

**GENPACT**

# United Nations Global Compact

Communication on Progress Report - 2016

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# Note of Thanks

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Genpact would like to acknowledge the team that has helped to put this report together.

Yashodhara Lal, the global leader for Corporate Social Responsibility (CSR) and Diversity, and Susmita Malik, Assistant Vice President, CSR for their valuable insights. Immense gratitude must be expressed to Sona Saptarshi, EHS leader who worked tirelessly to bring various teams together. Sasha Sanyal, Senior Vice President, CSR and Diversity as well as Vidya Srinivasan, Senior Vice President, Infrastructure and IT for all their support.

Diana Lurie Boersma, Head of Compliance at Genpact must be thanked for her support for this report, along with Ishani Chaudhary, Assistant Manager and Tithi Sarkar, Manager - Talent Marketing and Communication, who helped in the structuring and formatting of this report.

Lastly, a special thanks to Sanjay Bhatia, Senior Manager CSR and Radhakrishna Patel, Assistant Manager CSR who helped bring together all the required content to a cohesive whole.

# CEO Statement and Commitment

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I am delighted and proud in equal parts to present Genpact's fifth public sustainability report based on the Global Reporting Initiative GRI G3.1 guidelines. This report is an extension of our commitment to transparently disclose our performance to all our stakeholders. Through this report, we wish to showcase what sustainability means for Genpact and how committed we are to achieving our vision. Our approach has allowed us to contextually define what sustainability is and how it relates to our day-to-day business. This report focusses on our sustainability performance and achievements between January and December 2015.

We are a young and dynamic organization. The enthusiasm and precision with which we approach our business also color our zeal for championing sustainability. The senior leadership at Genpact has long stood by our sustainability endeavors. This is because we understand the impact we can generate and the long-term value we can create for our stakeholders through sustainability. We have not only taken inspiration from global frameworks such as the United Nations Global Compact but have also tried to mirror our internal business prowess in areas such as Six Sigma and Lean while drawing out our sustainability endeavors. This is one of the reasons why we feel that over a period of time, we have integrated sustainability to an extent into our business and thinking, as our approach has partially evolved organically through our business expertise and skills. Sustainability transcends several dimensions as does our approach. Every day we generate impact for our clients, for our employees, for our business partners, for the environment and for the communities we work for.

## **Generating business impact**

We have been able to create a unique space for ourselves in the crowded and competitive outsourcing market through our unwavering focus on quality and ability to offer a palpably differentiable experience to our clients. We serve more than 800 clients around the world, more than 100 of which are Fortune 500 companies. We create a tangible and lasting impact for them through our host of services and have generated an estimated 22 billion USD worth of cumulative impact since 2006. In today's world, there are heightened expectations from companies when it comes to ethics and transparency. We have always upheld these principles across our business practices around the world, no matter how strong or lax the regulations are in areas where we operate. We encourage this through all our engagements with our clients, suppliers and employees as well. Information security and data privacy have emerged among the most challenging issues facing our sector in recent times. This poses great risk to us as we deal day in and day out with sensitive client information. Our robust internal management systems, policies and protocols ensure that we remain immune from such threats and deliver our work with utmost business integrity.

## **Generating people impact**

Talent is what drives our business especially in current times when the kind of work we do is undergoing a significant amount of transformation. As our pipeline features increasingly complex and transformational work, our talent strategy has been adequately calibrated to steer this trend. Hiring,

training and retaining – all three imperatives are taken care of through our focused approach when it comes to managing our talent. Diversity has also emerged as a key priority area with significant work being done to improve our diversity record across the organization. Thirty eighty per cent of Genpact's workforce comprises women.

### **Generating green impact**

The list of achievements and interventions undertaken at Genpact to check our environmental footprint is endless. Our culture of Six Sigma, Lean and innovation has been adequately leveraged to deliver exceptional outcomes for the company. It is difficult for a rapidly growing organization such as ours to curb its environmental footprint but through our determination and hard work we have been able to drive down our energy, water, carbon and waste related impact. Our innovative ideas have not only reduced our environmental footprint but have also brought in tangible annual cost savings to the tune of almost 0.5 million USD.

### **Generating community impact**

Our CSR efforts are distinctly characterized by the unparalleled enthusiasm displayed by our volunteers. Fourteen thousand unique Genpact volunteers across the globe selflessly work towards making a difference to the world. We are simply a conduit to channel their intentions and goodwill towards generating enduring social capital. Our volunteer program is the hallmark of our entire CSR program. The changing regulations around CSR in India have actually reinvigorated the organizational spirit into doing way more than what the law requires us to do.

### **Sustainability: What next?**

Sustainability is not a destination but an endless journey that presents ample opportunities to capitalize on and create one's own competitive edge. There will always be room to innovate more, save more, do more and make more difference to the world around us. For us, sustainability is now a natural extension of our business and we have embodied it in our mantra of Generating Impact.

As we look ahead, we commit to exploring newer areas, expanding our existing efforts and continuing to deepen our engagement with all our stakeholders on sustainability and taking them forward along with us.

**NV 'Tiger' Tyagarajan**  
**President and CEO, Genpact**

## Ownership & Financial Performance

Genpact Limited is a Bermuda company whose shares are publicly traded on the New York Stock Exchange (ticker: G). Genpact Limited is a global enterprise. Please see the Company's 10-K filed with the SEC on February 26, 2016.

<https://www.sec.gov/Archives/edgar/data/1398659/000119312516480871/d98410d10k.htm>

For significant changes during the reporting period regarding ownership, please see the beneficial ownership table on page 7 of the Company's Proxy Statement filed with the SEC on April 13, 2015.

<http://www.sec.gov/Archives/edgar/data/1398659/000119312515127690/d793815ddef14a.htm>

The address of the organization's headquarters is as below.

Canon's Court  
22 Victoria Street  
Hamilton HM 12  
Bermuda

The table below presents our selected historical financial and certain operating data.

	Year ended December 31,			Percentage change Increase/(Decrease)	
	2013	2014	2015	2014 vs. 2013	2015 vs. 2014
	(dollars in millions)				
Net revenues—GE*	\$ 482.0	\$ 466.1	\$ 459.9	(3.3)%	(1.3)%
Net revenues—Global Clients*	1,649.9	1,813.4	2,001.1	9.9%	10.4%
<b>Total net revenues</b>	<b>2,132.0</b>	<b>2,279.4</b>	<b>2,461.0</b>	<b>6.9%</b>	<b>8.0%</b>
<b>Cost of revenue</b>					
Services	1,319.6	1,378.1	1,493.5	4.4%	8.4%
<b>Gross profit</b>	<b>812.4</b>	<b>901.4</b>	<b>967.5</b>	<b>10.9%</b>	<b>7.3%</b>
<b>Gross profit margin</b>	<b>38.1%</b>	<b>39.5%</b>	<b>39.3%</b>		
Operating expenses					
Selling, general and administrative expenses	484.8	585.6	608.1	20.8%	3.8%
Amortization of acquired intangible assets	23.6	28.5	28.5	20.7%	(0.1)%
Other operating (income) expense, net	(5.6)	(6.9)	(3.3)	23.7%	(51.6)%
<b>Income from operations</b>	<b>309.5</b>	<b>294.0</b>	<b>334.2</b>	<b>(5.0)%</b>	<b>13.7%</b>
<b>Income from operations as a percentage of total net revenues</b>	<b>14.5%</b>	<b>12.9%</b>	<b>13.6%</b>		
Foreign exchange (gains) losses, net	(20.8)	12.4	(5.3)	(159.5)%	(142.6)%
Other income (expense), net	(24.3)	(27.3)	(26.9)	12.2%	(1.4)%
<b>Income before equity method investment activity, net and income tax expense</b>	<b>306.0</b>	<b>254.4</b>	<b>312.6</b>	<b>(16.9)%</b>	<b>22.9%</b>
Loss (gain) on equity method investment activity, net	(0.2)	4.8	10.8	(2,937.3)%	125.2%
<b>Income before income tax expense</b>	<b>306.2</b>	<b>249.6</b>	<b>301.8</b>	<b>(18.5)%</b>	<b>20.9%</b>
Income tax expense	71.1	57.4	61.9	(19.2)%	7.9%
<b>Net income</b>	<b>235.1</b>	<b>192.2</b>	<b>239.8</b>	<b>(18.2)%</b>	<b>24.8%</b>
Net income attributable to non-controlling interest	5.3	0.2	—	(96.8)%	(100.0)%
<b>Net income attributable to Genpact Limited shareholders</b>	<b>\$ 229.7</b>	<b>\$ 192.0</b>	<b>\$ 239.8</b>	<b>(16.4)%</b>	<b>24.9%</b>
<b>Net income attributable to Genpact Limited shareholders as a percentage of total net revenues</b>	<b>10.8%</b>	<b>8.4%</b>	<b>9.7%</b>		

The Company prepares its consolidated financial statements in accordance with U.S. GAAP.

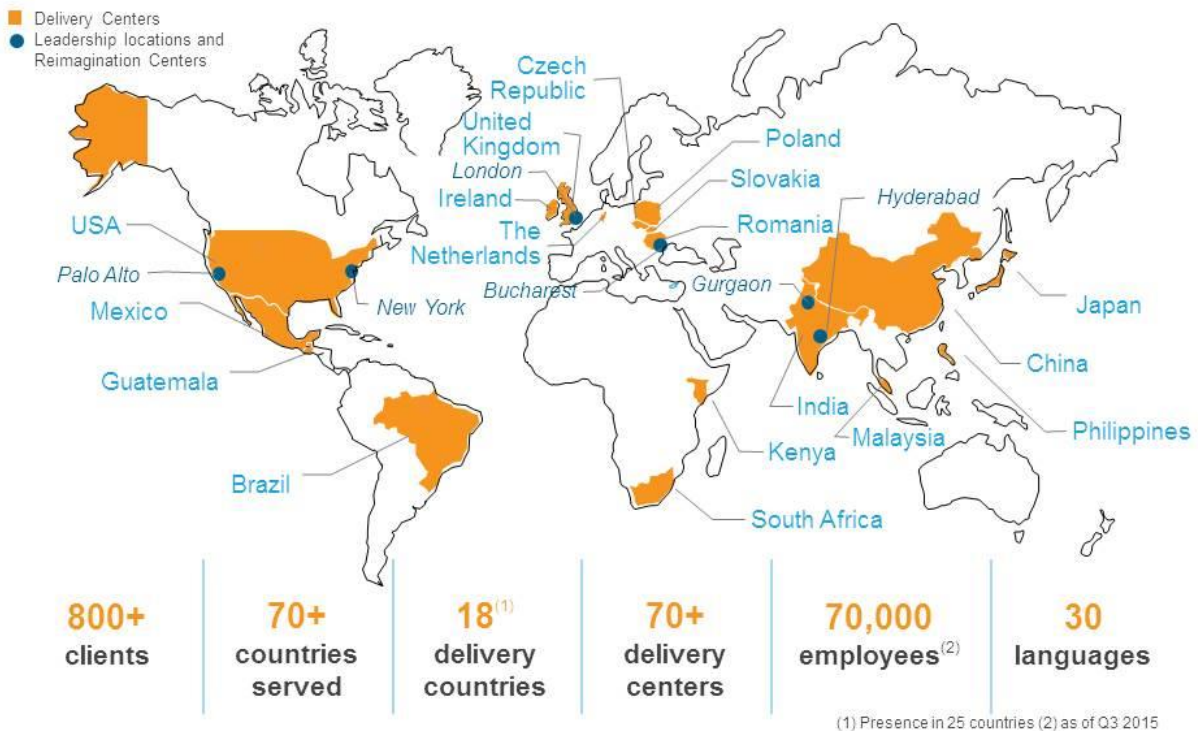
The financial table set forth above is taken from our Annual Report on Form 10-K for the year ended December 31, 2015.

