

SUSTAINABILITY REPORT

2015/2016

virtusa | POLARIS™

Accelerating Business Outcomes

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Message from the CEO

The year 2015 renewed the focus on sustainability with the launch of the Sustainable Development Goals and the Paris Agreement. At VirtusaPolaris, we believe that technology – a key enabler of sustainable development – helps us to create shared value. Consequently, our sustainability strategy is focused on creating value for our clients through digital transformation and innovation; for employees through diversity and collaboration; and for our communities through technology enablement as well as environmental stewardship.

This sustainability report – our first report published in accordance with the Global Reporting Initiative (GRI) G4 Guidelines – highlights our progress in the above areas. As a signatory to the United Nations Global Compact (UNGC), this report also forms our sixth Communication on Progress (COP).



FY16 proved to be a momentous year for us as Virtusa Corporation acquired a majority interest in Polaris Consulting & Services Limited. VirtusaPolaris, our new market-facing brand, represents the combined strengths of Virtusa and Polaris. While you will find detailed information on all our sustainability initiatives within this report, I would like to share some specific highlights from our FY16 program.

Client value: We continued to focus on improving our client services. This is evidenced by the increase in perfect 10/10 Client Delight Index (CDI) scorecards from 125 in FY15 to 225 in FY16. Our focus is to help our clients navigate the rapidly changing technology landscape. Advances in technology such as mobility, big data analytics, social media and cloud computing, Internet of Things (“IoT”), artificial intelligence (“AI”), and robotics process automation (“RPA”), are disrupting traditional business models. We have invested in these technologies and our millennial technology labs and innovation hubs foster the development of innovative business solutions for our clients.

Environmental stewardship: Code Green, our environmental management system, encompasses measures to manage the significant environmental aspects of our business operations. Started in FY09, Code Green has continued to grow in terms of scope and maturity. Our 2015 Carbon Disclosure Project submission resulted in an 87 out of 100 disclosure score – a 13-point increase from 2014. We aim to build on our success and continuously improve our environmental footprint. To this end, in FY16 we joined the CDP Climate Change Program, whereas previously we had been responding to the supply chain program. We also extended third party assurance to our Scope 3 emissions data in addition to the Scope 1 and Scope 2 emissions data.

People value: Due to the acquisition of Polaris Consulting our headcount increased from 11,741 in FY15 to 18,226 in FY16. We aim to create a work environment that values diversity and innovation, where our team members can do their best work and be recognized for their passion and creativity. V+, our innovative social business platform, has provided the platform that nurtures such creativity and innovation. As we grow our organization, we also aim to grow 75% of our leaders from within.

Social value: Our CSR pillars—Campus Reach, Digital Reach and Tech Reach—focus on creating positive social impact. In FY16, a CSR Committee was set up to manage CSR activities across our Indian operations. Detailed information about these initiatives are provided in the section, Social Good. The backbone of our CSR programs has always been our employees who generously volunteer their time and effort. Whatever the need, from the earthquake in Nepal to the floods in Chennai and Sri Lanka, our team members were quick to respond generously.

Future Direction

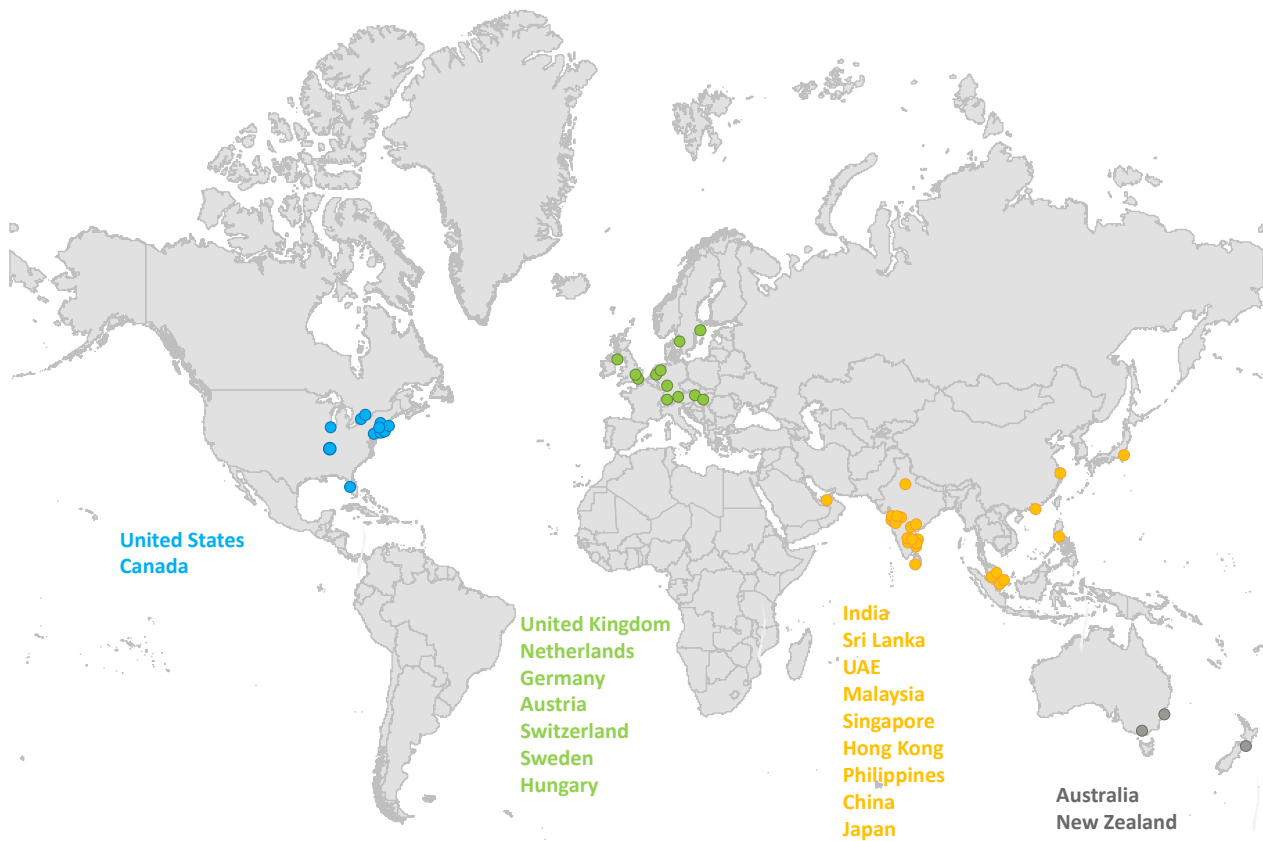
With the integration of Polaris Consulting, we aim to include environmental data from additional geographic locations in our future reports and also to implement the use of renewable energy in our operations. We also aim to strengthen our diversity initiatives. The participation of women is low in the IT industry and we have initiated several schemes to increase the number of female employees in our operations, especially in leadership positions.

While we have achieved many goals in our sustainability journey, there is still much to do. As such, not only do we seek to improve our own sustainability practices but also to collaborate with our clients, supply chain and other stakeholders to address the sustainability issues that impact all of us.

Kris Canekaratne
Chairman & CEO

Organizational Profile





Virtusa Corporation (NASDAQ: VRTU) is a global information technology services provider. Virtusa and its subsidiaries have offices in North America, Europe, Asia, and Australia and New Zealand.

OUR VISION

Apply domain and technology innovation to accelerate business outcomes for our clients.

OUR MISSION

To enable our clients to create the distinctive millennial experience, transform their business and deliver platform efficiencies. To build a great global firm that attracts, develops, inspires and retains exceptional talent.

OUR VALUES

PASSION: To inspire our global teams to deliver extraordinary results

INNOVATION: Apply intellectual curiosity to reimagine better business outcomes for our clients

RESPECT: Protect our environment, honor our diversity and treat everyone with dignity

LEADERSHIP: Take personal responsibility when things go awry and always ascribe success to the team

FY16 FAST FACTS



18,226 people across the globe*

More than 80% of our workforce are millennials

27% of workforce are women



Revenue: \$600.3 million

Net income: \$44.8 million

25.3% increase in revenue

174 clients**

225 perfect 10/10 Client Delight Index scorecards

85% of revenue from repeat business



17% reduction in emissions per employee***

25% reduction in energy consumption per employee

45% reduction in water consumption per employee

*Due to Polaris acquisitions

**Including clients from the Apparatus, Agora and Polaris acquisitions

***Scopes 1 and 2

About VirtusaPolaris

Virtusa Corporation is a global information technology services provider. Headquartered in Massachusetts, we have offices in the United States, Canada, the United Kingdom, the Netherlands, Germany, Switzerland, Sweden, Austria, the United Arab Emirates, Hong Kong, Japan, Australia and New Zealand, with global delivery centers in India, Sri Lanka, Hungary, Singapore and Malaysia, as well as multiple near shore delivery centers in the United States.

We view our operations and manage our business as one operating segment. Our corporate structure also spans multiple jurisdictions, with Virtusa Corporation incorporated in Delaware and its operating subsidiaries organized in India, Sri Lanka, the United Kingdom, Hungary, Germany, Singapore, Austria, Malaysia, Sweden, Switzerland and the Netherlands, as well as Polaris and its operating subsidiaries which are incorporated in Australia, New Zealand, the United Arab Emirates, Japan, Hong Kong and Canada.

From time to time, we have also supplemented organic revenue growth with acquisitions. During the reporting period, we completed the acquisition of Apparatus, which expands our infrastructure management service offerings. On July 28, 2015, we acquired the business of Agora Group, Inc., an IT consulting organization headquartered in Atlanta, Georgia, USA and its Indian Affiliate, which expands our business process management service offerings. On March 3, 2016, we acquired a controlling interest in Polaris Consulting & Services Limited, which expands our banking and financial services offerings and domain expertise.

Due to the Polaris acquisition, our facilities increased from 25 to 53, expanding operations to Hong Kong, Ireland, United Arab Emirates, New Zealand, Japan, Australia and Canada. Our headcount increased from 11,741 to 18,226 worldwide. For information on changes in structure and capital, please see the 10K filing available at: <http://phx.corporate-ir.net/phoenix.zhtml?c=211246&p=irol-sec>.

Our Services

Using an enhanced global delivery model, we provide end-to-end information technology ("IT") services to Forbes Global 2000 companies. These services include IT and business consulting, digital enablement services, user experience ("UX") design, development of IT applications, maintenance and support services, systems integration, infrastructure and managed services. Our millennial solutions support the business growth imperative of our clients by delivering targeted and differentiated solutions that help expand their addressable markets as well as develop go-to-market strategies supporting new revenue streams. To improve IT efficiencies and reduce the cost of IT operations, we help our clients consolidate applications into platforms, rationalize IT infrastructure, and deliver transformational, industry-focused solutions, thereby enabling our clients to deliver modern, efficient and agile enterprise application platforms. Our deep expertise in core technology services allows us to help our clients to lower total cost of ownership of their overall IT investments. We also combine industry specialization with our core services to deliver high-impact solutions in critical business functions that help our clients transform their business performance and gain competitive advantage in the markets in which they operate.

We provide our IT services primarily to enterprises engaged in the following industries: communications and technology (“C&T”); banking, financial services and insurance (“BFSI”); and media and information (“M&I”). Detailed information of our service offerings is available on our website, <http://www.virtusapolaris.com/services/>.

Economic Performance

For the fiscal year ended March 31, 2016, we had revenue of \$600.3 million and income from operations of \$45.3 million. In our fiscal year ended March 31, 2016, our revenue increased by \$121.3 million, or 25.3%, to \$600.3 million, as compared to \$479.0 million in our fiscal year ended March 31, 2015. This was due primarily to broad based growth, particularly our non-top ten clients, and revenue from the Apparatus, Agora and Polaris acquisitions of \$55.2 million. Our net income increased from \$42.4 million in our fiscal year ended March 31, 2015 to \$44.8 million in our fiscal year ended March 31, 2016.

We serve clients across North America, Europe and Asia, and with the Polaris acquisition, added operations in Hong Kong, Ireland, United Arab Emirates, New Zealand, Japan, Australia and Canada. During the fiscal year ended March 31, 2016, 70% of our revenue was generated in North America, 22% in Europe and 8% in rest of the world.

Our Advanced Technology Centers in India and Sri Lanka help contribute to the economic development of these countries through job creation. The Polaris acquisition added eight locations to our Indian operations, increasing our footprint in India. In Sri Lanka, we are the largest IT service company and contribute to the development of the IT/BPO industry which is one of the top five export revenue earners for the country. In fact, we have been recognized as the highest foreign exchange revenue earner in the IT/BPO sector for Sri Lanka, having won the gold award for ‘Export of Business & Professional Services Sector’ in the ‘extra-large’ category at the National Chamber of Exporters Awards for four consecutive years since 2012.

