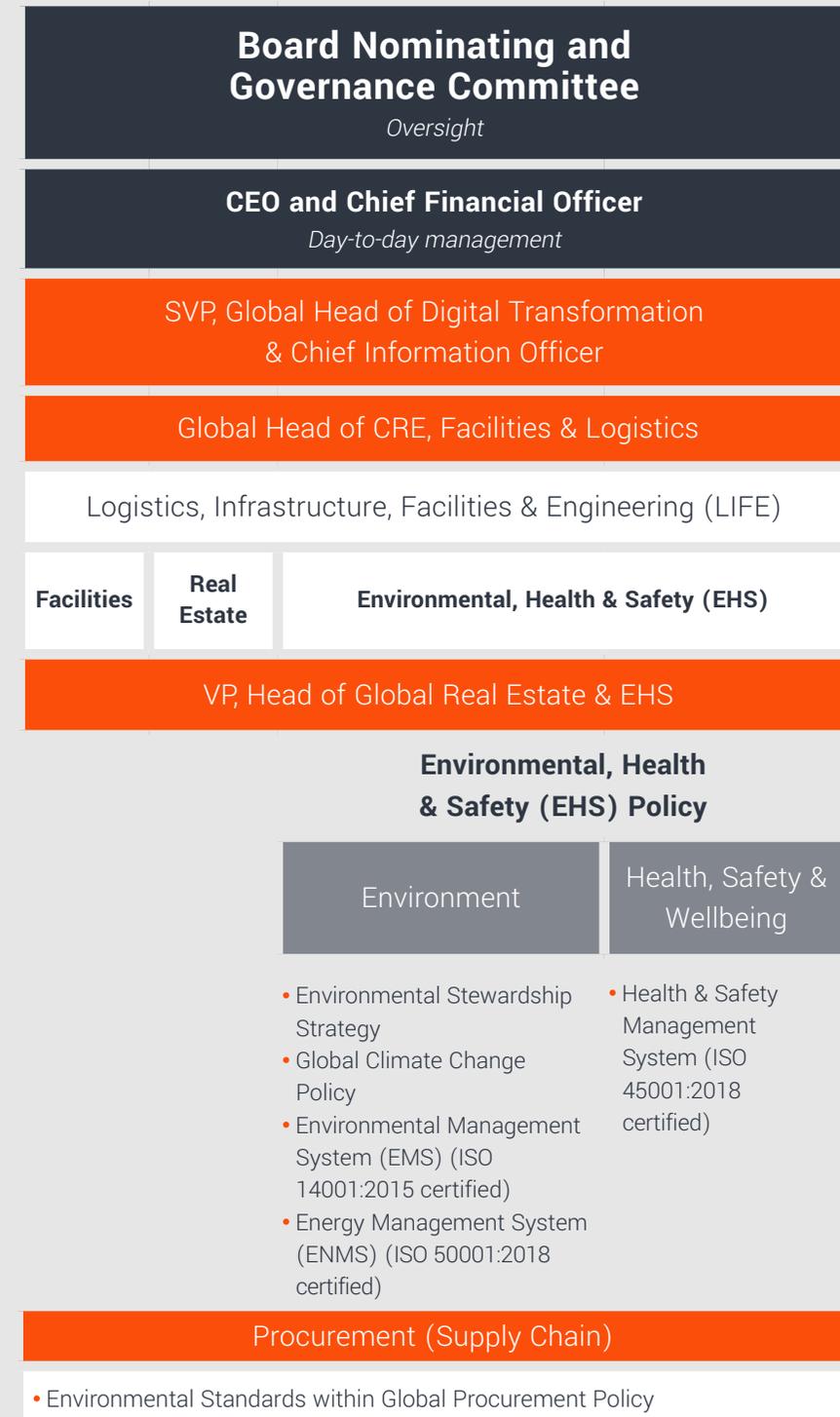
Strategy & approach

Our approach to environmental stewardship is centered around compliance, awareness-building, and our goal to become a net zero business, including through finding energy efficiencies and increasing renewable energy use. We also work to reduce our consumption of paper and plastic, minimizing our use of natural resources. We monitor our water consumption and continually improve our water stewardship programs. We seek to comply with all applicable environmental laws and regulations. We are building awareness among our employees to help amplify our environmental and broader sustainability efforts.



¹ Scope 1 and 2 emissions.

Governance: Environment



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Environmental compliance

EXL’s Environmental, Health & Safety (EHS) Policy ensures that all workplace policies, procedures, systems and practices are optimized, including those related to reducing environmental impacts. In 2022, we developed our first internal global Climate Change Policy. The policy states the commitments (including goals and targets) and approach of our business – in partnership with employees and suppliers – to address the business risks and opportunities associated with climate change. It also aims to align our strategy with global standards to meet the Paris Accords for limiting average global warming to 1.5°C.

EXL’s Environmental Management System (EMS) is ISO 14001:2015 certified in all of our delivery centers as of the fourth quarter of 2022. We also include environmental criteria in our procurement onboarding process through our Global Procurement Policy.

▶ [Read more about governance and leadership of environmental stewardship, our EHS policy and environmental risk management.](#)

“We believe that taking small steps together can make big impacts. We have built the foundational mechanisms and long-term strategy that show us how we can protect the planet while we grow our business. We are bringing our employees along on this journey, empowering them as change agents in achieving our environmental goals, increasing their awareness of environmental issues and how to be good stewards, and helping them connect to their own purposes and visions for a sustainable future.”

Ashu Kalra

Vice President, Head of Global Real Estate and Environment, Health and Safety

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Towards net zero



Our goal:

To reduce absolute greenhouse gas emissions
across Scope 1 and Scope 2 by

67%

by 2035 (over 2019 base year) and achieve
net zero emissions¹ by 2045.

Achieving net zero is a keystone commitment and initiative at EXL. In 2022, we formalized our decarbonization roadmap and completed our first year of actions towards our goal of achieving net zero emissions by 2045. This included a focus on reducing Scope 2 emissions via global investments in renewable energy and energy efficient office space, as well as achieving direct greenhouse gas emissions reductions.

¹ Scope 1 and 2 emissions.



We are working to **embed net zero throughout our business** in the following ways:

- **Integrating net zero into our operations** by establishing and communicating sustainability objectives, engaging business partners and clients, promoting sustainability-related innovations, enhancing supply chain sustainability, considering climate risk, and building climate resilience.
- **Accelerating our environmental stewardship program** by prioritizing energy efficiency, renewable energy, nature-based solutions, transparency and disclosure and building awareness to achieve continual improvement and accelerate towards our environmental goals. Achieving net zero is a keystone commitment and initiative at EXL.
- **Building awareness with our stakeholders** by engaging our employees, securing industry recognitions, participating in community development activities, and participating in discussions with our investors and other stakeholders.

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Harnessing renewable energy

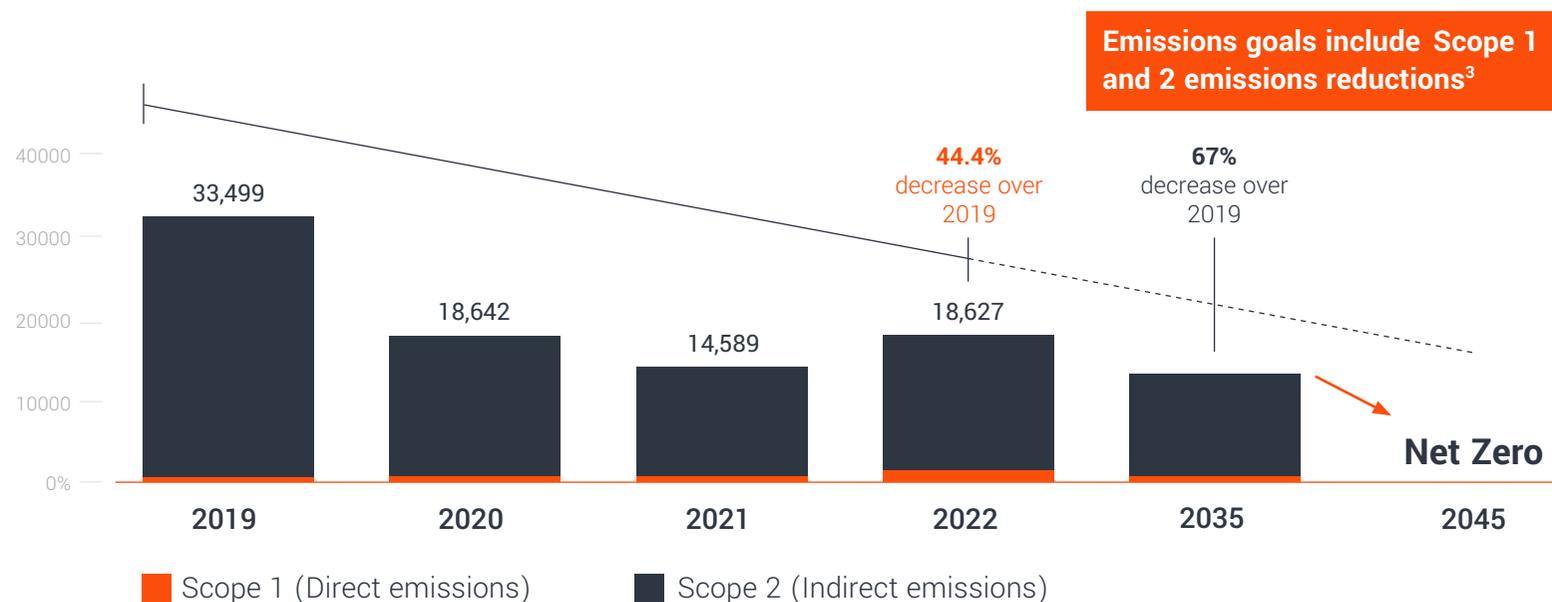
In 2022 and into 2023, we expanded our use of renewable energy through several initiatives. This included installing 99 kilowatts of on-site solar rooftop power in our India centers: 54 kilowatts in Pune, 25 kilowatts in Kochi, and 20 kilowatts in Noida. We also explored open access to source renewable power through engagement with our commercial landlords and builders. Our UK Center transitioned to 100% green energy, resulting in an estimated savings of 2% of our global carbon emissions. Meanwhile, our Pune Center transitioned to 100% green energy, resulting in an estimated savings of 6% of our global carbon emissions. Just over 3% of total energy use in 2022 came from renewable sources¹.

Reducing greenhouse gas emissions

We continued to make progress towards both our 2035 and 2045 goals with a 44.4% reduction in Scope 1 and Scope 2 emissions from 2019. This decrease is primarily attributable to cleaner and lower emission sources of electricity as well as a shift to remote working. Our Scope 1 and 2 emissions increased in 2022 as compared to 2021 as a result of our employees' return to office through our future operating model. Scope 3 emissions² increased as a percentage of total emissions due to an increase in our Category 1, 6 and 7 emissions, which are attributable to our post-pandemic operations and business growth, leading to increased client visits and hiring of new employees³. We expect this trend to normalize going forward.

We also took steps to reduce emissions from transportation and employee travel. In India, we began including electric vehicles (EVs) in our employee logistics fleet. In the UK, we began using a taxi vendor that provides only EVs. To help increase natural carbon sequestration, we partnered with the nonprofit Give Me Trees Trust in India to plant 23,000 trees. EXL aims to increase this effort by planting 50,000 trees in 2023.

Emissions and reduction targets



Assumptions:

- 5% Real estate growth every year against 10-12% headcount growth
- 5% savings through energy efficiency
- 10-15% embedding renewable energy every year
- 30-40% work from home

Notes:

- 2019 to 2022 data are actuals
- 2035 to 2045 are projections

¹ 3.11% actual / 9% annualized as select renewable energy sources were incorporated later in the year.

² Notable additions to Scope 3 emissions since 2022 include Purchased services (Employee Insurance, Sales and Marketing and Technology), Capital Goods, Fuel and Energy related activities (not included in Scope 1 or Scope 2), and Employee commuting from Personal vehicles. These Scope 3 emission sources have been deemed relevant to EXL's operations. Data for 2019, 2020 and 2021 have been revised as well.

³ To review Scope 3 emissions trends, please refer to the ESG performance data tables. Scope 3 emissions data for 2022 is included on page 52 of this report.