# Locations

About Genpact ▶ Who we are ▶ Global delivery network

GENERATING IMPACT

## ROBUST GLOBAL CAPABILITIES



# Corporate Governance

We believe that good corporate governance is critical to our success. We adhere to the highest levels of ethical business practices, as embodied in our Code of Ethical Business Conduct, which sets out the guidelines for ethical conduct by our directors, officers and employees, as well as our integrity handbook, Integrity@Genpact.

For more details, follow this link:

[http://media.corporate-ir.net/media\\_files/IROL/20/209334/Code\\_of\\_Ethical\\_Business\\_Conduct-Oct\\_5\\_2016.pdf](http://media.corporate-ir.net/media_files/IROL/20/209334/Code_of_Ethical_Business_Conduct-Oct_5_2016.pdf)

## The Genpact Board

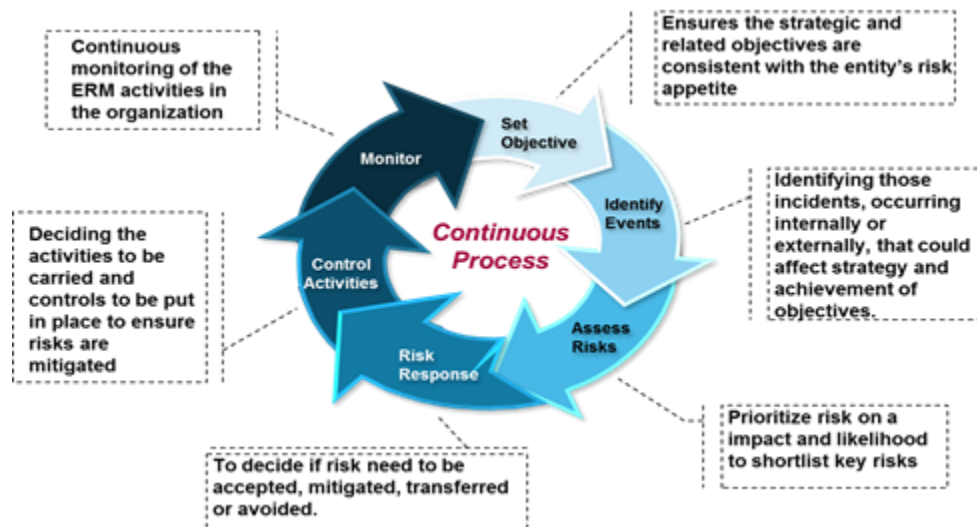
Our corporate governance practices begin with our independent Board of Directors. All our directors possess rich multi-industry experience and are recognized for their contribution in their chosen professions. They bring to our Board varied perspectives and insights. Our Board has established an Audit Committee, a Compensation Committee and a Nominating and Governance Committee to assist in fulfilling its duties and responsibilities.

## Risk Assessment Framework

While we assess risk and monitor compliance at various levels in the organization, Genpact has constituted a formal Risk Council in 2016, which reviews the organization's risk profile periodically and reports the key business risks to the Genpact Leadership Committee and Genpact Board. The Enterprise Risk Management (ERM) Office is headed by the Enterprise Risk Leader who is responsible for ongoing maintenance of ERM at Genpact. The risk and compliance leads are responsible for identification of risks in their respective area in consultation with their vertical/function/region head.

Responsibilities of the Risk Council and the Enterprise Risk Management Office are detailed in the Charter.

The risk management process at Genpact can be represented in a systematic 6-step process:



Genpact has a multi-tier risk and compliance monitoring process:

- (1) The Business Operations and Functional teams work as per their standard operating procedures with in-built controls and necessary checks and balances. Quality measurement tools and procedures are run to assess the effectiveness as a first line of defense.
- (2) The Business Compliance team aligned to each client operations acts as a second line of defense and conducts internal assessments on the process/ controls within client operations especially on key controls provided by the client and reports the performance to the client on an agreed frequency.
- (3) Genpact has an independent internal audit group (the third line of defense), with the Chief Internal Auditor reporting directly to the Audit Committee and who has direct link to senior



management including the CEO and independent auditors. The frequency and coverage of the audits get decided as part of the Annual Audit Plan. Operational, Financial and Compliance related audits are conducted measuring compliance with the company's policies and procedures, laws and regulations; reliability of financial reporting; efficacy of operations; safeguarding of assets etc. High-risk items are reported to the Audit Committee.

- (4) Genpact engages third party independent external audit firms to conduct ISAE 3402 examinations, certifications like ISO 27001, ISO 14001, OHSAS 18001, ISO 22301 and other security audits on its control environment.
- (5) Clients conduct their own audits as per the agreed schedule on operations related to the service agreement and Genpact provides reasonable assistance throughout.

## Code of Conduct

We have adopted a Code of Ethical Business Conduct that applies to all employees together with a handbook further explaining our expectations, Integrity@Genpact. Every employee is responsible for his or her own actions, and proper business conduct and ethical behavior are fundamental conditions of employment. Any employee, regardless of job or title, who observes or becomes aware of unethical or unlawful activity, is obligated to report such activity immediately. Employees are also urged to discuss any concerns regarding improper conduct with the appropriate individuals. We believe that our actions should always be guided by our core values of honesty, trustworthiness, integrity, dependability, respect, and citizenship. Our clients choose to work with us because we provide them with services that drive business value in an ethical, honest and transparent manner, supported by a strong governance framework. Our rigorous internal controls, business values and focus on controllership help us create enduring client trust.

## Human Rights Practices

As a responsible corporate citizen, we recognize and acknowledge that it is imperative to protect, promote and uphold the human rights of all our stakeholders across the organization and beyond. We are cognizant of the role businesses can play in enforcing the above and have instituted policies and mechanisms for them. Our Code of Conduct and Integrity@Genpact policies embody globally recognized human rights principles. We are thoroughly committed to providing our employees a workplace that is safe, congenial and free from harassment of any kind. Such a workplace fosters creativity, openness and innovation, all of which are essential when it comes to building an effective organization culture and delivering uncompromising quality to our clients.

A snapshot of our practices related to fair employment, child labor and forced labor, right to freedom of association, investment screening, privacy and discrimination and harassment is provided here.

Fair Employment:

- Zero tolerance for nepotism or adverse bias
- Merit qualifications (for example, education, experience, or skill sets) and other job related criteria are the sole basis for all employment related decisions effecting employees and applicants
- No allowances are given to any discriminatory practices regardless of what cultural practices may persist in the wider society
- Genpact's goal is to maintain a congenial and productive working environment conducive for all

Child Labor and Forced Labor:

- Genpact strictly prohibits employment of all forms of forced, compulsory, and child labor either directly or through contractors
- For vendor employees, date of birth proofs taken and audited in areas of high risk. Regular audits are conducted to mitigate any instance of child/forced labor

Investment Screening:

- Thorough diligence process before taking a decision to acquire a stake in a company
- Checks are conducted for compliance with statutory obligations, employee benefits, human resource compensation and benefits, leave policy, bonus policy, policy related to salary increases etc.

Freedom of Association:

- Genpact does not prevent any employee from exercising the right to freedom of association or collective bargaining. We adhere to all necessary regulations related to collective bargaining and freedom of association in regions where we operate
- In Brazil and the Czech Republic, 100% of the employees are trade union association members. In Romania, we have employee representatives instead of a trade union and 100% of our employees are covered
- All local laws are observed with respect to providing a minimum notice period regarding specific operating changes

Discrimination and Harassment:

- Genpact prohibits basing any employment decisions on race, color, religion, sex, caste, sexual orientation, national or regional origin, or any other characteristic protected by law
- Where harassment occurs as a result of an act or omission by any third party or outsider, Genpact will take all steps that are reasonable and appropriate to prevent the harassment from continuing

Privacy:

- Genpact respects employee privacy with respect to personal information or communications stored on official systems with the provision that Genpact may access such any files/information for business reasons. For example, in the course of performing maintenance, security/compliance issues or for a legal request etc.
- Genpact gives its employees notice that it may monitor, investigate, copy, and inspect files/information (personal or otherwise) in instances mentioned above

# Operating ethically

Our uncompromising integrity is why our customers entrust their business to us. An essential channel of projecting our principles and integrity directly in our work is through our employees, who are the true ambassadors of our values and unyielding integrity. Our Code of Conduct serves as an emblem of ethical practices and expectations to all our employees, officers, directors and agents. All round the year, we conduct programs to embed these values into our employees' regular work routine. These include training sessions and direct communication from the leadership. It is always conveyed to all our people that our business vision is to be achieved without compromising our ethical values and integrity.

Besides our Code of Conduct, our Integrity@Genpact handbook also serves as a guiding map for employees when it comes to ethical conduct. The handbook is a reflection of how we have upheld integrity in our business conduct over the years and how we intend to continue doing so in the coming years. The Integrity@Genpact framework consists of five principles and nine policies grouped under four themes. The nine policies directly flow from the principles and serve as the means to achieve the goals rooted in these principles. A dedicated training course on Integrity@Genpact is mandatory for all Genpact recruits. An ongoing training module is also run for all employees. In 2015, as of the date of finalizing this publication, 92% of our workforce including senior management had undergone this training within the previous year; this understates the number of people who have taken the training, as it does not include anyone who is even a single day late in completion of the annual requirement.

Genpact has also supplemented its ethical framework with a transparent and effective grievance redressal mechanism. Employees can access several modes to report any instances of violation of Genpact policies. Employees can report the same to their immediate supervisors, management representative, human resource personnel, local compliance contact, and member of the legal department or local/global ombudsperson. In addition, most of our major facilities have an 'Ombuds box' which can be used to report violations. Not all locations still have the Ombuds boxes; as more and more Genpacters are becoming more familiar with electronic means of communication (email), they are choosing to report via email, where they can receive a response usually within a day. Employees are permitted to report anonymously; when an employee wishes to do so electronically, the employee creates a new email address via one of the free email providers. Employees can also directly write to [ombudsperson@genpact.com](mailto:ombudsperson@genpact.com). All employees raising concerns are free to report anonymously and are protected under our No Retaliation Policy. By reporting non-compliant behavior, employees play a key role in preserving the integrity of the workplace. Those concerns which have an established response may be handled directly; those that do not are submitted for final decision to a regional Policy Compliance Review Board (PCRB), which then decides the relevant appropriate mitigation measures. All communications and decisions are subject to review by our Global Compliance Review Board, which is composed of the CEO, CFO, Human Resources head and General Counsel. The Audit Committee of the Board also reviews all violations on a quarterly basis. A total of 673 cases were reported globally in 2015 as compared to 557 in 2014 through the Ombuds program.