We provide indirect economic benefits in two areas. Through our Campus Reach program we collaborate with the academia to advance IT education in India and Sri Lanka. Through our Tech Reach program we develop software applications for social good at zero cost to stakeholders. These programs are described in detail in the section “Social Good” along with details of community investments made during the reporting period. We do not make any political donations as per our corporate policy.

Financial Data

Fiscal Year Ended March 31
(In thousands, except share and per share amounts)

	2016	2015	2014	2013	2012
Revenue	600,302	478,986	396,933	333,175	277,771
Costs of revenue	389,310	304,422	250,533	215,866	177,434
Gross profit	210,992	174,564	146,400	117,309	100,337
Operating expenses	165,672	121,996	103,988	84,450	76,438
Income from operations	45,320	52,568	42,412	32,859	23,899
Other income	12,349	4,832	3,512	3,000	2,547
Income before income tax expense	57,669	57,400	45,924	35,859	26,446
Income tax expense	12,649	14,954	11,549	7,461	6,411
Net income	45,020	42,446	34,375	28,398	20,035
Less: Net income attributable to the non-controlling interest	218	-	-	-	-
Net income attributable to Virtusa common stockholders	44,802	42,446	34,375	28,398	20,035
Basic earnings per share	1.53	1.48	1.32	1.14	0.81
Diluted earnings per share	1.49	1.44	1.27	1.11	0.79
Weighted average number of common shares outstanding					
Basic	29,233,861	28,753,102	26,116,516	24,937,162	24,643,063
Diluted	30,004,982	29,555,624	26,973,001	25,638,839	25,383,650

Table: Consolidated Statements of Income Data (in US\$)

Year Ended March 31

	2016	2015	2014	2013	2012
Customer Revenue					
North America	421,215	319,285	278,318	251,219	215,723
Europe	134,639	129,904	97,178	65,863	49,839
Other	44,448	29,797	21,437	16,093	12,209
Consolidated revenue	600,302	478,986	396,933	333,175	277,771

Table: Revenue Breakdown According to Geographic Locations (in US\$)

Revenue by Industry Group	
BFSI	54%
Communications and Tech	35%
Media & Information and Other	11%
Revenue by Product Type	
Time & Materials	61%
Fixed Bid	39%
Revenue by Service Offering	
Application Outsourcing	54%
Consulting	46%

Table: Breakdown of Services Provided (FY16)

Our Sustainability Program



SUSTAINABILITY AT A GLANCE



OHSAS 18001:2007

Certified Occupational Health and Safety System



ISO 14001:2004

Certified Environmental Management System



ISO 22301:2012

Certified Business Continuity Management System



ISO 27001:2013

Certified Information Security Management System

Our Sustainability Program

Our aim is “to reduce our environmental footprint, with ethical maturity, respect and dignity to all”. Premised on our core corporate values of Passion, Innovation, Respect and Leadership (PIRL), we believe in doing more, and better, with less. Accordingly, we leverage unique and industry leading tools to increase “right first time” and reduce “cycle time” by aggressively measuring and improving quality and reuse at the source. By doing so, we effectively reduce the environmental footprint of the products and services offered to clients.

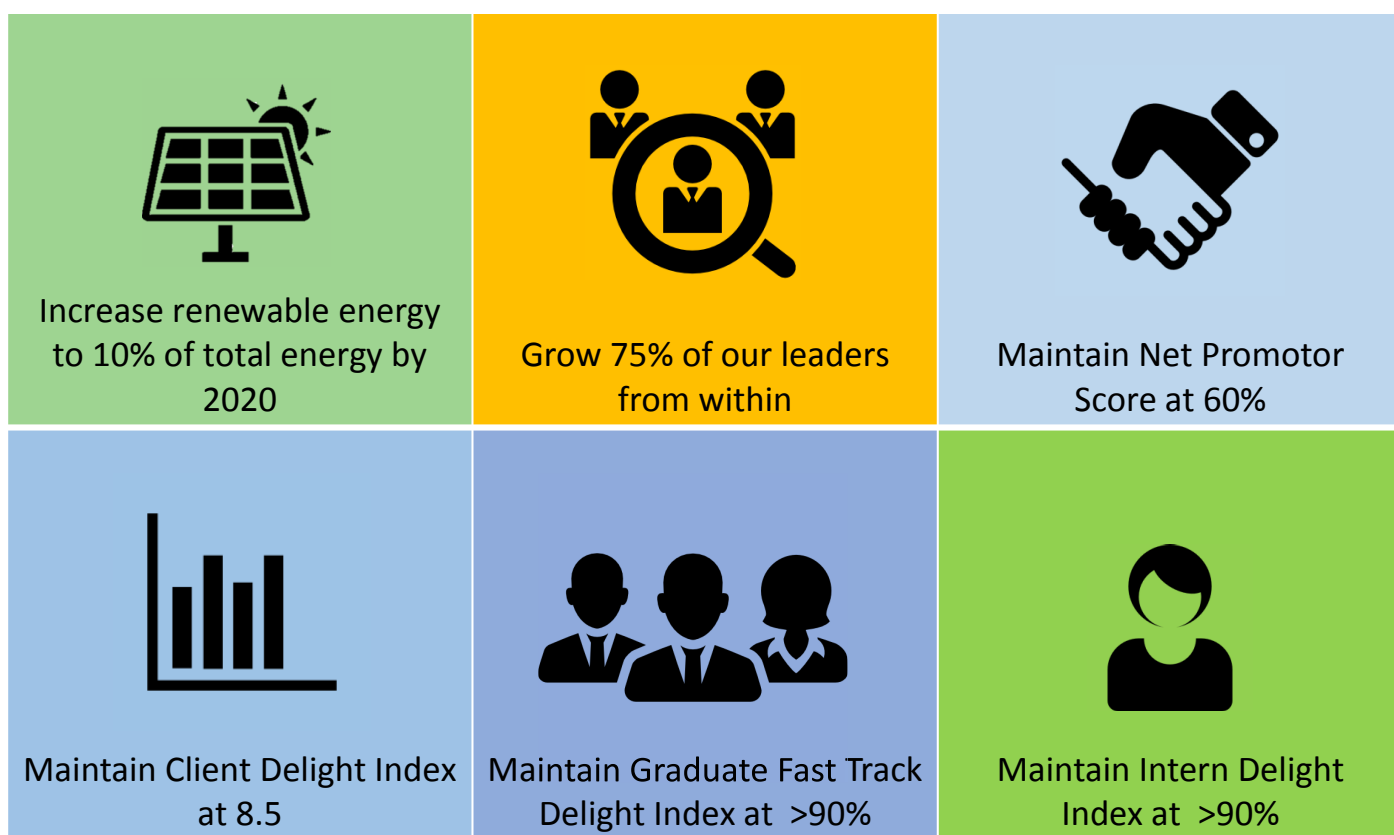
Our sustainability program is based on the following core elements.

Area	Framework	Current Status
Health and Safety	OHSAS 18001:2007	All major offices in India and Sri Lanka are certified.*
Environment (Code Green)	ISO 14001:2004 (EMS) ISO 50001:2011 Guidance (Energy) ISO 14064 Guidance (Climate Change) Greenhouse Gas (GHG) Protocol	All major offices in India and Sri Lanka are certified for ISO 14001.* Encompasses climate change, emissions, energy, water and waste management. We report GHG emissions to the Carbon Disclosure Project.
Business Continuity Management	ISO 22301:2012	All major offices in India and Sri Lanka are certified.*
Information Security	ISO27001:2013	All major offices in India and Sri Lanka are certified.*
Labor Standards	SA 8000 Guidance Modern Slavery Act 2015 (UK)	Policies formulated under SA 8000 guidance since July 2016.
Anti-Bribery and Corruption	Foreign Corrupt Practices Act 1977 Bribery Act 2010 (UK)	Policies signed in line with framework.
Management Engagement, Social Impact & Diversity	ISO 26000 Guidance Companies Act 2013 section 135 (India)	We create social impact through the following: <ul style="list-style-type: none"> • Digital Reach – Creating a digitally inclusive society. • Campus Reach – Supporting the next generation of IT professionals to be workforce ready. • Tech Reach – Using technology for good. <p>CSR Operating Committee for pan India formed in 2015.</p>

* Excludes offices from Polaris Consulting.

Our Chief Operating Officer, reporting to the Board, has responsibility for all aspects of sustainability. Cross-functional teams at each geographic location oversee and implement components of the sustainability strategy that are specific to their operations.

Goals and Commitments



Sustainability Policy and Sub-Policies

Our Sustainability Policy, which was formulated in FY14, has the following sub-policies: Energy Policy, Climate Change Policy, Waste Policy, Water Policy, and the Social Responsibility Policy. In FY16, we reviewed and updated all of the above policies.

About this Report

We have used the Global Reporting Initiative (GRI) G4 Guidelines as the foundation for our sustainability reporting and this report is prepared in accordance with the Core option. This report also forms our sixth Communication on Progress (COP) to the United Nations Global Compact and documents our progress in implementing the UNGC Principles in our operations.

REPORT QUICK FACTS

Reporting period: April 2015 to March 2016

Date of previous report: November 2015

Reporting cycle: Annual

Contact Point for Questions:
 Roger Keith Modder
 EVP and Chief Operating Officer
keith@virtusapolaris.com

Materiality and Reporting Boundary

A complete list of subsidiaries that comprise our reporting boundary is provided on page 162 of our [2016 Form 10K \(Exhibit 21.1\)](#). Since we manage our business as one operating segment, aspects related to economic, labor practices, human rights, governance and ethics, and customer privacy are reported for all entities except, Polaris Consulting and Optimus Global Services. As the acquisition of Polaris Consulting took place in March 2016, only limited information on the above aspects are provided for Polaris Consulting and Optimus Global Services.

Environmental data is reported only for our technology centers in India and Sri Lanka. Environmental data also excludes data from Polaris Consulting and Optimus Global Services.

Material Aspects	Virtusa Corp.	Apparatus Inc.	InSource Holdings	TradeTech Consulting	Polaris Consulting*	Optimus Global Services Limited*
Economic						
Environment						
Labor Practices and Decent Work						
Human Rights						
Governance and Ethics						
Customer Privacy						
Social Responsibility						

Material and fully reported	Reported with constraints	Not significant
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Note: As the acquisition of Polaris Consulting took place on 3rd March 2016, only limited information on the above aspects are provided for Polaris Consulting and Optimus Global Services.

Stakeholder Engagement

The stakeholder groups with which we engage include clients, investors, employees, academia, suppliers, governments, NGOs and local communities. Of the listed stakeholders, clients, investors and employees have the greatest impact on our operations. Stakeholder engagement is an important aspect of our sustainability program as it provides inputs on the topics that are important for our stakeholders. The following table lists the channels of engagement we use with each of our stakeholders as well as the key concerns for each stakeholder group.

Stakeholder	Engagement Mode	Key Concerns
Clients	<ul style="list-style-type: none"> Request for proposal Client visits and meetings Client Delight Index (CDI) Net Promoter Score (NPS) Client initiated surveys and audits Sustainability report Media interactions 	<ul style="list-style-type: none"> Business value Business continuity Good corporate governance Ethical business practices Environmental responsibility
Investors	<ul style="list-style-type: none"> Annual general meeting Media interactions 	<ul style="list-style-type: none"> Revenue growth Profit margins Good corporate governance Ethical business practices Transparency
Employees	<ul style="list-style-type: none"> Internal Support Group Framework EHS Committee Open Door Policy Social media Internal Service Group Survey On-boarding Survey 5th Month Survey and 18 Month Survey Exit Survey 	<ul style="list-style-type: none"> Career growth Compensation Learning and development Work/life balance Safe work environment
Academia	<ul style="list-style-type: none"> Curriculum development and advice Internship program Career guidance and awareness Mentoring for final year projects Industrial visits Career fairs Social media Media interactions 	<ul style="list-style-type: none"> Internship opportunities for students Curriculum advice
Suppliers	<ul style="list-style-type: none"> Supplier Survey Supplier Guidelines Supplier awareness sessions Media interactions 	<ul style="list-style-type: none"> Business opportunities Ethical business practices
Governments	<ul style="list-style-type: none"> Membership in global associations Collaborations with government bodies on sustainability Media interactions 	<ul style="list-style-type: none"> Good corporate governance Ethical business practices Environmental responsibility Development of IT industry in India/Sri Lanka
NGOs and Local Communities	<ul style="list-style-type: none"> Media interactions 	<ul style="list-style-type: none"> Ethical business practices Responsible corporate citizenship Job opportunities

We did not undertake an engagement process in specifically for the preparation of the report but have utilized the existing mechanisms.