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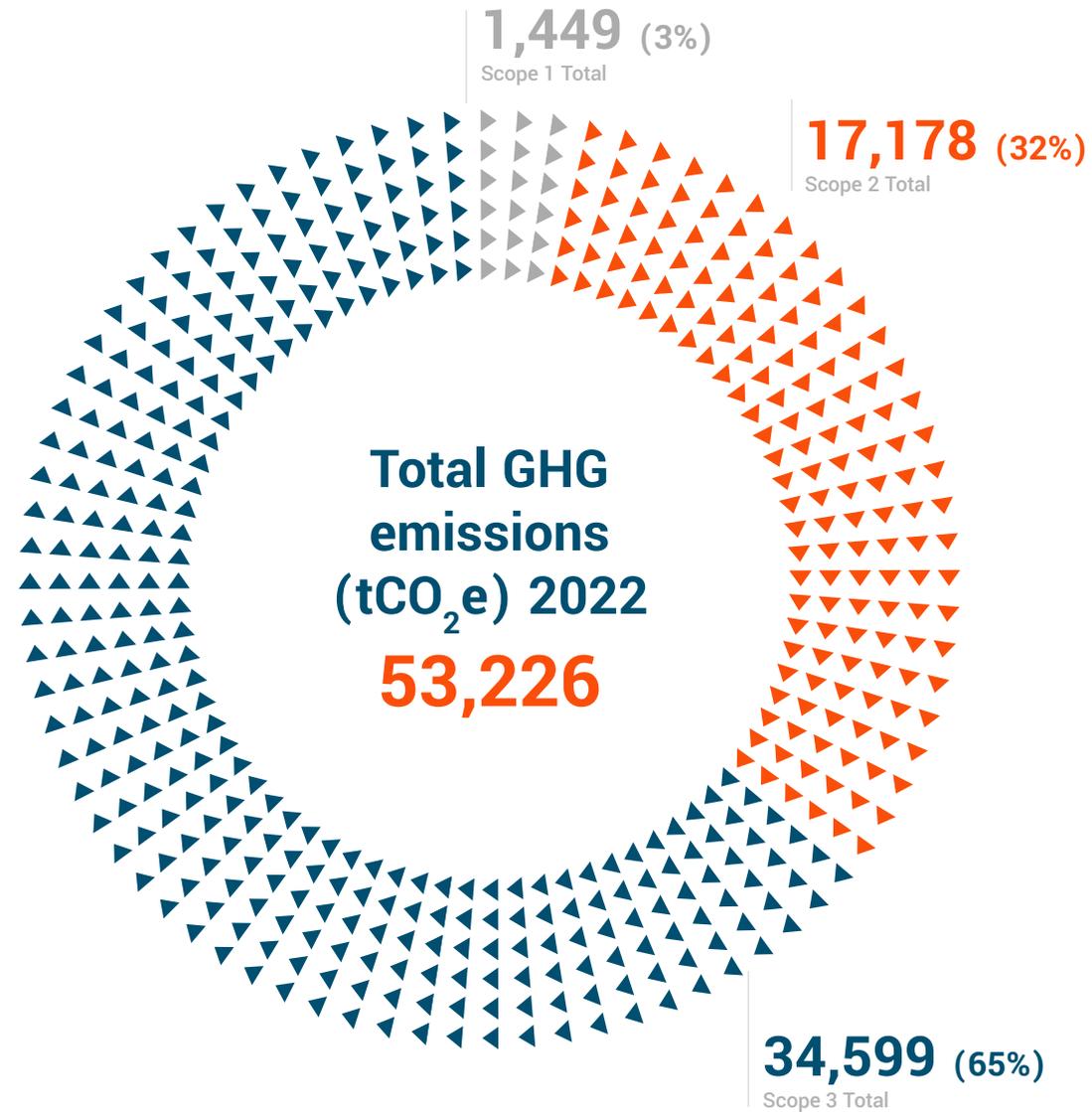
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2022 GHG emissions



Task Force on Climate-related Financial Disclosures (TCFD)

In 2023, we began our climate risk analysis journey by aligning our climate change management process and reporting with the Task Force on Climate-related Financial Disclosures (TCFD) standards with respect to our operations in India and the Philippines. We expect to expand this analysis in the coming years as we look to continue improving our governance and strategic approach to the climate crisis.

Our analysis of EXL's climate risk² led to a detailed assessment of physical and transition risk, which involved identifying potential financial impacts according to different climate scenarios. While the risk analysis found no significant risks to our business, projects aimed at improving sustainability performance will ultimately help mitigate the overall risk to our business and improve our value proposition. We will continue to monitor climate risk as it can quickly change. We also appreciate the potential opportunities for our business as the world transitions to a low-carbon economy.

▶ Visit the [appendix](#) for EXL's TCFD disclosures.

² While assessment began in 2023, the risk assessment covers 2022.

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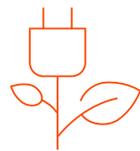
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Looking ahead

We face a long journey ahead toward achieving our net zero goal by 2045 and have set out our planned activities and areas of focus in the following roadmap. We are proud of our progress over the 2019 base year to date, and in 2023 we have begun our phase of Scope 2 reduction focus, as described below.

Our roadmap to net zero					
	Energy efficiency	Harnessing renewable energy	Nature-based solutions	Disclosure & assessment	Amplification & awareness
<p>2023-2025</p> <p>Scope 2 reduction focus</p>	<ul style="list-style-type: none"> • Energy conservation initiatives. • Demand side energy efficiency opportunities • Electric vehicle fleet • Increase percentage of LEED certified office buildings • Smart automation retrofit 	<ul style="list-style-type: none"> • 100% green energy in Pune • Rooftop solar in select India locations • Renewable energy investments • Evaluation of access to RECS 	<ul style="list-style-type: none"> • Reforestation projects • Water conservation and stewardship investments • Water recycling initiatives • Zero waste and zero water projects 	<ul style="list-style-type: none"> • GRI, SASB, TCFD • LEED Commercial interiors certification • British Safety Council 	<ul style="list-style-type: none"> • EHS training e-module for employees and contract employees • Environmental panel discussions • World Environment Day engagement activities • Seasonal advisories and newsletters
<p>2025 - 2030</p> <p>Scope 1 & extended Scope 2 reduction focus</p>	<ul style="list-style-type: none"> • Ramp up Scope 2 reduction focus and efforts • Explore access to net zero locations (LEED net zero) • Supplier engagement in sustainability and emissions reductions 	<ul style="list-style-type: none"> • Increase use of renewable energy (solar rooftops, purchase agreements) • Conversion of business center operations, where practicable, to Certified Green Building (LEED Platinum or equivalent) premises • Purchase of RECS, subject to evaluation 	<ul style="list-style-type: none"> • Reforestation projects • Water conservation and stewardship investments • Water recycling initiatives • Zero waste and zero water projects 	<ul style="list-style-type: none"> • GRI, SASB, TCFD • LEED • British Safety Council 	<ul style="list-style-type: none"> • Supplier engagement • EHS training e-module for employees and contract employees • Environmental panel discussions • World Environment Day engagement activities • Seasonal advisories and newsletters
<p>2030 - 2040</p> <p>Focus on net zero</p>	<ul style="list-style-type: none"> • Ramp up Scope 1 and Scope 2 reduction efforts • Develop and implement a corporate strategy for reducing or neutralizing unabated in direct GHG emissions • Implement internal carbon pricing mechanism 	<ul style="list-style-type: none"> • Increase use of renewable energy • Conversion of business center operations to net zero facilities 	<ul style="list-style-type: none"> • Explore nature-based solutions to support carbon removal (eg. afforestation opportunities) 	<ul style="list-style-type: none"> • GRI, SASB, TCFD • LEED • British Safety Council 	<ul style="list-style-type: none"> • EHS training e-module for employees and contract employees • Environmental panel discussions • World Environment Day engagement activities • Seasonal advisories and newsletters

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Energy efficiency & renewable energy

Our energy consumption primarily comes from our office facilities, as electricity is used for lighting, cooling, powering computers, and other related systems. At EXL, we view energy efficiency as a value driver, as well as a key part of our strategy to achieve net zero.

Total energy consumption decreased by 37% over the 2019 base year. In 2022, EXL's use of renewable energy increased to just over 3% of total energy use¹.



¹ Renewable energy is used only at our facilities in India and the United Kingdom; 3.11% actual / 9% annualized as select renewable energy sources were incorporated later in the year.

² Pune Center will lead to an estimated 6% reduction in global carbon emissions, UK will lead to an estimated 2% reduction.

³ Our most recent certification was received in January 2023, and recertification is due in December 2025. EXL does not plan to expand locations certified to ISO 50001:2018 as this is largely covered by ISO 14001 for an IT/ITES organization.

In 2022, our energy efficiency initiatives resulted in an estimated direct cost savings of \$250,000. Highlights of these initiatives included:

- Implementing enterprise level smart automation for energy monitoring
- Transitioning our UK and Pune Centers transitioned to 100% green energy, which we estimate will reduce global carbon emissions by 8%²
- Installing 99 kilowatts of on-site solar rooftop power; including 54 kilowatts in one of our Pune centers, 25 kilowatts in our Kochi center, and 20 kilowatts in one of our Noida centers

Additionally, seven delivery centers in India and the Philippines are ISO 50001:2018 certified³, meeting international standards for systemic approaches aimed at energy management and performance.

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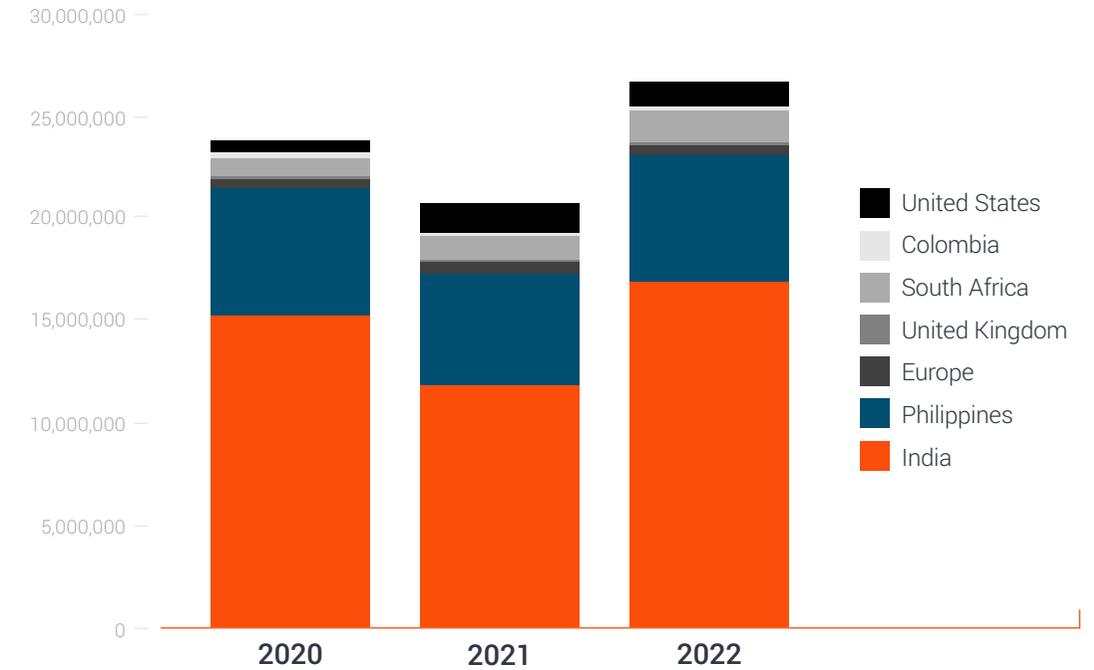
To advance energy efficiency moving forward, we are exploring energy conservation management programs using current technologies including:

- Relocating to LEED certified buildings for existing centers
- Increasing occupancy into LEED certified buildings for new offices in South Africa
- Consolidation of our data centers and working with leading providers such as AWS and Azure to shift enterprise services and business solutions to the cloud
- Engaging in an enterprise level retrofit program with smart automation, such as automated lighting through motion sensors

▶ Visit the [appendix](#) for EXL's energy data.



Total energy consumption by region in kWh (2020-2022)



Total renewable energy consumption by region in kWh (2022)



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Waste

We aim to achieve zero waste to landfill through recycling, active minimization of waste, and streamlining systems and processes. As such, generated e-waste, which comes from redundant technology products such as CPUs, printers, networking equipment, laptops, and cartridges, are recycled through government-approved recyclers. We also trace the end-of-life of e-waste through a compliance check mechanism. Because waste rules differ by region, local operational teams handle waste in addition to sorting, classifying, and handing over waste to government-authorized recyclers, as well as securing relevant permits for various types of waste. Waste management at all EXL facilities is guided by a standard operating procedure that is continuously updated to incorporate new regulations. Wet waste generated at EXL facilities is sent to in-house composters in our largest locations.

We also continued our reduction of single use plastics by developing an inventory of one-time plastic commodities throughout our offices and taking steps to reduce use of non-plastic items where possible.

▶ [Read more about waste management at EXL and visit the appendix for EXL's waste data.](#)

Water

At EXL, our water consumption primarily comes from domestic water usage at our office facilities. We acquire all of our freshwater from municipal water sources or purchase it from commercial providers. As an information technology company, we are not a water-intensive organization, we do not acquire ground water at any of our businesses, and none of our operations have influence on water conservation zones designated and reported to us by national or international agencies.

