



United nations global compact

Communication on
progress report – 2018



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Message from the President and CEO



I am delighted to present our fifth biennial sustainability report, *Delivering Digital Transformation*, highlighting Genpact's sustainability performance for the calendar years 2016 and 2017. Generating sustainable impact for all our stakeholders is an imperative at Genpact. We focus on long-term business viability, embedding sustainability in our growth strategy. In fact, in every one of our decisions, we strive for superior social, economic, and environmental sustainability performances.

In 2017, we continued to implement a strategy focused on differentiating our solutions, growing our expertise in key industries and geographic markets, and deepening our client relationships. We made several strategic acquisitions and continued to invest in our people, our digital capability solutions, and our brand. We achieved revenues of \$2.74 billion—up by 6%, from \$2.57 billion in 2016—primarily due to strategic investments in digital and talent, which drove 25% growth in transformation services revenues from our global clients. This speaks volumes about our effectiveness in making business transformation real.

Digital transformation is becoming a driving force in organizations across the globe, drastically altering the way we all share information, connect with individuals and organizations, and access opportunities. Genpact is strongly positioned to help organizations navigate this shift and rapidly transform because we combine advanced technologies with powerful actionable analytics.

As part of our commitment to digital transformation, we launched Genpact Cora, an artificial intelligence (AI) platform, that integrates our proprietary automation, analytics, and AI technologies into a single unified tool, drawing insights from our deep domain and operations expertise. Genpact Cora will help our clients home in on their specific operational business challenges and tackle them from beginning to end.

It is critical for Genpact to sustain a world-class ethics and compliance culture to cope with today's fast-changing rules and regulations. We take precautions when it comes to local rules and regulations and adhere to principles based on global charters—often more stringent than those of host countries. We act speedily to comply and avoid defaulting no matter where in the world regulation changes occur. Over the last couple of years, we have also started monitoring and supporting a compliance culture in our supply chain.

Evolving global privacy laws and regulations may adversely affect the business operations, websites and mobile applications that people access. In the EU, for example, a new, comprehensive General Data Protection Regulation (GDPR) is set to supersede EU member states' national protection laws. The GDPR will add privacy and data security compliance obligations and increase penalties for noncompliance



throughout the EU effective May 2018. For example, it will enforce greater control for data subjects, ensure increased data portability for EU consumers, enhance data breach notification requirements and issue stiffer fines. In light of this, a sustained investment in training employees at all levels of the organization is in place to implement best practices, and to ensure our compliance with national and international regulations on data protection.

As a responsible corporation, Genpact is aligning its business plan and practices with the contemporary sustainable development agenda. We continuously strive to sustain economic growth while reducing our environmental footprint. We are driving efficiency through resource optimization and waste reduction, while realizing cost reductions in the process. Our facilities are now being designed to reduce specific resource consumption and waste generation. The overarching theme is to decouple business growth from environmental impact. Genpact directed efforts on reducing our environmental footprint per capita through several key initiatives. These include investments in renewable energy, data consolidation and increased virtualization, consolidation of disparate sites into intelligent buildings, water conservation, waste minimization, transport emission reduction, and carbon footprint monitoring.

As a talent-led organization in this new digital era, Genpact is clear about putting people first. Our people are critical to the success of our business. We have created, and constantly reinforce, a culture that emphasizes collaboration, innovation, and process improvement. We seek to attract, retain and develop employees who exhibit our core values—curiosity, incisiveness and courage—and who uphold our dedication to integrity consistent with our Code of Ethical Business Conduct. As of December 31, 2017, we had approximately 78,000 employees working in more than 20 countries.

We are committed to the career development of our employees based on their roles and levels. Our increasingly mobile, agile and inclusive learning infrastructure supports focused and meaningful technical, functional, industry-specific, managerial, and leadership skill development. Our performance management approach supports our career philosophy by encouraging employees to reflect on their performance, set challenging goals, identify their development needs and find relevant learning and training opportunities.

Gender diversity continues to be an integral part of our strategy, as we chart out our company's future. Over the years, Genpact has been working on several key areas supporting the empowering women. As part of our gender diversity agenda, we have created conditions that sustain a truly inclusive environment. In 2017, nearly 39% of our workforce was female and 42 % of new hires were women.

Our approach to corporate social responsibility focuses on pillars that reflect our strengths, core expertise, and the causes that our employees care about. We foster a culture of giving and volunteering through several global platforms, projects, and social initiatives. Our employee volunteers, who number more than 20,000, have helped underprivileged children access education and have assisted unemployed women in developing skills and in searching for jobs. Among other things, these volunteers are also involved in projects to help improve infrastructure and education in communities where they work and live. Additionally, more than 14,000 of our employees participate in our payroll-based charitable donation programs.

We believe that a company's performance is best represented by its triple-bottom-line contribution to building economic, social and environmental capital. In that regard, we continue to innovate to maximize the value we provide to our stakeholders and to strengthen our reputation as a responsible corporate



citizen. We seek our stakeholders' support and participation in sustainably delivering digital transformation. They are full partners in Genpact's sustainability journey.

Locations of Genpact



Ownership and Financial Performance

Genpact Limited is a Bermuda company whose shares are publicly traded on the New York Stock Exchange (ticker: G). Genpact Limited conducts its business globally through its direct and indirect subsidiaries in more than 20 countries. Please see the Company's 10-K for the year ended December 31, 2017, filed with the SEC on March 1, 2018.

https://www.sec.gov/Archives/edgar/data/1398659/000156459018004031/g-10k_20171231.htm

For a summary of the ownership of the Company's shares by insiders and significant shareholders, please see the beneficial ownership table on page 11 of the Company's 2018 Proxy Statement filed with the SEC on April 10, 2018.

https://www.sec.gov/Archives/edgar/data/1398659/000156459018007954/g-def14a_20180508.htm#SECURITY OWNERSHIP CERTAIN BENEFICIAL OW



The following table sets forth certain data from our income statement for the years ended December 31, 2015, 2016 and 2017.

