Hexaware Technologies Communication on Progress 2017

For the United Nations Global Compact

June 2018

Contents

About Hexaware Technologies Limited

Hexaware Technologies Limited (hereinafter referred to as "Hexaware" or "the Company") is a global provider of IT, BPO and consulting services.

The Company's vision is to ensure customer satisfaction by value addition and honouring commitments, to build stakeholder value and maintain high standards of corporate governance and to be an eco-friendly organization. The Company's mission is to provide software solutions which exceed customers' expectations being competitive and proactive.

For more information visit www.hexaware.com

The **Hexaware Technologies UNGC Communication on Progress 2017** report covers the performance for the period January 2017 to December 2017, unless otherwise mentioned.

Statement of Continued Support

July 4, 2018

To our stakeholders:

I am pleased to confirm that **Hexaware Technologies Limited** reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

We recognize that a key requirement for participation in the Global Compact is the annual submission of a Communication on Progress (COP) that describes our company's efforts to implement the ten principles. We support public accountability and transparency, and therefore commit to report on progress within *one year* of joining the Global Compact, and *annually* thereafter according to the Global Compact COP policy.

Sincerely yours,

R Srikrishna
Chief Executive Officer

Human Rights Principles

> **Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights.
> **Principle 2:** Businesses are not complicit in human rights abuses.

Policy, Goals and Assessment

Hexaware is committed to respecting the rights of all its employees, customers, and the society at large. This is underlined through Hexaware's Business Code of Conduct Policy, the Whistle-blower Policy and Sustainability and Corporate Social Responsibility Policy.

Hexaware follows a zero-tolerance policy towards human rights violation and forbids any form of discrimination including race, religion or gender. Hexaware prohibits any form of harassment, including sexual harassment at the work place.

Human rights are one of the thrust areas of Sustainability and CSR at Hexaware. The Company is committed to develop awareness on human rights and uphold the universal values within its sphere of influence.

The Whistle-blower Policy provides a forum for employees to report any violations of human rights or any other policies of Hexaware.

Implementation

Hexaware's Business Code of Conduct Policy, the Whistle-blower Policy and Sustainability and Corporate Social Responsibility Policy are an integral part of Hexaware's trainings and employee induction. The policies are also accessible to employees on a repository hosted on the intranet.

Hexaware's employees can directly report any grievance to the HR Business Partners (HR BPs). The HR BPs works closely with the employees on all human resources related topics with clearly defined engagement mechanisms. The employees have regular one-on-one meetings and skip level meetings with the HR BPs. Hexaware also schedules regular open houses for the employees, where any concern may be raised or feedback can be provided.

Hexaware has instituted a Cordial Work Environment Policy that ensures a conducive workplace for its employees. Any violation of the Policy may be reported to the HR. Hexaware engages closely with the customer to seek feedback and provide a channel to report any concerns. The mode of engagement is through Customer Feedback forms, in addition to visits to customer sites by the HR BPs. Hexaware's audit procedures for its suppliers also touches upon human rights aspects.

Hexaware's Whistle Blower Policy has been reviewed and strengthened as per changing regulatory requirements and in line with the UNGC requirements.

Measure of Outcomes

Hexaware keeps a record of the complaints for Human Rights violation.

Labour Principles

Policy, Goals and Assessment

Hexaware upholds the freedom of association and right to collective bargaining for its employees. Hexaware is not complicit with any form of forced or compulsory labour. At Hexaware, employment is solely by will and merit. The contract of employment can be terminated by employees through a formal resignation process.

Hexaware respects and believes in the ideologies and recommendations put forth by the International Program on the Elimination of Child Labour (IPEC) and Indo-US Child Labour Project (INDUS). Hexaware wholly complies with the Child Labour (Prohibition and Regulation) Act of 1986.

Hexaware treats all individuals fairly and impartially, without prejudice developing a fair working culture and enabling all employees to make their distinctive contributions to the benefit of the business. Hexaware is committed to extending the culture across its value chain - suppliers, business partners and customers.

Hexaware prohibits discrimination or harassment based on race, colour, religion, national origin, sex, age, sexual orientation, marital status, citizenship status, or disability.

Implementation

Employees of Hexaware have constituted committees for overseeing and managing canteen operations, employee events (Funsters), and others. Hexaware also organizes Open Houses, where employees can participate freely and interact with the senior management.