The majority of our offices are in metropolitan locations and in multi-tenant buildings, where we have endeavored to install the best sustainable solutions available in the market. Most of our leased office spaces are LEED certified, which requires that office spaces be zero discharge for wastewater, maximizing water re-use and recycling.

In 2022, our water consumption was 67,985 kiloliters across all of our operations in India and the Philippines. In 2022, we began our work to become water positive, which means that we are contributing more to the sustainable management and conservation of water than we are consuming. This included innovative water-saving technologies and experimenting with sensor-based water coolers that reduce water waste.

▶ [Visit the appendix for EXL's water data.](#)



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Amplification & awareness

We continue to engage and excite our employees as key stakeholders in our environmental strategy. Our detailed awareness and engagement campaigns include internal and external sustainability communications, and volunteer and employee engagement opportunities around key days such as World Environment Day, Earth Day, Zero Emissions Day, and International Day of Climate Action. This year we conducted a week-long awareness campaign for World Environment Day and an Earth Day campaign, "Invest in our Planet". We also highlight environmental milestones such as new renewable energy projects and our ISO 14001:2015 certification to raise awareness among employees about environmental sustainability at EXL.



Our employees in Noida participate in a local tree planting activity.



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Celebrating World Environment Day

In 2022, we conducted a week-long series of engagement and awareness sessions, as well as opportunities for action, to celebrate World Environment Day. These included:

- Reforestation activities within the office premises as well as offsite
- World Environment Day carnival in partnership with self-help groups and nonprofits aimed at engaging employees to #BeatPlasticPollution through games and interactive sessions
- World Environment Day pledge online for our employees
- A variety of volunteer opportunities across our regions such as clean-ups, walkathons, film screenings, and more
- ~1,500 hours of employee engagement in World Environment Day activities



Looking forward to 2023 and beyond, we will continue expanding our detailed awareness and engagement campaign to include nominated “Guardians of the Environment,” disaggregating leadership in environmental stewardship across groups and regions, sustainability-focused knowledge hours, additional environmental volunteer opportunities, such as reforestation, nature walks, and beach and park clean-ups, and expansion of our mandatory e-EHS training to contract employees in addition to all of our employees. We engage our clients in our ongoing environmental initiatives to drive greater impact but also foster collaboration within our organizations; for example, in 2022 CNO Financial Group participated in a reforestation activity.

“Participating in the joint EXL and CNO Financial Group tree planting volunteer day was a wonderful opportunity for me to help make a change for our future, while enjoying time with my team. I am looking forward to seeing these plants grow and visiting these forests soon and grateful to have had the opportunity to take part in this initiative.”

Arivukkarasu Purushothaman

IT Program Manager



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EXL and our employees are committed to realizing our shared vision: “Lead the Change, Change to Lead.” We pursue this through engagement with and investment in the communities in which we work and live. Our community engagement strategy focuses on creating the next generation of digital creators and innovators by providing education and skills development for young people and adults around the world.



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Data as of December 31, 2022 unless otherwise noted



16%

of our global workforce, or 7,000+ employees, contributed to our CSR initiatives achieving and surpassing our 2023 employee volunteering goal a year early



14,700+

volunteer hours



32,000+

people benefitted from our volunteering efforts



11,000+

students participated in our Education as a Foundation initiative



3,500+

people equipped with market-relevant skills through our Skills to Win initiative

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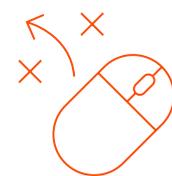
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Success in today's digital world means continuous learning and developing new skill sets. As a leader in data analytics, EXL is well-positioned to help empower communities through digital skills development and education. Our community engagement strategy focuses on four key pillars: education, digital skills development, employee engagement, and community impact. It is powered by the participation of our employees, who leverage their expertise to help build market-relevant technical and life skills for the future. Our community engagement initiatives enable and permit individuals to position themselves as leaders in the job market. We seek out community-based, regional, and global partners that include employee volunteering as part of their overall project plan aimed towards holistic development of beneficiaries and providing a sense of purpose to our employees who volunteer.

Our community engagement pillars



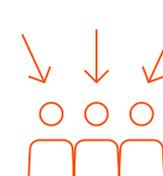
Education



Digital skills development



Employee engagement



Community impact



Governance: Community engagement



For more information please see [EXL's CSR policies for India](#).

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Building skills for the future

At the core of our community engagement strategy is building a pipeline of future talent for our industry, while strengthening the workforce within the diverse regions where we operate. Since they were started in 2019, our Education as a Foundation and Skills to Win initiatives have created a platform to develop market-relevant skills and help members of underserved communities position themselves as leaders.

Supporting our planet and healthy communities

In addition to our focus on education and skills development, we also work to advance positive environmental and health outcomes for our communities. Through partnerships with local NGOs in India, the United States, the Philippines, and South Africa, we have contributed to reforestation efforts, beach and sea-bed cleaning exercises, hospital improvements and upgrades, and more.

Moving into 2023, we will continue to grow our impact within our focus areas of education and skills development, while expanding our commitments to partnerships linked to other UN Sustainable Development Goals, such as healthcare and the environment.



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Signature initiatives

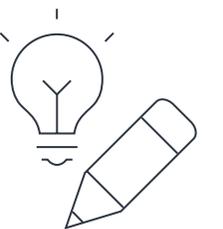
EXL's signature initiatives – Education as a Foundation and Skills to Win – form the heart of our community engagement efforts. Currently, we engage more than 14,500 project beneficiaries globally through these initiatives. In 2022, we expanded the geographical reach of our community engagement projects to enable more participation by our people and reach a broader group of beneficiaries within those expanded regions. We are working on a substantial expansion of these programs starting in 2023.



Skills to Win: targeted digital skills development

Our Skills to Win initiative equips individuals with in-demand skills to expand their career paths in the digital economy. In 2022, we added digital skills courses with a focus on collaboration, critical thinking, and other in-demand soft skills to our programming.

In 2022, we also introduced a new enterprise-wide focus on STEM and coding skills for women, girls, and non-binary people; which reached 1,000 beneficiaries in the United States, 90 beneficiaries in the UK, and 30 beneficiaries in South Africa, as well as a recent expansion to India through a new coding project with [EduBridge](#), which aims to benefit 200 beneficiaries. Our Skills to Win initiative is offered in the United States (in partnership in 2022 with [Women Who Code](#)), UK (in partnership with [Code First Girls](#)) and South Africa (in partnership with [GirlCode](#)), and beginning in 2023, the Philippines (in partnership with [Edukasyon](#)), which aims to benefit 150 beneficiaries.



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EXL won the “**Best Education Initiative of the Year – 2022**” at Indian CSR Awards 2022, held in Gurgaon, India



EXL employees accept the 2022 Best Education Initiative of the Year Award at the Indian CSR Awards.



▶ Read more about EXL’s other Signature Initiatives, such as Skills to Win and Education as a Foundation, in our [2021 Sustainability Report](#).

Education as a Foundation: broad-based, market-relevant skills

Through our Education as a Foundation initiative, we help middle and high school-aged students prepare for future careers by introducing them to foundational digital, extracurricular, and career readiness skills.

For example, EXL employees visited the [OM Foundation School](#), one of our community engagement partners in Noida, India, to share professional experience and insights with students. In turn, we hosted tenth grade students from the OM Foundation School at our Center for Talent building in Noida during a school break. The students participated in a series of sessions that reiterated the importance of education for their emotional, physical, and financial wellbeing and interacted with EXL employees. Members of our Capability Development Team, a part of our Human Resources team, led these interactive question and answer sessions and covered topics such as career development and successful transformation from school to work life.



EXL employees visit Education as a Foundation partner OM Foundation School in Noida, India to share professional insights and experience with students.

Additional community partners



KodiakCare

In the United States, millions of dogs are euthanized each year for economic reasons. To help save beloved dogs in our U.S. communities, in 2022 EXL became a donor to [KodiakCare](#), a nonprofit that reduces economic euthanasia by providing financial assistance to pet owners facing veterinary bills they cannot afford.



Spherule Foundation

In 2023, EXL partnered with [Spherule Foundation](#) (an India-based nonprofit) to provide financial assistance to upgrade Mai Mangeshkar Hospital's ICU located in Pune, India. Mai Mangeshkar Hospital, part of the Lata Mangeshkar Medical Foundation, has gained recognition for its dedication to delivering medical services at affordable rates.

With the support of EXL, the ICU at Mai Mangeshkar Hospital underwent substantial improvements, which resulted in an expanded capacity from 9 to 23 beds. This expansion allowed the hospital to serve a broader range of critically ill patients, addressing the need for accessible critical care services.



Give Me Trees Trust

Deforestation is a leading driver of the climate crisis and biodiversity loss. Forests provide natural carbon sequestration, habitat for wildlife, and many renewable resources communities rely on. With India having one of the highest deforestation rates in the world, in 2022 we partnered with India-based nonprofit [Give Me Trees Trust](#) to plant 23,000 trees with the service of volunteers from EXL and local communities. EXL aims to increase this effort by planting 30,000 trees in 2023.



L.O.V.E. Our Youth

In 2022, EXL partnered with [L.O.V.E. Our Youth](#), a nonprofit that helps at-risk youth establish long-term academic, career, and life goals. As part of this, EXL offered eight virtual courses led by our employees based on L.O.V.E. Our Youth curricula to middle and high school students from New York and New Jersey. These courses helped provide the students with exposure to diverse career fields and skill development in communications, collaboration, critical thinking and creativity.



American India Foundation

EXL is committed to the inclusion of individuals with disabilities (PWD) as part of our DEI efforts. Beginning April 2023, EXL began partnering with the [American India Foundation](#), using as its implementing partner [v-shesh Learning Services](#), an award-winning impact enterprise addressing disability inclusion, to support the training and employment of 15 deaf job seekers. The program will prepare individuals for specific roles at EXL followed by employment at Pune, India for trainees who complete the training successfully. Additionally, EXL is holding sensitization sessions for managers, peers and colleagues on disability inclusion and working with deaf colleagues.

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Employee volunteering & giving

Our people are what make our community engagement success possible and permit our employees to have a direct impact on the lives of the people in the communities in which we live and work. We also know that employees who participate in our CSR activities have a lower attrition percentage than employees globally. We believe that opportunities to give back make our employees more fulfilled and engaged at work, which is why our community engagement programming emphasizes employee volunteering.



EXL employees participate in a tree planting event in India.



Supporting communities in times of crisis

In 2022, war and disaster afflicted many communities across the globe. For example, in response to the war in Ukraine, EXL stepped up to do our part, partnering with the Red Cross and the United Nations World Food Programme, to help provide food and humanitarian assistance to affected communities by donating \$40,000. Our employees joined in by donating nearly \$10,000 to this cause.

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Volunteering

At EXL, we prioritize nonprofit partnerships that allow our employees to share their skills and experience working on advanced digital technologies and to make other valuable contributions to our communities through volunteering. After shifting our volunteer programs to hybrid and virtual formats, we have allowed our employees to reach even more beneficiaries and positively impact our communities worldwide. Employee participation in volunteer activities has been increasing year-over-year. In 2022, we exceeded our 2023 goal a year early with 16% of our global workforce contributing to CSR initiatives, totaling more than 14,700 hours.



EXL employees participate in a beach cleaning event in the Philippines.

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EXL's Global Technology Team visits and volunteers at Education as a Foundation partner schools in Noida in collaboration with the Magic Bus India Foundation..

Giving

EXL allows our employees in India, the United States, Romania and Bulgaria to contribute a portion of their taxable income to charitable causes through payroll giving. In India, EXL matches monthly contributions through our payroll giving program¹. In 2022, our employees in India donated \$22,650 to nonprofits they are passionate about.

Employee volunteer recognition

In 2022, we continued EXL's Annual Social Impact Awards, which honor the contributions of our employees and support and inspire a culture of charitable giving and volunteerism. We recognized 46 individuals and six EXL teams (either business units or regions) for their dedication to our community engagement initiatives. This was based on a variety of criteria including encouraging uptake of volunteering and payroll giving, client engagement, leadership participation, and CSR initiatives pioneered and driven by specific business units.

¹ As of 2023, EXL provides a limited corporate match for the total annual contribution generated by the employee payroll giving program.

Employee participation in EXL CSR initiatives



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The report includes primarily new environmental, social and governance (ESG) related activities from fiscal year 2022 (January 1, 2022 to December 31, 2022), as well as key highlights through the first half of 2023. The report focuses on aspects that have been identified as "material topics" through stakeholder engagement and our most recent [materiality assessment](#). Additionally, the indices that follow primarily focus on Tier 1 material issues, in accordance with the requirements of GRI.

Any references to "material" or "materiality" in this report are not intended to have the same meaning as in the context of financial statements or financial reporting or as defined by the securities laws of the United States. We follow the GRI definition of materiality for our sustainability materiality assessment and for purposes of this report.