In order to determine the report content, we used the matrix below to identify the issues and aspects most material to us and our stakeholders.

Critical		Labor Practices Equal Opportunity and Diversity Learning & Development Health & Safety	Ethics and Integrity Information Security Client Satisfaction Emissions and Climate Change Environmental Compliance
Significant to Stakeholders	Collective Bargaining Indirect Economic Impacts	Human Rights Forced Labor Child Labor Social Impact	Energy Water Waste
Medium		Anti-competitive Behavior	
	Medium	Significant to Us	Critical
	KEY Economic Social Environmental		

We have made every effort to submit a comprehensive report with regard to dimensions of scope and boundary for the reporting period. Our goal is to improve our reporting as well as work towards obtaining external assurance.

Restatements

We have revised the e-waste numbers for FY15, FY14 and F113 due to recalculations. We also revised the methodology used to calculate energy intensity and emissions intensity from per full time employee to per employee as this provides more accurate number.

External Commitments

United Nations Global Compact

We have been a signatory and a member of the United Nations Global Compact (UNGC) since 2008. We embody and practice the 10 principles through our management approach to sustainability and sustainable business.

We have been on the Steering Committee of the Sri Lankan Network since 2010. A representative from VirtusaPolaris is on the Board of Directors of the Network and we have supported and encouraged the activation of both the Network and the UNGC principles in Sri Lanka. We also support the Network to organize conferences and training sessions, thus enabling the dissemination of sustainability training to corporates in Sri Lanka.

UNGC Business for Peace (B4P)

We are also a member of the UNGC Business for Peace (B4P) initiative. In 2013, we were featured as a case study in the UNGC's Responsible Business Advancing Peace publication for our contribution to national reconstruction in post-war Sri Lanka. The case study highlights activities carried out through our Digital Reach and Tech Reach initiatives where we helped to build a digital learning center in the North of Sri Lanka to be used to provide IT training to war rehabilitees. More details are provided in the Social Good section.

Carbon Disclosure Project

We have been responding to the Carbon Disclosure Project (CDP) since 2011, and in 2015 we received a score of 97 out of 100 and our Performance Band was "C". From 2016, we will be responding to the CDP Climate Change Program as well as the Supply Chain Program.

Central Environmental Authority of Sri Lanka E-waste Management Program

We are one of 14 companies to sign an MOU with the Central Environmental Authority of Sri Lanka to properly and effectively manage e-waste. With the increase in use of electronic devices, proper disposal of e-waste is a growing problem in Sri Lanka as the country does not have mechanisms for recycling e-waste. This initiative has set up an island wide network for the collection of the e-waste from individuals and organizations in order to avoid such waste ending up in landfill and causing pollution.

PARTNERSHIPS

- National Association of Software and Services Companies (NASSCOM)
- Sri Lanka Association of Software and Service Companies (SLASSCOM)
- American Chamber of Commerce, India
- American Chamber of Commerce, Sri Lanka
- Information Technology & Services Industry Association of Andhra Pradesh (ITsAP)
- United Nations Global Compact (UNGC)
- Central Environmental Authority of Sri Lanka
- Biodiversity Sri Lanka
- Indian Green Building Council

Supply Chain Management

As an information technology services provider, our operations do not consume significant amounts of raw materials, nor do we sell products that require packaging and shipping. We have a large supplier base that provides goods and services to support our operations across the following categories: workplace and facilities, transport, IT and telecom, food service providers and security services. Accountability for the execution of our procurement strategy begins with our local and regional procurement teams and ultimately resides with our Chief Financial Officer.

Our policy is to depend on local suppliers at all locations of operations unless to do so would be a cost disadvantage. In order to incorporate responsible business practices in our supply chain we utilizing the initiatives described below.

Supplier Sustainability Survey

Our Supplier Sustainability Survey was created in 2010 to review supplier sustainability practices. In 2016, the Survey was updated to include a scoring mechanism to enable us to grade our suppliers in terms of sustainable business practices.

Supplier Guidelines

The Supplier Guidelines was formulated in 2013. The Guidelines set out the standards and practices that suppliers are required to uphold in the areas of human rights, labor, environment and business ethics. These include complying with all applicable laws and regulations, ensuring that they are not complicit in human rights abuses, ensuring that child labor and forced or compulsory labor is not used in any operations and providing safe working conditions for employees. In addition, suppliers are expected to ensure the protection of the environment and follow ethical business practices.

Supply Chain Sustainability Awareness Session

This event is held annually for our Tier 1 suppliers. The intention is to share sustainability best practices and to create awareness on current sustainability issues. The session has been held at our Sri Lanka facilities since 2013 and we intend to expand the practice to other locations.

Procurement Process

We have implemented a robust approval process for procurement, which includes evaluations not only on cost and quality aspects but also aspects such as user safety and climate change impact. We also include risk management aspects into the procurement process. Starting in 2016, we incorporated the Supplier Survey and Guidelines into our procurement selection process at our Sri Lanka operations. Our aim is to expand this practice to other locations in future.

Checks and Inspections

We strive to ensure that our suppliers operate responsibly. Suppliers are required to ensure that any employees performing work on behalf of us use the correct health and safety equipment and procedures. For transport providers are required to undergo vehicle inspections and drivers are required to provide police reports. Food service providers are required to submit themselves for inspections conducted by the Public Health Inspector (PHI).

Our Clients



FY16 FAST FACTS



174 clients



65 new clients*



85% of revenue is from repeat business



225 perfect 10/10 client delight scorecards

**Including clients from the Apparatus, Agora and Polaris acquisitions*

Our Strategy and Approach

A majority of our revenue for the reporting period was generated from Forbes Global 2000 firms or their subsidiaries. Our expertise in core technology services allows us to help our clients lower total cost of ownership of their overall IT investments. We also combine industry specialization with our core services to deliver high-impact solutions in critical business functions that help our clients transform their business performance and gain competitive advantage in the markets in which they operate.

Our solutions provide our clients with the consultative and high-value services associated with large consulting and systems integration firms, the cost-effectiveness associated with offshore IT outsourcing firms and the ongoing benefits of our innovative platforming approach.

We believe that our regular, direct interaction with client senior executives, the breadth of our client relationships and our reputation within these clients as a thought leader, differentiates us from our competitors. The strength of our relationships has resulted in significant recurring revenue from existing clients. During the fiscal year ended March 31, 2016, 85% of our revenue came from clients to whom we had been providing services for at least one year.

Strategic Alliances

We have strategic alliances with software companies, some of which are also our clients, to provide services to their customers. We believe these alliances differentiate us from our competition. Our extensive engineering, quality assurance and technology implementation and support services to software companies enable us to compete more effectively for the technology implementation and support services required by their customers. In addition, our strategic alliances with software companies allow us to share sales leads, develop joint account plans and engage in joint marketing activities.

Client Engagement

Account Management

Our experienced account managers build and regularly update detailed account development plans for each of our clients. These managers are responsible for developing strong working relationships across the client organization, working day-to-day with the client and our service delivery teams to understand and address the client's needs. Our account managers work closely with our clients to develop a detailed understanding of their business objectives and technology environments.

Clients also contribute to innovation and improvement as their ideas and experiences are incorporated into our body of knowledge. We also seek regular informal and formal client feedback. Our global leadership and executive team regularly interact with client leadership and each client is typically given a formal feedback survey on a quarterly basis. Client feedback is qualitatively and quantitatively analyzed and forms an important component of our teams' performance assessments and our continual improvement plans.

Client Delight Index

Measuring and ensuring high client satisfaction is an integral part of our delivery process. The Client Delight Index (CDI) is a key performance measure that has Board-level visibility. Client feedback is collected each quarter from stakeholders identified for each account and a consolidated report is published for each Advanced Technology Center. The CDI helps us to identify areas of client engagement that may need attention. Internally, all negative responses require action plans from our staff, ensuring that any problems are corrected. The survey can be customized depending on the project or project phase.

Net Promoter Score

Along with the CDI we also gather information on the Net Promoter Score. This metric is also reviewed at Board level on a quarterly basis.

Technology and Innovation

New advances in areas like internet of things (“IoT”), artificial intelligence (“AI”) and robotics process automation (“RPA”) are pushing the boundaries of how technology can disrupt traditional business models and deliver significant value in several areas, including delivering new products and services, enhancing consumer experience and improving operational efficiencies of the business. We have invested in developing deep capabilities in these new areas, fostering a strong partner ecosystem and building a rich platform for nurturing innovation and rapidly constructing prototypes that use IoT, AI and/or RPA to solve specific business problems for our clients. Our Global Technology Office has extended its award winning ERA Platform to include a comprehensive RPA tooling capability and is leveraging it to drive innovation and operational efficiencies for our clients.

Our millennial technology labs and innovation hubs foster the development of emerging technology solutions and enable our clients to become millennial enterprises.

GTO Tools and Solutions

Empowering every team member with a comprehensive SDLC 2.0 ecosystem




REX
Lean Startup Application
Lifecycle Management
Solution

- *Lean startup*
- *Extreme agile with design factory*
- *Stakeholder value management*
- *End-to-end traceability*
- *Social/gamification*



Model Driven Rapid
Innovation Platform

- *40% less effort and 60% less time to market*
- *Model driven platform*
- *Near-zero code backend*
- *Modern UX*

Global Innovation Process

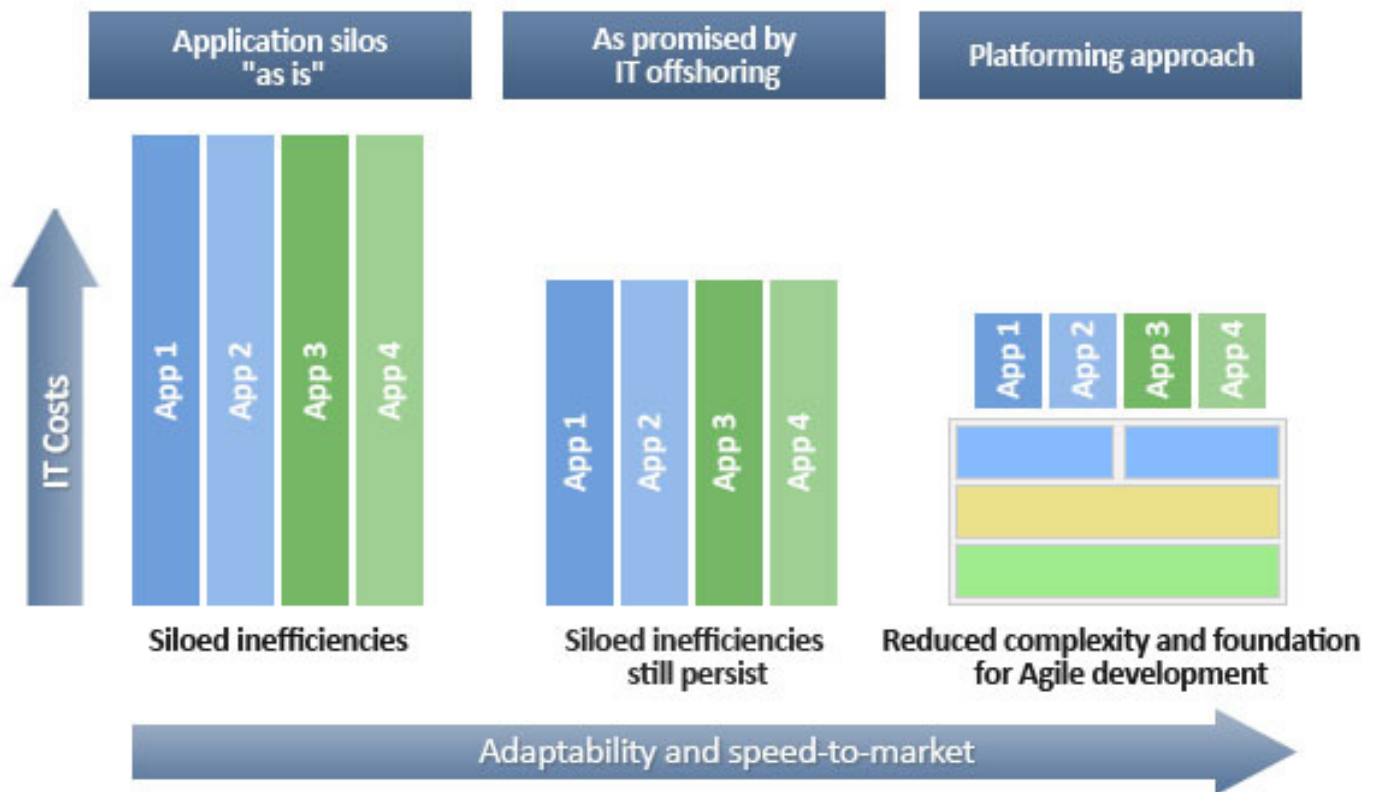
Our proprietary Global Innovation Process (GIP) is a software lifecycle methodology that combines our experience building platform-based solutions for global clients with leading industry standards such as CMMI Level 5 (Capability Maturity Model Integration), Agile, ITIL v3, Rational Unified Process, and Product Line Engineering. By leveraging GIP templates, tools and artifacts across diverse disciplines such as requirements management, architecture, design, construction, testing, application outsourcing and production support, each team member is able to leverage software engineering and platforming best practices and extend these benefits to clients.

