

ONE WORLD.
ONE INTERNET.

**ONE WORLD.
ONE INTERNET.**



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Forward-looking and Cautionary Statement

Certain words and statements in this report concerning Sterlite Technologies Limited (STL) and its prospects, and other statements relating to STL's expected financial position, business strategy, the future development of STL's operations and the general economy in India, are forward-looking statements. Such statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements of STL, or industry results, to differ materially from those expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding STL's present and future business strategies and the environment in which STL will operate in the future. The important factors that could cause actual results, performance or achievements to differ materially from such forward-looking statements include, among others, changes in government policies or regulations of India and, in particular, changes relating to the administration of STL's industry, and changes in general economic, business and credit conditions in India. Additional factors that could cause actual results, performance or achievements to differ materially from such forward-looking statements, many of which are not in STL's control, include, but are not limited to, those risk factors discussed in STL's various filings with the BSE Limited and The National Stock Exchange of India Limited. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company unless it is required by law.

These filings are available at:
www.nseindia.com and www.bseindia.com

Paving the way for sustainable networks by 2030

Care for the environment and communities is at the core of our business. We are driven by our purpose of transforming billions of lives through digital networks, and strive to make the world a sustainable place to live. We pledge to be emissions-free by 2030 on the back of our environment-positive actions including:



Net-Zero Emissions in
Manufacturing Facilities



Zero Waste
to Landfill



100% Sustainable
Sourcing



Water
Positivity



Eco-friendly
Product Development

Chairman's Message

BUILDING A WORLD OF EQUAL OPPORTUNITIES THROUGH DIGITAL EMPOWERMENT

"In a year that was full of challenges, STL delivered excellent results while connecting millions of people in difficult times. The era of digital networks going mainstream has started and STL is set to contribute through its wholesome solutions while living up to its purpose of transforming billions of lives through digital networks."



Dear Stakeholders,

It is with great pleasure that I bring to you the Annual Report of Sterlite Technologies Limited (STL) for FY22. The year under review saw STL rising to the occasion in the face of uncertainty and challenges. We take pride in the work we did to help people stay connected and make difficult times, a little easier.

The year 2021 enhanced the momentum of the digital wave fuelled by the pandemic in 2020. While the increased dependence on digital technologies accelerated adoption and usage, it also made us starkly aware of the connectivity chasm that exists. A 2021 United Nations report noted that 3.7 billion people still lack adequate internet access. In underdeveloped countries, over 80% of the population is still offline.

Clearly, the inequalities need to be eliminated and that can only be done by ensuring accessible and affordable internet connectivity for all. STL is set to play a crucial role in solving this problem by bringing together all the elements of the modern network architecture. We are working with governments, telcos and like minded enterprises to bridge the digital divide, offering high end digital access to sections of society that never had this privilege.

The opportunity to connect the unconnected in 2022

The year 2021 clearly showed that digital networks will become the foundation of the future and 2022 reaffirms that notion. It will be the year that sees significant large-scale network buildouts. The decade of network creation has started and will provide a massive opportunity to connect the 3.7 billion people that are still unconnected. In addition to driving inclusion across the world, these networks will do something that physical infrastructure took decades to achieve - level the playfield for all in terms of education, healthcare, employment and much more.

Despite economic worries, there is clear global demand in digital broadband networks. Governments and private players have made investments towards network modernisation on priority. STL is helping these stakeholders across the globe build the digital networks.

Digital networks will also underpin the rise of technology ecosystems such as Metaverse and Web3 while democratising

more mature technologies like Artificial Intelligence, Internet of Things, 5G, Machine Learning, among others. As one of the leading integrators of digital networks, we are working on our long-term strategy, built on deep capabilities in optical networking, system integration, software and virtualised access.

I think synergies is the keyword here. Ensuring synergies among these capabilities will enable disruptive innovations that will, in turn, bridge the digital divide and shape a gloriously connected future. Our cutting-edge, end-to-end digital network solutions are 5G-ready, agile and scalable enough to deliver a multitude of services and applications across the network stack. We develop these solutions while keeping environmental sustainability at the heart of our operations.

Sustainability and purpose will always be our north stars

As individuals, businesses and economies, we all aspire to grow. But now this growth needs to take shape with the principles of sustainability at the core. It is important to ensure that climate change actions become mainstream. STL is striving to contribute more to ensure we leave a healthier planet for our next generation. Our Net Zero emissions, water positivity goals, Zero Waste to Landfill certifications, and sustainable sourcing reflect our commitment to environmental sustainability.

Behind all the tech-driven capabilities and processes lies our purpose of transforming billions of lives through digital networks. Our purpose comes to life every time a child is given the opportunity to receive an equitable education, a person from an underserved community receives the best medical care, a woman provides for her family or when people connect with their loved ones online. We believe we are fortunate enough to contribute at a time when the need to bridge the digital divide is at its peak and the world is preparing for newer technologies that will drive the future. I look forward to your continued support and encouragement in this journey of ours.