	Year ended December 31,			Percentage Change Increase/(Decrease)	
	2015	2016	2017	2016 vs. 2015	2017 vs. 2016
	(dollars in millions)				
Net revenues—GE*	\$ 459.9	\$ 357.9	\$ 269.2	(22.2) %	(24.8) %
Net revenues—Global Clients*	2,001.1	2,212.9	2,467.7	10.6 %	11.5 %
Total net revenues	2,461.0	2,570.8	2,736.9	4.5 %	6.5 %
Cost of revenue	1,493.5	1,554.7	1,683.7	4.1 %	8.3 %
Gross profit	967.5	1,016.0	1,053.2	5.0 %	3.7 %
Gross profit margin	39.3%	39.5%	38.5%		
Operating expenses					
Selling, general and administrative expenses	608.1	653.0	689.8	7.4 %	5.6 %
Amortization of acquired intangible assets	28.5	27.2	36.4	(4.7) %	34.0 %
Other operating (income) expense, net	(3.3)	(4.9)	(1.7)	48.7 %	(66.4) %
Income from operations	334.2	340.8	328.6	2.0 %	(3.6) %
Income from operations as a percentage of net revenues	13.6%	13.3%	12.0%		
Foreign exchange gains (losses), net	5.3	2.6	2.0	(50.1) %	(24.1) %
Interest income (expense), net	(31.3)	(16.2)	(31.7)	(48.2) %	96.1 %
Other income (expense), net	4.4	10.1	26.2	132.1 %	159.3 %
Income before equity-method investment activity, net and income tax expense	312.6	337.3	325.1	7.9 %	(3.6) %
Equity-method investment activity, net	(10.8)	(7.7)	(4.5)	(28.7) %	(41.0) %
Income before income tax expense	301.8	329.6	320.6	9.2 %	(2.7) %
Income tax expense	61.9	62.1	59.7	0.3 %	(3.8) %
Net income	239.8	267.5	260.8	11.6 %	(2.5) %
Net loss attributable to redeemable non-controlling interest	—	2.1	2.3	100.0 %	6.2 %
Net income attributable to Genpact Limited common shareholders	\$ 239.8	\$ 269.7	\$ 263.1	12.5 %	(2.4) %
Net income attributable to Genpact Limited common shareholders as a percentage of net revenues	9.7%	10.5%	9.6%		

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

The Genpact Board

Our corporate governance practices begin with our independent Board of Directors. All of our directors have 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

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



Risk is assessed and compliance is monitored across various levels in Genpact.

With the goal to establish an enterprise view of Risk Management that constantly evaluates exposure to emerging & new risks and helps business in managing risks and decision support, Genpact has constituted a formal cross functional Risk Council in 2016. The Council reviews the organization's risk profile periodically and reports the key business risks to the Genpact Leadership Committee and Genpact Board. The Enterprise Risk Office is governed by this Council and the risk responses are executed by risk owners across functions, businesses and regions. The Council meets on a quarterly basis to review & assess the approach to manage key organizational risks. Results are shared with the Board as well who are ultimately responsible for monitoring risk levels on various parameters and the management oversees implementation of mitigation measures.

As a 1st line of defense, the Business Operations and Functional teams work as per their standard operating procedures with built in controls and necessary checks and balances. Quality measurement tools and procedures are run to assess the effectiveness. Each function is headed by a functional leader who is responsible for the performance and governance accordingly.

The Enterprise Risk Management Office is responsible for ongoing maintenance of ERM at Genpact. The annual risk assessment is conducted with the endeavor to have an aggregate view of the organization's



risk profile. Risks are prioritized and each Risk Owner works on the mitigation plan accordingly. There are various Councils/Committees also set up across the organization to oversee the risk and compliance aspects in addition to the achievement of the business objectives of the organization. The risk and compliance leads acting as the 2nd line of defense, are responsible for identification and monitoring of risks in their respective area in consultation with their vertical/function/region head.

As a 3rd line of defense, Genpact has an independent internal audit group, with the chief internal auditor reporting to the audit committee of the board directly. The role of internal audit is to provide risk management services and control assurance. The risk based audit plan is approved by the Audit Committee on an annual basis. This team focuses on process, financial and compliance audits of all areas in finance and operations. The internal audit team reviews findings of all audits with the management and communicates key findings to the audit committee of the board on a quarterly basis. Apart from the internal teams, the corporate audit team also invites independent audit firms to conduct audits involving complex areas.

Genpact engages 3rd 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.

Clients do conduct their own audits 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 designed to ensure our support of human rights. 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 organizational culture and delivering uncompromising quality to our clients.

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

Fair Employment:

- Zero tolerance for nepotism or discrimination
- 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, respectful and productive working environment conducive for all

Investment Screening:

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

Child Labor and Forced Labor:

- Genpact strictly prohibits use 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

Freedom of Association:

- Genpact does not prevent any employee from exercising the right to freedom of association or collective bargaining. We adhere to all 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 enforce our policies and 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, investigation of security/ compliance issues or in response to a government or legal request for information 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

Genpact is united globally on a foundation of unyielding integrity. This uncompromising integrity is why our clients 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 commitment to unyielding integrity. Our Code of Conduct communicates ethical practices and company expectations to all our employees, officers, directors, and agents. We conduct year-round 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 2017, as of the date of finalizing this publication, 94% 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 supplements its ethical framework with a transparent and effective grievance redressal mechanism which we call our Ombuds process. 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 operating 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. Although employees are encouraged to sign their reports, eEmployees 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. All employees raising concerns or participating in the investigation of such concerns 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 that 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 725 cases were reported globally in 2016 as compared to 637 in 2015 through the Ombuds program. In the first half of 2017, 460 concerns were raised by employees. Approximately half of all concerns raised are, on their face, unrelated to Genpact integrity policies but arise out of unrelated concerns, such as proper handling of requested leaves, interpersonal issues, or other matters generally referred to human resources. Such a high percentage of unrelated concerns demonstrates employee trust that this avenue will resolve issues.

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; email messages do not qualify as compliant under the program. 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, together with how the company has handled same. Recent events and news items are also brought into the picture to portray real-world examples and enable better understanding for our employees. Compliance with this program is reported monthly to Genpact executive leadership.

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, while at the same time creating 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 in many jurisdictions around the world, which are, themselves, changing. Our robust and agile systems are designed 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>

Complete Accountability

Genpact's diverse board of directors embodies skill and experience of the utmost caliber, making them well suited to provide oversight and strategic direction for realizing our long-term vision. The board is composed of 12 directors, 11 of whom are independent.² 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 handbook 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.³

2. For more information on our board of directors, please visit: <http://www.genpact.com/home/about-us/leadership/board-of-directors>
3. 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>

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.