During the initial process-tailoring phase of an engagement, we work with the client to define the specific approach and tools that will be used for the engagement. This process-tailoring takes into consideration the client's business objectives, technology environment and currently-established development approach.

A dedicated business excellence group provides three important functions: they continually monitor, test and incorporate new approaches, techniques, tools and frameworks into GIP; they advise project teams, particularly during the process-tailoring phase; and they monitor and audit projects to ensure compliance. Clients also contribute to innovation and improvement as their ideas and experiences are incorporated into our body of knowledge.

All of our major delivery centers, located in Hyderabad, Chennai, Bangalore in India and Colombo, Sri Lanka have been assessed at CMMI Level 5 maturity. During our fiscal year ended March 31, 2016, as part of the CMMI re-assessment process (every 3 years), the Chennai and Colombo delivery centers first assessed during the fiscal year 2013, completed the reassessment successfully and maintained their CMMI Level 5 rating. In the fiscal year ending March 31, 2017, both Hyderabad and Bangalore centers will be going through their second re-assessment. CMMI's process levels are regarded as the standard in the industry for evolutionary paths in software and systems development and management.

Platforming Approach



We apply our innovative platforming approach across our business and IT consulting, technology implementation and application outsourcing services to rationalize IT application portfolios and reduce costs, increase productivity and improve the efficiency and effectiveness of our clients' IT application environments. Platforming is a structured approach to software development that organizes discrete software components into related functions in a layered architecture of common services. This enables development teams to write code once and utilize it multiple times.

Unlike in traditional enterprise application development where different applications remain isolated, thus replicating business logic, technology frameworks and enterprise data, platforming helps to combine common business processes and rules, technology frameworks and data into reusable application platforms that can be leveraged across the enterprise.

Through platforming our clients are able to continually improve their software platforms and applications in response to changing business needs and evolving technologies while also improving business agility and realizing long-term and ongoing cost savings.

Governance and Ethics



GOV

STRATEGY

COMPLIANCE



PRACTICES

RISK



POLICY

Our Strategy and Approach

Our core values – Passion, Innovation, Respect and Leadership (PIRL) – are the guiding principles in all our interactions. Sound governance along with strong policies have helped to maintain a reputation of corporate excellence.

Instilling our business ethics and culture in our employees forms an important part of people development. All employees are educated on the PIRL values and corporate policies through several mediums from the on-boarding program to awareness mailers. All corporate policies are also available on our V+ platform for easy reference.

As a responsible corporate citizen, we adhere to the laws and regulations relevant to our operations. During the reporting period, there were no instances of monetary or non-monetary sanctions for non-compliance with laws and regulations related to any aspects of our business operations including the provision of services, anti-competitive behavior and environmental regulations.

POLICIES















- Code of Business Conduct and Ethics
- Anti-Bribery Policy
- FCPA Policy
- Whistleblower Policy
- Business Continuity Management Policy
- Information Security Management Policy
- Intellectual Property
- Harassment-Free Workplace Policy
- Sustainability Policy
- Environment, Health and Safety Policy
- Energy Policy
- Climate Change Policy
- Waste Policy
- Water Policy
- Social Responsibility Policy







CERTIFICATION

- CMMI Level 5
- ISO 22301:2012
- BS OHSAS 18001:2007
- ISO/IEC 27001:2013
- BS EN ISO 14001:2004

Corporate Governance

Board of Directors

Name	Age	Position	Committee Membership
Inside Directors			
Kris Canekeratne	50	Chairman and Chief Executive Officer and Class III Director	
Outside Directors			
Robert E. Davoli	68	Class I Director	
William K. O'Brien	71	Class I Director	 
Al-Noor Ramji	62	Class I Director	
Izhar Armony	52	Class II Director	 
Martin Trust	81	Class II Director	
Rowland T. Moriarty	69	Class II Director	 
Ronald T. Maheu*	74	Class III Director	  
Barry R. Nearhos	58	Class III Director	 

-  Member of the Compensation Committee
-  Member of the Audit Committee
-  Member of the Nominating and Corporate Governance Committee
-    Chairperson
-  Financial Expert

* Mr. Maheu's term expired at the 2016 annual meeting of stockholders, and he did not stand for reelection.

Board Structure

Our Corporate Governance Guidelines sets out the qualification standards for directors, their responsibilities, their access to management and independent advisors, their compensation and training. It also describes the board structure, management succession plans, annual performance evaluation of the board and its committees, and the security holder communication with the board.

Mr. Canekeratne, a founder of our company, serves as our chief executive officer and chairman of the board. The board of directors believes that having our executive officer as chairman of the board facilitates the board of directors' decision-making process because Mr. Canekeratne has first-hand knowledge of our operations and the major issues facing us, and is most capable of effectively identifying strategic priorities and leading the discussion and execution of strategy. This also enables Mr. Canekeratne to act as the key link between the board of directors and other members of management.

Independence of Members of the Board of Directors

Seven members of the board of directors are independent within the meaning of the director independence standards of The NASDAQ Stock Market, Inc., or NASDAQ, and the Securities and Exchange Commission, including Rule 10A-3(b)(1) under the Securities Exchange Act of 1934, as amended, or the Exchange Act. Furthermore, each member of each of the committees of the Board of Directors is independent within the meaning of the director independence standards of NASDAQ and the Securities and Exchange Commission.

To maintain effective independent oversight, the board of directors annually appoints a lead independent director. The board of directors believes the combined role of chief executive officer and chairman, together with a lead independent director is in the best interest of stockholders because it provides the appropriate balance between strategy development and independent oversight of management. Mr. Martin Trust currently serves as the lead independent director. In this role, Mr. Trust serves as chairperson of the independent director sessions and assists the board in assuring effective corporate governance.

Committees of the Board of Directors

The Board of Directors has three standing committees: Audit Committee; Compensation Committee; and Nominating and Corporate Governance Committee.

AUDIT COMMITTEE	COMPENSATION COMMITTEE	NOMINATING AND CORPORATE GOVERNANCE COMMITTEE
<ul style="list-style-type: none">• Oversees our accounting and financial reporting processes, internal controls and audit functions.• Focuses on risks and issues related to accounting, internal controls, and financial and tax reporting.• Assesses economic and business risks and monitors compliance with ethical standards and applicable regulations.	<ul style="list-style-type: none">• Responsible for developing executive compensation policies and advising the board of directors with respect to such policies and administering the Company's cash incentive, stock option and equity incentive plans.• Identifies and oversees risks and issues associated with our executive compensation policies and practices.	<ul style="list-style-type: none">• Developing and recommending to the board criteria for board and committee membership.• Administers enterprise risk management program.• Identifies and oversees risks and issues associated with director independence, related party transactions and the implementation of corporate governance policies and our code of ethics.

Committees of the Board of Directors

Each committee operates pursuant to a separate charter that has been approved by the Board of Directors. A current copy of each charter is available at the Corporate Governance section of our website at <http://www.virtusa.com/investors/corporate-governance/>.

Role in Risk Oversight by the Board of Directors

The Board of Directors' role in overseeing the management of the Company's risks is primarily accomplished through management's reporting processes, including receiving regular reports from members of senior management on areas of material risk to the Company, including operational, financial, legal and regulatory, and strategic and reputational risk and assessments and prioritization of such risks. The standing committees of our Board of Directors, pursuant to the respective charters, represent a key element of enterprise risk management.

The nominating and corporate governance committee of our board of directors has been appointed by our board of directors to administer the enterprise risk management process as the enterprise risk management committee. The enterprise risk management committee provides oversight of the recommendations of management and associated timeline to identify and assess severity of enterprise risks, the prioritization of such risks and development of any action plans to mitigate such risks.

Our audit committee focuses on risks and issues related to accounting, internal controls and financial and tax reporting. The audit committee also assesses economic and business risks and monitors compliance with ethical standards. The compensation committee identifies and oversees risks and issues associated with our executive compensation policies and practices, and the nominating and corporate governance committee identifies and oversees risks and issues associated with director independence, related party transactions and the implementation of corporate governance policies and our code of ethics.

All of these committees are ultimately subject to oversight and direction of the full board of directors and report directly to the board of directors on these matters.

Communications with the Board of Directors

Our stockholders who wish to communicate directly with the board of directors or an individual member of the board may do so by sending such communication by mail (including courier or expedited delivery service).

Attention To:

- Chairman of the Board (as a representative of the entire board of directors);
- OR to the individual director or directors.

U.S. Mailing Address:

c/o Secretary
Virtusa Corporation
2000 West Park Drive
Westborough, Massachusetts 01581
USA

Board of Directors' Evaluation Program

The board of directors performs annual self-evaluations of its composition and performance, including evaluations of its standing committees and individual evaluations for each director. In addition, each of the standing committees of the board of directors conducts its own self-evaluation, which is reported to the board of directors. The board of directors retains the authority to engage its own advisors and consultants.

Additional Information

Detailed information on corporate governance is available in the Proxy Filings on our website <http://www.virtusa.com/investors/annual-report-and-proxy-statement/>.

Information on the members of the board of directors and executive officers is available at: <http://www.virtusa.com/investors/corporate-governance/management-and-board/>.

Ethics and Compliance

Our Ethics and Compliance program is enforced through the Code of Business Conduct and Ethics, Anti-Bribery and Corruption Program, and the Whistleblower Policy. These policies are applicable to all our employees in all locations and are supported by ongoing training programs and annual certification requirements for employees. Overall responsibility for administering our Ethics and Compliance Program rests with our Compliance Officer who is also the General Counsel.

Code of Business Conduct and Ethics

Our Code of Business Conduct and Ethics provides the ethical and business standards all directors and employees of the company are expected to adhere to. The Code covers areas such as conflict of interest, confidentiality, fair dealing, money laundering and illicit finance, and anti-bribery. A current copy of the Code is available at: <http://www.virtusa.com/investors/corporate-governance/>.

Anti-Bribery and Corruption Program

Our Anti-Bribery Program is implemented through the US Foreign Corrupt Practices Act Policy and the Virtusa UK Anti-Bribery Act Policy. The policies set a zero tolerance approach to acts of bribery and corruption and reaffirms our commitment to complying with all relevant anti-bribery legislation wherever we do business.

Our Finance and Administrative systems are regulated to ensure that anti-corruption practices are maintained in all transactions performed within.

Whistleblower Policy

Employees and other interested parties can report any behavior that contravenes the Code of Ethics, any accounting irregularities or conduct that undermines the integrity of the Company's financial statements or the Anti-Bribery Policy using the Whistleblower Hotline, through a web-based submission tool or in writing. Complaints are forwarded to the Chairman of the Audit Committee as soon as reasonably practicable following receipt of such Complaint.

More information on the Whistleblower Hotline is available in the Audit Committee Complaints Procedure at <http://www.virtusa.com/investors/corporate-governance/>.

Protection of Intellectual Property

We have policies in place to protect intellectual property by ensuring that utilized software have proper licenses. In addition, we have non-disclosure and assignment of inventions agreements with all of our employees to ensure the confidentiality of our work product and title to work that we create for us or our clients. We also monitor and have rigorous software engineering standards designed to prevent or detect any use of software or intellectual property not properly owned or licensed to us.

Information Security and Data Privacy

Cyber security has become a priority for businesses due to increasingly sophisticated threats. As a provider of IT consulting and technology services, cyber security is of paramount importance as we have access to sensitive client data in the course of business. As such, the success of our business depends on the protection of our clients' data as well as the protection of our employee data.

Our Chief Information Security Officer is responsible for information security. In addition, the Enterprise Risk Management Team is responsible for taking 360 view on risks that could affect our business operations. The team executes an annual program to monitor the implementation of solutions for those areas deemed high risk for the company.

Our Information Security Management Policy sets out the governance structures, monitoring, and compliance requirements for protecting client data. Information Security Management Program is certified for ISO 27001:2013. The Enterprise Risk Management Program ensures that the annual re-certification is performed by a qualified external third party agency. The review examines our information security framework and comments on its strengths and weaknesses. Since the original certification in 2008 the reviewer has not reported any material or significant observations. The most recent review was performed in October 2014.