A part of the increase in cases reported may be attributed to the significant expansion of our compliance communication program which strives to create more awareness about the Ombuds program. In 2012, we had instituted a compliance communication program and have been leveraging it to effectively deliver the message to our employees straight from the leadership that integrity and business success goes hand in hand. Under this program, a member of the leadership across regional offices is assigned

the task of communicating each and every month to employees about the Ombuds program, our no-retaliation policy and another substantive compliance policy. A compliance calendar is prepared with a compliance theme for every month (October is 'Fair Employment Practices', for example) and relevant materials are provided by the global compliance leader at the start of each month to respective regional leaders. The primary communication mode is meant to be personal and not just email messages. Leadership engages with employees on respective themes through town halls, executive meetings, floor walks or huddles. These are then supplemented with detailed written communications. We also share actual instances where our employees or business partners have fallen short of Genpact's ethical expectations. Recent events and news items are also brought into the picture to portray real-world examples and enable better understanding for our employees.

## Robust governance

Business excellence and long-term value optimization go hand in hand with ethical business conduct. The principles of transparency, accountability and equity set the tone for our business relationships and underlying practices. Our robust corporate governance framework ensures complete accountability, fair treatment towards all stakeholders, transparency and ethical conduct and at the same time, creates an enabling environment for sustainability to thrive in. This is imperative for the success and sustainability of our operations. Regular and stringent review processes along with methodical auditing practices ensure the percolation of our core business principles and standards across the organization.

Our proactive approach is evident in our extensive risk management systems. Risk factors are identified, measured and managed continuously and responsibly via our governance framework at the entity level, business segment level and business process level. This ensures compliance with not only applicable statutory guidelines but also with our internal policies and process compliance parameters. The overall monitoring of risk levels is the responsibility of our diverse board of directors accompanied by the management team which is responsible for implementing recommended mitigation measures.

As we chart our ambitious growth plans over the coming years, our operations and processes will invariably become increasingly complex and preserving our stakeholders' trust will become even more critical. Our complex global operations subject us to regulation<sup>1</sup> in many jurisdictions around the world that also undergo change over the years. Our robust and agile systems are by design meant to withstand this change and dynamically adapt to meet these new and challenging requirements. We have always looked beyond what the law requires of us when it comes to our best-in-class governance practices.

### The World Economic Forum Partnering Against Corruption Initiative (PACI)



In April 2013, as members of the World Economic Forum Partnering against Corruption Initiative (PACI), we participated in the Anti-Corruption Workshop in India. 44 companies from 11 countries took part in the workshop with Genpact being one of the four signatories from India. Pramod Bhasin, our Vice Chairman, played the role of a discussion leader in one of the plenary sessions on the link between corruption and competitiveness, the challenges of engaging small and medium-sized enterprises in anti-corruption programs, the role of collective action and current government initiatives. The World Economic Forum Partnering against Corruption Initiative (PACI) is a global, multi-industry, multi-stakeholder anti-corruption initiative set up to raise business standards and to contribute to a competitive, transparent, accountable and ethical business society. <http://www.weforum.org/issues/partnering-against-corruption-initiative>

<sup>1</sup> For a discussion on our compliance system and the regulations to which we are subject, please refer to our 10K filings available at: <http://investors.genpact.com/phoenix.zhtml?c=209334&p=irol-reportsother>

composed of 12 directors, 11 of whom are independent<sup>2</sup>. The board of directors has adopted corporate governance guidelines to assist in the exercise of its duties and responsibilities and to serve the best interests of our Company and our shareholders. These guidelines, which provide a framework for the conduct of the board's business, provide among other things, that:

- The principal responsibility of the directors is to exercise their business judgment to promote the long-term interests of the Company's shareholders by providing strategic direction to the Company and to oversee management in the performance of the Company's business activities;
- Additional responsibilities include reviewing, approving and monitoring significant financial and business strategies as developed by management, evaluating the performance of the Company and its executive officers, approving CEO succession plans and reviewing and approving material transactions and corporate activities not entered into in the ordinary course of business;
- A majority of the members of the board of directors shall be independent directors;
- The independent directors shall meet at least twice a year in executive session;
- Directors shall have full and free access to management and, as necessary and appropriate, independent advisors; and
- At least annually, the nominating and governance committee shall oversee a self-evaluation of the board of directors to determine whether the board of directors and its committees are functioning effectively.

Our Code of Ethical Business Conduct and Integrity@Genpact Guide also apply to all directors of the board to the extent they are representing or acting on behalf of Genpact. Directors are expected to report any actual or potential conflict of interest to the chairman of the board's Audit Committee and the General Counsel.

The board structure consists of several committees: an Audit Committee, a Compensation Committee and a Nominating and Governance Committee with composition in line with applicable independence requirements of the NYSE and any other applicable legal requirements. Additional committees may be established by the board if deemed necessary or appropriate.<sup>3</sup>

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<sup>2</sup> For more information on our board of directors, please visit: <http://www.genpact.com/home/about-us/leadership/board-of-directors>

<sup>3</sup> Information on our corporate governance guidelines, our code of ethics and the charters of each of the board committees are available at: <http://investors.genpact.com/phoenix.zhtml?c=209334&p=irol-govhighlights>

# Ethical Supply Chain

## Our Approach

At Genpact, we believe in building relationships with business partners that understand and live up to our high standards on responsible business conduct.

As a responsible business, we endeavor to cultivate sustainable practices across our supply chain – encouraging and engaging with our suppliers not only delivering the best-in-class services but also better manage their environmental and social performance.

operations to. Accordingly, our vendors are contractually expected to comply with Genpact's environment, health, and safety (EHS) standards, all applicable regulations such as labor laws, fundamental human rights and any other statutory requirements. Specific criteria are also laid down based on the nature of the vendor. For example, our food vendor must comply with specific health-related requirements, and our vendor for chairs has to comply with specific ergonomic requirements.

Further, we have also adapted our Integrity@Genpact policy for our suppliers – Supplier Integrity Policy. This extends the principles of responsible business ethics, fair employment practices, and prohibition of discrimination, confidentiality and data privacy across our supply chain, including all third parties acting on our behalf. We are also in the process of drafting a Sustainable Supply Chain policy that will serve as a guide to ensuring a responsible supply chain.

## Vendor Governance Framework

We recognize that managing the environmental and social impacts of our supply chain has manifold benefits – mitigating and addressing business continuity risks, meeting the changing demands of our clients and other stakeholders, increasing cost-efficiency and operation efficiency of the supply chain, protecting our reputation and brand value – resulting in long-term economic growth. Given our extensive supply chain ecosystem, this is a challenging task comprising two elements – ensuring stringent compliance to our standards and requirements, and eliminating any risks associated with our supply chain.

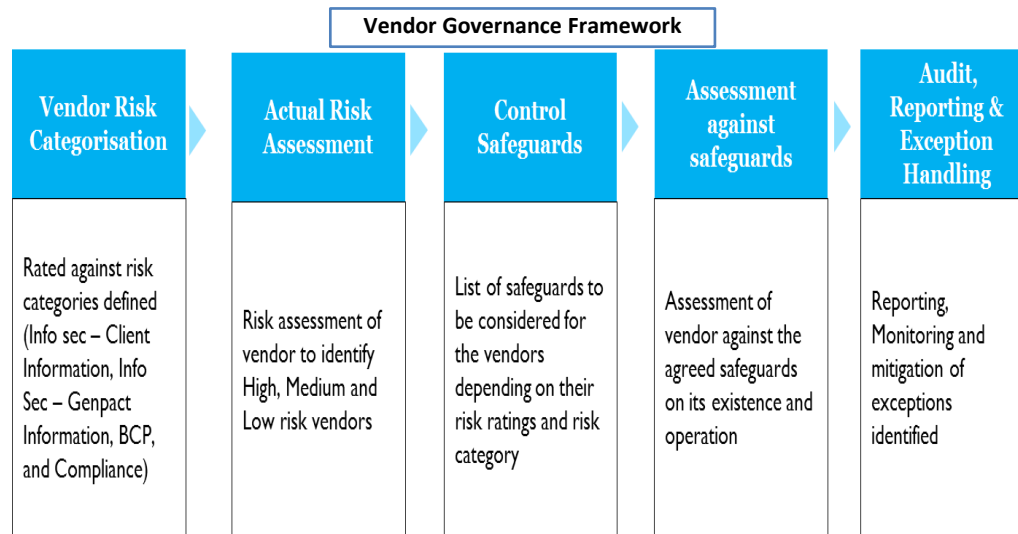
Our supplier selection processes route all purchase requisitions through a centralized Global Sourcing team. Genpact optimizes its sourcing footprint based on total cost of ownership including environmental impact and sustainability factors when shortlisting a vendor.

## Our Supply Chain Standards

As an extension of our operations, our supply chain is a reflection of our pride in doing business the right way – giving due consideration to our ethical, environmental and social obligations as we pursue business excellence. We expect our vendors to comply with the same high level of standards on business ethics, legal compliance and sustainable practices that we subject our

## OUR SUPPLY CHAIN

- **5000+** vendors globally
- Procuring nearly **150** categories of goods and services
- Comprises two broad categories – **IT-related** services and products (such as IT hardware, software, IT professional services) and **Infrastructure & operations-related** services and products (such as catering, transport, office maintenance and equipment)



While our existing measures ensured compliance through site audits and screening processes (such as police verification, background checks, etc.) with vendor violations resulting in suspension or dismissal, we recognized the need to further bolster the screening process. We enhanced the process to Supply Chain Sustainability in 2013. Recently, we structured the risk and compliance elements under a Vendor Governance Framework. The framework renders a holistic approach to risk identification, assessment and mitigation, with vendors being categorized for risks subject to the nature of their association/engagement with Genpact. All vendors are subjected to this assessment prior to being on boarded. Vendors are required to declare their approach and present the supporting artefacts, which along with the safeguards are reviewed and audited by our sourcing team. One of the key risk areas assessed as part of the Compliance risk category, is evaluating vendors’ compliance to the local infrastructure norms/regulations and EHS requirements. Only post a signoff the vendor is allowed to on-board

We ensure that all the elements of the Vendor Governance Framework including Sustainability aspects are continuously updated to stay relevant with the industry practices and global norms. A committee comprising of Senior Leaders oversee the effectiveness of the Risk framework and are informed and consulted for course of action if a risk is foreseen. Also there is audit conducted to ensure that the suppliers are adhering to the safeguards that were committed.