This report covers our operations across all of our locations (India, United States, United Kingdom, Canada, Bulgaria, Czech Republic, Romania, Philippines, Mexico, Ireland, Colombia and South Africa), ExlService Holdings, Inc. (the parent company) and its affiliates, unless otherwise stated. All monetary values are in U.S. Dollars (USD) and on a GAAP basis unless otherwise noted. Limited assurance on certain agreed/identified sustainability indicators in this report has been provided by Ernst & Young Associates LLP, in accordance with the International Standards on Assurance Engagements (ISAE) 3000 (revised), "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and the ISAE 3410 "Assurance Engagements on Greenhouse Gas Statements", issued by the International Auditing and Assurance Standards Board. The subject matter, criteria, procedures performed and limited assurance conclusion are presented in the assurance report attached at the end of this report.

We welcome feedback from all our stakeholders on this report and our performance. Please send any comments or questions about this report to: lookdeeper@exlservice.com.



ESG performance data tables

Earning the trust of our key stakeholders is important to us and we do this by transparently disclosing on a suite of environment, social, and governance (ESG) performance metrics that we believe are relevant to our program. Three years of data has been provided where available. As we continue to expand our metrics collection and disclosure, new metrics may be added without data from prior years.

Performance indicator	2020	2021	2022
About EXL			
Total net revenue (\$m)	\$958.43	\$1,122.29	\$1,412.04
Operating costs (\$m)	\$848.41	\$966.41	\$1,219.88
Interest charges (\$m)	\$11.19	\$7.56	\$8.25
Taxes & royalties (given to various governments) (\$m)	\$25.63	\$31.85	\$47.57
Financial incentives (\$m)	\$0.22	\$1.19	\$1.95
Governance, ethics & integrity			
Corporate governance			
Independent directors	9	8	7
Executive directors	1	1	1
# of female directors	3	3	3
% of female directors	30%	33%	37.5%
% diverse in terms of racial/ethnic diversity at Board level	40%	44%	50%
Average independent director tenure	8.2	7.7	7.4
Ethics & compliance			
Percentage of employees who completed code of conduct training	95%	91%	92%
Percentage of employees who completed anti-corruption and anti-bribery training ¹	—	—	91%
Total number and nature of confirmed incidents of corruption	0	0	0
Cybersecurity & data privacy			
(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected ²	0	0	0

¹ The Anti-bribery and Anti-corruption Training was broken out as a new standalone training in 2022. Prior to that, it was within the Code of Conduct Training.

² There were no reportable data breaches, the percentage involving personally identifiable information, or the number of users affected.

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Performance indicator	2020	2021	2022
Governance, ethics & integrity			
Supply chain responsibility			
Percentage of new suppliers that were screened using environmental criteria	–	~50%	95%
Percentage of new suppliers that were screened using social criteria	–	~50%	95%
Our people			
Workforce details			
Total employees¹	32,156	37,319	45,906
Total male employees	19,466	22,031	27,025
Total female employees	12,690	15,288	18,881
Total foreign national employees	612	632	734
Total employees located offshore	7	5	6
Total employees by gender and region²			
Total permanent employees	31,912	36,900	45,384
Total permanent female employees in Colombia	171	193	191
Total permanent male employees in Colombia	201	186	234
Total permanent female employees in Europe	205	288	328
Total permanent male employees in Europe	112	117	163
Total permanent female employees in India	6,190	7,561	9,670
Total permanent male employees in India	14,648	16,880	20,380
Total permanent female employees in Philippines	4,569	5,061	6,007
Total permanent male employees in Philippines	3,002	2,994	3,800
Total permanent female employees in South Africa	421	811	1,102
Total permanent male employees in South Africa	225	379	573
Total permanent female employees in United Kingdom	42	46	59
Total permanent male employees in United Kingdom	121	129	186

¹ There are no workers who are not employees.

² There are no employees with non-guaranteed hours at EXL.

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Performance indicator	2020	2021	2022
Our people			
Total employees by gender and region¹			
Total permanent female employees in United States	955	1,093	1,278
Total permanent male employees in United States	1,008	1,084	1,282
Total permanent female employees in other geographies	12	29	46
Total permanent male employees in other geographies	30	49	85
Total temporary employees	244	419	522
Total temporary female employees in Europe	30	25	26
Total temporary male employees in Europe	11	10	9
Total temporary female employees in India	66	101	99
Total temporary male employees in India	74	142	238
Total temporary female employees in Philippines	4	28	34
Total temporary male employees in Philippines	6	10	29
Total temporary female employees in South Africa	1	6	2
Total temporary male employees in South Africa	1	4	3
Total temporary female employees in United Kingdom	3	4	6
Total temporary male employees in United Kingdom	15	11	14
Total temporary female employees in United States	19	38	33
Total temporary male employees in United States	8	32	28
Total temporary female employees in other geographies	2	4	–
Total temporary male employees in other geographies	4	4	1

¹ There are no employees with non-guaranteed hours at EXL.

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Performance indicator	2020	2021	2022
Our people			
Total employees by gender and region¹			
Total full-time employees	32,018	37,162	45,733
Total full-time female employees in Colombia	171	193	191
Total full-time male employees in Colombia	201	186	234
Total full-time female employees in Europe	222	301	336
Total full-time male employees in Europe	119	124	170
Total full-time female employees in India	6,256	7,662	9,769
Total full-time male employees in India	14,722	17,022	20,618
Total full-time female employees in Philippines	4,573	5,089	6,041
Total full-time male employees in Philippines	3,008	3,004	3,829
Total full-time female employees in South Africa	422	817	1,103
Total full-time male employees in South Africa	226	383	575
Total full-time female employees in United Kingdom	42	48	63
Total full-time male employees in United Kingdom	136	139	200
Total full-time female employees in United States	903	1,048	1,217
Total full-time male employees in United States	969	1,064	1,256
Total full-time female employees in other geographies	14	32	46
Total full-time male employees in other geographies	34	50	85
Total part-time employees	138	157	173
Total part-time female employees in Europe	13	12	18
Total part-time male employees in Europe	4	3	2
Total part-time female employees in South Africa	–	–	1
Total part-time male employees in South Africa	–	–	1
Total part-time female employees in United Kingdom	3	2	2
Total part-time male employees in United Kingdom	–	1	–
Total part-time female employees in United States	71	83	94
Total part-time male employees in United States	47	52	54
Total part-time female employees in other geographies	–	1	–
Total part-time male employees in other geographies	–	3	1

¹ There are no employees with non-guaranteed hours at EXL.



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Performance indicator	2020	2021	2022
Our people			
Training acquisition, training & development			
Hours of training consumed by employees	1,235,136	570,812	1,297,167
Hours of training consumed by male employees	772,657	349,556	787,118
Hours of training consumed by female employees	462,478	221,257	510,050
Average training hours per employee	38	15	28
Average training hours per male employee	40	16	29
Average training hours per female employee	36	14	27
Percentage of employees receiving feedback at least annually in a formal performance review with their managers	100%	100%	100%
Overall EXL engagement score	86%	86%	87.9%
Attrition rate	26.5%	30.4%	35.7%
Leadership development			
Number of manager-level employees who completed Unconscious Bias training	456	353	673
Number of manager-level employees who completed the Inclusion @ Scale training	NA - launched in 2021	1,300+	801
Diversity, equity & inclusion¹			
% company-wide gender diversity	39.4%	41%	41%
% underrepresented minorities in the U.S. ²	16.3%	16.9%	17.5%
% racial and ethnic diversity in the U.S.	49.6%	45.4%	51.3%
Board composition			
% of female directors	30%	33.3%	37.5%
% directors racial/ethnic diversity	40%	44.4%	50%
Leadership			
% women in leadership (VP and above)	17%	18.3%	20.3%
% racial/ethnic diversity in senior leadership (Executive and Operating committees)	65%	70%	60.9%

¹ All metrics in the Diversity, equity & inclusion section are as of June 30 for each respective year.

² African American, Hispanic, Native Hawaiian/Pacific Islander, American Indian/Alaskan Native and people who mark two or more races. Percentages calculated on the basis of total U.S. reporting employees (does not include those who choose not to disclose race/ethnicity).

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Performance indicator	2020	2021	2022
Our people			
Workforce distribution by gender of employee			
Workforce distribution by gender of employee (% women)			
Senior management (VP+)	17%	18%	20%
Middle management	27%	27%	27%
Junior management	32%	32%	32%
Non-management workers	43%	45%	46%
Collective bargaining agreements			
% of workforce covered by collective bargaining agreements ¹	0.3%	0.4%	0.5%
Health & safety			
% of delivery centers are certified to ISO 45001:2018, meeting international standards for occupational health and safety ²	72%	64%	75%
Parental/maternity leave³			
Total employees entitled to parental/maternity leave	25,720	30,017	36,697
Male employees entitled to parental leave	16,782	19,262	23,350
Female employees entitled to maternity leave	8,938	10,755	13,347
Total employees that took parental/maternity leave	1,344	1,485	1,842
Male employees that took parental leave	803	860	1,069
Female employees that took maternity leave	541	625	773

¹ Our collective bargaining agreements cover our employees in Romania.

² All employees and workers are covered under this certification, however, we currently do not report on employee wise data for this indicator.

³ For India, we have considered our total headcount into entitlement for parental/maternity leave. For each other geography, entitlement to parental/maternity leave is determined according to the rules applicable to that geography.



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Performance indicator	2020	2021	2022
Our people			
Parental/maternity leave			
Total employees who returned to work after parental/maternity leave ended	1,294	1,454	1,806
Male employees who returned to work after parental leave ended	803	858	1,069
Female employees who returned to work after maternity leave ended	491	596	737
Total employees who returned to work after parental/maternity leave ended who were still employed 12 months after their return	1,075	1,268	1,471
Male employees who returned to work after parental leave ended who were still employed 12 months after their return	688	781	890
Female employees who returned to work after maternity leave ended who were still employed 12 months after their return	387	487	581
Return to work rate for employees that took parental/maternity leave	96.3%	97.9%	98%
Return to work rate for male employees that took parental leave	100%	99.8%	100%
Return to work rate for female employees that took maternity leave	90.8%	95.4%	95.3%
Retention rates for employees that took parental/maternity leave	83.1%	87.2%	81.5%
Retention rate for male employees that took parental leave	85.7%	91%	83.3%
Retention rate for female employees that took maternity leave	78.8%	81.7%	78.8%



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Performance indicator	2020	2021	2022
Environment			
GHG emissions intensity			
GHG emissions intensity including Scope 1, 2, and 3 Emissions (in metric tons CO ₂ e / USD million sales)	0.00005314	0.00003763	0.00003769
GHG emissions¹ (metric tons CO₂e)			
Scope 1			
Fugitive - HVAC refrigerant gases	383	636	909
Mobile - Fuels for company owned vehicle	74	35	29
Stationary - Diesel oil for Diesel Generator Set (DG Set)	319	65	492
Stationary - Natural gas	0.14	0	18
Scope 1 Total	776	736	1,449
Scope 2			
Purchased grid electricity	17,786	13,669	17,127
Purchased heat	30	61	51
Purchased off-grid electricity (shared DG set)	50	123	-
Scope 2 Total	17,866	13,853	17,178
Scope 3²			
Category 1: Purchased goods and services	4,458	4,526	6,254
Category 2: Capital goods	7,537	4,495	3,559
Category 3: Fuel- and energy-related activities	2,601	2,132	2,863
Category 5: Waste generated (food waste)	16	0	7
Category 6: Business air travel	708	600	2,058
Category 7: Employee commuting	10,087	7,412	12,134
Category 7: Employee teleworking	6,886	8,475	7,724
Scope 3 Total	32,293	27,639	34,599
TOTAL	50,935	42,228	53,226

¹ Rounded to the nearest whole number

² Scope 3 emissions data was expanded in 2022 to include purchased services, capital goods, and fuel- and energy-related activities and were calculated for historical years.

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Performance indicator	2020	2021	2022
Environment			
Energy consumption			
Total energy consumed (GJ)	93,194	73,934	96,385
Percentage grid electricity	93%	96.34%	96.25%
Percentage renewable	0%	0.15%	3.11% ¹
Energy intensity			
Energy intensity (in GJ / USD million sales)	0.00009724	0.00006588	0.00006826
Total energy consumption by region in kWh			
Colombia	295,511	170,238	191,372
Europe	445,526	522,457	531,958
India	15,444,652	11,502,919	16,937,607
Philippines	6,343,572	5,328,981	6,204,449
South Africa	923,338	1,145,269	1,569,546
United Kingdom	121,718	109,606	108,935
United States	585,521	1,388,611	1,229,766
TOTAL	24,159,838	20,168,081	26,773,632
Total renewable energy consumption by region in kWh			
India	–	29,686	771,088
United Kingdom	–	–	63,782
TOTAL	–	29,686	834,870
Water			
Total water withdrawals (Kiloliters) ²	64,878	38,978	67,985
Waste			
Total hazardous waste recycled (kg)³	14,325	37,105	9,699⁴
Hazardous waste recycled by type: Batteries	5,936	27,014	956 ⁴
Hazardous waste recycled by type: E-Waste	8,389	10,091	8,743 ⁴

¹ 3.11% actual / 9% annualized as select renewable energy sources were incorporated later in the year.

