



**Water
Management
FY 2025-26**



Water Management

Every Drop Counts

GRI 303-1, 303-2, 303-3, 303-4, 303-5

86,607.64 kL	68,997.64 kL	100%	11.01%
Water withdrawal	Water consumption	Wastewater recycled in India owned campus	Reduction of freshwater consumption
52%	Zero effluent discharge	41.72 kL/USD Mn	2.89 kL/employee
of treated wastewater in owned campuses is re-used within our facilities	India owned campuses	Water consumption Intensity/Revenue	Water consumption Intensity/Employee

Water is a critical resource for business continuity and community well-being. Persistent Systems recognizes increasing risks associated with water scarcity, particularly at facilities located in high water-stress regions across India. The Company manages water through a structured approach focused on efficiency, conservation and reuse across its owned facilities in India.

Water withdrawal, discharge, consumption and wastewater treatment data is reported for Persistent Systems owned locations in India, where the Company has operational control over water sourcing, treatment and discharge. International leased facilities in India and overseas are managed by third-party building or property management operators. Responsibility for water management at these locations rests with the respective facility owners or lessors. Water management data coverage represents approximately 93% of Persistent Systems total global facility area.

Primary sources include municipal supply, groundwater and rainwater harvesting. Water stewardship is embedded in the Company's environmental governance framework, supported by facility-level targets, continuous monitoring and investments in water-efficient infrastructure.

Our water management practices include the deployment of water-efficient systems, process controls to reduce freshwater withdrawal and wastewater treatment and recycling initiatives to optimize reuse. These measures are supported by periodic monitoring and facility-level actions aimed at minimizing consumption and reducing reliance on external water sources.

In parallel, we invest in awareness and engagement initiatives to promote responsible water use, reinforcing our commitment to long-term water security and sustainable operations.

Governance and Accountability

Water management governance is owned by the Head of Administration and Infrastructure, accountable for facility-level water efficiency initiatives, sewage treatment plant (STP) operation and wastewater recycling implementation. The ESG function oversees water risk assessment, target monitoring and integration with climate risk frameworks. The Board-level SR and ESG committee conducts biannual reviews of water-related risks, targets and performance.

Water stewardship performance is reflected in KPIs and performance objectives of the Head of Administration and their team, with explicit accountability for achieving 5% year-on-year freshwater consumption reduction targets and maintaining 100% wastewater treatment and zero effluent discharge objectives at India owned locations. Net freshwater consumption reduced by 11.01% from FY2025 to FY2026, demonstrating measurable outcomes from water efficiency and reuse initiatives. In FY2026, net freshwater consumption was 68,997.64 kL against a target of 79,237.70 kL.

Water Consumption Reduction Targets

We remain focused on improving water efficiency across our operations, with FY 2025-26 performance exceeding our reduction target and demonstrating continued progress towards responsible.

Metric	Units	FY 2024-25 Baseline	FY 2025-26 Target	FY 2025-26 Performance	FY 2026-27 Target
Water consumption	kL	83,408.1	79,237.70	68,997.64	75,275.81

Target rationale- Persistent Systems commits to reducing absolute freshwater consumption by 5% year-on-year through efficiency improvements, expansion of water recycling and intensification of rainwater harvesting.

Water efficiency management programmes

Persistent Systems manage water through structured water efficiency and stewardship programmes focused on conservation, reducing freshwater dependency and optimizing wastewater reuse across operations. The Company invests in water-efficient infrastructure at select campuses, including real-time water monitoring systems and enhanced rainwater harvesting, to improve consumption visibility and reduce reliance on freshwater sources over time.

In support of long-term water stewardship, Persistent Systems strengthens water management practices through targeted investments, operational controls and aimed at improving water efficiency, monitoring and conservation technologies.