Ethical supply chain

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 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 have drafted and implemented the Sustainable Supply Chain policy that 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

- 5,000+ 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 and 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. A signoff is required for the vendor to be on-boarded.

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 Governance Framework

Vendor risk categorisation	Actual risk assessment	Control safeguards	Assessment against safeguards	Audit, reporting & exception handling
Rated against risk categories defined (info sec - Client information, info sec - Genpact information, BCP, and compliance)	Risk assessment of vendor to identify high, medium and low risk vendors	List of safeguards to be considered for the vendors depending on their risk ratings and risk category	Assessment of vendor against the agreed safeguards on its existence and operation	Reporting, monitoring and mitigation of exceptions identified

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. Expanding the green cataloging of products to the key product categories is a continues activity in Genpact.

Supplier Diversity

At Genpact we prefer to empower new vendors from diverse groups, provided they meet required VPQ, cost, quality, and delivery timeline requirements.



Sustainability @ Genpact/ Genpact' s sustainability program

Generating Business Impact, Generating People Impact, Generating Green Impact, and Generating Community Impact are the four broad focus areas of our sustainability program. We are calibrating our sustainability strategy and aligning sustainability targets with the critical aspects which are based on the materiality assessment. This would lead to alignment of sustainability targets with the aspects most critical for the organization.

“Generating sustainable impact for all our stakeholders is a business imperative at Genpact”

**NV “Tiger Tyagarajan”
President and CEO, Genpact**

Approach

Embedding sustainability as an essential element of our day-to-day decision making is a continual endeavor. 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 hold to improving the quality of life for our 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 operations to minimize our environmental footprint, and proactively engage with communities to positively impact their progress. Thus, translating 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 to meet underlying goals. The A+ rating of our sustainability report, which is assured for conforming with GRI G4 Guidelines, indicates the highest level of transparency and robust sustainability practices across people, economic and environmental dimensions.

Strategy framework

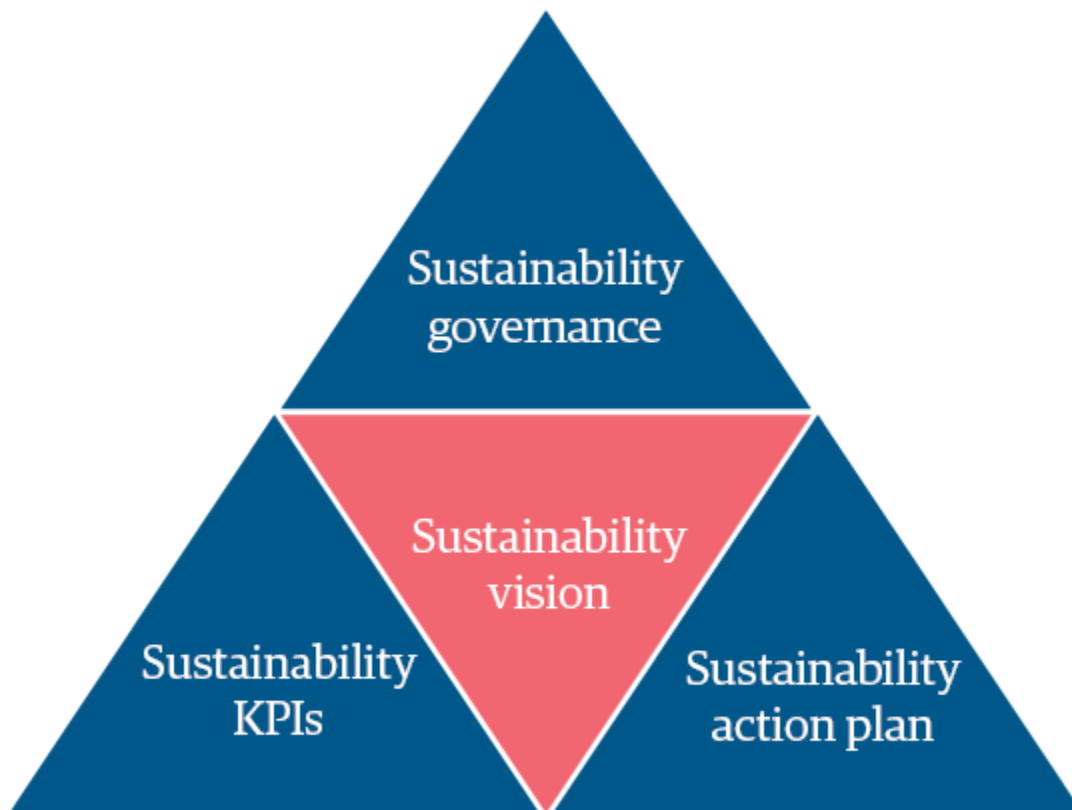
In 2014, we commenced an internal exercise to reformulate our sustainability framework in order to benchmark our performance and communicate the same to our stakeholders in the future. Consequently, we outlined a viable strategy framework that rendered further clarity to our sustainability journey.