## Vendor Grievance Mechanism

Our governance structure, defined at the point of on boarding the vendor, oversees the health and performance of the engagement. A periodic governance touch-point gives an opportunity for both parties to discuss status and address any concerns. Also, this allows for structured tracking of any action plans that may be in place for addressing issues.

Suppliers have a point of contact in the Business as well as the Sourcing team, whom they can reach out to during their term of service with Genpact. In the event of a grievance being brought up for redressal, the sourcing point of contact can bring on board the experts from legal, compliance, or other subject matter experts in the organization, in addressing the issue, and appropriate remedies and action plans are thought through. Appropriate tracking points are defined to track towards closure of the issue, to assure full accountability on our part to address the concern.



## Green Procurement

Our sourcing team is also actively involved with procuring green products for Genpact facilities. The sourcing team collaborates with Infrastructure and Logistics, EHS, and IT teams in order to procure products that help save energy and conserve resources. When procuring we prefer products that are greener, given all required technical specifications are met. A database of green products has been developed with a recent addition for green building materials. Currently we are expanding the green cataloguing of products to other key product categories.

## Supplier Diversity

We are also a global general member of the WEConnect International network, a global non-profit that works to increase opportunities for women-owned businesses. It maintains a directory of women's business enterprises that are at least 51% owned, managed, or controlled by one or more women. WEConnect identifies, educates, registers, and certifies such enterprises. Our membership provides us access to this directory, which is used by our sourcing team as and when a suitable match is available in the database for the requirement at hand.

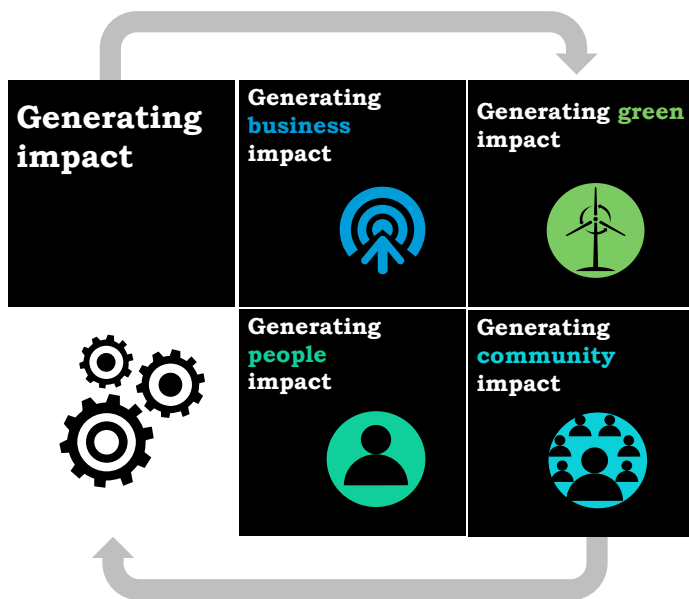
# Sustainability

## Sustainability @ Genpact

Sustainability at Genpact is considered a business critical mission that drives long-term business viability. Resonating with this belief, in 2015, we established ourselves as the architects of Lean Digital<sup>SM</sup> enterprise; expanding our scope of work with our clients as well as generating operational excellence internally. This also spearheads us further on our sustainability journey as we progressively integrate sustainability into our business strategy.

“The focus now is not on ‘if’ a company should be sustainable, but on ‘how’ a company goes about being sustainable. If done right, sustainability can be a competitive advantage.”

NV “TIGER” TYAGARAJAN  
President and CEO, Genpact



stakeholders, both internal and external, as we approach our stakeholder relationships – be it clients, employees or suppliers – with utmost integrity and respect, utilize our naturally “lean” approach to

## Approach

We are continually working towards embedding sustainability as an essential element of our day-to-day decision making. In doing so, we extend our business creed – **Generating Impact** – to our sustainability approach that incorporates social progress and environmental stewardship into a more responsible economic growth for Genpact. At the core of this philosophy is the importance we assign to improving the quality of life for our



operations to minimize our environmental footprint, and proactively engage with communities to positively impact their progress. This translates into the pillars of our sustainability approach – **Generating Business Impact, Generating People Impact, Generating Green Impact, and Generating Community Impact.**

Reinforcing this further, is the unrelenting commitment of Genpact’s management and senior leadership in providing strategic direction to Genpact’s sustainability vision for meeting underlying goals. The A+ rating of our sustainability report indicates the highest level of transparency and robust sustainability practices across people, economic and environmental dimensions.

## Strategy Framework

In 2014, we commenced an internal exercise to reformulate our sustainability framework in order to benchmark our performance and communicate the same to our stakeholders in the future. Consequently, we outlined a viable strategy framework that rendered further clarity to our sustainability journey.

Our strategy framework consists of:

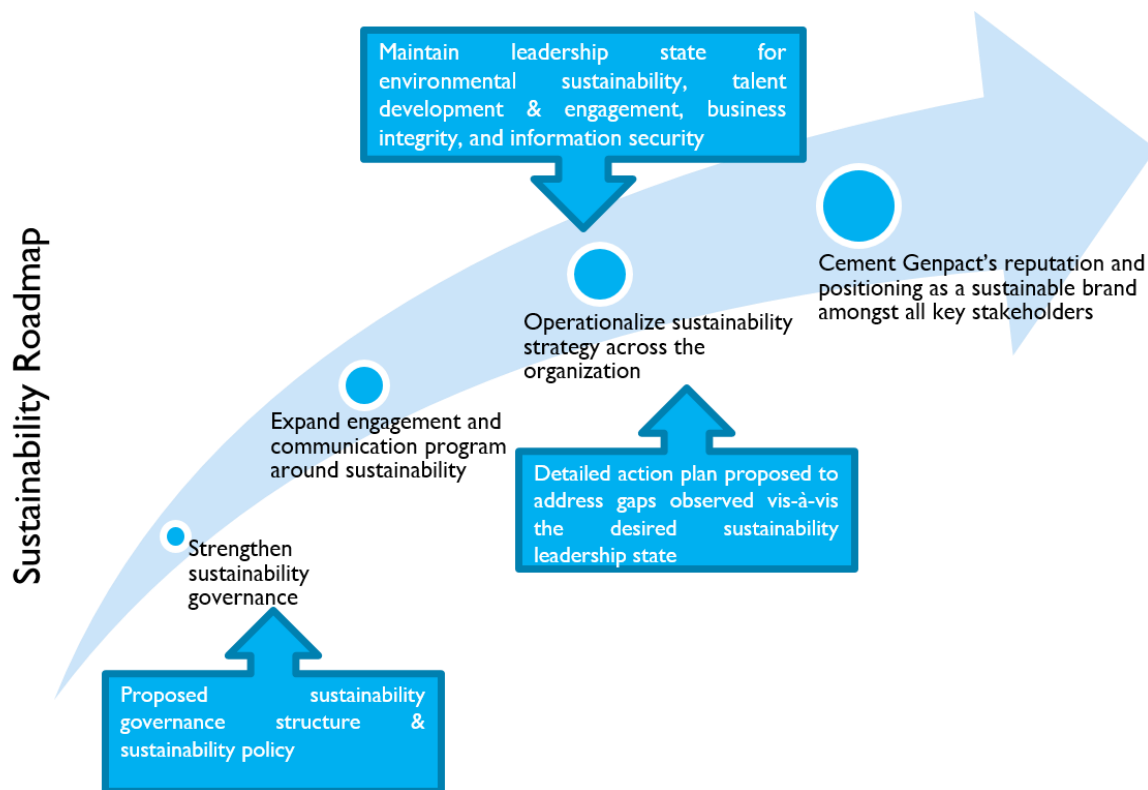
- **Sustainability Vision:** The four pillars, mentioned earlier, form the foundation of our sustainability journey, addressing the basic tenets of sustainability – economic, environment and social growth.
- **Sustainability Governance Framework:** Steering and monitoring our sustainability performance is the sustainability governance framework holding our leadership accountable to this task. We developed an Environment, Health and Sustainability Policy in 2010, which was revised in 2012. To further streamline the sustainability operations, we have proposed an exclusive sustainability governance structure pending implementation. We are in the process of drafting a Sustainability Policy, which is instrumental in defining the organizational culture towards our sustainability vision as well as holding all employees responsible and accountable towards the same.
- **Sustainability KPIs (Key Performance Indicators):** Supporting the monitoring of our sustainability performance and keeping it in line with our sustainability vision are our organizational sustainability KPIs (tracked in summary of key performance indicators). The responsibility of tracking these have been mapped and communicated to the relevant business functions. Currently we are in the process of determining baselines and targets against each KPI to measure our sustainability performance.



- **Sustainability Action Plan:** Paving the way ahead is our sustainability action plan that defines the key sustainability activities that need to be undertaken along with the respective roles and responsibilities aligned to them.

## Journey Ahead

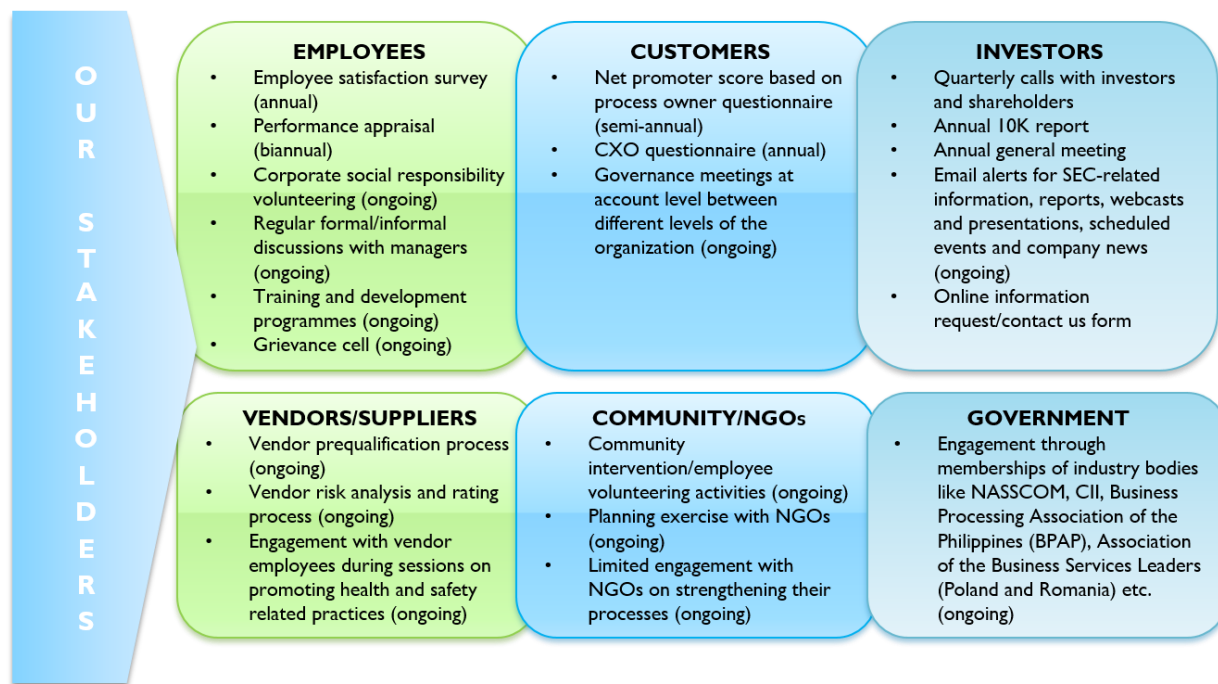
In 2013, we undertook a maturity analysis of our sustainability journey to ascertain our desired maturity level. Building on this and utilizing our materiality assessments and feedback from internal and external stakeholders, we identified the gaps that need to be addressed in order to achieve sustainability leadership status. In line with this, we developed the above key elements of our Sustainability Strategy Framework and developed a progressive and actionable sustainability roadmap for Genpact in 2015. Moving forward, our aim would be to completely operationalize our sustainability strategy across the organization, along with implementing the supporting governance framework and communication strategy to take us to a position of sustainability leadership amongst our peers. Having identified areas where we excel, the task that lies ahead of us is that of maintaining this state for those areas, while closing in on our gaps to emerge as a sustainability frontrunner.