We provide guidelines and training to employees on how to handle client and sensitive business data as well as protect intellectual property. The Chief Information Security Officer's organization monitors and reports any breaches to the Senior Leadership Team, Enterprise Risk Management Team, client representatives, relevant business unit heads, and human resources teams for corrective action. We do not report the total number of complaints as this information is governed by confidentiality agreements with our clients.

External Penetration Program

The Penetration Testing Program is governed by our Global Penetration Testing Policy and is administered by the office of the Chief Information Security Officer. An external penetration testing is performed by a selected and qualified service provider once every financial year. Penetration testing service providers are rotated to optimize the program. The program provides assurance that our external infrastructure is hardened to industry standards and safeguards in place are effective.

Data Loss Prevention

Industry accepted Data Loss Prevention (DLP) solutions have been implemented to ensure that business critical information including client information, financial information, personally identifiable information, and personal health information is not disclosed to external parties. The DLP program is jointly administered by the Chief Information Security Officer's office and Information Technology Team.

Software Compliance

We have a strong Software Compliance framework. In May 2014, we were independently assessed and granted Verifirm certification by BSA, thus becoming the fourth company in the world to receive Verifirm certification.

Periodic Auditing

Our Internal Audit Department (IAD) conducts periodic audits of the information technology infrastructure and the information security framework based on risks and request. IAD's reports are provided to the Vice President of Information Technology and Chief Information Security Officer for review and correction and updates are provided to the Audit Committee during quarterly meetings.

Risk Management

Our Risk Management Team, headed by the Head of Risk Management, applies risk management frameworks to identify any risks to our operations, including risks related to laws and regulations, reputation, customer behavior and requirements, and weather/climate change. While these risks are considered at the company level, we also undertake significant advanced planning at contract, asset, and geographic location level.

Risks from extreme weather conditions due to climate change such as heatwaves, drought, storms and floods are assessed under our Business Continuity Risk Assessment guided by ISO 22301. For instance, the severe flooding that occurred in Chennai in December 2015 shut down our facilities and impacted our operations so that business continuity plans were enforced to mitigate the impact to our business and employees.

The results of risks related to climate change and the action plans are presented annually to the executive board and to the audit committee, and conclusions reported to the board of directors. Detailed information on risks and opportunities from climate change are provided in our CDP response, which is available at: <https://www.cdp.net/en/responses/20186>.

Environmental Stewardship



FY16 FAST FACTS



97 Carbon Disclosure Project score



17% Reduction in Scope 1 and Scope 2 GHG emissions per employee since FY13



25% Reduction in energy consumption per employee since FY13



45% Reduction in water consumption per employee since FY13



85% of real estate certified for ISO 14001 environmental management



30% Office space LEED certified



Won the **Bronze Flame** in the Large Scale Category of the Commercial Buildings Sector at the National Energy Efficiency Awards – Sri Lanka



Our Strategy and Approach

The significant environmental aspects of our business operations such as emissions, energy and water usage, and disposal of waste material is managed through Code Green, our environmental management system. Since we started monitoring and measuring our environmental footprint in 2008, we have been able to consistently improve our environmental performance. Our commitment to reducing our environmental footprint and adhering to all environmental regulations is set out in the following policies: Environment, Health and Safety Policy, Energy Policy, Climate Change Policy, Waste Policy, and Water Policy. These policies were formulated in 2013 and are reviewed annually.

Our environmental strategy focuses on three areas: operating energy efficient facilities that reduce our environmental footprint, reducing the environmental footprint of software developed for clients and researching on energy improvement technologies. While our Chief Operating Officer is accountable for our overall environmental strategy, the Facilities Management teams in each location manage day to day activities related to environmental management such as tracking emissions, energy and water usage, recycling activities, ISO14001 certification and aspects of environmental reporting.

We seek certification to ensure transparency and adherence to international standards. Our facilities in Chennai, Hyderabad, Bengaluru, Pune and Colombo, which constitute 85% of our real estate, is certified for ISO 14001 by the British Standards Institute. Our Hyderabad Campus was awarded the Leadership in Energy and Environmental Design (LEED) India 'Gold' rating by the Indian Green Building Council (IGBC) in 2013. In addition, 43,000 sqft, which amounts to 22% of our office space in Colombo, has been rated LEED Silver.

Data Computational Methods

Environmental data is only gathered and monitored for our offices in India and Sri Lanka, which accounts for approximately 80% of our total headcount. We follow the guidelines set by the Greenhouse Gas Protocol to calculate Scope 1 and Scope 2 emissions. We have used FY13 (April 2013 to March 2014) as our baseline year. Information on employee numbers are obtained based on the employee's current location. This provides a more accurate figure than using the headcount based on the permanent location as it takes into account employees who are working at client sites and who do not contribute to emissions in our offices. For FY16, we used the emission factors published in the 2015 Climate Registry Default Emission Factors for India and Sri Lanka, which were as follows:

Location	Emission Factor	Unit
India	926	grams CO2/kWh
Sri Lanka	546	grams CO2/kWh

To calculate Scope 3 emissions from air travel and employee commute, we used the World Resources Institute (2015) GHG Protocol tool for mobile combustion version 2.6.

From 2014 onwards, we have received limited assurance under ISAE3000 from Ernst & Young for our Scope 1 and Scope 2 emissions calculations. In 2016, we extended the verification to our Scope 3 emissions as well.

Managing Impacts

Emissions

Our main source of emissions is from the usage of purchased electricity, and to a lesser extent from business travel (both air travel and road travel). Emissions from the usage of the diesel generator forms a minute percentage of our emissions (see Chart: Percentage Breakdown of Emission for FY16).

While we have been able to reduce our Scope 1 and Scope 2 emissions per employee by 17% from our baseline year of FY13, during the reporting period emissions per employee increased from 1.26 MTCO₂eq in FY15 to 1.34 MTCO₂eq in FY16. This was due to expansion in business operations as well as increase in emission factors. Emissions factors for India increased from 904 to 926 and emissions factors for Sri Lanka increased from 426 to 546. Emissions per dollar revenue reduced by 0.39%. In order to further reduce our Scope 1 and Scope 2 emissions, future goals include purchasing renewable energy to offset 10% of our total energy consumption.

In the last two years we have improved the quality and scope of the transport services offered to our employees through improved shuttle services. In addition, air travel for business requirements has increased, especially due to activities related to the acquisition and integration with Polaris Consulting. Both these factors have increased our absolute Scope 3 emissions. Measures to reduce the impact from business air travel include the use of audio and video conferencing. Measures to reduce impact from road travel include the use of an automated system to track and manage shuttle services, the use of optimized transport routes and where possible the use of hybrid vehicles for transporting employees. In January 2016, we initiated a project to promote carpooling among employees at our Hyderabad Campus. Using a third party app, users can either offer their cars to riders or get a car that is going towards their destination. From January to March 2016, our employee avoided 1.07 MTCO₂eq by using the service. This initiative will be expanded to our other facilities in India in future.

Energy

As an IT services company, approximately 70% percent of our emissions are generated from the use of electricity in our offices. We initiated our energy management program in April 2008. We have optimized our energy usage through space and server consolidation as well as the use of building management systems (BMS) and energy efficient products. In 2012 we implemented an initiative to convert the lighting system in the Sri Lanka, Hyderabad and Chennai facilities to LED. By the end of FY16, we had converted 73% of lighting to LED in Colombo, 45% in Hyderabad, 49% in Chennai and 65% in Pune. Lighting in the Bangalore facility is 100% LED. We also have a policy to hibernate or switch-off idle machines wherever possible.

Due to the above measures, we achieved a 25% reduction in per employee energy consumption over our baseline year of FY13. The intensity of energy consumption per employee reduced from 187 kWh in FY13 to 140 kWh in FY16.

Water

As a services company, our operations are not water-intensive. Water is used mainly for drinking, hygiene, facility operations and landscaping. However, we seek to be responsible in our water consumption, especially since we have operations in locations that face water stress.

Our main source of water is the municipal water supply and our operations do not affect any local water body significantly. The water management data provided in this report is for our operations in Sri Lanka, Hyderabad, Bangalore and Pune. This data does not include drinking water, which we do not target for reduction.

Since FY13 per employee water usage reduced by 45% from 0.66kl in FY13 to 0.36kl in FY16. Total water used at our facilities in Hyderabad, Bangalore and Sri Lanka in FY16 amounted to 36,024.13kl. Strategies for water management include more efficient water usage in facilities maintenance and creating awareness among employees about conserving water. At present, we are able to recycle waste water only at the Hyderabad Campus. In FY16, 11,113kl of water was recycled, which amounted to 30% of our total use and 85% of water withdrawal at the Hyderabad Campus (12,993kl). The Hyderabad Campus also has rain water harvesting facilities with two tanks of 50kl and 75kl.

Waste

As an IT services company, e-waste forms a large component of the byproduct of our operations. As a result, we have in place a program to hand over e-waste to a certified vendor for recycling. We are one of 14 companies to sign an MOU with the Central Environmental Authority (CEA) of Sri Lanka to properly and effectively manage e-waste. We were also the first IT company in Sri Lanka to receive a Scheduled Waste Management License from the CEA.

Another source of waste from our operations is paper. We have reduced paper usage through several measures such as duplex printing with usage and paying for farmed paper. All departments are encouraged to use paperless forms, notifications and reports wherever possible. Waste paper is handed over to a certified vendor for recycling.

Apart from e-waste and paper, no other types of waste were donated for recycling during the reporting period.

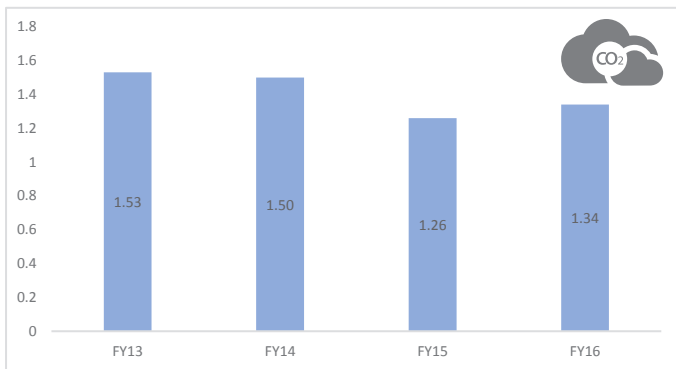
Goals and Targets

	Goal	Performance
FY13	<ul style="list-style-type: none"> ▪ Standardize environmental management across locations. ▪ Currently, targets for environmental performance is set only for energy. Identify additional environmental aspects to monitor. ▪ Extend water management to more locations as water consumption is not measured in all locations. 	<ul style="list-style-type: none"> ▪ Sri Lanka, Bangalore, Chennai and Hyderabad ATCs certified for ISO 14001. ▪ Targets set and achieved for emissions, water and waste. ▪ Water management implemented at Hyderabad ATC.
FY14/FY15	<ul style="list-style-type: none"> ▪ Implement third party audits for environmental performance. ▪ Implement waste management in Chennai, Hyderabad and Bangalore ATCs. ▪ Extend water management to Chennai and Bangalore ATCs. 	<ul style="list-style-type: none"> ▪ Obtained limited assurance under ISAE3000 from Ernst & Young for Scope 1 and Scope 2 emissions calculations. ▪ Paper recycling implemented in all three locations. E-waste management is not implemented in Bangalore as the facility is less than five years and all equipment is under warranty. ▪ Extended to Bangalore ATC. Chennai ATC will not be monitored due to difficulty of gathering data.
FY16	<ul style="list-style-type: none"> ▪ Extend third party assurance to Scope 3 emissions. ▪ Explore possibility of measuring water consumption in Chennai ATC. 	<ul style="list-style-type: none"> ▪ Obtained limited assurance under ISAE3000 from Ernst & Young for Scope 3 emissions calculations. ▪ Flow meters fixed at Chennai ATC to measure water consumption.
FY17	<ul style="list-style-type: none"> ▪ Increase the renewable portion of total energy consumption to 10% by 2020. 	