² All water drawn was municipal water. Reporting boundary for water withdrawal in this table is only for our operations in India and the Philippines. As of now, in other Geographies we do not have options to measure our raw water consumption. However, we are working on feasible alternatives in order to report our raw water consumption in future reporting years for all our operations.

³ The reporting boundary for this table is only for our operations in India. As of now, for other geographies we are working on feasible alternatives to track and report our electronic and battery waste generated for all our operations.

⁴ The waste values in 2022 are not in kg, but are rather recorded by quantity based on the data we received from vendors.



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Performance indicator	2020	2021	2022
Community engagement			
Community investments/contributions (\$m)	\$0.51	\$1.42	\$1.15
Signature initiatives			
Skills to Win (total beneficiaries)	more than 2,400	more than 650	more than 3,500
Education as a Foundation (total beneficiaries)	more than 2,700	more than 8,800	more than 11,000
Supporting communities in times of crisis			
Project beneficiaries	nearly 6,500	more than 11,500	more than 15,300
Employee volunteer & giving			
Employee volunteer participation (in percentage of total employees)	13%	13%	16%
Employee and retiree volunteer hours (in millions)/volunteerism rate	4,600+	4,000+	14,700+
Total charitable giving (employee giving + matching funds) (USD\$)	\$62,648	\$254,106	\$65,657
Employee payroll giving (USD\$)	\$43,075	\$226,858	\$22,654
Matching funds from EXL (USD\$)	\$19,574	\$27,248	\$43,003



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GRI, UNGC and UN SDG index

EXL has reported in accordance with the Global Reporting Initiative’s (“GRI”) Standards for the period of January 1, 2022 through December 12, 2022, using the GRI 1: Foundation 2021. This table includes disclosures found in our 2022 Sustainability Report, 2022 Form 10-K, 2023 Proxy Statement and/or company website. Per the GRI Standards, we indicate the location of the required “General Disclosures” and “Topic-Standard Disclosures”. In some cases, we provide a direct response to disclosures or additional information related to content located on the main pages of the report within the index itself. In addition to the GRI requirements for general disclosures and disclosures on material topics (identified as our Tier 1 topics

pursuant to our most recent [materiality assessment](#), we voluntarily disclose on other standards that we believe are of interest to stakeholders.

As a signatory to the United Nations Global Compact (“UNGC”), we are also committed to embedding the Ten Principles in the areas of human rights, labor standards, the environment, and anti-corruption into our strategies and operations. In the following table we have highlighted topic areas where our disclosures demonstrate our commitment to the principles of the UNGC and where our commitments and activities support the UN Sustainable Development Goals (SDGs).

GRI Standard	Disclosure	Location & notes	UNGC Alignment	UN SDG Alignment
General Disclosures				
GRI 2: General Disclosures 2021	2.1 Organizational details	ExlService Holdings, Inc. (NASDAQ: EXLS) Publicly listed company on the NASDAQ; incorporated in Delaware 320 Park Avenue, 29th Floor, New York, 10022 EXL at a glance About EXL: Locations		
	2.2 Entities included in the organization’s sustainability reporting	Our sustainability reporting covers the same entities as our financial reporting. As with our financial reporting, we report our sustainability data on a consolidated basis (except where otherwise noted) and our reporting reflects the data of ExlService Holdings, Inc. and all of its subsidiaries. Data collection is managed centrally through a master ESG data collection process and accountability for providing sources and signing off on this data lies at the functional level. Some of our data points – specifically water and waste -- are limited to India and the Philippines in scope currently due to feasibility of data collection. We have focused our data collection efforts on our largest (and therefore most material) locations. These instances are clearly noted throughout the report. Whenever we make acquisitions, acquired entities are not included in the scope of ESG data collection until they have been part of EXL for a full year. 2022 Form 10-K , page 31		



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GRI Standard	Disclosure	Location & notes	UNGC Alignment	UN SDG Alignment
General Disclosures				
GRI 2: General Disclosures 2021	2-3 Reporting period, frequency and contact point	<p>Reporting period is the same as our financial reporting period, January 1, 2022 to December 31, 2022. The report also includes key highlights through the first half of 2023. We publish our Sustainability Report annually. This report was published on October 17, 2023.</p> <p>We welcome feedback from all our stakeholders on this report and our performance. Please send any comments or questions about this report to: lookdeeper@exlservice.com Contact Us: EXL Service</p>		
	2-4 Restatements of information	<p>We have not restated any data for the previous year in this year's report.</p> <p>We broadened out our Scope 3 emissions categories in this year's report by adding Purchased Services (Employee Insurance, Sales & Marketing and Technology), Capital Goods, Fuel and Energy Related Activities (not included in Scope 1 or Scope 2), and Employee Commuting from Personal Vehicles. These Scope 3 emission sources have been deemed relevant to EXL's operations and have also been included in our 2020 and 2021 data.</p>		
	2-5 External assurance	<p>Pursuant to our ESG Reporting Framework Policy for the years 2020, 2021 and 2022, we engaged Ernst & Young Associates LLP, an independent auditor, to assess and provide external assurance to verify that our sustainability reporting meets the requirements of the applicable reporting framework standards and to seek assurance on a set of ESG indicators that we believe are relevant for our business and are key disclosures for the Global Reporting Initiatives Standards ("GRI Standards"), the Task Force on Climate-Related Financial Disclosures ("TCFD") and/ or the Sustainability Accounting Standards Board (SASB): Software and IT Services Standard ("SASB Standards").</p> <p>Assurance statement</p>		
	2-6 Activities, value chain and other business relationships	<p>At EXL, we engage with over 4,300 suppliers of goods and services worldwide to help us run our business and deliver digital solutions to our clients. This includes vendors who supply us with IT and non-IT related products, support staff and consultants. Learn more about our strategic partnerships and alliances, including supplier relationships, on our website and in our Form 10-K linked below.</p> <p>Governance, ethics & integrity: Supply chain responsibility About EXL: Industries and services 2022 Form 10-K, pages 7 and 16</p>		
	2-7 Employees	<p>About EXL Our People: Diversity, equity & inclusion ESG performance data tables: Our people 2022 Form 10-K</p>		



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GRI Standard	Disclosure	Location & notes	UNGC Alignment	UN SDG Alignment
General Disclosures				
GRI 2: General Disclosures 2021	2-8 Workers who are not employees	ESG performance data tables: Our people		
	2-9 Governance structure and composition	For a complete description of EXL’s corporate governance practices and to learn more about the composition of our Board of Directors and committee composition, please refer to our 2023 Proxy Statement (pages 15, 22-29, 34-45), our 2022 Form 10-K , and our Corporate governance website . Governance, ethics & integrity: Board oversight of ESG Governance, ethics & integrity: Corporate governance Sustainability at EXL: Governance of sustainability		
	2-10 Nomination and selection of the highest governance body	To learn more about the nomination and selection of the highest governance body at EXL, our Board of Directors, please visit our 2023 Proxy Statement (pages 15, 22-29, 34-45) and our Corporate Governance website .		
	2-11 Chair of the highest governance body	To learn more about the chair of the highest governance body at EXL, our Board of Directors, please visit our 2023 Proxy Statement and our Corporate Governance website .		
	2-12 Role of the highest governance body in overseeing the management of impacts	To learn more about the role of the highest governance body in overseeing the management of impacts on the economy, the environment, and people, please visit 2023 Proxy Statement (pages 32, 43-46) and our Corporate Governance website . Sustainability at EXL: Sustainability strategy & priority topics Governance, ethics & integrity: Corporate governance Governance, ethics & integrity: Board oversight of ESG		
	2-13 Delegation of responsibility for managing impacts	To learn more about delegation of responsibility for managing impacts on the economy, the environment, and people, please visit our 2023 Proxy Statement and our Corporate Governance website . Sustainability at EXL: Governance of sustainability Corporate governance: Board oversight of ESG		
	2-14 Role of the highest governance body in sustainability reporting	To learn more about the role of the highest governance body in sustainability reporting, please visit our 2023 Proxy Statement (page 45). Sustainability at EXL: Governance of sustainability Corporate governance: Board oversight of ESG		
	2-15 Conflicts of interest	Governance, ethics & integrity: Ethics & compliance 2023 Proxy Statement		
	2-16 Communication of critical concerns	The total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period has been omitted to protect the confidentiality of our employees as some critical concerns might still be under investigation and thus compromise the outcomes of the investigation and/or an employee’s privacy.		



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GRI Standard	Disclosure	Location & notes	UNGC Alignment	UN SDG Alignment
General Disclosures				
GRI 2: General Disclosures 2021	2-17 Collective knowledge of the highest governance body	2023 Proxy Statement , page 32		
	2-18 Evaluation of the performance of the highest governance body	The evaluation process of EXL's Board of Directors covers its oversight over sustainability matters including our impacts on the economy, environment and people. To learn about the evaluation of the performance of the highest governance body at EXL please visit our 2023 Proxy Statement (page 38) and our Corporate governance website: Corporate Governance Guidelines .		
	2-19 Remuneration policies	Our NEOs receive remuneration in accordance with their employment agreements, which are disclosed in our proxy statement. 2023 Proxy Statement , pages 69-70		
	2-20 Process to determine remuneration	2023 Proxy Statement , page 72		
	2-21 Annual total compensation ratio	2023 Proxy Statement , page 104		
	2-22 Statement on sustainable development strategy	Message from our CEO	Statement of continuing support of the UNGC	
	2-23 Policy commitments	<p>Our cross-functional management-level ESG steering committee, responsible for setting our ESG strategy and managing potential risks, applies the precautionary approach in identifying and assessing emerging risks.</p> <p>In 2022, we developed our first internal global Climate Change Policy that states the commitments and approach of our business to implement and support a climate change business strategy. The Climate Change Policy aligns our strategy with global standards to limit average global warming to 1.5°C. We have also set a goal to be a Net Zero GHG emissions by 2045 with respect to Scope 1 and 2.</p> <p>EXL's Environmental, Health & Safety (EHS) Policy ensures that all workplace policies, procedures, systems and practices are optimized, including those related to reducing environmental impacts.</p> <p>For a description of our commitment to respect human rights please see Our purpose and values, Human Rights Policy, Modern Slavery Statement, EXL Code of Conduct and Ethics, and our Supplier Standards of Conduct.</p> <p>For a complete description of EXL's corporate governance practices, please refer to our 2023 Proxy Statement, 2022 Form 10-K, and our Corporate governance website.</p>	Principles 1-10	



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GRI Standard	Disclosure	Location & notes	UNGC Alignment	UN SDG Alignment
General Disclosures				
GRI 2: General Disclosures 2021	2-23 Policy commitments	Sustainability at EXL: Governance of sustainability Governance, ethics & integrity: Ethics & compliance Governance, ethics & integrity: Supply chain responsibility Integration of ESG into corporate risk management		
	2-24 Embedding policy commitments	<p>Our Board seeks to maintain best practices in corporate governance by reviewing and updating our governance policies including our committee charters, Corporate Governance Guidelines and Code of Conduct and Ethics at least annually and provides oversight over our risk management and strategic planning as relates to our growth, human capital management, and environmental, social and governance matters.</p> <p>Our Board committees and senior leadership also oversee, and are accountable for, the implementation of our ESG related policy commitments.</p> <p>See Disclosure 2-23 for list of policy commitments in place and links that outline how we embed those policies and integrate those commitments into our organizational strategies, and our operational policies and procedures</p> <p>Sustainability at EXL: Governance of sustainability</p>		
	2-25 Processes to remediate negative impacts	<p>Corporate governance: Ethics & compliance</p> <p>EXL Code of Conduct and Ethics, pages 7-12</p> <p>Supplier Standards of Conduct</p> <p>Privacy Policy</p>		
	2-26 Mechanisms for seeking advice and raising concerns	<p>Governance, ethics & integrity: Ethics & compliance</p> <p>EXL Code of Conduct and Ethics</p> <p>Statement on Reporting Ethical Violations</p>		
	2-27 Compliance with laws and regulations	<p>We had no instances of non-compliance with applicable laws and regulations in 2022, as noted in our 2022 Form 10-K.</p>		
	2-28 Membership associations	<p>We engage with industry peers and other corporate leaders on environmental, social and/ or governance topics as well as market trends and drivers through several industry and business associations, including:</p> <ul style="list-style-type: none"> • Data Security Council of India (DSCI) • The IT & Business Process Association of the Philippines (IBPAP) • NASSCOM 		