## Stakeholder Engagement

Our sustainability journey is fuelled by fostering meaningful stakeholder dialogues and empathizing with their concerns. Our engagement with our stakeholders makes us cognizant of matters that are most important to them and informs our strategic decisions and policies. They are provided with adequate avenues to voice their concerns about their engagement with Genpact, and we make it a point to fairly and objectively address these issues. It sets the tone for the way we manage our business, making our engagement more pertinent, thus generating the impact we set out to.

Our stakeholders comprise those who are both impacted and impact our operations and activities. Our key stakeholders, mutually identified in consultation by the Company’s management, include our employees, our clients, our investors, our vendors, the communities we interact with, and the government. In all our dealings with our stakeholders, we foster an ongoing two-way communication channel between us and them, represented in the figure. We endeavor to promote environmental, social, ethical, health and safety related best practices through engagement platforms designed for each stakeholder group. Further, we also actively involve and inform them about our sustainability approach, goals and performance. Such consistent and structured engagements have helped us nurture enduring and mutually beneficial relationships with our stakeholders.



## Materiality

Materiality assessment is a principal component of sustainability efforts, defining the issues that are of the utmost importance to all our stakeholders as well as Genpact’s business. In doing so, it imparts focus and direction to not only our reporting endeavor but also to our sustainability approach.

Keeping in line with our previous materiality assessment in 2013, we actively interacted with our stakeholders on sustainability to understand their perspective and concerns about their engagement with Genpact. At the outset of 2015 materiality assessment, we compared our earlier assessment with sustainability issues currently being faced by us, some of our global and local peers, the IT/ITeS industry as a whole and global issues highlighted by the international community (business, NGOs, development agencies, leading international organizations, etc.). Through internal discussions, we zeroed in on the most relevant sustainability issues for Genpact. The materiality assessment was then conducted in two prongs – discussions with internal stakeholders to ascertain the impact of these issues on Genpact’s business in the near future and in-depth dialogues with representatives of our key external stakeholder groups (suppliers, clients, NGOs, etc.) to assess their level of concern on these issues. We then collated the inputs to arrive at Genpact’s materiality map.

<p><b>OPERATIONAL EXCELLENCE</b></p> <ul style="list-style-type: none"> <li>• Carbon Management</li> <li>• Green Buildings</li> <li>• Green IT</li> <li>• Water Management</li> <li>• Waste Management</li> <li>• Biodiversity</li> </ul>	<p><b>CLIENT EXCELLENCE</b></p> <ul style="list-style-type: none"> <li>• Business Continuity</li> <li>• Quality of Services</li> <li>• Data Privacy &amp; Information Security</li> <li>• Transformational Solutions for Sustainability</li> <li>• Innovation</li> </ul>	<p><b>TALENT EXCELLENCE</b></p> <ul style="list-style-type: none"> <li>• Recruiting/Creation of Talent Pool</li> <li>• Talent Development</li> <li>• Diversity &amp; Inclusion</li> <li>• Occupational Health &amp; Safety</li> <li>• Employee Engagement &amp; Satisfaction</li> </ul>
<p><b>SUPPLY CHAIN EXCELLENCE</b></p> <ul style="list-style-type: none"> <li>• Social/Environmental Assessment of Suppliers</li> <li>• Supplier Engagement</li> <li>• Supplier Diversity</li> </ul>	<p><b>ETHICS, TRANSPARENCY &amp; GOVERNANCE</b></p> <ul style="list-style-type: none"> <li>• Human Rights</li> <li>• Business Integrity –Anti-Corruption/Anti-Bribery</li> <li>• Responsible Policy Advocacy</li> <li>• Transparent Disclosures</li> </ul>	<p><b>CORPORATE CITIZENSHIP</b></p> <ul style="list-style-type: none"> <li>• Corporate Social Responsibility</li> <li>• Employee Volunteering</li> </ul>

## Materiality Map

Through this report, we endeavor to communicate our approach as well as our performance on all material issues identified. The top-right corner here represents all the issues that have the highest impact on our stakeholders as well as on our business, and hence will be the focus of this report.

## Reporting our Sustainability

In this report, the four pillars of our Sustainability Strategy Framework form the various sections of the report that highlight the relevant material aspects as well as our sustainability progress in FY 2015. These pillars along with the relevant topics are depicted below.



## Generating Business Impact

Embedded in our corporate culture is a maniacal client centricity that strives to not only meet but exceed our clients' expectations.

For us at Genpact, we do not just stop at providing quality services but also assure our clients that as an extension of their team we have their best interests in mind, keeping ourselves constantly abreast of their needs and priorities – measuring their pulse.

### *Our Approach*

#### ACTION PLAN

Responsible Business Conduct  
Commitment to Quality  
Responsible Advocacy

- **800+** clients across various industries and geographies
- Long-term clients include about **one-fifth of FORTUNE 500** companies
- Generated business impact of close to **US\$ 30 billion** for our clients (as of Dec 31, 2015)
- Major clients are **leaders** in their respective industries

*At Genpact, our pursuit towards responsible economic growth is what permeates through our business culture.*

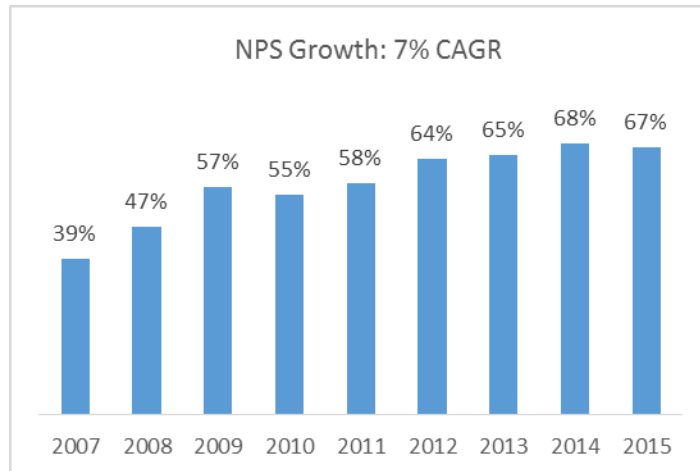
*Our **COMMITMENT TO QUALITY** and **RESPONSIBLE BUSINESS CONDUCT** act as our compass in building and navigating our fruitful long-term client relationships.*

*Through **RESPONSIBLE ADVOCACY** we seek to create a fair and transparent market place that represents the best interests of our industry as well as our stakeholders.*

### *An Extension of our Client*

To our clients, we are not just another service provider but an integral part of their organization – an extension of their operations. This reflects our commitment and efforts towards creating long-term relationships with our clients – often beginning humbly with the outsourcing of isolated processes or with shorter engagements in analytics and research, business consulting, enterprise risk consulting, or reengineering, and over time develop into a multiple business processes engagement encompassing a wider range of functions and geographic zones. In this constantly changing environment, our clients turn to us for transforming their businesses to not only adapt but outperform the competition.

**Testimony to our Clients' Trust**  
**Our Blueprint Strategy**



Over the years, our clients have increasingly seen the value we bring towards their transformation and have sought to work with us year after year. A consistently upward moving NPS, from 39% in 2007 to 67% in 2015, is a testimony to the trust our clients place in us and the value we create for them.

Our Lean Digital<sup>SM</sup> approach extends our reach with clients – tapping their unmet potentials end-to-end, including the middle and back offices, ensuring a seamless connection to the front end. Our service delivery model Genpact Virtual Captive<sup>SM</sup> strives to create a virtual extension of the clients' own environment with dedicated employees and management as well as infrastructure at our delivery centers. All personnel, be it our employees, contractors or vendors, are familiarized with not only the processes but also with the client's business environment in which the process is to be executed. In recent times, in dealing with sensitive client information, our sector has been continuously battling the threat to information security and data privacy. Along with our robust internal management systems, policies and protocols, sensitizing our personnel to these threats safeguards us from such risks, while delivering quality service with utmost business integrity.

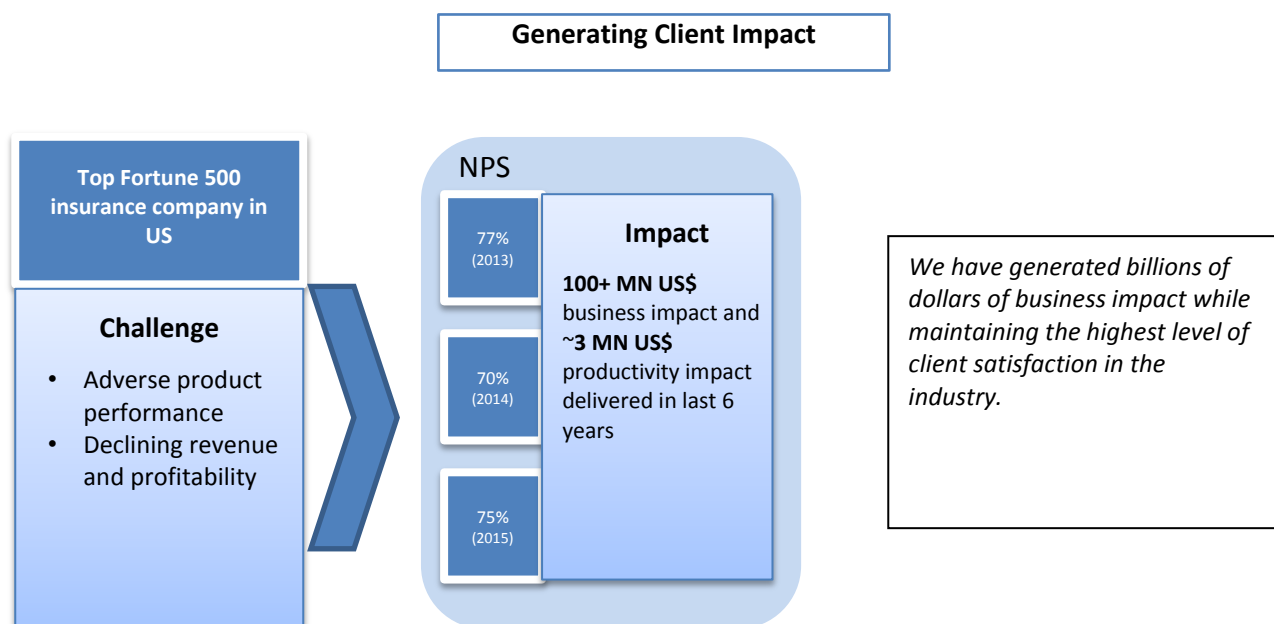
## Investing in Marketing

We at Genpact have traditionally not invested materially in marketing activities, and always preferred to drive our business through an approach focused on superior solution architecture, sales and word-of-mouth. We used the Net Promoter Score of existing clients as an incentive for the top management, effectively encouraging the ability to reference client names during deal pursuits.