Warm Regards,

Anil Agarwal
Non-executive chairman

TAKING STRIDES TO TRANSFORM BILLIONS OF LIVES THROUGH DIGITAL NETWORKS



**Pravin
Agarwal**

Vice Chairman and Whole-time Director



**Ankit
Agarwal**

Managing Director

Dear Shareholders,

I am extremely pleased to share with you that FY22 was a pivotal year for us. In a challenging yet transformational year in terms of digital adoption, we contributed significantly towards building digital networks that enabled inclusion for millions and critical connectivity during the toughest phases of the pandemic. Empowering network creators across the globe, we worked in deep collaboration with them to solve their most crucial needs, including speedier optical supplies, greener optical products, faster broadband rollouts and open source ecosystem. Our focus on innovation, commitment to environmental sustainability and best-in-class talent enabled our ambition to achieve global scale in our business and transform billions of lives through digital networks. As a result, we were able to register the highest ever revenue of ₹5,754 crores and a robust order book of ₹11,639 crores in FY 2021-22.

2021: When the importance of digital connectivity was reaffirmed

The bygone year was a challenging one that witnessed pandemic outbreaks, geo-political complexities and some extreme climate events. While these events continued to impact economies and trade differently in different countries, one thing was very clear - the underlying importance of digital infrastructure. Almost all countries committed to building digital infrastructure to connect the unconnected.

Several large-scale broadband expansion initiatives came to life. Some of them were a US\$65 billion plan for broadband scheme infrastructure by the US government, Euro 12 billion for gigabit capable fibre connectivity by Germany.

Parallely, the year saw 5G, FTTx and other emerging technologies become mainstream and now they are all set to power applications that require massive bandwidth.

While so much was happening in our external environment, internally, organisations were challenging the mighty second wave of COVID-19. We will surely remember this year for how our teams delivered exceedingly well, but we will also remember how we were stronger together. This year, we built a culture of care across the organisation and formed an even deeper connect with our larger purpose of transforming billions of lives through digital networks. Here are some key highlights from FY22.

The bygone financial year saw close to half of our annual revenue coming from focus markets of North America and Europe – a clear indicator of our global success. We placed some bold bets in the global markets with the vision of becoming an end-to-end player that enables ubiquitous connectivity for millions and powers future-ready

We significantly increased our optical fibre cable capacity to achieve the scale of massive rollouts and increase our proximity with our customers. Our acquisition of Optotec helped us strengthen and diversify our optical networking portfolio for our customers across Europe, India and the Middle East. As a result, we reached more than 20% market share in Europe and took the attach rate from 3% to 11% for Optical Interconnect business.

We are always working tirelessly to create an environment that's diverse, inclusive, and encouraging of employees. Our people practices earned us the Great Place to Work certification for the third year in a row and we were also voted the Best Organization for Women by The Economic Times.

technologies through modernised and densified digital networks.

We took our network deployment experience of 35,000 kms in India to the UK setting up a Service Centre of Excellence and acquiring Clearcomm to build our delivery capability there. As a result of these moves, we closed the year with an open order book of ~₹1,000 crores in the region with several leading telcos and Altnets aligning with our vision. Our wireless business too witnessed some key global collaborations. We partnered with Facebook Connectivity to design and develop 4G and 5G radio products and successfully completed a proof-of-concept (PoC) with Chunghwa Telecom.

With top leadership at the helm

To unlock our next phase of technology leadership, STL onboarded industry stalwarts as CEOs for all four businesses of Optical Networking, Global Services, and Software and Wireless. These leaders have already initiated steps to accelerate STL's growth trajectory in the global markets and are setting up a solid foundation for non-linear growth in the future.

Penchant for innovation

Our untiring efforts towards innovation helped create innovative solutions to solve key challenges for our customers. The efforts towards R&D grew at tremendous scale in FY22 with our patent portfolio (filed + granted) going up to 733. We also earned our first 5G deployment patent granted in the U.S. To further our R&D capabilities, we established one-of-a-kind Centre of Excellence and innovation centre for 5G in India. This 5G innovation lab will provide the required resources to enable the testing and optimisation of 5G products in a real 5G radio environment.

 **733**

Patents as part of our efforts towards R&D in FY22

Commitment to sustainability

This year, we committed to an ambitious roadmap to become a Net-Zero emissions company by 2030. Sustainability is at the core of our business operations, and we continued our relentless focus towards stepping it up in FY22. Impacting 1.37 million people, STL planted ~1,69,000 trees and made a commitment to become a carbon-neutral and water positive company by 2030. We also announced our plans of making 100% plants 'Zero Waste to Landfill' certified by 2030.