GRI Standard	Disclosure	Location & notes	UNGC Alignment	UN SDG Alignment
General Disclosures				
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	Based on a prioritization exercise undertaken in consultation with our management, we have identified seven key stakeholder groups: employees, customers, stockholders and investors, suppliers, communities, governments, and regulatory bodies. Sustainability at EXL: Stakeholder engagement Sustainability at EXL: Our goals & progress Sustainability at EXL: Materiality assessment		
	2-30 Collective bargaining agreements	Less than 1% of our total workforce is covered by collective bargaining agreements, comprised of our employees based in Romania in accordance with Romanian law. The remainder of our employees are in different geographies and are therefore not subject to such Romanian collective bargaining agreements or similar terms.		
Material Topics				
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability at EXL: Materiality assessment 2023 Materiality assessment		
	3-2 List of material topics	Sustainability at EXL: Materiality assessment 2023 Materiality assessment		
GRI 200 Economic Standard Series				
Economic Performance				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	For more information on direct economic value generated and distributed, see 2022 Form 10-K . We present our financials on a consolidated basis across the company and therefore do not present country level detail. About EXL Community engagement: Signature initiatives	Principle 6	
	201-2 Financial implications and other risks and opportunities due to climate change	While we have made strides to align with the TCFD Framework, we are still working to understand the potential risks and opportunities we face from climate change and how best to manage or mitigate potential risks or impacts. We will continue to assess and plan and increase our transparency in this area over time. Environment: Environmental compliance TCFD Index		

GRI Standard	Disclosure	Location & notes	UNGC Alignment	UN SDG Alignment
GRI 200 Economic Standard Series				
	201-3 Defined benefit plan obligations and other retirement plans	2022 Form 10-K , pages 40, F-19, F-48		
	201-4 Financial assistance received from government	The only jurisdictions in which we have financial incentives are India and South Africa, and we receive no other financial incentives from the government other than what is noted above. The government is not present in the shareholding structure. ESG performance data tables: About EXL 2022 Form 10-K , page 41		
Indirect economic impacts				
GRI 203: Indirect Economic Impacts	203-2 Significant indirect economic impacts	Community engagement: Signature initiatives	Principle 6	
Anti-corruption (Tier 1)				
GRI 3: Material Topics 2021	3-3 Topic management disclosure	EXL has an Anti-Bribery and Corruption policy in place. EXL performance data tables: Ethics & compliance EXL Code of Conduct and Ethics 2022 Form 10-K , page 25 Statement on Reporting Ethical Violations		
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Employee data by region has been omitted to protect the confidentiality of our employees in regions in which we employ a small number of employees, and as such, employees may be identifiable. Governance, ethics & integrity: Ethics & compliance ESG performance data tables: Governance, ethics & integrity EXL Code of Conduct and Ethics		
	205-3 Confirmed incidents of corruption and actions taken	We have not identified any material confirmed incidents of corruption within our operations.		
Anti-competitive behavior				
GRI 206: Anti-competitive behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No legal actions were pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation.	Principle 10	

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GRI Standard	Disclosure	Location & notes	UNGC Alignment	UN SDG Alignment
GRI 300 Environmental Standard Series				
Energy				
GRI 3: Material Topics 2021	3-3 Topic management disclosure	Environment: Strategy & approach Environment: Towards net zero Environment: Energy efficiency TCFD index EXL CDP Report	Principles 7, 8 and 9	  
GRI 302: Energy 2016	302-1 Energy consumption within the organization	We do not sell any electricity, heating, cooling or steam. ESG performance data tables: Environment EXL CDP Report	Principles 7, 8 and 9	
	302-2 Energy consumption outside of the organization	We are not reporting data on our value chain in this report, but we anticipate reporting on this topic in the future, Scope 3 emissions were calculated using spend-based calculation methodology.		
	302-3 Energy intensity	ESG performance data tables: Environment		
	302-4 Reduction of energy consumption	Environment: Energy efficiency ESG performance data tables: Environment	Principles 7, 8 and 9	
Water and Effluents				
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	All water withdrawn is from municipal water sources or through purpose from private suppliers. Being an IT/ITeS organization, we are not a water intensive organization and none of our operations have any impact on water conservation areas that have been designated and notified to us by national or international bodies. Water stress was identified for all of our sites in the Phillipines and India as high risk except Kochi, where the risk was moderate. Environment: Water ESG performance data tables: Environment TCFD index	Principles 8 and 9	

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GRI Standard	Disclosure	Location & notes	UNGC Alignment	UN SDG Alignment
GRI 300 Environmental Standard Series				
GRI 303: Water and Effluents 2018	303-4 Water discharge	Wastewater in our office facilities is discharged to common sewage treatment plants or directly to the municipal sewer systems. This ensures that our wastewater is not discharged into subsurface waters, surface waters or sewers that lead directly to rivers, oceans, lakes, wetlands, and ground water. Given that our offices are in urban areas and are in buildings that are shared by multiple tenants, we do not measure total water discharge. Our office campuses in India (Noida, Gurgaon and Bangalore) are zero discharge campuses. Environment: Water	Principles 8 and 9	
	303-5 Water consumption	We do not measure total water discharge, therefore water consumption can't be measured. See Disclosure 303-4 for additional information. Environment: Water		
Emissions				
GRI 3: Material Topics 2021	3-3 Topic management disclosure	Environment: Strategy & approach Environment: Towards net zero TCFD index EXL CDP Report	Principles 7, 8 and 9	  
	GRI: 305 Emissions 2016	305-1 Direct (Scope 1) GHG emissions		
	305-2 Energy indirect (Scope 2) GHG emissions	Environment: Towards net zero ESG performance data tables: Environment EXL CDP Report		
	305-3 Other indirect (Scope 3) GHG emissions	Environment: Towards net zero ESG performance data tables: Environment EXL CDP Report		
	305-4 GHG emissions intensity	Environment: Towards net zero ESG performance data tables: Environment EXL CDP Report		
	305-5 Reduction of GHG emissions	Environment: Towards net zero ESG performance data tables: Environment EXL CDP Report		

GRI Standard	Disclosure	Location & notes	UNGC Alignment	UN SDG Alignment
GRI 300 Environmental Standard Series				
GRI: 305 Emissions 2016	305-6 Emissions of ozone-depleting substances (ODS)	Data on ozone depleting substances is not shared in this report. They are not relevant for EXL given the nature of our business.	Principles 7, 8 and 9	  
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Air Emissions: Data on SOx, NOx and Particulate Matter are not available as they are not relevant for EXL. Air emissions are not material to us. We therefore do not consider air emissions to be a key indicator. Given that we are not operating in a carbon-intensive industry we are not currently subject to the same level of regulation as companies in high-emitting sectors.	Principles 7, 8 and 9	  
Waste				
GRI 306: Waste 2020	306-4 Waste diverted from disposal	Environment: Waste ESG performance data tables: Environment	Principles 8 and 9	
Environmental Compliance				
GRI Standard: GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	In 2022, there were no significant cases of monetary or non-monetary sanctions for violations or environmental grievances.		
Supplier Environmental Assessment				
GRI 308: Supplier Environment Assessment 2016	308-1 New suppliers that were screened using environmental criteria	<p>In 2022, 95% of new suppliers completed our supplier onboarding questionnaire, answering questions about their sustainability practices and their ability to adhere to our Supplier Standards of Conduct through. Through this questionnaire we collect information on each of our new suppliers that asks them about their policies and performance with respect to economic, environmental, human rights, data privacy, product safety, and working conditions.</p> <p>In 2022 and early 2023 we began to analyze supplier questionnaire responses to better understand their position and activities around sustainability, including their own Supplier Standards of Conduct, diversity, equity and inclusion policies, environmental management and progress, human rights compliance, sustainability reporting, and more. As of 2023, we make contracting decisions based on the above-mentioned analysis.</p> <p>Governance, ethics & integrity: Supply chain responsibility ESG performance data tables: Supply chain responsibility EXL Supplier Standards of Conduct</p>		



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GRI Standard	Disclosure	Location & notes	UNGC Alignment	UN SDG Alignment
GRI 400 Social Standard Series				
Employment (Tier 1)				
GRI 3: Materials Topics 2021	3-3 Topic management disclosure	Governance, ethics & integrity: Supply chain responsibility Our people 2023 Proxy Statement , pages 56 and 84 2022 Form 10-K , page 8	Principles 1 and 6	  
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	ESG performance data tables: Our people		
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	For a list of employee benefits see our 2023 Proxy Statement (pages 56 and 84) and our 2022 Form 10-K (page 8). We currently do not report these benefits by location of operations as they vary based on what is required by law and what is offered by the state. Our people: Health, safety & wellbeing		
Occupational Health and Safety (Tier 1)				
GRI 3: Material Topics 2021	3-3 Topic management disclosure	The EXL Code of Conduct and Ethics outlines our commitments to providing a healthy and safe working environment and our policy to maintain a drug-free workplace. Our people: Health, safety, & wellbeing Read more about our approach to health, safety, and wellbeing .	Principles 1 and 2	
	403-1 Occupational health and safety management system	EXL's global Health and Safety Management System is certified to ISO 45001: 2018. Our people: Health, safety, & wellbeing Read more about our approach to health, safety, and wellbeing .		
	403-2 Hazard identification, risk assessment, and incident investigation	We conduct a risk assessment every six months with the aim of minimizing risk in the workplace. We also have a formal process for reporting any incident, hazard or near miss while at work. When an incident is reported, the EHS team takes appropriate action to close the issue with implementation of preventative measures. 2023 Proxy Statement , page 57		



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GRI Standard	Disclosure	Location & notes	UNGC Alignment	UN SDG Alignment
GRI 400 Social Standard Series				
GRI 3: Material Topics 2021	403-5 Worker training on occupational health and safety	<p>As part of our ISO 45001:2018 Health and Safety Management System, all employees receive regular training on health and safety matters, including how their activities contribute to the Health and Safety (H&S) objectives, the benefits of improved H&S performance, and the implications and consequences of not conforming to health and safety requirements. In 2022, approximately 99% of our employees completed our health and safety training e-module.</p> <p>Our people: Health, safety, & wellbeing</p> <p>Read more about our approach to health, safety, and wellbeing.</p> <p>2023 Proxy Statement, page 57</p>	Principles 1 and 2	
GRI 3: Material Topics 2021	403-6 Promotion of worker health	<p>Our people: Health, safety, & wellbeing</p>		
	403-8 Workers covered by an occupational health and safety management system	<p>All of our delivery centers are covered under EXL's Health and Safety Management system. As of December 31, 2022, 75% of our delivery centers worldwide were ISO 45001:2018 (Occupational Health and Safety) certified.</p> <p>Our people: Health, safety, & wellbeing</p> <p>ESG performance data tables: Our people</p>		
Training and Education (Tier 1)				
GRI 3: Material Topics 2021	3-3 Topic management disclosure	<p>Our people: Strategy & approach</p> <p>Our people: Talent acquisition, training & development</p> <p>Our people: Talent training & development</p> <p>Read more about our training and development.</p> <p>2022 Form 10-K, page 9-10</p>		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	<p>Our people: 2022 talent development outcomes</p> <p>ESG performance data tables: Our people</p>		
	404-2 Programs for upgrading employee skills and transition assistance programs	<p>We have not had a need to support our workers by providing transition assistance programs in 2022, or previously, as we have not carried out significant layoffs.</p> <p>Our people: Talent acquisition, training & development</p> <p>2022 Form 10-K, pages 9-10</p> <p>2023 Proxy Statement, pages 52, 53-55</p>		
	404-3 Percentage of employees receiving regular performance and career development reviews	<p>In 2022, 100% percent of employees across all employee categories participated in the annual performance development process.</p>		



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GRI Standard	Disclosure	Location & notes	UNGC Alignment	UN SDG Alignment
GRI 400 Social Standard Series				
Diversity and Equal Opportunity				
GRI 3: Material Topics 2021	3-3 Topic management disclosure	Governance, ethics & integrity: Corporate governance Our people: Strategy & approach Our people: Diversity, equity & inclusion Diversity and inclusion at EXL	Principles 1, 2 and 6	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	ESG performance data tables Diversity and inclusion at EXL 2023 Proxy Statement		
	405-2 Ratio of basic salary and remuneration of women to men	We address pay equity by closing the gap in average pay between employees of different genders or race/ethnicity in the same or similar roles after accounting for legitimate business factors that can explain differences, such as location, time at grade level, and tenure. Our people: Diversity, equity & inclusion		
Child Labor				
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	EXL does not make use of child labor (i.e., a person under the minimum age provisions of applicable laws and regulations) or forced labor (i.e., prison labor, indentured labor, bonded labor, military labor, slave labor), does not condone any form of human trafficking, and will not work with third parties who engage in such practices. Modern Slavery Statement Supplier Standards of Conduct EXL Code of Conduct and Ethics		
Forced or Compulsory Labor				
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	EXL did not make use of forced or compulsory labor (i.e., slave labor or bonded labor) or use debts as a means of maintaining workers in a state of forced labor. Modern Slavery Statement Supplier Standards of Conduct EXL Code of Conduct and Ethics		