In the recent past, in mid-2014, owing to a strategic refocus prompted by changes in the shareholder base (with Bain Capital taking over from founding private equity firms and GE), the company has invested more in marketing. With a cohesive and much targeted strategy, our investment in marketing as percentage of sales has increased and with appointment of the current CMO, we have worked on complete restructuring of the department as well. The existing marketing approach builds on a lean foundation of traditional activities (PR and analysts/influencer relations, industry events, and some above the line advertising air cover) but significantly overemphasizes a direct marketing approach (both digital and physical) based on superior, relevant and ultimately helpful content for the narrowly-defined target audiences. Significant direct mailing, significant inbound (programmatic / retargeting) and research based product marketing are the key ingredients. These efforts have delivered a radical

improvement of awareness level in the target audience as well as the deal pipeline created by marketing.

## Our Performance



### Lean Digital<sup>SM</sup> across Industries



## Financial Assistance

We benefit from tax relief provided by laws and regulations in India, China, Colombia, the Philippines, Morocco, and Guatemala. During the last nine years, we established new centers that we believe are eligible for tax benefits under the Special Economic Zones Act (SEZ) of 2005. The SEZ legislation introduced a 15-year tax holiday scheme for operations established in designated special economic zones or SEZs.

Under the Indian Income Tax Act of 1961, our delivery centers in India, from which we derived a significant portion of our revenues, benefited from a 10-year holiday from Indian corporate income taxes for their export profits under the Software

	Year ended December 31		
	US\$ ('000)		
	2013	2014	2014
<b>Tax benefit from tax holiday</b>	39,785	35,868	38,039



Technology Parks of India (STPI) Scheme through 31 March 2011. In the absence of this tax holiday, income derived from our Indian operations is taxed up to the maximum tax rate generally applicable to Indian enterprises, which, as of 31 December 2015, was 35%.

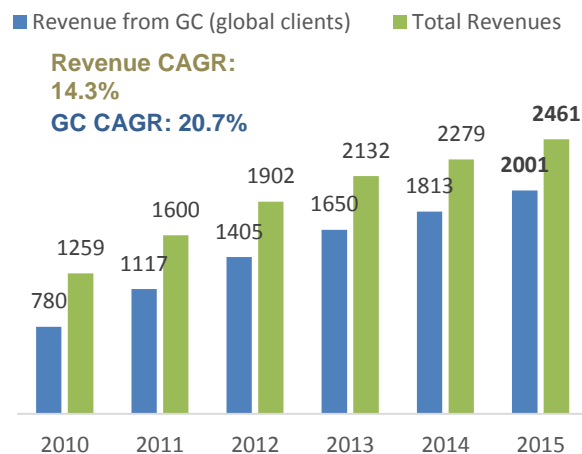
### Proven Stability and Growth

Our financial performance has been consistently robust and is deeply linked with our increasing client satisfaction, as illustrated in the chart.

In 2015, we had net revenues of US\$ 2.5 billion, of which approximately 81.3% was from our global clients, with the remaining US\$ 460 million (18.7%) coming from GE – our largest client since our inception. The net revenue of our global clients has increased steeply over the last five years – from US\$ 780 million (62%) in 2010 to US\$ 2 billion (81.3%) in 2015.

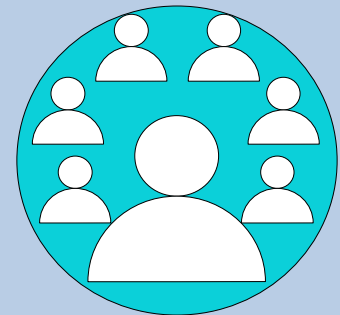
Details of other financial indicator are presented in the appendix.

### Revenues (US\$ Mn)



## Generating Community Impact

Generating social impact by leveraging earnest efforts of our workforce to make a difference in the world beyond their desks, running structured programs within our limited capacity to address relevant social and environmental issues, making a contribution towards solving the bigger sustainable development puzzle as a responsible corporate citizen and ensuring the growth of the community along with ours by virtue of our overall business impact.



# Community Impact

## Our CSR Philosophy

Corporate citizenship has a critical role to play in shaping our company's success. As we grow, we will harness the energy and talent of our employees and leverage our distinctive strengths to contribute to the economic, social, and environmental betterment of the communities where we live and work with special focus on development through Education & Employability, Diversity & Inclusion and leveraging our process excellence for social good.

At Genpact, giving is a way of life. We have institutionalized a culture of giving among our employees through a number of global platforms, programs, projects, and social initiatives. We believe that the core of a sustainable and socially viable company is a strong and motivated volunteer base. We are proud to have a network of over 14,000 unique volunteers worldwide who support our various projects and initiatives. In India, Genpact has been a clear leader in the Give India Payroll Giving Program and the first company in India to have over 15,000 people donating from payroll through this platform.

## Objectives

Genpact is committed to giving back to the community through projects and initiatives under three pillars in line with our strengths and core expertise, as well as causes that our employees are passionate about:

- Education and Employability
- Diversity and Inclusion
- Environment and Sustainability

Under each pillar, we run projects in partnership with institutional/NGO partner organizations or in some instances directly. The primary focus areas of our CSR strategy are Education & Employability, and Diversity & Inclusion, which we believe can bring about transformational change in the country and community.

### **Education & Employability:**

Our priority is to help create education and employability. One of the ways we do this is by training and up-skilling unemployed and underemployed youth, enabling them to get jobs and sustain themselves for life. Not only does this help with their career progression, but helps us fight the proverbial "war for talent" in a meaningful and constructive manner.

### **Diversity and Inclusion:**

Under this pillar, we focus on empowerment of women and inclusive growth, health and sustenance of disadvantaged groups. The target beneficiaries are women, under-privileged children, disadvantaged, and excluded groups and communities.

## Environment and Sustainability:

We are committed to building a culture of environmental consciousness and care among our employees, and provide sustainable and measurable benefits in the long run through our projects. We drive this through employee, client, and community participation for our projects and extensive communications and awareness campaigns.

We abide by the global “Environment Health Safety and Sustainability Policy” (EHS&S) signed by our President and CEO, NV ‘Tiger’ Tyagarajan. The policy is prominently displayed and communicated across all locations. In our business and operations, we leverage our culture of Six Sigma, Lean, and innovation to deliver exceptional outcomes for the company with respect to environmental impact.

## Highlights:

Strong Volunteering Programs driven by our People- Globally

 <b>16 Countries</b> <b>14,000+ Volunteers</b> <b>21% penetration</b> <b>65,500+hours</b>	 	 <b>15,000 Payroll givers</b> <b>27% penetration</b>
		 <b>24 client Partnerships</b>

Pillars

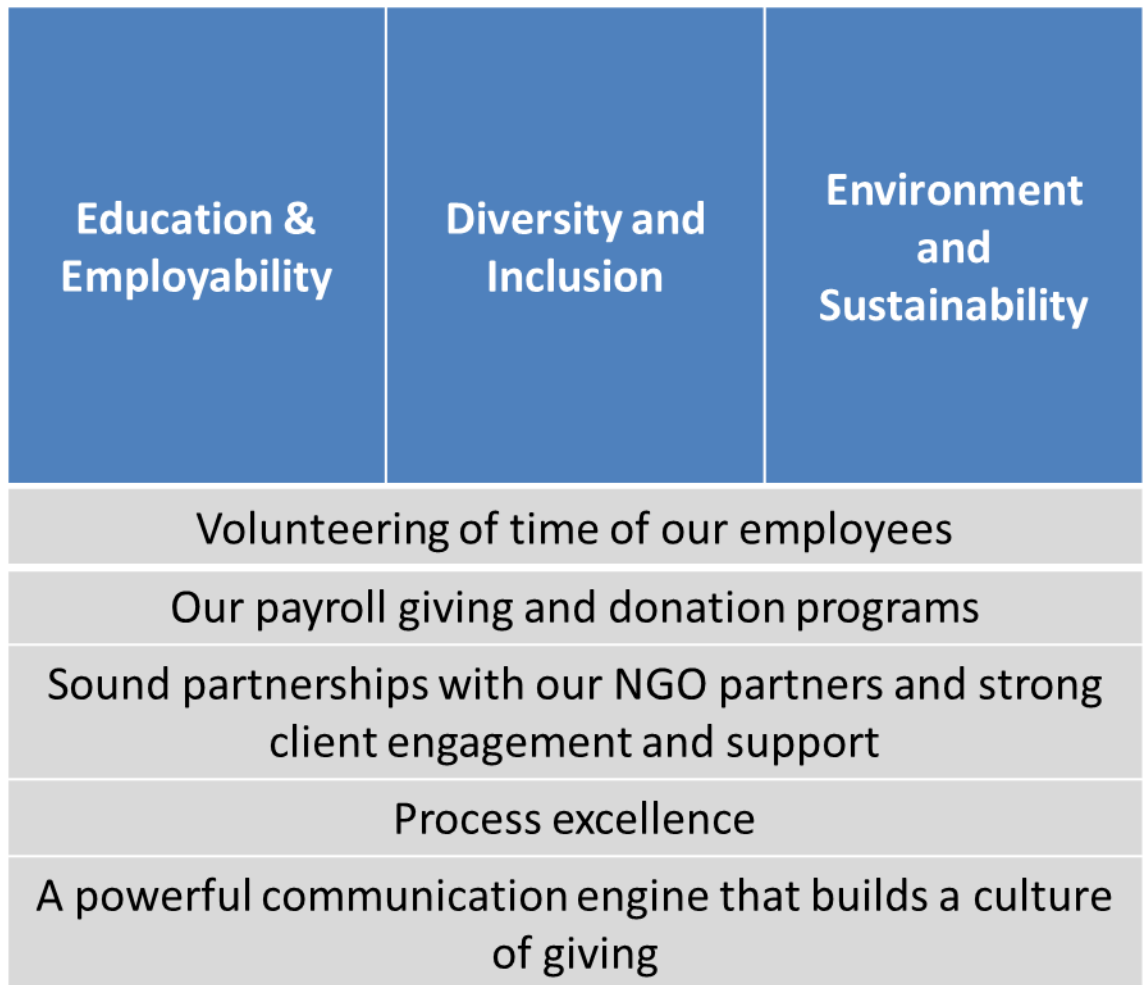
Education & Employability

Diversity & Inclusion

Environment & Sustainability

Key projects	<b>School Projects:</b> USA, SA, LaTam, Europe  <b>Skilling youth:</b> China, SA, Philippines 	<b>Women Empowerment</b> Dress for Success, USA, Udayan Shalinis India <b>Blood &amp; Organ donation:</b> All regions 	<b>Environment Projects</b> Green the planet: all regions Habitat for Humanity, Europe & Latam Save a Lake , India 
Strategic Partnerships	<b>Reach Higher with Nasscom</b> Large -scale Skilling & Employability of Underemployed youth 	<b>GCWL with Ashoka</b> World Class Centre for Women's Leadership <b>Olympic Gold Quest</b> Building Women Achievers in Sports 	<b>Genpact Social Impact Fellowship With Edelgive</b> Leveraging Process Excellence for Social Good 