1.37 Million

People impacted through sustainability initiatives in FY22



~1,69,000

Trees planted in FY22

Best-in-class people practices

Our employees, who we fondly refer to as STLers, are our greatest strength. We are always working tirelessly to create an environment that's diverse, inclusive, and encouraging of employees. In FY22, STL enhanced its team strength across locations and made substantial efforts in creating an empathetic yet high-performing organisation that eliminates the gender gap. Our people practices earned us the Great Place to Work certification for the third year in a row and we were also voted the Best Organization for Women by The Economic Times.


FY23 and beyond: Our efforts to connect the unconnected will only strengthen

In FY22, we displayed tremendous technology innovation, operational excellence, and customer centricity to counter the challenges of the pandemic and work together towards our purpose of transforming billions of lives through digital networks. The impending financial year will continue to serve as a springboard for us to take the wonders of digital networks to all corners of the world. This will be the cornerstone of our future growth and success. With a clear strategy in our minds and a purpose at the core, STL will keep bringing disruptive innovations to connect the unconnected and pave the way for a bright future technology landscape.

Warm Regards.

MAKING GREAT STRIDES WITH ALL-IN-5G SOLUTIONS

Everything we do revolves around our purpose of **‘Transforming billions of lives through digital networks’**. In FY22 we took great strides in enhancing our capabilities in optical networking, broadband rollouts, access solutions and software to connect the unconnected while championing sustainable business practices and serving communities.

An exhibition stand for STL fiber optic technology. It features a large monitor in the background displaying the STL logo and the text 'WORLD'S FIRST LEGACY NETWORK-COMPATIBLE G.657.A2 FIBRE'. In the foreground, a person's hands are holding a clear cylindrical container filled with fiber optic cables. Below the monitor, there are several smaller cylindrical containers, each labeled with the STL logo, and a circular sign that says 'STL One Fibre Multiple Applications'.

STL
WORLD'S FIRST
LEGACY NETWORK-COMPATIBLE
G.657.A2 FIBRE

We established a 5G innovation laboratory to test new use cases and showcase our solutions. We invested aggressively in R&D to strengthen our prowess in converged 5G networks based on optical fibre broadband and Open RAN. In addition to our technology solutions, we also built a skilled talent pool for the industry, through the STL Academy. We can proudly say that we became one of the first indigenous companies with homegrown All-in-5G solutions that combine the power of optical, wireless, software and deployment methodology.

Here's how our businesses are making ripples in the world of connectivity:

Optical Networking

Taking top-notch fibre connectivity everywhere

25 years ago, when we pivoted from copper to fibre-optic cables, little did we imagine that we will be connecting the entire world with fibre. Over the years, we have established production facilities in India, China, Italy and Brazil and are supplying 34 million fkm across five continents and 60+ countries. We are continuously innovating with cutting-edge solutions like high fibre count **Celesta** Intelligently Bonded Ribbon Cable and **Stellar™** bend-insensitive fibre.

To meet the demand for speed and scale in 5G and FTTH network deployment, we built an **optical interconnect** suite, that comprises joint enclosures, optical distribution frames and cable assemblies. All these solutions are a part of **Opticonn**, our purpose-engineered, end-to-end, 5G-ready, optical networking solution. And we are empowering global network creators with Opticonn. In the UK, we are enabling massive fibre connectivity for our customers, including Openreach, Cityfibre and Netomnia, contributing to their ambitious visions of building a gigabit society. With Opticonn, they realise core benefits like faster time-to-market, a lower TCO and greener networks with an extended lifetime. In the US, we are a trusted partner for the country's rural connectivity programme, RDOF, and are also supporting a massive fibre rollout for one of the largest service providers. We are confident that in FY23, through our integrated optical connectivity solution, we will continue to take fibre connectivity around the world.



~34 Mn fkm

of fibre-optic cables supplied across five continents and 60+ countries

Access Solutions

Open networking delivered

Data usage has skyrocketed in the past years and everyday users are driving this massive increase, prompting network creators to modernise and densify access and edge networks. The bygone financial year proved to be a phenomenal one for Access Solutions, our newest business unit focussing on **open and programmable networks**.

The cornerstone was the launch of **Accellus**, our flagship solution for 5G-ready, open and programmable networks. The year was foundational for the business as multiple products under Accellus Solution became market ready.

We announced the general availability of our indoor small cells - Garuda, programmable FTTx (pFTTx), and WiFi6 access point. We also launched a series of macro radios called Firebird and did the Minimum Viable Product (MVP) release for RAN Intelligent Controller (RIC). This year, we concluded meaningful Proofs of Concept (POCs) with some key customers, including pFTTx with Chunghwa Telecom's open broadband access network.

We collaborated with Meta Connectivity to design and develop 4G and 5G radios for the Evenstar programme that can accelerate the availability and commercial readiness of Open RAN solutions. In the coming year, we are set to play a key role in the industry transition from tightly integrated, proprietary products to vendor-neutral, programmable converged wireless and fibre network solutions.