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GRI Standard	Disclosure	Location & notes	UNGC Alignment	UN SDG Alignment
GRI 400 Social Standard Series				
Local Communities				
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	<p>99% of our operations have implemented local community development programs.¹</p> <p>This is done through programming based on our local communities' needs. We currently engage with stakeholders representative of the communities in each of our major regions of operations through our community engagement partnerships, as well as by engaging our employees who are local to such regions through our employee CSR champion program to understand what causes they are interested in and believe would benefit their communities. We have not yet conducted impact assessments but are considering doing so for the future.</p> <p>Community engagement: Strategy & approach Community engagement: Signature initiatives</p>		
Supplier Social Assessment				
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	<p>There have been no suppliers identified as having significant actual and potential negative social impacts with which improvements were required or relationships were terminated. For more details, please refer to our disclosure for 308-1.</p> <p>Governance, ethics & integrity: Supply chain responsibility ESG performance data tables: Supply chain responsibility Supplier Standards of Conduct</p>	Principles 1, 2, 4, 5, and 6	
Public Policy				
GRI 415: Public Policy 2016	415-1 Political contributions	<p>ExlService Holdings, Inc. did not make any political contributions to any political party, candidate, or political organization, either in cash or in-kind donations.</p>		
Customer Privacy (Tier 1)				
GRI 3: Material Topics 2021	3-3 Topic management disclosure	<p>Governance, ethics & integrity: Cybersecurity & data privacy 2023 Proxy Statement, pages 44 and 57</p>		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	<p>No substantiated complaints were received concerning breaches of customer privacy during the reporting period, nor did we have any identified leaks, thefts, or losses of customer data.</p>		

¹ This includes locations with significant employee populations, including operations in Canada, India, Philippines, South Africa, UK/Europe, and the US.

SASB Index

EXL has elected to report to the SASB Standard for the Software and IT Services industry under the Technology & Communications sector. Unless otherwise noted, all data and descriptions apply to our entire company and data is for the year ended December 31, 2022. We do not currently disclose all metrics included in the Standard for our sector, but we will continue to evaluate them in the future.

Topic	Code	Accounting metric	Response/Location
Table 1. Sustainability Disclosure Topics & Accounting Metrics			
Environmental footprint of hardware infrastructure	TC-SI-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	(1) 96,385GJ (2) 96.25% (3) 3.11% ¹ In 2022, we advanced our journey toward net zero by installing 99 kilowatts of on-site solar rooftop power. This included 54 kilowatts in Pune, 25 kilowatts in Kochi, and 20 kilowatts in Noida centers. We also explored open access to source renewable power through engagement with our landlords and builders. Our UK and two Pune centers transitioned to 100% renewable energy. Our UK Center transitioned to 100% green energy, saving 2% of our global carbon emissions. Meanwhile, our Pune Center transitioned to 100% green energy, saving 6% of our global carbon emissions. Environment: Towards net zero
	TC-SI-130a.2	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Please see our ESG performance data tables for information related to our current reporting boundary for water, which includes our operations in India and the Philippines. Environment: Water
	TC-SI-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	EXL does not currently report information on this topic. However, all recently developed, and any new proprietary digital cloud solutions, are cloud native, which eliminates the need for on premise data centers. Any legacy applications are also being moved to the cloud, except as specifically requested by our clients. Through our commitments to innovation, we aim to support our clients' digital transformations, while also helping them to discover ways to reduce their impacts on the environment and society.

¹ 3.11% actual / 9% annualized as select renewable energy sources were incorporated later in the year.



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Topic	Code	Accounting metric	Response/Location
Table 1. Sustainability Disclosure Topics & Accounting Metrics			
Data privacy & freedom of expression	TC-SI-220a.1	Description of policies and practices relating to behavioral advertising and user privacy	ExlService Holdings, Inc. and its subsidiaries worldwide are committed to respecting online privacy and recognizing the need for appropriate protection and management of any personally identifiable information ("PII") shared with us based on applicable data protection laws and regulations. For more information on our approach to privacy, please see our EXL Service Privacy Policy . Governance, ethics & integrity: Cybersecurity & data privacy
	TC-SI-220a.2	Number of users whose information is used for secondary purposes	This EXL Service Privacy Policy describes the information we collect about our website users and what may happen to that information. We do not process the personal data of individual users of our products and services for secondary purposes.
	TC-SI-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	In 2022, we did not report any monetary losses as a result of legal proceedings associated with user privacy.
	TC-SI-220a.4	(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure	We did not receive any requests for user information from law enforcement in 2022.
	TC-SI-220a.5	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	None of our core products and services are subject to government-required monitoring, blocking, content filtering, or censoring.



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Table 1. Sustainability Disclosure Topics & Accounting Metrics			
Data security	TC-SI-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	In 2022, we had zero data security breaches that required disclosure in our public SEC filings.
	TC-SI-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	<p>Cybersecurity is managed by our cross-functional cybersecurity apex body, the Management Security, Continuity and Privacy Forum, which is comprised of representatives from our management, business unit heads, and our technology and information security leadership teams. The Audit Committee of our Board of Directors has primary oversight and receives briefings throughout the year on cybersecurity-related risks, vulnerabilities and strategic policies and practices from management. At least once a year, our full Board receives a report from management on the Company's readiness and capability to reduce the risk of, detect and respond to a cyber-attack.</p> <p>We take into account guidelines from relevant regulatory and governance bodies, including but not limited to the Cybersecurity Framework of the National Institute of Standards and Technology of the U.S. Department of Commerce, in designing policies and controls regarding security of sensitive and confidential information of our clients, employee, partners, third parties, as well as our intellectual property and confidential information. We have undertaken measures designed to comply with all applicable privacy laws and regulations.</p> <p>Governance, ethics & integrity: Cybersecurity & data privacy</p>
Recruiting & managing a global, diverse and skilled workforce	TC-SI-330a.1	Percentage of employees that are (1) foreign nationals and (2) located offshore	<p>(1) 1.6% (2) 0.01%*</p> <p>For more information, please see the sections titled "Risks Related to the International Nature of Our Business" and "Human Capital Management" in our 10-K.</p> <p>*Calculation considers individual employees that are located offshore from any of EXL's global entities.</p>



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Table 1. Sustainability Disclosure Topics & Accounting Metrics			
Recruiting & managing a global, diverse and skilled workforce	TC-SI-330a.2	Employee engagement as a percentage	<p>We assess employee engagement annually through a formal employee engagement survey and report our score publicly each year. To capture engagement in 2022, we used a chatbot survey platform to measure employee sentiment.</p> <p>The digital employee engagement survey included 14 questions that were divided into the following categories:</p> <ol style="list-style-type: none"> 1) Operating work location 2) Dimensions of engagement: manager, learning, and career-related 3) Drivers of engagement: advocacy, retention, and drive 4) Suggestion to enhance experience <p>In 2022, we reported an 87.9% employee engagement score, which increased from 86% in 2021. The engagement score is the mean score of the following 3 questions:</p> <ol style="list-style-type: none"> 1) You would always recommend EXL to a friend who is seeking employment 2) You hardly ever think about leaving EXL to work somewhere else 3) EXL motivates you to perform your best every day <p>EXL translates these survey results to report the percentage of employees that are actively engaged. We do not currently report on other engagement levels, such as “not engaged,” “passive,” or “actively disengaged.”</p> <p>Additional 2022 Employee engagement survey results include:</p> <ul style="list-style-type: none"> • 92% of employees feel they receive the support they need from their managers • 90% of employees feel their manager sets clear goals for their performance • 86% of employees feel EXL actively supports learning and development of its employees • 85% of employees feel our senior leaders demonstrate EXL values <p>In addition to the results listed above, we also conduct regular pulse surveys to gauge employee perspectives on specific topics such as communication, health and wellness, connectivity, among others.</p> <p>Our people: Employee engagement</p>
Recruiting & managing a global, diverse and skilled workforce	TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	<p>Our people: Strategy & approach</p> <p>ESG performance data tables: Our people</p>



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Table 1. Sustainability Disclosure Topics & Accounting Metrics			
Intellectual property protection & competitive behavior	TC-SI-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	No legal actions were pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation.
Managing systemic risks from technology disruptions	TC-SI-550a.1	Number of (1) performance issues and (2) service disruptions (3) total customer downtime	There were 15 business continuity management incidents reported in 2022 and none of the events resulted in any major service disruption, customer downtime or financial impact. Our crisis response procedures are comprehensive and well defined, and the recovery workarounds implemented by the Crisis Management Teams helped us to manage these events without any major business impact.
	TC-SI-550a.2	Description of business continuity risks related to disruptions of operations	Please also see Item 1A. Risk Factors in our 2022 10-K for risks related to service disruptions and outage Governance, ethics & integrity: Business continuity excellence TCFD Index

TCFD Index

This index reflects our alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The reporting boundary for this information is for our operations in the Philippines, South Africa, and India only. We intend to continue refining our strategy and expanding our reporting going forward.

Disclosure	Response / Reference
Governance	
Describe the Board's oversight of climate-related risks and opportunities.	<p>Our Board of Directors has ultimate oversight responsibility for ESG performance, risks and disclosures, including climate-related risks and opportunities.</p> <p>Each of our Board Committees is involved in oversight over ESG-related risks as relate to matters within their purview. Our Board and its committees receive regular reports from our management-level ESG steering committee on ESG and sustainability risks, including those relating to climate risk and environmental stewardship, and accompanying disclosures.</p> <p>The Nominating and Governance Committee provides general oversight of ESG, including policies and goals, targets and metrics, including climate change related risks and opportunities. The Committee receives updates on ESG and sustainability at EXL quarterly (one of these including an annual review to the full Board).</p> <p>The Audit Committee provides oversight over ESG disclosures, processes and controls, including those related to climate change. The Audit Committee is briefed annually by the ESG Steering Committee.</p> <p>The entire Board is regularly briefed on the matters overseen by each Board Committee and the ESG Steering Committee reports to the entire Board annually on EXL's sustainability-related initiatives.</p> <p>Governance, ethics and integrity: Board oversight of ESG Environment: Strategy & approach</p>



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Governance	
<p>Describe management’s role in assessing and managing climate-related risks and opportunities.</p>	<p>We maintain a management-level ESG steering committee, which is responsible for setting our sustainability/ESG strategy and risk management (including climate-related risks and opportunities), providing the Board with advice and assistance in its oversight of ESG risks (including climate-related risks and opportunities), keeping our management and Board up-to-date on ESG-related developments (including climate-related risks and opportunities), overseeing our internal and external disclosure on ESG matters, and providing implementation support across our company.</p> <p>The ESG steering committee is a cross-functional, global team comprised of vice presidents and above, including several representatives from our Logistics, Infrastructure, Facilities and Engineering (LIFE) team. The LIFE Team is responsible for the day-to-day implementation and execution of our Environment, Health and Safety Policy and Climate Change Policy, and for executing on our environmental stewardship strategy.</p> <p>Our ESG steering committee through its chair, our General Counsel, as well as the LIFE team directly, regularly brief our Executive Committee, which has ultimate responsibility for ESG performance (including the organization’s climate strategy, operations and implementation). Additionally, a portion of our CEO’s total compensation is tied to EXL’s overall ESG performance, including its management of climate-related issues.</p> <p>Our Board and its Nominating & Governance Committee receive regular reports from management, including updates on our ESG strategy and performance, including climate-related risks and opportunities.</p> <p>Visit the Environment section of this report for more on governance of environmental stewardship.</p>
Strategy	
<p>Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</p>	<p>EXL worked with an independent consultant to conduct a climate risk analysis in 2023 which identified the following potential physical and transition risks. We will continue to review, assess and understand the potential climate related risks that the business faces and put mitigation measures in place as appropriate.</p> <p>Physical Risks</p> <p>Extreme heat was identified as the most commonly experienced hazard across EXL sites, posing high risk in the medium and long term. Similarly, water stress was identified as a high risk for all sites except Kochi, India, where the risk was considered moderate. Tropical cyclones were identified as a risk under all time frames across the sites in the Philippines.</p> <p>Transition Risks</p> <p>Carbon pricing and low-carbon transportation may be high risk for EXL’s operations. These risks will likely impact the operating costs of all EXL business segments over the long term (through 2050) as different geographies introduce them as part of the transition to a low carbon economy. Further, in light of the increased demand for critical minerals for energy transition, EXL will need to look for other alternatives for technologies used in data centers, which would result in additional operating costs, over and above those that were planned in a business-as-usual scenario.</p> <p>EXL may face additional risks such as an increase in capital cost associated with a shift in consumer preferences towards greener products and services, which could require the decarbonization of EXL’s operations. For example, GaN-based components which help in making the power supply more efficient and lowering cooling requirements are expensive and may have to be deployed to meet client- demand. Similarly, a shift away from fossil fuels to renewable energy sources may pose a higher short-term capital cost, though it is likely renewables will become most cost-effective in the long-term. Other factors, including an effort to reduce emissions by leasing space in “greener” buildings and an increase in the deployment of battery storage capacity, may lead to additional capital and operating expenditures.</p>