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 visions 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. We are currently, 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.
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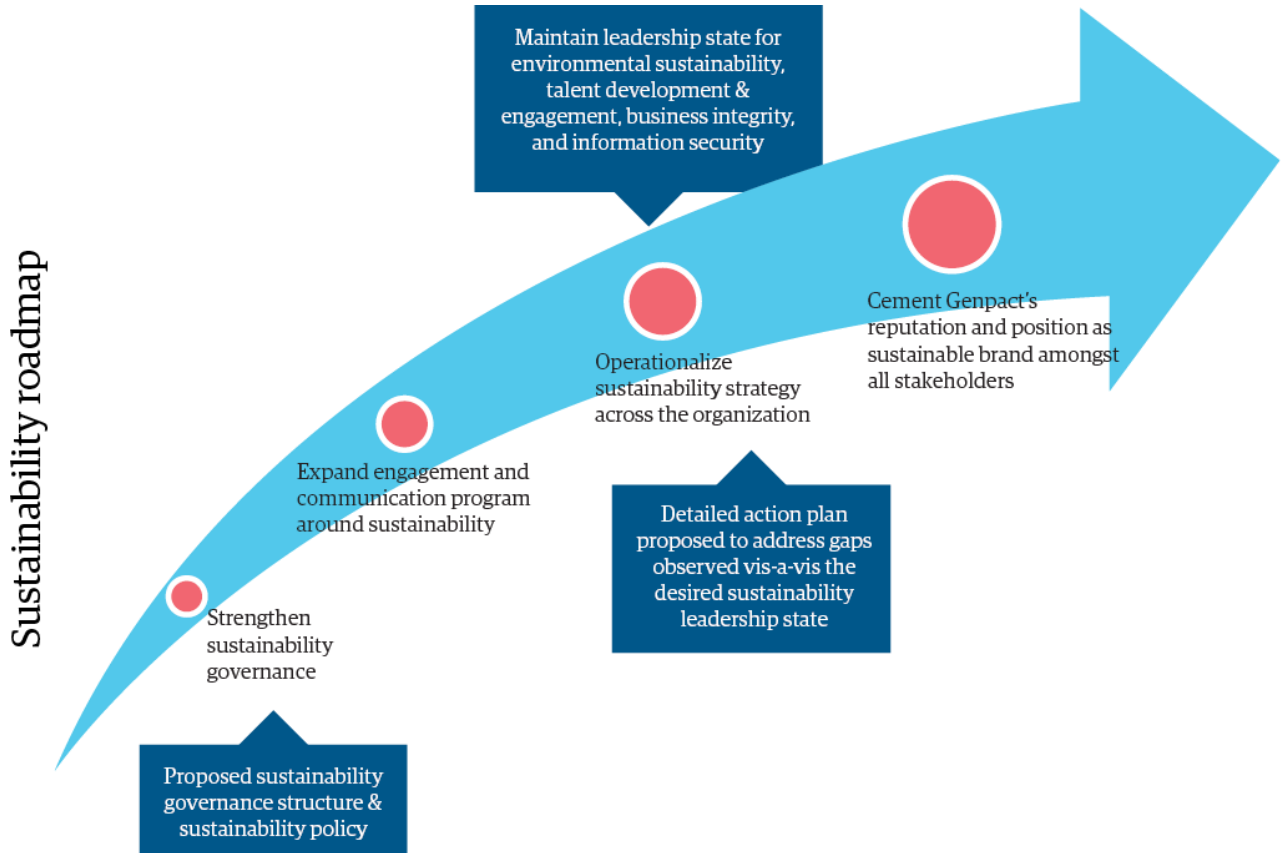


Sustainability strategy framework

Journey ahead



In 2013, we undertook a maturity analysis of our sustainability journey to ascertain our desired maturity level. Building upon 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 sustainability leadership state 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.



EMPLOYEES

- Employee satisfaction survey (annual)
- Performance appraisal (biannual)
- Corporate social responsibility volunteering (ongoing)
- Regular formal/informal discussions with managers (ongoing)
- Training and development programmes (ongoing)
- Grievance cell (ongoing)

VENDORS/SUPPLIERS







- Vendor prequalification process (ongoing)
- Vendor risk analysis and rating process (ongoing)




- • Engagement with vendor employees during sessions on promoting health and safety related practices (ongoing)

Stakeholder Engagement

Organizations don't exist in silos; it is the integration of all the communications with different stakeholders so as to create value for all partners involved either directly or indirectly. In such an arrangement of interdependencies, engagement with stakeholders is vital. Engaging with stakeholders has a greater purpose of understanding risks and opportunities associated with the environmental, social and economic ecosystem that a business is ingrained in. Further, it helps us understand and communicate which topics are most critical to our stakeholders and to deal with our business. We regularly engage internal and external stakeholders in dialogues regarding our objectives, our progress and our performance in an effort to enhance our reporting and it sets the tone for the way we manage our business, making our engagement more relevant and thus generating the impact we desire. Our stakeholders comprise those who are impacted by and impact our operations and activities. Our key stakeholders include our employees, our clients, our investors, our suppliers, communities we interact with, academic institutions and government and industry bodies. We utilize contribution from an assortment of stakeholders (see table below) to inform our reporting approach and adjust more closely with stakeholder expectations.

Stakeholder	Interfacing group	Engagement Types
Employees 	<ul style="list-style-type: none"> • HR • Senior Management 	<ul style="list-style-type: none"> • Employee satisfaction survey (annual) • Performance appraisal (bi-annual) • Corporate social responsibility volunteering (ongoing) • Regular formal/informal with managers organization (ongoing) • Training and Development programmes (ongoing) • Grievance cell (ongoing)
Clients 	<ul style="list-style-type: none"> • Marketing • Delivery teams • Senior Management 	<ul style="list-style-type: none"> • Net promoter score based on the process owner questionnaire (semi-annual) • CXO questionnaire (annual) • Governance meetings at account level between different levels of the organization (ongoing)
Investors 	<ul style="list-style-type: none"> • Investor Relations • Company Secretary • Senior Management 	<ul style="list-style-type: none"> • Quarterly calls with investors and shareholders • Annual 10K report • Annual general meeting • Email alerts for SEC - related information, reports, webcasts and presentations, scheduled events and company news (ongoing) • Online information request/contact us form
Suppliers 	<ul style="list-style-type: none"> • HR • Business Units • Procurement 	<ul style="list-style-type: none"> • Vendor prequalification process (ongoing) • Vendor risk analysis and rating process (ongoing) • Engagement with vendor employees during sessions on promoting health and safety-related practices (ongoing)
Communities 	<ul style="list-style-type: none"> • CSR Team • Corporate Communications team • Senior Management 	<ul style="list-style-type: none"> • Community intervention/employee volunteering activities (ongoing) • Planning exercise with NGOs (ongoing) • Limited engagement with NGOs on strengthening their processes (ongoing)
Academic institutions 	<ul style="list-style-type: none"> • HR • Senior Management • CTO 	<ul style="list-style-type: none"> • Campus recruitment



Government & Industry bodies 	<ul style="list-style-type: none"> • Corporate Affairs • Finance • Senior Management 	<ul style="list-style-type: none"> • Engagement through memberships of industry bodies like NASSCOM, CII (Confederation of Indian Industry), Business Processing Association of the Philippines (BPAP), Association of the Business Services Leaders (Poland and Romania) etc. (ongoing)