Hexaware requires identity documentation including date of birth from all its employees at the time of joining. The Company does not employ any child under regular employment, contractual apprenticeship or trainee capacity.

Measure of Outcomes

No complaints related to the labour principles were received by Hexaware.

Environment Principles

Principle 7: Businesses should support a precautionary approach to environmental challenges.
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.
Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

Policy, Goals and Assessment

Hexaware has encapsulated its environmental responsibility in its core values and reinstated it through the Business Code of Conduct Policy and Sustainability and CSR Policy.

Hexaware strives to responsibly use resources, and is committed to sustainable development. It intends to minimize the potentially harmful effects on the environment from its operations and endeavours to re-use rather than dispose whenever possible. Hexaware also promotes recycling and reusing materials.

Hexaware has initiated a project called 'Clean and Safe Neighbourhood' as an effort to ensure that the community in and around Hexaware's campus is clean and hygienic and uses environmental friendly technology to reduce the strain on non-renewable energy sources. As the part of the program, following activities were undertaken

- Version 2.0 of our flagship event HexaRun, a 5-km run got bigger and better this year with the increase in participation from employees both in Chennai and Mumbai. In all, over 500 employees participated wholeheartedly in doing their bit for the environment. In addition to the run, tree saplings and terrace gardening seeds were also distributed among all the participants to encourage them to be more environment conscious.
- A tree plantation drive was organized in association with various NGOs like CTC, Hariyali and Rotary Club of Nagpur. This event was planned to keep in mind the growing urban concrete landscape in areas that were once full of lush greenery. Hexawarians participated enthusiastically in large numbers to make the space that we live in a better place. Overall, we planted around 450 trees during this drive
- To spread awareness on Cancer and to encourage its prevention on the World Cancer Day (Feb 4th, 2017), we ran a week-long initiative on 'Say No to Disposable Cups'. The focus of the movement was on the impact of plastic usage on our health as well as our environment. The idea was to create awareness about the harmful repercussions of the usage of plastic and to encourage employees to use reusable mugs instead of disposable ones.
- Every quarter, Hexaware 's self-implement programs related to Clean and Safe Neighbourhood ensures that the community in and around Hexaware's Campus is clean and hygienic and uses environmental friendly technology to reduce the strain on non- renewable energy sources. This year Hexaware has launched various initiatives like
  - Installed 50 solar powered street lamps in the MBP, Mumbai
  - Beautified the landscape with plants and trees around the Siruseri campus, Chennai
  - Beautified the external area of our new Pune office with stone pitching, barbed fence and landscape with plants and trees.
  - Constructed Bus Stop shelter near the Siruseri campus for the public use.

Implementation

Hexaware encourages its employees to adopt responsible measures in use of resources such as energy and water, including renewable energy projects. At a location-level, Administration and Facilities department along with Human Resources and employee committees run awareness initiatives urging responsible practices such as turning off lights, double-sided printing, regulating air-conditioning temperature, updating fixtures to energy efficient and water efficient fittings and other measures.

Hexaware institutes key performance indicators for each of the thrust areas of environmental sustainability. The Steering Committee, a committee that sets and drives the CSR agenda of Hexaware, sets goals and monitor against each of these indicators on an annual basis or as it deems suitable.

Hexaware disposes the hazardous and electronic waste responsibly and through authorised recyclers/ resellers.

Anti - Corruption Principles

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Policy, Goals and Assessment

Hexaware upholds all applicable laws relevant to countering bribery and corruption. In addition, the Company is bound by the UK Bribery Act 2010.

The Code of Conduct for the Board of Directors and Senior Management at Hexaware prescribes the highest standards of honesty, integrity, ethical and law-abiding behaviour while performing their duties and/ or dealing with any officer, employee, shareholder, customer, supplier, auditor, lawyer and other advisers of Hexaware. A Senior Management member at Hexaware is expected to not improperly use his/her position, property or information acquired through his/her position for personal gain or gain of an associate or to compete with or harm Hexaware.

All Hexaware employees must abide by its Business Code of Conduct Policy which outlines a strong focus on ethical and professional conduct.

Hexaware does not endorse the payment or receipt of gifts or bribes for business or financial gain. The employees and representatives of Hexaware are expected not to do anything that could give an impression that Hexaware could be influenced in this manner.