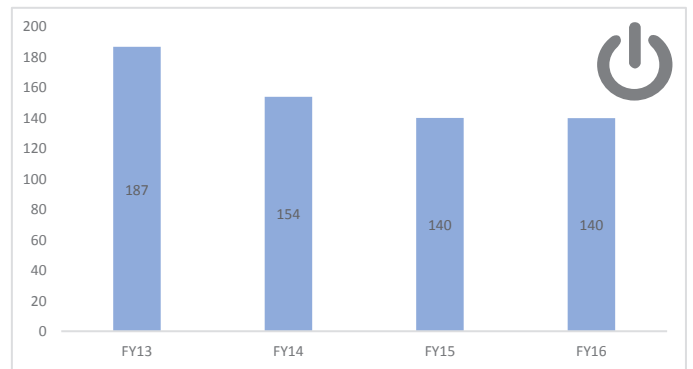
Achieved ■

Partially Achieved ■

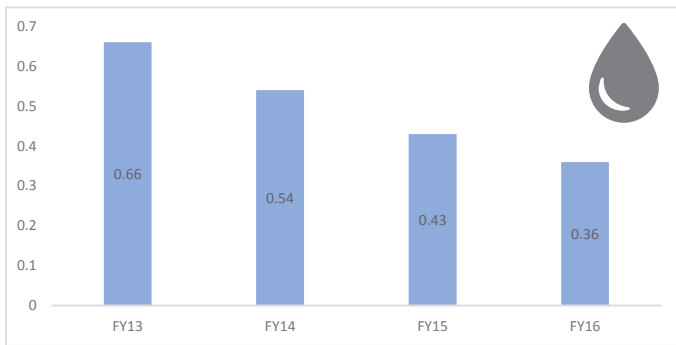
Environmental Data



Graph: GHG Emissions (MTCO2eq per employee)¹



Graph: Energy Consumption (kWh per employee)¹



Graph: Water Consumption (kl per employee)²

Notes:

- (1) Headcount data is only for India and Sri Lanka, which accounts for 80.242% of our total headcount. It excludes employees from India and Sri Lanka working long term at other locations.
- (2) All ATCs except Chennai and Pune.
- (3) All per capita figures is average for the year. During years of growth this provides a more conservative figure.
- (4) Emissions and energy data have received limited assurance under ISAE 3000 by Ernst & Young.

Emissions

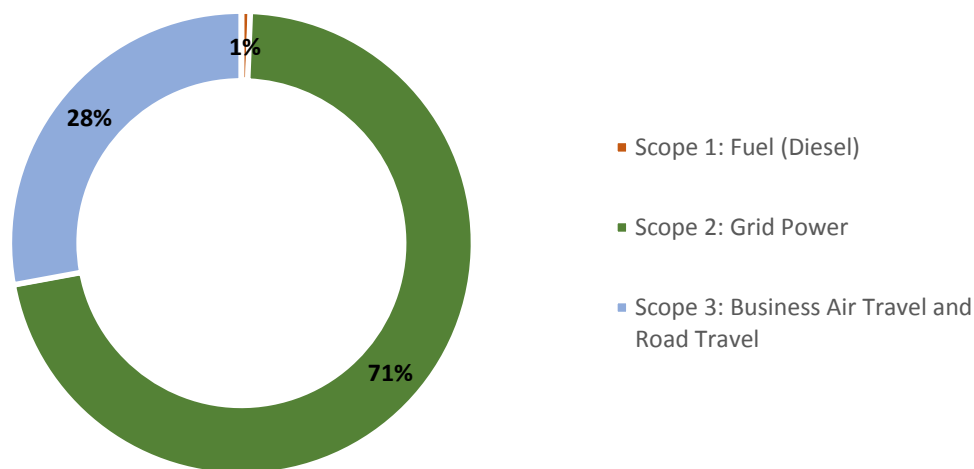


Chart: Percentage Breakdown of Emissions for FY16 (Metric Tonnes CO2e)

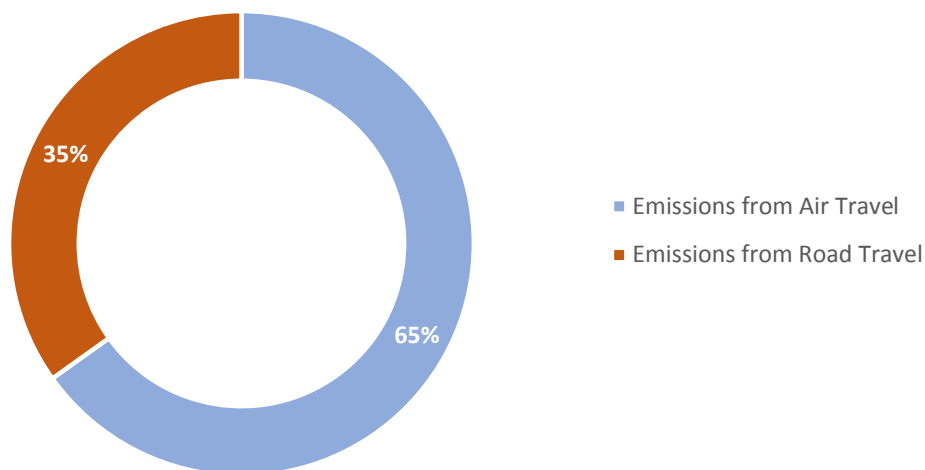


Chart: Breakdown of Scope 3 Emissions for FY16 (Metric Tonnes CO2e)

	FY16	FY15	FY14	FY13
Scope 1: Fuel (Diesel)	102.981	71.51	44.38	350.12
Scope 2: Grid power	11,830.786	9,487.94	9,341.69	9,317.55
Scope 3: Business air travel and road travel	4,616.684	2,503.73	2,171.01	2,340.24
Total GHG emissions	16,550.451	12,063.18	11,557.08	12,007.91

Table: Total Direct and Indirect Greenhouse Gas Emissions by Weight (Metric Tonnes CO2e)

	FY16	FY15	FY14	FY13
Emissions from air travel	3,006.880	1,302.65	1,922.54	2,115.21
Emissions from road travel	1,609.804	1,201.08	248.47	225.03
Total Scope 3 emissions	4,616.684	2,503.73	2,171.01	2,340.24

Table: Breakdown of Scope 3 Emissions (Metric Tonnes CO2e)

Energy

	FY16	FY15	FY14	FY13
Direct energy consumption (non-renewable source – diesel fuel)	1,389.87	965.11	598.93	4,697.78
Indirect energy consumption (purchased electricity)	52,392.63	45,066.29	43,493.40	43,580.92
Total energy consumption	53,782.50	46,031.40	44,092.33	48,278.70

Table: Direct and Indirect Energy Consumption in Gigajoules

Water

	FY16	FY15	FY14	FY13
Total water used	36,024.13	39,279.00	29,929.00	31,414.02
Total water recycled*	11,113.00	14,284.00	9,173.00	1,528.00

Table: Water Used and Recycled in Kiloliters

*Water is recycled only at the Hyderabad Campus

E-waste

	FY16	FY15	FY14	FY13
E-waste recycled	19,520.80	9,561.96	2,314.50	7,519.50

Table: E-waste Recycled in Kilograms

Paper

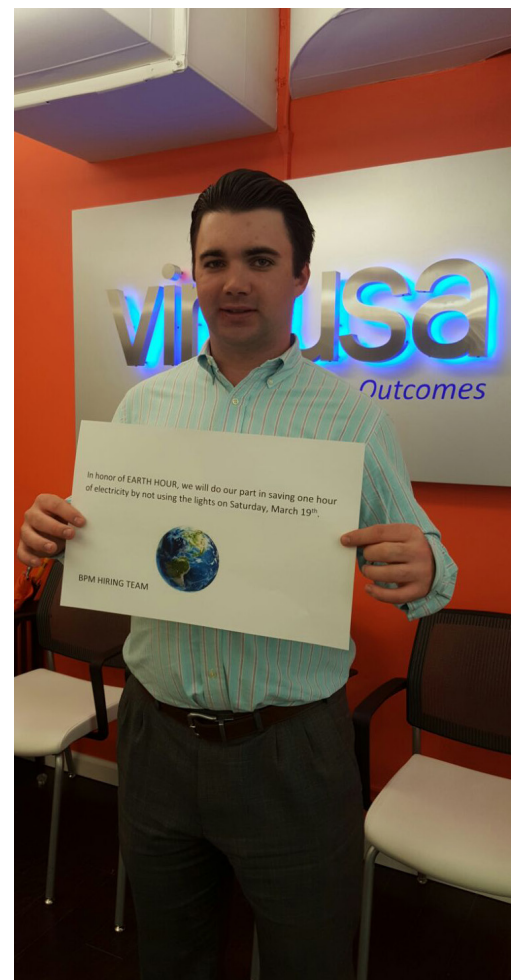
	FY16	FY15	FY14	FY13*
Paper used	15,073	10,033	3,620	4,820
Paper recycled	10,263	4,476	2,487	4,234
Percentage recycled	68%	44%	69%	88%

Table: Paper Recycled in Kilograms

Spreading the Green Message

Earth Hour

Employees in all locations observe Earth Hour as an annual event. As the official Earth Hour is held on a Saturday, non-essential lights and equipment is switched off for one hour during a working day. Some locations observe Earth Hour at the official time as well almost doubling the saving on emissions! In 2016, we were able to save 38% of hourly energy used. Also, many employees pledged to observe Earth Hour at individual level in their homes.



World Environment Day

World Environment Day (WED) is an annual event that our employees across the globe observe. Activities for WED include tree planting, vehicle emission testing, walkathons, etc.



Our People



FY16 FAST FACTS



18,226 people across the globe



27% of our workforce is **women**



We aim to groom **75%** of leadership from within



Invested more than **1 million** USD in employee Training and Development



Average Employee Delight Index for FY16 was **62%**

Our Strategy and Approach

Our success depends upon our ability to attract, develop, motivate and retain highly-skilled and multi-dimensional team members. At March 31, 2016, we had a total headcount of 18,226 as compared with a total headcount of 9,247 for the fiscal year ended March 31, 2015, primarily due to the Polaris acquisition. We are committed to ensuring the protection of human rights and maintaining a harassment free workplace. As such, we strive to maintain a workplace that complies with all applicable laws and regulations and have a Harassment Free Workplace Policy to prevent any form of discrimination based on age, race, color, national origin and ancestry, religion, sex or gender, sexual orientation, disability and other areas protected by law. As a technology services company child labor, forced labor and bonded labor are not significant risk factors in our operations.

The Global Head of HR is responsible for all labor practices with location HR leaders reporting to him. Within location HR, separate teams focus on specific areas such as recruitment, training, career development, and compensation and benefits. The HR team is also responsible for investigating any violations related to HR policies and procedures.

Nurturing a Millennial Workforce

More than 80% of our employees are Millennials, the generation of people born after 1984, who have grown up in an environment guided by social media and mobility. Managing this “wired” generation of employees has created the need for newer ways of working. As a result, the entire employee lifecycle from Hire to Retire (H2R), commencing with attraction, through recruitment, onboarding, deployment and recognition, right through to offboarding or retirement is engineered to engage Millennials.

Our work environment is characterized by an emphasis on collaboration, learning and innovation. Through our V+ platform, employees can learn, share and co-create with colleagues as well as clients. Learning mechanisms range from activity based classroom learning, online learning, gamification, crowd-sourcing, TechTalks, learning circles, use of Yammer, and coaching ensure a distinctive millennial experience in learning and development. Our Mentor time initiative is another development tool that embraces peer learning. The exclusive mentorship program, “Virtusa Ambassadors”, caters to all our new hire technical engineers and Delivery teams. This engagement enables the new recruit/mentee to be mentored in their field, role, larger organizational strategy and developmental chart. Each mentee is assigned to six different leaders (mentors) who hail from discrete functions and geographies. This program not only helps the mentee to develop functional strengths but also enables them to discover strengths and ensure value addition to the organization. The average feedback from the mentees is 78% depicting the superiority and high impact of the program. We have built robust scorecards and metrics to build this engagement for level 3 assessment. We have several programs, policies and management projects conducted that support mentee development.

Our aim is to groom leaders from within with a target rate of 75%. In order to achieve this target, we have launched graduate fast tracker programs, leadership trainee programs and internship programs across locations in order to strengthen the internal pipeline with identified high potential individuals.

Employee Engagement and Recognition

Channels of employee engagement range from company-wide updates and town hall sessions to open social media forum such as Yammer. These are supplemented by multiple surveys such as the Internal Service Group Survey that allows employees to provide feedback on all service groups within the company. Employees also have the opportunity to provide their feedback through pulse check surveys conducted periodically during their career (e.g. On-boarding Survey, 5th Month Survey, 18 Month Survey and Exit Survey). The input from these surveys is reviewed to arrive at solutions to create a great place to work.

None of our team members are covered by a collective bargaining agreement or are represented by a labor union. This is partly due to the open communication and cordial relations maintained with employees, which includes an open door policy as well as the transparent and open channels of communication that are encouraged across all levels.

V+ Platform

V+, our proprietary social business platform, has transformed the way employees work, learn, share and connect - ultimately improving business agility, productivity and innovation. V+ creates a millennial work environment by providing a social experience akin to applications like YouTube, Google, Facebook, LinkedIn and Wikipedia. It also uses social practices such as gamification and crowdsourcing to create an engaging platform.