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Strategy	
<p>Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.</p>	<p>Based on our climate risk assessment, our ongoing activities to mitigate climate risk and the results of our scenario analysis screening, we have not identified any physical or transition climate risk as having a residual high risk or material impact on our business. We also believe that through the effective management of our climate-related opportunities we can help accelerate global climate action and decarbonization while reducing systemic and long-term climate-related risks posed to our company.</p> <p>Physical Risks In the climate risk assessment work completed in 2022, business implications for EXL were identified across three categories: physical damages (e.g., damage to EXL’s office buildings or local electricity and water infrastructure), business or supply chain disruptions (e.g., fulfilment centers and access routes becoming inaccessible due to flooding, disrupting customer delivery) and health, safety & environment (e.g., extreme heat causing reduced working efficiency and heat stress-related illness). Extreme heat could also result in additional cooling requirements and increased water and energy demands, which could each lead to increased costs to the business.</p> <p>Transition Risks Wider application of carbon pricing and related regulations could lead to an increase in our operating costs. Compliance with future national decarbonization policies and regulations intended to address climate change may require additional investments, which could result in increased capital expenditures.</p> <p>Over time, it may also be necessary for EXL to switch to electric vehicles or low carbon transportation, which could have financial implications, as well. As we move forward in our TCFD journey, we are looking to build detailed quantified understandings of these risks and opportunities on our business. This level of understanding will help us to prioritize our resources to address the most material risks and opportunities and we will work on creating adaptation and mitigation measures to not only mitigate risks, but also to capture opportunities.</p>
<p>Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<p>Scenario Analysis: Physical Risk In our climate risk assessment studies, we used the most recent climate data from the IPCC’s AR6, published in 2021. We used scenarios SSP2-4.5 (business-as-usual emissions) and SSP5-8.5 (high carbon emissions) for baseline (2000), short/ medium-term (2030) and long-term (2050) time horizons to assess acute and chronic climate hazards.</p> <p>Scenario Analysis: Transition Risk Scenarios from the International Energy Agency (IEA) were used to assess transition risk as it relates to resiliencies, with one low carbon scenario (IEA APS) and a business-as-usual greenhouse gas emissions scenario (IEA STEPS) assessed under two-time horizons: 2030 (short-medium term) and 2050 (long term). The IEA Announced Pledges Scenarios (IEA APS) is a low-carbon scenario that assumes that all climate commitments made by governments worldwide will be met in full and on time. APS assumes that global warming will reach 1.7°C by 2100. The IEA Stated Policies Scenario (STEPS) is a business-as-usual carbon scenario that reflects current policy settings based on a sector-by-sector and country-by-country assessment of the specific policies in place. STEPS assumes that global warming will reach 2.5°C by 2100.</p> <p>Resilience Strategy In 2022, EXL conducted a comprehensive infrastructure risk assessment encompassing its various global locations. This evaluation aimed to identify potential adverse events, assess the resulting damage, estimate recovery timelines, and propose controls to mitigate impact. The assessment considered common infrastructure risks, particularly climate-related threats, and categorized vulnerabilities by control levels in a risk matrix. Through this work, we also considered potential repercussions and outlined risk mitigation strategies as appropriate.</p> <p>Our energy efficiency team conducts ongoing energy data analysis and promotes conservation measures. Transitioning to Platinum LEED certified buildings could cut our GHG emissions by approximately 20-25%, and we aim to adopt net-zero emissions certified structures in all regions of operation. EXL has installed solar panels in certain of its India locations, with plans for expansion. EXL also invests in nature-based solutions like large scale tree planting efforts which contribute to carbon removal. Our goal is to achieve net-zero emissions by 2045, aligning with host countries’ Nationally Determined Contributions (NDCs) and supporting the global low-carbon energy transition.</p>



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Risk Management	
Describe the organization's processes for identifying and managing climate-related risks.	<p>EXL's proactive environmental management strategy uses risk assessment to identify possible environmental effects and then we establish appropriate controls as necessary. Our EHS leaders conduct risk assessments twice a year, which involve both a self-assessment and audit to evaluate whether the measures taken to mitigate significant risks are appropriate. Risk appetite is an essential component of our comprehensive risk management process, and we make decisions on whether the prioritized risk needs to be accepted, mitigated, transferred, or avoided.</p> <p>We started a process of identifying and assessing climate-related risks and opportunities and will revisit this regularly through our climate risk management process comprises five distinct phases:</p> <ul style="list-style-type: none"> • Event Identification: We conduct a comprehensive climate change risk assessment to uncover potential short, medium, and long-term risks facing EXL. This step adheres to TCFD guidelines and identifies climate hazards (for physical risk) and climate drivers (for transition risk). • Risk Assessment: We evaluate climate hazards and drivers across EXL sites and regions, considering various climate scenarios per the TCFD guidelines. This process prioritizes high-impact, high-likelihood risks. • Risk Response: We make decisions on how to deal with prioritized risks, including acceptance, mitigation, transfer, or avoidance, based on our risk appetite. • Risk Control: For mitigable risks, we develop control measures, encompassing adaptation and mitigation strategies for physical and transition risks. • Monitoring: We continuously monitor progress toward targets and the implementation of climate change risk.
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	<p>EXL is working to integrate climate change risk assessments into our enterprise risk management (ERM) process. Currently, our Audit Committee is tasked with primary oversight of risk management. The Audit Committee evaluates the measures management has implemented to monitor, control, and mitigate these exposures, which includes a thorough examination of our risk management guidelines and policies.</p>



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Metrics and Targets	
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	<ul style="list-style-type: none">• Scope 1, 2, and 3 GHG emissions• Progress toward our Scope 1 and 2 GHG emissions reduction target• Total energy consumption and percentage renewable electricity procured• Annual investments to realize our net zero commitment• Volume of customer and investor requests for information about our corporate climate strategies and performance, and evolving stakeholder expectations in this area• ESG ratings and rankings that include climate risk management indicators <p>Environment: Towards net zero ESG performance data tables</p>
Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	Risks are outlined in the risk management section above. <p>Environment: Towards net zero ESG performance data tables</p>
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	EXL is committed to being a part of the transition to a lower-carbon economy. We have set a goal to reduce absolute greenhouse gas emissions across Scope 1 and Scope 2 by 67% by 2035 (over 2019 base year) and achieve net zero emissions by 2045. <p>Environment: Towards net zero</p>

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Forward-looking statements

This report contains forward-looking statements. You should not place undue reliance on those statements because they are subject to numerous uncertainties and factors relating to EXL's operations and business environment, all of which are difficult to predict and many of which are beyond EXL's control. Forward-looking statements include information concerning EXL's possible or assumed future results of operations, including descriptions of its' business strategy. These statements may include words such as "may," "will," "should," "believe," "expect," "anticipate," "intend," "plan," "estimate" or similar expressions. These statements are based on assumptions that we have made in light of management's experience in the industry as well as its perceptions of historical trends, current conditions, expected future developments, and

other factors it believes are appropriate under the circumstances. You should understand that these statements are not guarantees of performance or results. They involve known and unknown risks, uncertainties, and assumptions. Although EXL believes that these forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect EXL's actual financial results or results of operations and could cause actual results to differ materially from those in the forward-looking statements. These factors, which include our ability to successfully close and integrate strategic acquisitions and our ability to respond to and manage public health crises, are discussed in more detail in EXL's filings with the Securities and Exchange Commission, including EXL's Quarterly Report on

Form 10-Q and Annual Report on Form 10-K. These risks could cause actual results to differ materially from those implied by forward-looking statements in this release. You should keep in mind that any forward-looking statement made herein, or elsewhere, speaks only as of the date on which it is made. New risks and uncertainties come up from time to time, and it is impossible to predict these events or how they may affect EXL. EXL has no obligation to update any forward-looking statements after the date hereof, except as required by federal securities laws.



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Independent Assurance Statement

To,
The Management and Board of Directors
ExlService Holdings, Inc.,
320 Park Avenue, New York, NY 10022

Scope

We have been engaged by ExlService Holdings, Inc. to perform Independent Limited assurance, as defined by International Standards on Assurance Engagements (ISAE 3000:Revised and ISAE 3410), hereafter referred to as the engagement, to report on ExlService Holdings, Inc.'s Sustainability Report for the period from 1st January 2022 to 31st December 2022.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by ExlService Holdings, Inc

In preparing the Sustainability Report CY 2022, ExlService Holdings, Inc. applied the Global Reporting Initiative (GRI) standard, The Sustainability Accounting Standards Board (SASB) Standards, Task Force on Climate Related Financial Disclosures (TCFD) [Criteria]. Criteria were specifically designed for Sustainability Report CY 2022; As a result, the subject matter information may not be suitable for another purpose.

ExlService Holdings, Inc.'s Responsibilities

ExlService Holdings, Inc.'s management is responsible for selecting the Criteria, and for presenting Sustainability Report CY 2022 (the "Report") in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's Responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standards on Assurance Engagements (ISAE) 3000 (revised), 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information' and the ISAE 3410 'Assurance Engagements on Greenhouse Gas Statements', issued by the International Auditing and Assurance Standards Board. The terms of reference for this engagement as agreed with ExlService Holdings, Inc. on June 26, 2023. The Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

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Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Description of procedures performed.

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Sustainability Report for CY 2022 and related information and applying analytical and other appropriate procedures.

Our procedures included:

- ▶ Conducted interviews with select personnel at various units and corporate teams to understand the process for collecting, collating, and reporting the subject matter as per Global Reporting Initiative (GRI) standard, The Sustainability Accounting Standards Board (SASB) Standards, Task Force on Climate Related Financial Disclosures (TCFD) [Criteria];
- ▶ Checked that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria;
- ▶ Undertook analytical review procedures to support the reasonableness of the data through consultations with the site team and sustainability team;
- ▶ Review of relevant data, on a selective test basis through consultations (Onsite and Virtual discussion) at the Company's Corporate Office and following selected sites from countries India, Columbia, Philippines, United States of America, United Kingdom, Czech Republic, and South Africa.
- ▶ Review of data presented in Sustainability Report on a sample basis (Refer Annexure 1), at the above-mentioned locations.
- ▶ Execution of an audit trail of claims and data streams, on a selective test basis, to determine the level of accuracy in the collection, transcription, and aggregation processes followed.
- ▶ Review of select qualitative statements in various sections of the Sustainability Report.

We also performed such other procedures as we considered necessary in the circumstances.

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Assurance statement



Emphasis of matter

The assurance scope excludes:

- ▶ Data and information outside the defined reporting period (1st January 2022 to 31st December 2022)
- ▶ Data and information on the economic and financial performance of the Company
- ▶ Data, statements, and claims already available in the public domain through Annual Report, Sustainability Report, or other sources available in the public domain
- ▶ The Company's statements that describe the expression of opinion, belief, inference, aspiration, expectation, aim, or future intention provided by the Company
- ▶ The Company's compliance with regulations, acts, and guidelines with respect to various regulatory agencies and other legal matters

Our Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Sustainability Report for the period from 1st January 2022 to 31st December 2022, in order for it to be in accordance with Criteria.

Restricted use: This report is intended solely for the information and use of ExlService Holdings, Inc and is not intended to be and should not be used by anyone other than ExlService Holdings, Inc .

For an on behalf of Ernst & Young Associates LLP

Chaitanya Kalia
October 13, 2023
Mumbai, India

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Annexure 1: Data for Indicator selected on Sample basis

Global Reporting Initiatives (GRI)	
Indicator Number	Description
002-7	Employees count/Gender Diversity
301-1	Materials used by weight or volume
302-1	Energy consumption within the organization
303-3	Water withdrawal
303-5	Water consumption
305-1	Direct (Scope 1) GHG emissions
305-2	Energy indirect (Scope 2) GHG emissions
305-3	Other indirect (Scope 3) GHG emissions
306-3	Waste Generated with respect to waste categories
306-4/5	Waste disposal by disposal method
401-1	New employee hires and employee turnover
401-3	Parental leave
404-1	Average hours of training per year per employee
405-1	Diversity of governance bodies and employees
Sustainability Accounting Standards Board (SASB)	
TC-SI-330a.1	Percentage of employees that are (1) foreign nationals and (2) located offshore
TC-SI-130a.1	Total energy consumed
	Percentage grid electricity
	Percentage renewable
TC-SI-130a.2	Total water withdrawn,
	Total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress
TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees
TC-SI-330a.1	Percentage of employees that are (1) foreign nationals and (2) located offshore
TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees

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