Hexaware does not welcome or encourage facilitation payments. Such payments may be made only when they are legal, small, customary in the circumstances, and are used to secure an outcome to which Hexaware is legally entitled. Any act of commission or omission which is detrimental to the business of Hexaware *i.e.*, bribery, fraud, pilferage, theft, etc., is termed as misconduct

Implementation

Hexaware has strict policies and implementation mechanisms to uphold ethical behaviour across operations. Employees are expected to routinely report gifts and hospitality amounting to more than 100 USD to the line manager, and also contact him/her in case of any doubt. For unavoidable facilitation payments, Hexaware expects its employees to openly record the amount and seek reimbursement under the normal approval procedures or to consult local management and receive advance payment.

Any suspected fraudulent behaviour (misconduct) is liable to be investigated and the employee/s concerned is/are liable to face appropriate disciplinary action including dismissal from the services of Hexaware.

Employees can also report violations through the Whistle-blower mechanism. All grievances reported through the Whistle-blower mechanism are investigated by the Whistle Blower Committee. The Committee consists of a team of senior management personnel of the company who independently assess the concerns raised by the Whistle Blower. The office of the Whistle Blower committee is managed by the Whistle Blower custodian. If the Whistle-blower Committee finds a need for investigation it forms an Investigation Committee which reports back to it. A decision is taken on the basis of the investigation. If the complaint is against a member of the Whistle-blower Committee then the complaint is addressed directly to the Global CEO who has the right to decide on the issue on his own or through an investigation.

Measure of Outcomes

The Whistle Blower Committee received five complaints and three of them were resolved in 2017 and the remaining two were resolved in the financial year 2018.

Hexaware's effort towards the betterment of the community

In its continuous effort to bring about a positive change to the society and the environment, Hexaware carried out various activities to uplift the underprivileged section of the society. The following activities were undertaken as a part of its contribution to the community.

1. **Smile Twin e-learning Programme:** Hexaware empowered 300 underprivileged urban youth (18 to 25 years of age) from Mumbai, Pune & Chennai through market-oriented skill development and centralised placement assistance in partnership with Smile Foundation. Through this intervention, Hexaware aimed at achieving the following objective:

   - To equip the youth with basic computer skills (essential office applications) to make them technology friendly
   - To promote confidence and presentation skills by incorporating aspects of English speaking and Personality Development
   - To promote employment by identification and placement of these students in the respective corporate/ organizations

2. **Digital and Financial Education (DAFE):** Hexaware promoted education through the DAFE program in 12 government/corporation schools of Chennai in Tamil Nadu in partnership with America India Foundation Trust (AIFT), impacting 1838 students and 51 teachers. Through this intervention, Hexaware aimed at achieving the following objectives:

   - To empower teachers and to enable innovative and interactive learning environment in schools
   - To introduce Project-Based Learning (PBL) in schools
   - To improve Financial Literacy (FL) amongst students by integrating financial literacy content in existing curriculum

3. **Education and Livelihood enhancement for people with disability:** Hexaware supported an early intervention (EI) centre for the comprehensive development for the children 'at risk' for development disabilities in the age group (0-7 years) in Chennai. The intervention was carried out in partnership with V-Excel trust. The centre is used for providing consultation, parent counselling, neurodevelopmental therapies, play therapies and remedial interventions to these children. Through this intervention, Hexaware aimed at achieving the following objectives:

   - To mainstream children into play groups and regular schools, age-appropriately
   - To ensure school readiness - independent functioning skills, language skills etc. for the beneficiaries

   Hexaware also supported V-Excel trust in setting up a fully equipped printing shop that is run by 7 young adults with special needs. Along with setting up the shop they also support training of these adults in operating and running the printing unit. Through this intervention, Hexaware aimed at achieving the following objectives:

   - To offer a practical and viable vocation for individuals with special need.
   - To enable trainees to possess the requisite business-related skills for them to start their own setup/take up franchises.