Water conservation initiatives implemented in FY2026 (action-to-outcome table)

Initiative	Description
Rainwater Harvesting (RWH) Systems	Implementation and ongoing maintenance of RWH infrastructure to replenish groundwater and reduce dependence on municipal freshwater withdrawal
Touchless Battery-Free Taps	Replacement of conventional taps with sensor-based, battery-free touchless fixtures
Automatic Water Level Controls	Installation of auto-level controllers on overhead tanks and storage systems
Groundwater Recharge Pits	Construction of infiltration pits to facilitate groundwater recharge
Real-Time Water Monitoring Systems	Installation of water meters integrated with the Building Management System (BMS) for continuous consumption tracking and leak detection
No-Leaky-Tap Policy	Fast-track maintenance protocol with two hour repair commitment for all leaking fixtures

Wastewater Management and Circularity

Wastewater treatment, recycling and zero liquid discharge

There is no discharge or runoff of untreated water into water bodies from Persistent Systems owned locations. Wastewater is treated at in-house STPs or municipal STPs and reused for non-potable applications such as irrigation and flushing.

Leased facilities in India and overseas are managed by third-party building or property management operators. Responsibility for water management at these locations' rests with the respective facility owners or lessors. Water management data coverage includes all owned facilities, which together account for 93% of Persistent Systems'

total global facility area.

Our wastewater management initiatives reduce dependency on freshwater sources and support circular water use across operations. 52% of treated wastewater is re-used within our owned facilities.

In FY2026, 100% of wastewater generated at owned campuses was treated, with reuse increasing to 52% an improvement of 17% year-on-year (FY2025: 35%) reflecting sustained progress in circular water management.



Wastewater treatment and reuse performance

Parameter	FY2025	FY2026
% of wastewater treated at owned campuses	100%	100%
% of treated wastewater reused internally	35%	52%
STP installed capacity (kLD)	160	275
Primary reuse applications	Gardening, flushing, landscaping	

Water quality covering both freshwater and treated wastewater is tested through accredited third-party laboratories as per the frequency mentioned by Pollution Control Board with corrective measures implemented where required. A structured CAPA framework governs all effluent and wastewater-related incidents, incorporating root cause analysis, corrective action implementation, and continuous monitoring to ensure regulatory compliance and recurrence prevention.

Implementation Approach

Water efficiency, treatment and conservation: implementation approach

Identified water-saving opportunities are systematically implemented through

- **Accelerated actions:** Fast-track installation of touchless taps, groundwater recharge pits, auto-level controllers for overhead tanks and rainwater harvesting systems
- **Scaling actions:** Effective water conservation measures are expanded across departments and locations to drive consistent performance improvement

Monitoring, performance review and compliance:

Water consumption and reuse performance are monitored at facility level through internal reviews and independent assessments, including ISO 14001 audits and ESG evaluations. Leaks or pipe failures are addressed promptly, with defined response timelines to minimize water loss. Water Audits are conducted by Subject matter experts perform assessments/ audits to identify leakages and inefficiencies for water efficiency improvements, enabling freshwater reduction through treated water reuse.

People Enablement

Employee awareness and engagement

Employee awareness programmes and periodic training initiatives promote responsible water use and reinforce sustainable water management practices across the workforce. Through the Company's EHS awareness programmes, approximately 99.43% of employees and contractors are trained in key water conservation practices annually.

Training content covers

- Responsible water usage and prevention of water wastage
- Reporting procedures for leakage in taps, pipes and equipment
- Adoption of water-efficient fixtures and appliances at home and workplace settings
- Awareness of rainwater harvesting and water conservation practices

These initiatives promote behavioural change and enhance employee engagement in water stewardship across operations.

Risk Integration, Financial Exposure, Compliance and Controls

Water-related risks, impacts and governance

Water scarcity is identified as an emerging physical risk within the Company's ERM framework. Oversight and management of water-related risks are led by the Heads of ERM, ESG and Facilities and Administration, with biannual updates provided to the Risk Management Committee of the Board.

Water Risk and Stress Management

Persistent Systems recognize water as a finite resource subject to increasing physical and regulatory risks. The Company assesses water-related risks across operations using the WRI Aqueduct Water Risk Atlas, enabling identification of facilities exposed to baseline water stress and other physical water risks.