Our stakeholders

<p>EMPLOYEES</p> <ul style="list-style-type: none"> • Employee satisfaction survey (annual) • Performance appraisal (biannual) • Corporate social responsibility volunteering (ongoing) • Regular formal/informal discussions with managers (ongoing) • Training and development programmes (ongoing) • Grievance cell (ongoing) 	<p>CUSTOMERS</p> <ul style="list-style-type: none"> • Net promoter score based on process owner questionnaire (semi-annual) • CXO questionnaire (annual) • Governance meetings at account level between different levels of the organization (ongoing) 	<p>INVESTORS</p> <ul style="list-style-type: none"> • Quarterly calls with investors and shareholders • Annual IOK report • Annual general meeting • Email alerts for SEC-related information, reports, webcasts and presentations, scheduled events and company news (ongoing) • Online information request/contact us form
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CUSTOMERS

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- CXO questionnaire (annual)
- Governance meetings at account level between different levels of the organization (ongoing)

CUSTOMERS

- Community intervention/ employee volunteering activities (ongoing)
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INVESTORS

- Quarterly calls with investors and shareholders



- Annual IOK report
- Annual general meeting
- Email alerts for SEC-related information, reports, webcasts and presentations, scheduled events and company news (ongoing)
- Online information request/contact us form

INVESTORS

- Engagement through memberships of industry bodies like NASSCOM, CII , Business Processing Association of the Philippines (BPAP), Association of the Business Services Leaders (Poland and Romania) etc. (ongoing)

Operational excellence

- Carbon management
- Green buildings
- Green IT
- Water management
- Waste management
- Biodiversity

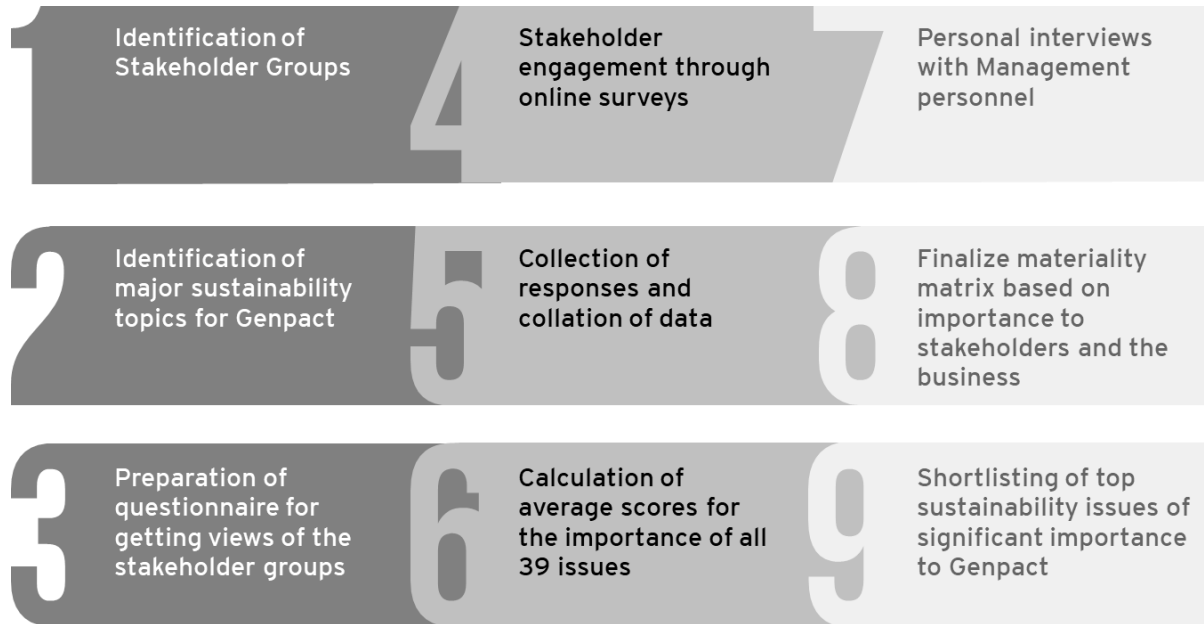
Supply chain excellence

- Social/ environmental assessment of suppliers
- Supplier engagement
- Supplier diversity

Materiality

This year we revisited our materiality assessment to prioritize aspects on the basis of their impact on the business and their importance to our various stakeholders. Defining ‘materiality’ helps an organization to understand issues that are relevant to its stakeholders over the short, medium and long term. Materiality for sustainability is in essence similar to its accounting definition wherein issues that cross a certain threshold only become essential to monitor and report. This year we conducted a comprehensive materiality assessment which aided us in identifying and prioritizing key sustainability issues from the stakeholders’ and company’s perspective. This allows Genpact to focus on those issues that are truly critical in order to achieve the organization’s goals, secure its business model and manage its impacts on society.

Materiality assessment process adopted by Genpact is summarized in the figure below.



Stakeholder identification was done based on the stakeholder groups that our peers in the IT/ITeS sector have been engaging with. We covered eight stakeholder groups – employees, clients, investors, academic institutions, government/regulatory bodies, communities & NGOs/civil society networks, industry bodies and suppliers. The questionnaires were prepared using the guidance provided by GRI and the sustainability aspects considered by Genpact and its peers in the past. We obtained the responses through a combination of online surveys, physical questionnaires and personal interactions. Management responses were obtained from all major functions heads at Genpact across different geographies, to get a well-rounded, organization-wide perspective.

The sustainability aspects were prioritized based on the responses and discussions during the materiality assessment. In addition to the materiality assessment exercise which is being conducted every two years, we also engage with important stakeholders on an ongoing basis. For instance, we conduct regular customer satisfaction surveys wherein, in addition to rating the service delivery performance, clients also share issues of concern to them. Similarly, we conduct surveys with our suppliers on performance related issues and ESG (Environment, Social and Governance) issues. We conduct consultations with our local communities to understand issues of importance to them and also gauge the effectiveness of our current initiatives. Since the results of such ongoing stakeholder engagement are also relayed to the management, these views are also indirectly considered in our materiality assessment. The materiality matrix is shown in the figure, along with some prioritized aspects which were shortlisted for added emphasis in our sustainability strategy for next 2-3 years. It was observed that some aspects were ranked low or medium because they may not be relevant for the business or their importance has moderated over time since they have been well managed by Genpact.