**Our CSR Approach**



Each of our major sites conducts a CSR program based on an adaptation of the above framework taking the local context into consideration. Each location or region drives the CSR program, through a CSR leader/champion supported by a team of single point of contacts (SPOCs). The global CSR leader is responsible for supervision and oversight of the overall CSR program. Management, execution, and governance of our CSR endeavors are also taken care of through this structure.

Our CSR program engages employees across the organization, including our senior leadership, which we feel is key to the success of our CSR efforts. The leadership's involvement provides a sense of organizational ownership of the CSR vision and acts as a great motivation tool for employees. The unflinching commitment of our volunteers in turn motivates the leadership. Genpact's leadership is committed to investing in the CSR program, which is evident from the program's expansion over the years. In 2015, Genpact spent 316,000 USD on its CSR programs.

## Our people make a difference

### Volunteering and payroll donations

Human capital is undoubtedly our most valuable asset, and we utilize it to generate social capital by investing it in our CSR programs. As a company of more than 70,000 people, employee contributions are the foundation of our CSR program. Genpact's role is to provide effective platforms that allow our motivated employees to channel their monetary and non-monetary contributions to causes that are close to their hearts. Employee volunteering and payroll are thus the backbone of most of the CSR programs we run.

Over the years, we have instilled these values within our cultural fabric and have ensured that they are maintained by focusing on volunteering and payroll at the beginning of the employee life cycle in our orientation programs. Such exposure also allows new Genpacters to get a sense of the organizational culture and values. The highlights of our program include 14,000+ unique volunteers (21% of our employee base), 65000+ volunteer hours, spanning 16 countries and a range of initiatives and projects. Our volunteers get involved in activities such as teaching and mentoring children, planting trees, volunteering in orphanages and old age homes, cleanliness drives, etc.

We partner with leading non-profit organizations (charities such as Give India, United Way, Dress for Success, American Cancer Society) to provide flexible and transparent platforms that enable employees to donate to credible local charities. These programs are voluntary, and employees are free to change or discontinue their contribution.

### Involving our Clients and Partners

At Genpact, we do not treat the relationship we share with our clients as purely transactional. We believe in fostering a collaborative bond that strengthens as we move forward. We encourage our clients to visit our facilities, engage with our people, and participate in the Genpact experience. During client visits to our facilities, we expose our clients to the CSR programs at that particular site. Such visits allow us to explore participation opportunities for clients in our CSR programs. We have received strong positive feedback from clients and feel that this allows us to forge an informal bond that extends beyond the workspace and allows our clients to get first-hand experience of Genpact values and culture. Over the years, numerous clients have pitched in and made a contribution to our CSR programs. Clients' contributions have included sponsoring salaries of school teachers teaching underprivileged children, sponsoring infrastructure at schools, and providing volunteers for teaching, among others. We extend this CSR engagement to clients by regularly updating them not only on business issues but also on Genpact's CSR initiatives, strategies, and opportunities.

## Increasing impact through communication

### **Volunteer penetration and payroll penetration**

Penetration figures for our unique volunteer program and payroll program stood at 21% and 27%, respectively, in 2015. One of the ways we encourage more of our people to become part of our CSR programs is through targeted and effective communication.

Impactful and consistent communication permeates the culture of giving within the organization, which we do by implementing an effective communication plan laid out at the start of every year. Our efforts include building a powerful internal communication engine through standard branding, newsletters highlighting volunteers' experiences and the impact of our CSR activities, adequate exposure of CSR activities, and

recognition for our ace volunteers in town halls as well as regular updates from Genpact leaders. The communication is not just meant to inform employees about how and where they can make their contribution but also to provide that extra nudge and motivation to more actively and consistently become part of such activities.

The CSR teams at each location have dedicated communication personnel for executing the communication plan designed for that year. Effort is also made to connect CSR teams across the globe to share best practices. This is done through monthly calls and an annual CSR global meet. We always encourage our people to look beyond their desk and make a difference in the world. We also feel that participation in such activities inculcates the values and leadership skills that we look for in our future leaders.

### **Some Strategic and Volunteer Projects**

#### **1. Genpact Centre for Women Leadership at Ashoka University, India:**

GCWL is a reaffirmation of our commitment to Diversity. With a vision to drive gender-inclusive growth that empowers and promotes women's leadership across sectors in the country, we partnered to create and launch GCWL with Ashoka University. Through GCWL, we aim to create an ecosystem of knowledge, resources, and advocacy that will help create the next generation of women in leadership roles. 200+ women have already participated in GCWL's research projects and leadership sessions so far.

#### **2. Plant a Million, Gurgaon, India:**

In the middle of a rapidly growing concrete jungle, there is the 350-acre Biodiversity Park. We are working with an NGO, I AM GURGAON to plant trees native to the Aravalli range, to reclaim flora and fauna that is otherwise getting lost due to urbanization. 7000+ Genpact volunteers have planted 21000 trees over 5 years, which is 23% of the total tree cover in the park. This is the largest contribution by a single corporate.

#### **3. Monte Carmelo school – Guatemala**

Guatemala CSR team has adopted Monte Carmelo School and has been supporting them for the past four years. The employees and their families have been participating and engaging with 310 children and conducting awareness sessions, organizing plays and art craft sessions and lending a helping hand wherever necessary. 70+ volunteers from Genpact constructed an entire classroom for the school for underprivileged.

## Leveraging our Expertise

### Lean Digital<sup>SM</sup> expertise in CSR

Genpact is a global leader in transforming and running complex business processes and operations. We have helped NGO's improve their Impact through introduction of a strong rigor and systems of governance and monitoring of Success Metrics and Fund Utilization. This enables the NGO and their staff to focus on Success Metrics and desired outcomes of the projects and ensure timely and adequate fund utilization on the ground to help achieve the same. We have launched Genpact Social Impact Fellowship program which will allow us to leverage and contribute our process excellence and expertise towards social good.

## Our Performance

### Impact Measurement

We at Genpact have a strong Governance and Audit Mechanism for all that we do. We strongly believe in "what gets measured gets done". Our governance mechanism involves reviews and monitoring by the CEO, Board members and senior leaders who are part of the Genpact CSR Councils and Committees at various sites/regions. The senior leadership team not only approves the strategy, policy and projects but also regularly reviews the implementation and whether the funds committed are being utilized effectively.

For India, as per the requirements of the New Company's Act, a CSR spend report is also a part of the Annual Board of Directors report. We are also committed to the International Standards of reporting and Audit (UNGC & GRI Reporting). For our CSR and Sustainability approach, we adhere to GRI standards and are part of the UN Global Compact Reporting.

## Highlights of CSR Programs at Genpact

	Education and Employability	Diversity and Inclusion	Environment and Sustainability
India	<p>Approximately 1500 unemployed/underemployed youth in India are being trained as part of Genpact's Reach Higher program in partnership with NASSCOM Foundation &amp; NASSCOM Sector Skills Council</p> <p>300+ youth are already placed in different corporates including Genpact</p> <p>Supported 200 abandoned street boys with Don Bosco at Hyderabad</p>	<p>200 + women in GCWL's research projects and leadership sessions at Ashoka University</p> <p>Supporting higher education of 400+ meritorious underprivileged girls through Udayan Shalini</p> <p>3000+ volunteered in blood, organ and stem cell donation drives for those in need</p>	<p>7000+ volunteers have planted over 21,000 trees in Gurgaon, NCR over five years</p> <p>700 employees did cleaning and planting at the Saulkere Lake, Bangalore revival site</p> <p>370 volunteers planted 300 saplings on a single day at the Jaipur plantation drive</p>



<p><b>Mexico</b></p>	<p>Supporting Alas &amp; Raices benefitted 105 Kids, two institutions, one pre-school and five communities</p> <p>70+ volunteers renovated and planted trees for a Down Syndrome Help Center</p>	<p>Walkathons / Fundraisers on World Cancer day</p>	<p>53 Volunteers joined hands for a 'Clean up the World' campaign that involved cleaning, beautifying and maintaining the parks in a region</p>
<p><b>Guatemala</b></p>	<p>Adopted Monte Carmelo school which is supported by employees for past four years</p> <p>70+ volunteers constructed an entire classroom for school for underprivileged</p>	<p>Received an award for their contribution to CSR through the year at the Global Town hall. 50% of Guatemala employees volunteer for CSR</p> <p>Walkathons and fundraising on World Cancer Day</p>	<p>Clean and recycling drives where 52 volunteers planted 300 trees</p>
<p><b>Philippines</b></p>		<p>Awarded a Silver Award during Million Volunteer Run 3 by Philippine Red Cross for pledging 100 runners to this event</p>	
<p><b>US</b></p>	<p>Shoe donation</p> <p>Dress for success Walk – Donated 80+ women's business suits and accessories to help women from different social strata to become interview ready</p>	<p>Recipient of Platinum Award by American Red Cross for Blood Drives</p>	
<p><b>China</b></p>	<p>Driving successful programs for youth upskilling</p> <p>Book donation drives to underprivileged schools</p> <p>Working with autistic children and mentoring them</p>	<p>200+ volunteers in blood donation drives for those in need</p>	
<p><b>South Africa (SA)</b></p>	<p>Collaborated with Maharishi Institute to run Genpact SA graduate program for 21 graduates</p> <p>Adopted Klopperpark Primary School and have been supporting for the past five years</p> <p>Extended data analytics support to student progress reports</p>	<p>Donated to John Dunn house, a residential home which provides sheltered housing (29 rooms) and frail care (55 beds) for older persons</p>	