Yammer

V+ provides a vibrant platform for employee engagement through Yammer. Utilizing social media for employee engagement has proved to a hit where employees, irrespective of role or designation, can share ideas, request for information, share items of interest, and even conduct surveys and publish company announcements. Overall, Yammer provides a transparent channel that enables intra-personal communication, a free-flow of ideas and even a forum for recognition and appreciation.



Keith Modder – November 16, 2015 at 4:01pm from iPhone

This is a another celebrated milestone in our 'Respect for our Environment' journey...

Nicely done Team!

cc: jtd

👍 LIKE ↩️ REPLY ➦ SHARE ⋮

Denver De Zylva, Harshaa de Silva, and Chamindra de Silva like this



Kris Canekeratne – November 16, 2015 at 6:05pm from iPhone

Denver and team, congratulations - this is terrific!

👍 LIKE ↩️ REPLY ➦ SHARE ⋮

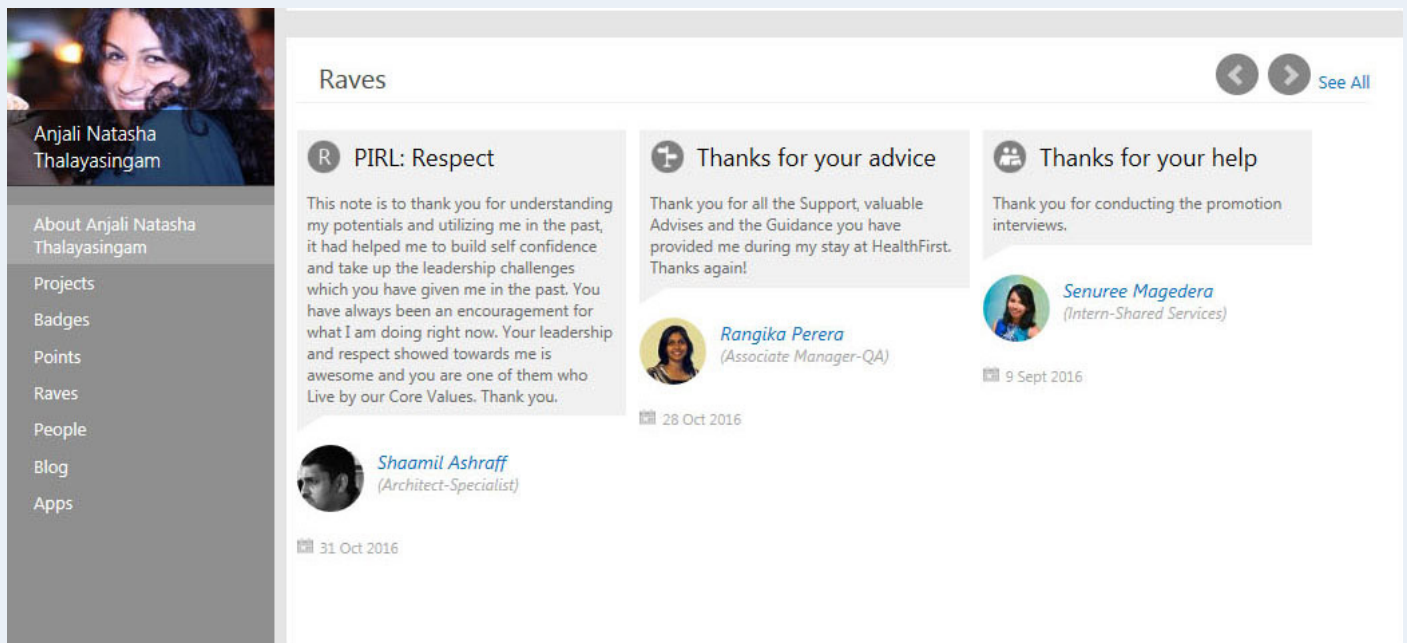
Karthika P, Sakthi Jeganathan, Anush Rajapaksha, and 3 others like this

CHANNELS OF EMPLOYEE ENGAGEMENT

- Company updates
- V+ (Yammer, RAVE)
- On-boarding Survey
- 5th Month Survey and 18 Month Survey
- Internal Service Group Survey
- Exit Survey
- Facebook
- Voice of Europe

RAVE

RAVE is a 360 degree recognition and appreciation portal, that allows employees to thank, recognize and reward contributions by their colleagues. RAVE incorporates gamification, badges and leaderboards to enhance employee recognition and morale.



The screenshot displays the RAVE portal interface. On the left is a user profile for Anjali Natasha Thalayasingam, with a navigation menu including About, Projects, Badges, Points, Raves, People, Blog, and Apps. The main content area is titled 'Raves' and features three thank-you notes:

- PIRL: Respect** (dated 28 Oct 2016) by Shaamil Ashraff (Architect-Specialist): "This note is to thank you for understanding my potentials and utilizing me in the past, it had helped me to build self confidence and take up the leadership challenges which you have given me in the past. You have always been an encouragement for what I am doing right now. Your leadership and respect showed towards me is awesome and you are one of them who Live by our Core Values. Thank you."
- Thanks for your advice** (dated 28 Oct 2016) by Rangika Perera (Associate Manager-QA): "Thank you for all the Support, valuable Advises and the Guidance you have provided me during my stay at HealthFirst. Thanks again!"
- Thanks for your help** (dated 9 Sept 2016) by Senuree Magedera (Intern-Shared Services): "Thank you for conducting the promotion interviews."

Employee Delight Index

The Employee Delight Index (EDI) is an index of a combination of key matrix that the HR management and the business tracks based on the employee lifecycle. The direct feedback on engagement from an HR management perspective gives a snapshot of how well received the engagement initiatives have been.

A series of structured employee engagement surveys measured on a quarterly basis is incorporated in to an index called the Employee Delight Index (EDI). Each geographic location, Strategic Business Unit (SBU) and practice is measured quarterly on the EDI score in order to measure employee engagement. The surveys used to compute the EDI are: Onboarding, Five Month Completion Survey, 18th month survey, Exit Survey and the Internal Service Excellence Survey (for shared services).

Employee engagement levels are measures through a Net Promoter Score (NPS).

Performance Management

All employees in our permanent cadre have regular performance appraisals, on which career development, compensation and promotions are based. We recruit, develop, measure and reward based on a structured, performance based approach. Our performance philosophy is deeply embedded in the achievement of business goals, competency assessments (behavioral and technical), as well as employee engagement in the case of senior managers. 360 degree assessments are conducted for the leadership (managers and above) and the input supports individual development plans and promotions. All leaders at manager-level and above are also assessed for behavioral indicators using the Harrison Assessment Test.

In addition, we have also created platforms where individual achievement is highlighted, such as the Personal Excellence Program (PEP) for all our engineers to promote engineering excellence and the opportunity to recognize innovations through vInnovate. We also have leaderboards which provide transparent performance scores, visibility and ranking. They drive competition, thereby, improving overall performance and build reputation for agile revenue growth.

Our compensation philosophy rewards performance by linking both variable compensation and salary increases to performance. Benefit plans vary by location, depending on legal requirements. More information on benefit plans is available on page 119 of our [2016 Form 10K \(Post-retirement Benefits\)](#).

We remain committed to improving and sustaining our voluntary attrition levels in-line with our long-term stated goals. Our voluntary attrition rate dropped 13.3% for the fiscal year ended March 31, 2016 from 14.7% in the previous reporting period. We follow a systemic approach to control attrition and increase retention. We have a robust tool called "Proactive Attrition Warning System" which is rigorously managed by the Business Unit HR teams. This lever enables us to stall attrition and plug it with appropriate customized developmental initiatives. Our amicable exit policy consists of a formal granular exit interview which is more than a retention discussion.

Diversity

We value diversity in nationality, gender and the differently abled. We have in place a Harassment Free Workplace Policy to ensure a workplace free from discrimination, harassment or any type of abuse.

While we aim to have a balanced ratio of men to women in the workforce, the participation of women is low in the IT industry as a whole. At present, women comprise 27% of our overall global workforce

Women of VirtusaPolaris

The Women of VirtusaPolaris (WoV) initiative was launched in March 2012 in an effort to facilitate longer, more fruitful careers for our female team members. WoV objectives are to:

- Increase gender diversity hiring ratio across levels (Fresher - Middle Management - Leadership)
- Create a platform for women to learn, share, exchange ideas and build leadership skills
- Measure the impact of gender diversity hiring and attrition data (long term strategy)

WoV has a committee at each Advanced Technology Center and focused training on career development and leadership grooming, health and safety, and work/life balance for women. WoV offers our female employees an opportunity to network and promotes the success of women within the company and within the IT industry. Focus areas for FY16/FY17 include a study of the leadership mindset towards women's empowerment in the workplace and a study of metrics such as salary ratios, promotion ratios, attrition and recruitment analysis. These studies will feed into future WoV initiatives and targets.

We also have a second career initiative where women are offered to initiate a new career after a break (family reasons) of a few years. This has enhanced the retention of women and ensure long careers with us.

Health and Safety

We strive to provide a safe and secure work environment for our employees. Our Advanced Technology Centers in Chennai, Hyderabad, Bengaluru and Colombo are OSHAS 18001 certified. Health and safety committees at each location are responsible for the Environment, Health and Safety initiatives for their respective location. These committees consist of members from the HR and Facilities teams as well as volunteers from across the organization.

Training on environment, health and safety is provided as part of our on-boarding program and all employees are assessed on their knowledge of these tools. Basic training on First Aid and Fire Safety are available to employees on a voluntary basis.

Apart from these, we provide flexible time and work-from-home options to employees whenever there is a need for agile business outcomes.

Nurturing Talent

Sports and extra-curricular activities are an important part of employee engagement. Cricket, rugby, football, badminton and athletics are all sports where employees take part in mercantile championships.

VirtusaPolaris Women's Rugby Team Runners-Up in Mercantile Rugby 7s

The VirtusaPolaris Colombo Women's Rugby Team became Runners-Up in the Mercantile 7s Rugby tournament. This is the first time in the history of the Mercantile tournament that a women's edition has been played alongside the annual men's tournament.



Innovation Hubs

Innovation is a significant part of our business and we provide opportunities for employees to conceive new ideas that would add value to clients, and be recognized. Two such initiatives are:

- **vInnovate:** vInnovate, the crowd sourced ideation engine of V+, enables team members to share ideas, which can then be implemented for clients. There has been a 150% jump in the generation of ideas since the platform was created, with 50% of the ideas coming from the junior level team members.
- **Hackathons:** These are 24 hour coding competitions that provides employees the opportunity to develop new solutions which can be applied to our consulting process.



People Data

Total Workforce

	India		Sri Lanka		US & Europe		US Other		APMEA		ANZ	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Permanent Cadre	8883	3806	1800	919	1765	257	269	38	344	72	79	21
Contract	79	22	78	37	316	43	49	4	27	8	-	-
Outsourced	278	55	33	1	1	-	-	-	2	-	-	-

Table: Total Workforce by Employment Contract, Gender and Region

New Hires

	India		Sri Lanka		US & Europe		US Other		APMEA		ANZ	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Under 30	1889	1366	399	238	246	30	85	11	35	11	2	4
30-49	977	180	61	20	309	54	113	13	63	17	17	5
Over 50	8	-	-	1	48	4	14	1	-	-	-	-

Table: Total Number of New Hires by Age Group, Gender, and Region

Employee Turnover

	India		Sri Lanka		US & Europe		US Other		APMEA		ANZ	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Under 30	840	366	162	98	33	10	17	4	10	8	1	-
30-49	843	178	90	30	227	34	53	7	39	8	8	2
Over 50	7	3	-	-	18	7	6	1	-	-	-	-

Table: Employee Turnover by Age Group, Gender, and Region

Diversity

	India		Sri Lanka		US & Europe		US Other		APMEA	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Tier 0–Tier 1	87%	13%	85%	15%	91%	9%	90%	10%	77%	23%
Tier 2–Tier 4	64%	36%	64%	36%	88%	12%	87%	13%	82%	18%

Table: Percentage of Employees by Gender and Level (Virtusa)

	India		US & Europe		APMEA		ANZ	
	Male	Female	Male	Female	Male	Female	Male	Female
Tier 0–Tier 1	86%	14%	86%	14%	90%	10%	91%	9%
Tier 2–Tier 4	72%	28%	83%	17%	82%	18%	73%	27%

Table: Percentage of Employees by Gender and Level (Polaris)