4. **Umeed & Udaan:** Hexaware is supporting education and holistic development for 750 women sex workers and 125 girls in the age group of 5-18 years, in partnership with Apne Aap Women's Collective (AAWC). The key components of the program are

   - Ensuring education for the Udaan girls
   - Providing Alternative Livelihood options for Umeed women
   - Empowering the beneficiaries through regular life skills training, professional skills certifications, fitness programs, financial literacy training
   - Providing nutritional meals and vitamin supplements, regular medical check-ups and health camps

5. **Antar Bharati Balgram Yojana:** Hexaware is promoting education and reducing social inequalities for underprivileged children by supporting the program. The program is implemented in partnership with India Sponsorship Committee. The key components of the program are:

   - Sponsorship of 3 sadans, the residence building comprising of a total of 27 children
   - Underground wiring from meter room to all sadans and buildings
   - Renovation of the sadan. The infrastructure of the sadan was very old and in desperate need of renovation, with Hexaware's support the steps from Aditi & Sharbati sadans to the upper levels were replaced
   - Solar Power Installation for ITI and new community centre

6. **Young Scientist Program**: Hexaware Technologies partnered with Space Kidz India to promote science awareness among High School Students. Following initiatives were undertaken for the same:

   - Young Scientist Hunt organised for the students in the age group of 15 – 18 years from all over South east Asian and Middle European Countries and winners are taken on an educational trip to Moscow
   - Education trips to NASA, Euro Space Centre and Yuri Gagarin Space Centre

7. **Avasara Leadership Institute**: Hexaware Technologies supported the Digital Vocational Program and Digital Literacy Program for 225 girl students of class 6th to 10th in Pune. Hexaware also supported Avasara by providing them with 125 laptops and 25 tablets.

8. **Evolution Municipal School Empowerment Program:** Hexaware promoted education by improving the infrastructure of 10 municipal schools in Mumbai, Maharashtra as part of its program 'Evolution'. The key components of the program are

   - Conducting a baseline assessment on sanitation need
   - Providing access to clean and safe water
   - Providing washroom facilities and classroom facilities in each of the 10 schools selected

9. **Rainbow Homes:** Hexaware supported a long term residential & comprehensive care program for 150 girls living on the streets. The key component of the program were:

   - To mainstream girl children in the formal education
   - To provide balanced and nutritious diet to ensure supplementary nutrition
   - To conduct regular Medical Check ups

10. **Skill Development for Youth with Disability- Pankh:** Hexaware aimed at creating sustainable livelihoods for people with disabilities by providing them training specific to Retail sector. For the Pankh program, Hexaware partnered with Trust for Retailers and Retail Associates of India (TRRAIN). The program supported 272 youths in Mumbai (Thane, Vashi) & Pune. Trainees were trained in English, Life skills, Computer skills & Retail specific skills. Following the completion of the program, TRRAIN assisted the trained with placements in Retail sector.

11. **SOS Children Village – Family Strengthening Program:** Hexaware supported the SOS Children Village's flagship programs- the Family Support Program. This program provides support to vulnerable children in destitute/single-headed families living below the poverty line (Primary care givers being their mother). To ensure effective participation and implementation, the target communities are the ones who typically reside within 25-30 km radius of SOS Children's Villages. This program used a two-pronged approach - enabling children via education, nutrition, health and empowering their families by enhancing their income via varied livelihood activities. This program impacted 560 beneficiaries across three locations in Chennai, Bangalore, and Pune.

12. **Portable Ventilator (Healthcare initiative):** Gowthami, a 9-year-old girl was suffering from a rare condition known as Auto Immune Disorder. She was under ventilator support 24/7. Due to high hospital expenses, she had been kept under home care in a remote Senji village in Tamil Nadu. In 2016, Hexaware's CSR team with the help of the Innovation team took up a project to make an IOT device to monitor her ventilator remotely. The initiative was a success, but the ventilator maintenance was a cropping issue. In 2017, Hexaware sponsored a portable ventilator to ensure uninterrupted health care and ensured survival of Gowthami. The portable ventilator operated on 8 to 12 hour power back up. Hexaware also equipped Gowthami with a powered wheel chair so that she can move freely as earlier she was not able to commute on her own. The initiative enabled her to get back to her school education. Hexaware also applied special solar chargers to the inverters at home to tackle long power outages. The day the team went to handover all the new equipment to Gowthami, her first few words were, "Mother, let's go to the shop, let's go to the road, let's go to Balvikas, let's go to JAPAN!!!!" The joy on the girl's face was wonderful to see. We are hoping that soon Gowthami will not need the ventilator at all.