<h3>Operational excellence</h3> <ul style="list-style-type: none">• Carbon management• Green buildings• Green IT• Water management• Waste management• Biodiversity	<h3>Client excellence</h3> <ul style="list-style-type: none">• Business continuity• Quality of services• Data privacy & information security• Transfonnational solutions for sustainability• Innovation	<h3>Talent excellence</h3> <ul style="list-style-type: none">• Recruiting/ Creation of talent pool• Talent development• Diversity & inclusion• Occupational health & safety• Employee engagement & satisfaction
<h3>Supply chain excellence</h3> <ul style="list-style-type: none">• Social/ environmental assessment of suppliers• Supplier engagement• Supplier diversity	<h3>Ethics, transparency and governance</h3> <ul style="list-style-type: none">• Human rights• Business integrity - Anti-corruption/ Ant-bribery• Responsible policy advocacy• Transparent disclosures	<h3>Corporate citizenship</h3> <ul style="list-style-type: none">• Corporate social responsibility• Employee volunteering

Client excellence

- • Business continuity
- • Quality of services
- • Data privacy & information security
- • Transfonnational solutions for sustainability
- • Innovation

Ethics, transparency and governance

- • Human rights
- • Business integrity - Anti-corruption/ Ant-bribery
- • Responsible policy advocacy
- • Transparent disclosures

Talent excellence

- • Recruiting/ Creation of talent pool
- • Talent development
- • Diversity & inclusion
- • Occupational health & safety
- • Employee engagement & satisfaction