Based on this assessment, offices located in Pune, Nagpur, Hyderabad, Gurugram, Noida, Indore, Ahmedabad, Jaipur, Kochi, Bengaluru and Chennai were

identified as operating in water-stressed regions during FY2026. All Company facilities have been evaluated, with water risk levels ranging from low to extremely high depending on location.

Total water withdrawal from water-stressed locations during FY2026 amounted to 80,042.15 kL, representing 92.42% of total water withdrawal.

Water stress location map

Location	WRI Aqueduct Risk Rating	Water Withdrawal (kL)	% of Total Withdrawal	Mitigation Actions
Pune	High	57,757.69	66.69%	Rainwater harvesting, groundwater recharge pits, wastewater recycling and reuse of treated water, STP retrofit for efficiency upgrades
Nagpur	High	7,427.97	8.58%	
Bengaluru	High to Extremely High	6,300.44	7.27%	
Hyderabad	High	1,780.58	2.06%	
Noida	High	1,730.45	2.00%	
Other stressed locations	High	5,045.01	5.83%	

Site-level exposure and mitigation actions are tracked through a Water Stress Location Map, capturing each location's WRI risk classification, withdrawal volume, share of total consumption and mitigation measures with detailed tracking focused on water-stressed sites and limited coverage for non-stressed locations.

Note: India is a water-stressed country, underscoring the need for responsible water management. The Company is focused on mitigating water risks through measures such as water efficiency improvements, recycling and reuse initiatives and adoption of conservation practices, along with periodic monitoring of water usage to enhance resource efficiency.

Financial exposure and mitigation investment

Estimated financial exposure related to water-related risks, primarily linked to potential supply disruptions, increased sourcing costs and infrastructure adaptation, is approximately INR 551.95 Mn over a five-year horizon. Planned and ongoing mitigation actions, including water efficiency improvements, reuse infrastructure expansion and monitoring systems enhancement, are estimated to require INR 89.9 Mn over the same period.

Compliance and incident reporting

Freshwater and treated wastewater quality are periodically tested through accredited third-party laboratories, with corrective actions implemented where required. No water-related regulatory non-compliance or operational incidents were reported during FY2026.

Water-related grievances or concerns are addressed through the Company's environmental complaints mechanism, "Ask Admin". All grievances are investigated and appropriate corrective actions are implemented to ensure timely and effective resolution.

Monitoring, data quality, controls and assurance

Water consumption and reuse performance are monitored through

Internal facility-level reviews conducted on half-yearly basis by facility management teams

Independent assessments, including ISO 14001 audits conducted annually and ESG evaluations

Real-time monitoring, supported by BMS integration and twice-daily manual water meter readings

Third-party water quality testing conducted monthly through accredited laboratories

About Persistent

Persistent Systems (BSE: 533179 and NSE: PERSISTENT) is a global services and solutions company delivering AI-led, platform-driven Digital Engineering and Enterprise Modernisation to businesses across industries. With over 27,500 employees located in 21 countries, the Company is committed to innovation and client success. Persistent offers a comprehensive suite of services, including software engineering, product development, data and analytics, CX transformation, cloud computing, and intelligent automation. The Company is part of the MSCI India Index and is included in key indices of the National Stock Exchange of India, including the Nifty Midcap 50, Nifty IT, and Nifty MidCap Liquid 15, as well as several on the BSE such as the S&P BSE 100 and S&P BSE SENSEX Next 50. Persistent is also a constituent of the Dow Jones Best-in-Class World Index. The Company has achieved carbon neutrality, reinforcing its commitment to sustainability and responsible business practices. Persistent has also been named one of America's Greatest Workplaces for Inclusion & Diversity 2025 by Newsweek and Plant A Insights Group. As a participant of the United Nations Global Compact, the Company is committed to aligning strategies and operations with universal principles on human rights, labor, environment, and anti-corruption, as well as take actions that advance societal goals. With 468% growth in brand value since 2020, Persistent is the fastest-growing IT services brand in 'Brand Finance India 100' 2025 Report.

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