<b>Europe</b>	Organized a sports day with 350 volunteers where 1,000 children benefitted with sports equipment and shoes donated; 16 projects supported	Supports Habitat for Humanity in building shelter for the homeless	Gardening Campaign to work towards a cleaner and greener environment.
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## Corporate citizenship data

### Community investment (in USD '000)

CSR areas	2014	2015
Spend on activities related to CSR focus areas	1344	1501
Sponsorship, awards and disaster relief	40	0
Miscellaneous (communication, branding etc.)	6	25
Others	10	5
<b>Total</b>	<b>1400</b>	<b>1531</b>

### Volunteering and payroll giving penetration 2015

Site	No of volunteers	Volunteering penetration (%)	Payroll penetration (%)
National capital region	6675	29	25
Jaipur	1463	32	15
Hyderabad	5062	33	29
Bangalore	1713	38	42
Kolkata	649	27	26
Mumbai	40	18	0
China	1148	30	NA
Philippines	628	16	NA
Romania	807	29	23
Czech Republic	89	90	NA
Krakow, Poland	318	41	NA
Wormer, Netherlands	173	75	NA
London	0	0	NA
South Africa	233	144	NA
Bratislava	20	9	NA
Mexico	379	35	39
Guatemala	592	59	37
USA	718	18	NA
<b>Overall</b>	<b>20707</b>	<b>30</b>	<b>27</b>

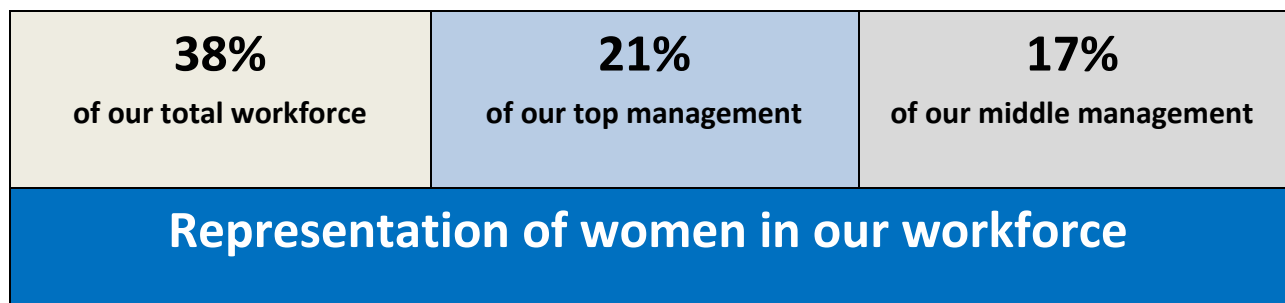
Amount contributed by global Genpact employees through payroll programs and other initiatives for CSR objectives: \$353042

## Celebrating diversity of our people

Genpact values the unique attributes that make each person who they are. We believe that the collective strength of a diverse and passionate talent pool is and will continue to be a crucial competitive advantage that helps us generate the desired impact for our clients. As a responsible corporate citizen, Genpact works towards creation of a balanced workplace that respects, celebrates and advocates diverse perspectives and provides equal opportunity to all based on merit, without discriminating on grounds of race, nationality, religion, gender, sexual orientation or any other form of differentiation. Our mission is to be a company whose employee demographics reflect those of the countries in which we operate and the clients that we serve. We target our efforts towards fostering an inclusive culture where every individual has an equal opportunity to contribute, develop and grow. We ensure no discrimination in compensation on grounds of gender. The male and female pay scales comply with the 1:1 ratio.

Genpact is particularly committed to nurturing gender diversity within our workforce across the organization in different operations and functions ranging from accounting, insurance, customer care, human resources and shared services. We also engage in ventures like targeted hiring drives and job fairs for persons with disability, special employee referral programs, engaging recruiters and consultants to identify suitable candidates, conducting sensitizing sessions, ensuring fair and equal treatment within the organization.

It has always been our endeavor to promote gender diversity across the organization. The overall representation of women in our workforce is 38 percent. Of this total representation, 31 percent are at the mid-management level and 21 percent are in the top management. Amongst our 12-member Board of Directors, we have three women leaders. We also have three women leaders in our Global Leadership Council, which consists of 20 key executives from across our global operations including the CEO.



Our strategy on gender diversity is focused on four pillars – Create a Supportive Ecosystem, Drive Sensitization, Build Women Leaders and Attract Diverse Talent. These pillars are supported by regional as well as a business-level strategy and dedicated plans around governance, communication and partnerships.

Through flexi-work policies, systems, and infrastructure, we are creating a supportive ecosystem for women to thrive in the workplace. *Returning Moms*, a recently launched India-based program, helps ensure that women returning from maternity leave have a smooth transition back to work. In the first year of the program, we made every effort to offer women the shift timing of their choice, ideally in a location as near to their homes as possible, and offered other flexi-options as well. We are also scaling up our existing daycare facilities in sites across India and globally: 200+ children are currently enrolled in daycare.

We realize that removing the obstacles driving women's attrition first necessitates a shift in mindset. As part of our initiative to drive sensitization, we have held a series of networking forum for employees to engage with leaders both inside and outside Genpact. We have held these forums in over 25 sites around the world, reaching thousands of women employees. We have also launched an unconscious bias training e-module to help foster a more inclusive environment, and have made this training a mandate for all senior leaders, hiring teams, HR, and front-line managers.

As part of our effort to promote women in the organization and build a pipeline of women leaders, we have set a 40% gender diversity target for all of our existing internal global leadership development (GLD) programs. Business functions also run their own learning and development (L&D) programs that incorporate features related to networking, training, and sponsorship.

Genpact hires top women talent by incorporating best practices for diverse hiring, including ensuring that hiring teams undergo the unconscious bias e-module. Furthermore, Genpact's flagship initiative, *Career 2.0*, targets an often overlooked segment of the corporate talent pool: women on sabbatical or on a career break. Career 2.0 runs solely on social media (Facebook, Twitter, LinkedIn), and its content has collectively received approximately two million views.

Through these efforts, Genpact has created a strategic set of programs and initiatives under the aforementioned four levers to work toward building a truly diverse and inclusive workplace.

# Awards & Accolades

**2014**

**2015**

2014	2015
<b>Nelson Hall Neat Rankings:</b>	
<p>Leader” in life, pensions and annuity and Property and Casualty Insurance BPO, 2014</p> <p>“Leader” in retail banking BPO, 2014</p> <p>“Leader” in capital markets BPO, 2014</p> <p>“Leader” in reference data management BPO, 2014</p>	<p>“Leader” in Mortgage and Loan BPO, 2015</p> <p>“Leader” in Procurement BPO, 2015</p> <p>“Leader” in Marketing BPS, 2015</p> <p>“Leader” in Healthcare Payer BPO, 2015</p> <p>“Leader” in Analytics BPS for BFS, 2015</p>
<b>IDC MarketScope rankings:</b>	
<p>“Leader” in Worldwide Business Analytics Services, 2014</p> <p>“Leader” again in Pharmaceutical Social Media Analytics services, 2014</p>	<p>Leader” in Worldwide F&amp;A BPO, 2015</p> <p>“Leader” in life sciences sales and marketing BPO, 2015</p> <p>“Major Player” in life sciences sales and marketing strategic consulting, 2015</p> <p>“Major Player” in Worldwide Service Life Cycle BPO &amp; SI, 2015</p>
<b>Everest Group PEAK Matrix rankings:</b>	
<p>“Leader” and “Star Performer” in F&amp;A BPO for 4th consecutive year, 2014</p> <p>“Leader” in Supply Chain BPO, 2014</p> <p>“Star Performer” in Insurance BPO</p> <p>“Leader” in Supply Chain BPO</p> <p>“Major Contender” in Procurement BPO</p> <p>“Major Contender” in Capital Markets AO</p>	<p>“Leader” in Banking BPO, 2015</p> <p>“Leader” in P&amp;C Insurance BPO, 2015</p> <p>“Major Contender” in procurement BPO, 2015</p> <p>“Major Contender” in capital markets AO, 2015</p> <p>“Leader” in O2C, P2P and R2R BPO, 2015</p> <p>“Leader” in Analytics Services, 2015</p> <p>“Major Contender” in Healthcare Payer, 2015</p> <p>“Major Contender” in Capital Markets BPO, 2015</p> <p>“Major Contender” in Banking AO, 2015</p>
<b>HfS Research Capability Blueprints:</b>	
<p>“Leader” in inventory management and Aftermarket Services in Supply Chain BPO, 2014</p> <p>Global top 3 in ITO perception survey on key innovation parameters, 2014</p> <p>Top 5 in robotic process automation, 2014</p> <p>“High Performer” in Marketing Operations and Customer Experience Management Services</p>	<p>“Winner’s Circle” in F&amp;A BPO, 2015</p> <p>“Winner’s Circle in Insurance BPO, 2015</p> <p>“High Performer” in Procurement, 2015</p> <p>“High Performer” in Engg. Services, 2015</p> <p>“High Performer” in Enterprise Analytics, 2015</p> <p>“High Performer” in Healthcare Payer BPO, 2015</p> <p>“High Performer” in Marketing Operations BPO, 2015</p>

	<p>“Strong High Performer” in Enterprise Analytics, 2015</p> <p>“Strong High Performer” in Healthcare Payer BPO, 2015</p> <p>Global top 5 in robotic process automation, 2015</p>
<b>Brandon Hall:</b>	
<p>Best Learning Program Results</p> <p>Best Team Development Program</p> <p>Best Talent Strategy and Governance</p>	<p>Excellence in Global Human Capital Management in 11 categories, 2015</p>
<b>Frost &amp;Sullivan:</b>	
<p>Genpact's People first project recognized in Best projects of India's manufacturing &amp; service enterprises</p>	<p>North America Technology Innovation award, 2015</p>
<p>American Society for Quality 2014 – International Excellence Award, Bronze</p>	<p>Fintech Forward 100 - Ranked among top 20 global financial technology firms, 2015</p>
<p>Shared Services Outsourcing Network (SSON) 2014:Asia Most Successful Outsourced Partnership Award with Merck</p>	<p>Gartner Magic Quadrant rankings:</p> <p>“Leader” for 6th consecutive year in F&amp;A BPO, 2015</p> <p>“Niche Player” in IT End User Outsourcing Services for North America, 2015</p>
<p>Alsbridge Innovation Awards 2014 – Excellence and Innovation Through Outsourcing, Genpact-GSK partnership on GSK “Brand Love” program</p>	<p>Aecus Innovation Award - Innovation award for excellence in business process services, Genpact-UCB partnership, 2015</p>
	<p>Association for Talent Development (ATD)- 2015 BEST Award for enterprise-wide commitment to employee learning and development (L&amp;D) and its talent function</p>