Corporate citizenship

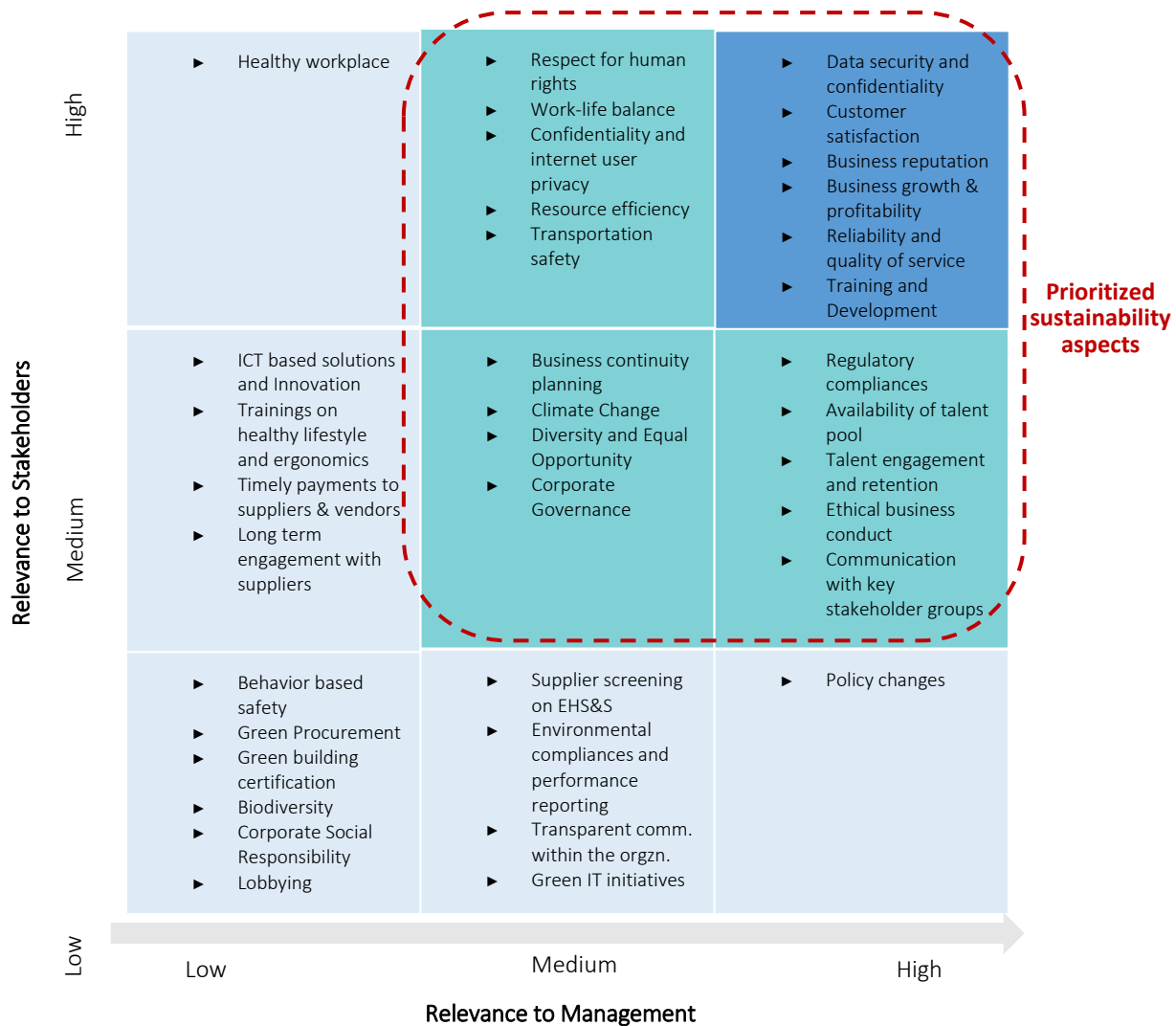
- • Corporate social responsibility



- Employee volunteering

Materiality Map

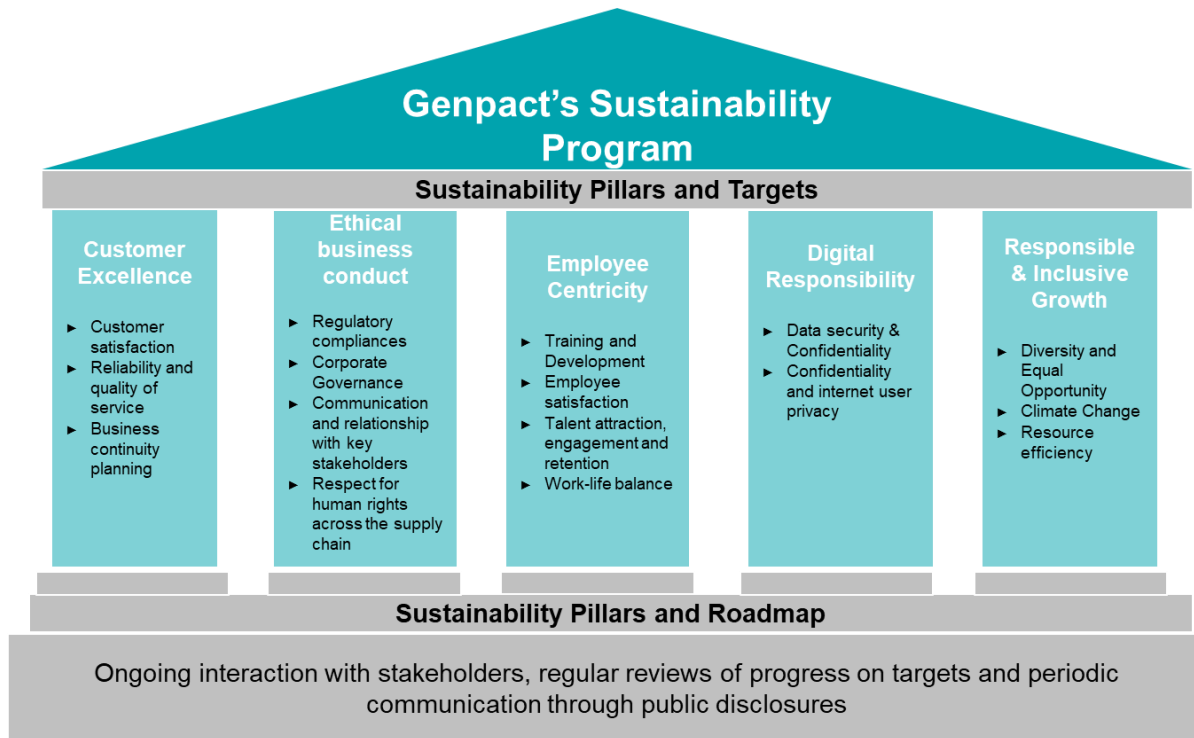
We envisage to communicate on our progress on these targets through the sustainability reports in the coming years. Diversity and equal opportunity which has been a highly important aspect in the past and well-managed over the past few years, was found to be a moderately important aspect. We have almost forty percent women employees in the workforce and large number of women leaders in senior positions. CSR aspects ranked low as they have been well managed since we are winning awards for our CSR programs, generating impact through our NGO partners, contributing to society through payroll programs and meeting all the regulatory requirements, wherever applicable. Thus, CSR is an aspect in the low-low region of the matrix, but we shall continue to expand the reach and impact of our CSR programs.





Reporting our Sustainability

Based on the results of the materiality assessment, we are recalibrating our sustainability strategy and setting ambitious targets for Genpact for 2020. In this report, the pillars of our Sustainability strategy program are highlighted along with the relevant targets for 2020.





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.

Action plan

Responsible Business Conduct

Commitment to Quality

Responsible Advocacy

Major clients are leaders in their respective industries – Ahold Europe, AstraZeneca, Citigroup, GE, GlaxoSmithKline, Hyatt, Ironshore, Kimberly-Clark, Merck, National Australia Bank, Nissan, Symantec, Walgreens, and Wells Fargo

Our Approach



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.

Our LeanDigitalSM 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 strives to create a virtual extension of the clients' own environment with dedicated employees and management as well as infrastructure at our delivery centres. 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

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.

Investing in marketing

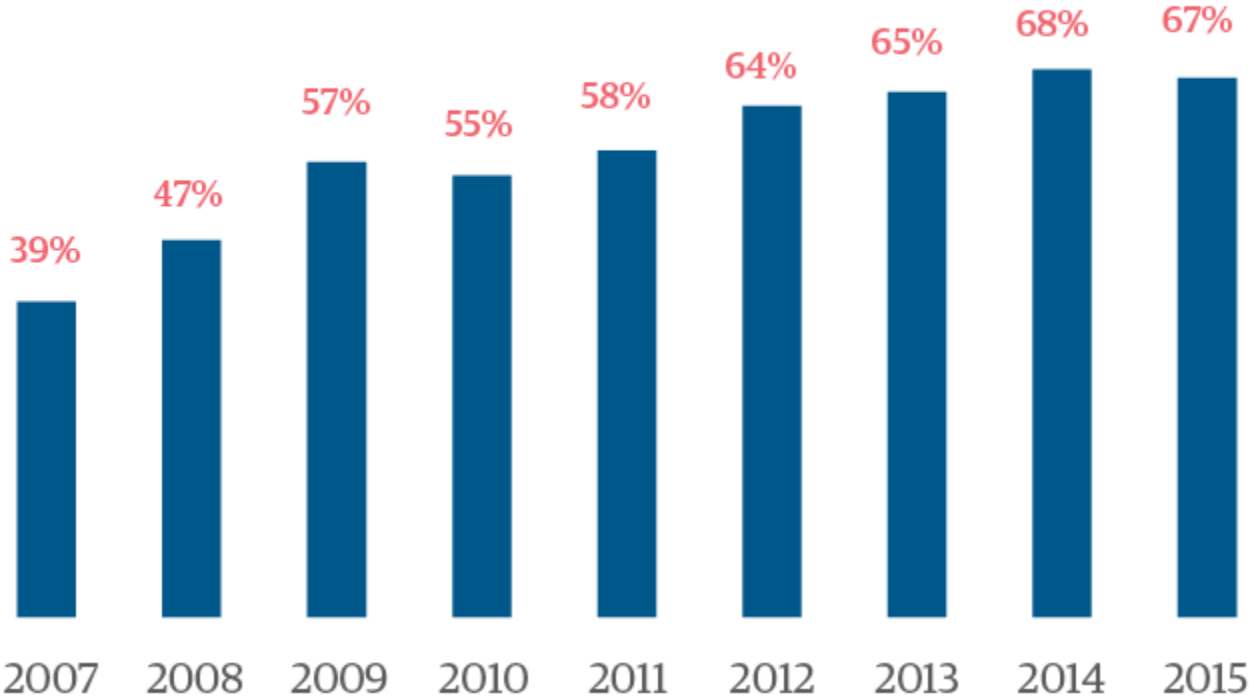
Genpact's spend on Marketing activities has traditionally been modest, especially compared to our competitors, but our investment in marketing as a%age of sales has increased steadily in the past several years, and these investments have helped the team directly increase the company's brand awareness and deal pipeline. We have always used the Net Promoter Score (NPS) of existing clients as an incentive for the top management, effectively encouraging the reference ability of client names during deal pursuits.