	India		Sri Lanka		US		Europe	
	Male	Female	Male	Female	Male	Female	Male	Female
Tier 0	1.01	1.0	0.93	1.0	1.12	1.0	1.61	1.0
Tier 1	1.08	1.0	1.10	1.0	1.06	1.0	1.05	1.0
Tier 2	1.08	1.0	1.14	1.0	0.99	1.0	1.00	1.0
Tier 3	1.05	1.0	1.20	1.0	1.11	1.0	1.06	1.0
Tier 4	1.08	1.0	1.10	1.0	0.93	1.0	0.81	1.0

Table: Ratio of Basic Salary and Remuneration of Women to Men at Significant Locations of Operation*

*Significant locations of operations is defined as where headcount is ≥ 300

Legend: Tier 0 - Top Management/Senior Management; Tier 1 - Manager Level; Tier 2 - Middle Management; Tier 3 - Entry Level Middle Management; Tier 4 - Executive/Engineer Level

Training Data

	India	Sri Lanka	US	Europe
Tier 0	1.23	9.53	0.4	0.7
Tier 1	3.29	13.75	2.4	2.6
Tier 2	2.43	13.64	4.0	1.4
Tier 3	2.10	14.16	5.3	1.3
Tier 4	10.73	84.06	6.7	4.2

Table: Average Hours of Training per Year per Employee by Employee Category (Virtusa)

	India	US	UK	Europe	APMEA	ANZ
Tier 0	7.4	10.3	8.0	-	3.0	-
Tier 1	8.0	13.0	8.0	3.0	3.0	8.0
Tier 2	12.5	14.3	8.0	2.0	10.1	2.3
Tier 3	16.7	10.4	8.0	-	10.6	-
Tier 4	18.9	8.0	-	-	2.0	-
Others*	13.7	11.4	3.0	2.0	4.7	3.0

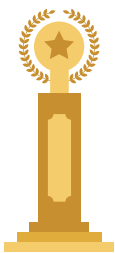
Table: Average Hours of Training per Year per Employee by Employee Category (Polaris)

Legend: Tier 0 - Top Management/Senior Management; Tier 1 - Manager Level; Tier 2 - Middle Management; Tier 3 - Entry Level Middle Management; Tier 4 - Executive/Engineer Level

HR Awards and Recognition



Named as one of Britain's Top Employers for six consecutive years by the Top Employers Institute from 2010 to 2011.



Recognized in the Stevie American Business Awards under the "Human Resources Department of the Year" category for four consecutive years from 2012 to 2015.



Won the Silver Trophy at the 2015 International Business Awards in the HR category - Computer Services and Telecommunication - on the title Employee Delight Index.



Won Gold in the Human Resource category at the 2015 Asia Pacific Stevie Awards.



Listed in the Achievers 50 Most Engaged Workplaces™ in North America for 2015. Also selected as one of the Elite 8 for Accountability and Performance.

Social Good



Social Responsibility Focus: Three Pillars



Making talent future ready

850

Internships

17,240

Campus training hours



Creating a digitally-inclusive society

70+

School IT Labs

200,000

IT training hours provided for war rehabilitants at Vavuniya Digital Learning Center



Technology for good



AKURA

RMS



Clean Chennai App

117

Disaster Management App

Our Strategy and Approach

We believe in using our skills and knowledge to create a digitally-inclusive society. Our strong culture of volunteerism means that many employees offer their time, knowledge and skills to drive our corporate social responsibility projects.

Our corporate social responsibility initiatives fall under three pillars: Campus Reach, Tech Reach and Digital Reach. The projects carried out under these pillars are described in the sections that follow.

CSR Committee

In 2015, we set up a CSR Committee to oversee corporate social responsibility activities across our Indian operations. The Committee has identified several Youth For Seva (YFS) projects to support, which are described below.

- Support four Abhyasikas run by Youth For Seva. Abhyasikas are after school tuition centers for children in slum areas across Hyderabad. Currently, the Abhyasikas reach over 700 children.
- Support for a Skill Development Center run by YFS for unemployed youth.
- Provide 1270 school kits for children through YFS. Each school kit consists of a school bag, year planner, five notebooks, pens/pencils, dictionary, water bottle and a label sheet.

Campus Reach

Our Campus Reach initiative is an industry-academia partnership designed to support the next generation of IT professionals to be workforce ready, and thereby, contribute to the growth of the IT/BPO industry.

Through Campus Reach we provide the following: Curriculum development and advice, Internship Program, teaching and teacher training, career guidance and awareness, mentoring for final year projects, Academic Excellence Awards, Placement Engineer Scholarship Program, knowledge sharing through TechTalks and industrial visits.

Internships	233
Career guidance sessions	7
TechTalks	6
Industrial visits	8
Excellence awards	1

Table: FY16 Campus Reach Stats

Tech Reach

Through Tech Reach we utilize our software development and consulting expertise to contribute to projects of social benefit. Tech Reach projects include the following:

Sahana

We built the coordination portal for the Government of Sri Lanka (CNO) after the 2004 tsunami. Sahana has since been donated for public good and has been used around the world, including in the United States, Japan, Pakistan and the Philippines for disaster management.

Àkura

Àkura is an open source school management system that helps schools to manage their administrative tasks more efficiently. In FY14 Àkura was moved to a billing model, though we will continue to support the open source version.

Rehabilitation Management System (RMS)

RMS was first developed as a solution to expedite the re-integration of war rehabilitees in Sri Lanka and manage their vocational training needs. Now that the re-integration process has concluded, Phase II of RMS (named Arambaya) has been developed so that it can be re-purposed for substance abuse rehabilitation.

Digital Scoreboard Mathota Sports Arena

We designed and donated the software to operate a digital LED scoreboard at the Mathota Sports Arena in Mannar, Sri Lanka. This is the first multi-purpose/multimedia scoreboard in Sri Lanka. The software was developed by the Global Technology Office. The theme of the Mathota Stadium is "Reconciliation through sports" and it is intended to be part of the reconstruction and development of the North and East of Sri Lanka.

117 Disaster Response Application

In response to the severe floods in Sri Lanka in May 2016, we created an online solution for the Disaster Management Center (DMC) to facilitate better tracking and responsiveness to requests for aid. The application was built on the latest technologies so that citizens could submit their requests through a mobile phone or tablet, making it more accessible in the field.

The system incorporates a dynamic dashboard that instantly informed response teams when requests were made, and gamifies it so that the daily goal is to close more requests than are open. This improved transparency and transformed the DMC processes so that requests that were previously open for days were closed in minutes. Overall, more than 73,000 people were supported through the system.

Digital Reach

Through Digital Reach we aim to create a digitally-inclusive society by IT enabling communities in Sri Lanka and India.

Labs for Rural Schools

Since its inception, Digital Reach has helped set up IT labs in rural schools in India and Sri Lanka. So far more than 70 IT labs have been set up with a student reach of 7000+.

The Digital Reach model was adopted by the Sri Lanka Association of Software and Service Companies (SLASSCOM) for a countrywide community outreach program.

Digital Learning Center

In 2010 we set up a fully-equipped Digital Learning Center (DLC) to help war rehabilitants in Sri Lanka gain IT skills. The DLC was used to provide a variety of IT skills training, covering over 200,000 training hours. Once the rehabilitation process was completed, the DLC was handed over to the local higher education authorities to offer IT education to university students in the area.

Partnership with Herron High School IT Club

Employees at our Apparatus Infrastructure Services (AIS) office have been volunteering their time for the past two years with the Herron High School IT Club. The club was started when Apparatus staff members approached Herron High School with the offer of mentoring or assisting with any active technology programs. Some of the primary goals of the club from the Apparatus perspective was to help students become familiar with IT, the IT workplace, and to gain confidence in their skills.

Herron and AIS are located just three blocks away from each other in downtown Indianapolis and each week, club members gather at the AIS office to meet community leaders, engage with technical experts and work on fun technology projects. Projects have involved building PCs and servers, creating websites, programming and coding, and learning about information security and social media. One project was to build and maintain a website in Amazon Web Services (AWS). The website contains information about the club, its members, and many blog posts about club activities. There are also ongoing blog posts written entirely by the students on technology, gaming, programming, and more.

AIS employees enjoy working with the students and aim to foster self-driven learning and encourage leadership both in the Club and in the other student activities as well.



Community Outreach Projects

Floods in Chennai and Sri Lanka

When the city of Chennai was affected by floods in December 2015, the “Chennai ATC Flood Relief Fund” was initiated, so that non-Chennai employees could donate funds, while the company committed to matching the total collected amount. Many team members worked tirelessly to ensure the safety and comfort of their colleagues and the general public. Efforts included distributing necessary food supplies, setting up collection boxes across Asia ATCs to collect clothes, medicine, blankets and other essential items, and advance salary payment for December for all Chennai employees.

Our team members were again quick to respond when floods devastated many parts of Sri Lanka in 2016. In the immediate aftermath, essential items were collected and donated to flood victims. Later, the Toastmasters and PM CEG donated books and stationery items to affected school children so that they could continue with their education.



In addition, our office in Colombo collaborated with Asiri Hospital to conducted a health camp for those affected by the floods. Doctors and nurses from Asiri Hospital treated 2,000+ patients, with the help of volunteers from VirtusaPolaris. We also collected and distributed milk powder packets which were essential for the nutritional needs of the children in the area.



Rings of Support - Supporting Children with Thalassemia



The Chennai CSR team formed the 'Rings of Support (RI-SUPP)' to support children affected by Thalassemia. RI-SUPP comprises four groups of 10 donors, who will support one 'thalassemia child' lifelong. The objective is to create a more personalized support system for the children as they need blood transfusions every 24 days depending on the severity of the case.

Mathematics Lab for Rajasinghe Maha Vidyalaya

Our employees donated the equipment needed to set up a Mathematics Lab at neighboring school, Rajasinghe Maha Vidyalaya, Colombo 9. The newly-refurbished room and mathematics tools will be used by students from all grades in the school, which will further benefit their studies. Several students had also painted a maths themed mural on the wall of the new lab.

We have been working with Rajasinghe Maha Vidyalaya on several initiatives. In 2013, we helped to refurbish the play area for the primary school and the students are regular participants at events organized by VirtusaPolaris to commemorate Earth Hour and World Environment Day.



YFS – Chiguru 2016

A team of more than 60 from the Hyderabad Campus collaborated with Youth for Seva (YFS) to manage the lunch at the YFS – Chiguru 2016 event. Around 3600 students from government schools, destitute homes, slum centers, etc. participated in the event and took part in competitions, games, and other activities. The volunteers worked tirelessly to ensure that every child was served lunch.



CSR Awards and Recognition



Sahana won the Free Software Foundation Award for Projects of Social Benefit (2006)



Sahana was selected as a finalist in the Secretary of State Award for Corporate Excellence (2008)



RMS and Vavuniya DLC were nominated in the Computerworld Honors Program Laureate (2011)



Àkura won the Digital Opportunity Award at the WITSA Global ICT Excellence Awards (2012)



RMS and Vavuniya DLC was featured as a case study in UN Global Compact Responsible Business Advancing Peace (2013)



RMS and Vavuniya DLC won the Special Award for Emergency Response at the 18th Annual Japan Sri Lanka Cultural Association (JASTECA) Awards (2013)

Global Compact Principles and GRI Indicator Mapping

Category	UNGC Principle	GRI Indicators	Page
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	Disclosures on Management Approach: Human Rights, Diversity and Equal Opportunity	51, 55
	Principle 2: Businesses should make sure that they are not complicit in human rights abuses.	G4-12, Disclosures on Management Approach: Human Rights, Diversity and Equal Opportunity	20, 51, 55
Labour Standards	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	G4-11	52
	Principle 4: Businesses should uphold the elimination of all forms of forced or compulsory labour;	G4-12, Generic Disclosures on Management Approach: Human Rights, Forced Labor	20, 51
	Principle 5: Businesses should uphold the effective abolition of child labour; and	G4-12, Disclosures on Management Approach: Human Rights, Child Labor	20, 51
	Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.	Generic Disclosures on Management Approach: Non-Discrimination	51, 55
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges;	Disclosures on Management Approach: Energy, Water, Emissions, Waste, Transport	40, 41, 42
	Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility; and	Disclosures on Management Approach: Energy, Water, Emissions, Waste, Transport G4-E3, G4-EN5, G4-EN6, G4-EN8, G4-EN9, G4-EN10, G4-15, G4-EN16, G4-EN17, G4-EN18, G4-EN23, G4-EN30	40-48
	Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.	Disclosures on Management Approach: Energy, Water, Emissions, Waste, Transport	41, 42
Anti - Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	G4-56, G4-SO4, Disclosures on Management Approach: Anti-Corruption	29, 35

GRI Reporting Framework G4 (Core): Content Index

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