The existing marketing approach encompasses on a lean foundation of traditional activities (public relations and analyst/influencer relations and event marketing) but has significantly increased digital marketing activities including social media, an enhanced website, inbound and outbound outreach campaigns to clients and prospects, and some paid targeted marketing and advertising. Genpact Marketing has also built up its capabilities in targeted content marketing, research projects, marketing automation and supporting technologies, and an integrated approach to supporting large client deals. Genpact Marketing has been instrumental in the company's rebranding launches, messaging platforms,



and product and capability launches such as its Lean DigitalSM approach, Genpact Cora platform (June 2017), and its most recent logo and tagline launched in September 2017.

NPS growth: 7% CAGR



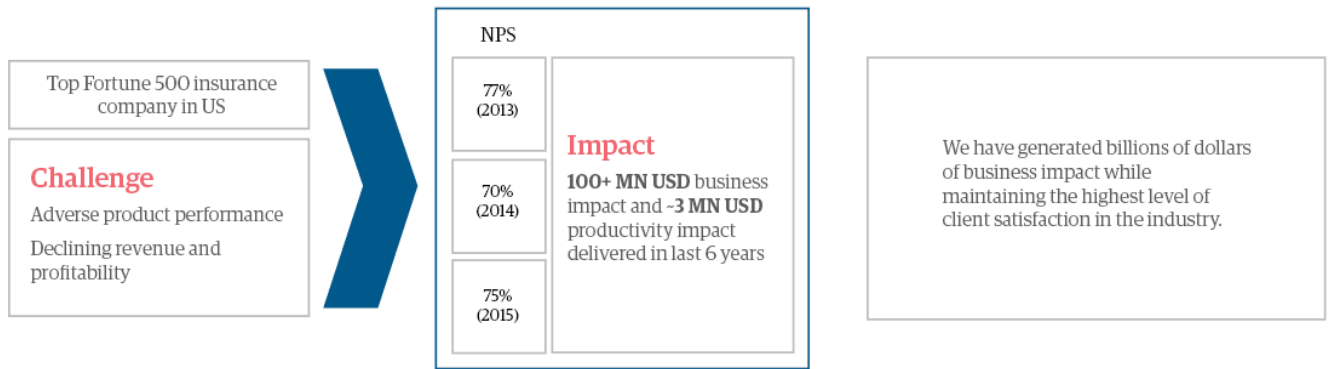
Testimony to our clients trust our blueprint strategy

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 performance



Client impact



LeanDigitalSM across Industries



Financial assistance

We benefit from tax relief provided by laws and regulations in India, China, Colombia, the Philippines, and Guatemala. During the last nine years, we established new centres 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 centres 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 Technology Parks of India (STPI) Scheme through March 31, 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 December 31, 2015, was 35%.

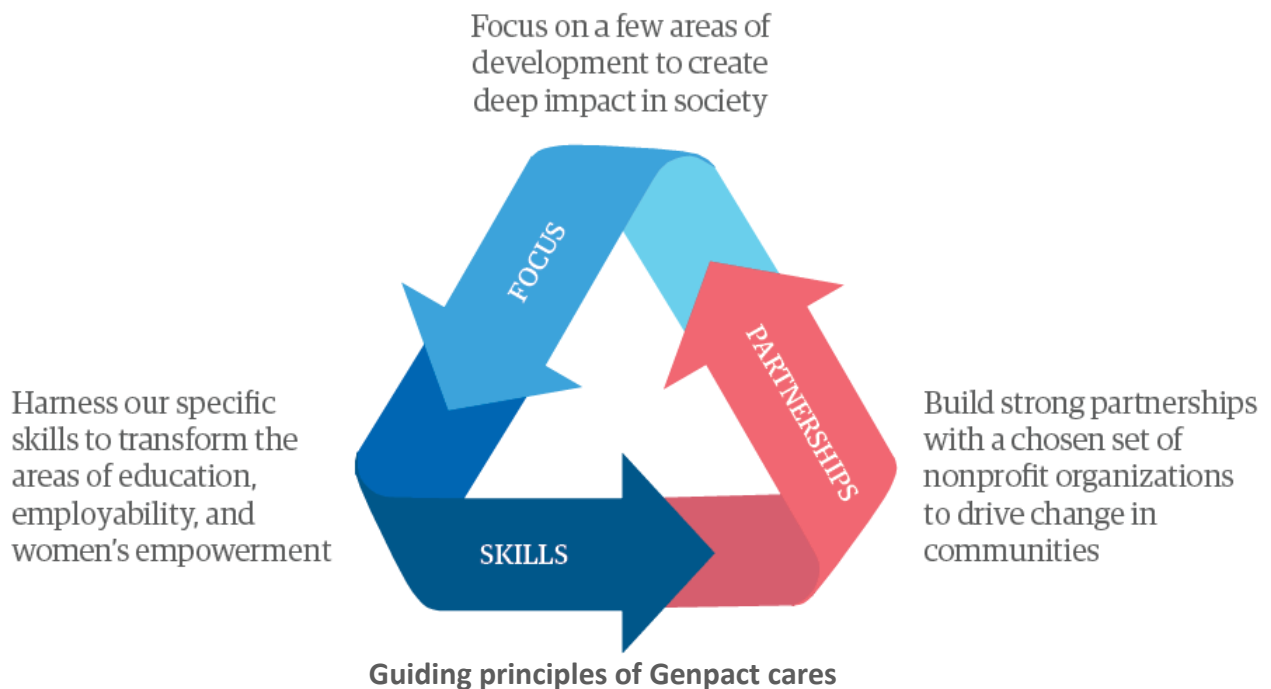
Year ended December 31 US\$ ('000)			
	2013	2014	2015
Tax benefit from tax holiday	39,785	35,868	38,039



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 our communities. Our special focus is on development through Education and Employability, Women's Empowerment and generating Sustainable Social Impact.

At Genpact, giving is a way of life. We have institutionalized this culture 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 21K 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 the country to have over 12K people donating from payroll through this platform.



- Focus on a few areas of development to create deep impact in society
- Harness our specific skills to transform the areas of education, employability, and women's empowerment
- Build strong partnerships with a chosen set of nonprofit organizations to drive change in communities

Objectives

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



- Education and Employability
- Women’s Empowerment

Sustainable Social Impact

Under each pillar, we run projects independently or in partnership with institutional or nonprofit organizations. We believe that our work under each of these pillars enables us to do transformational work and bring about positive change in the community and country.

Education and Employability:

Our priority is to help create education and employability. India has the largest youth population in the world. A third of Indians are between the ages of 15 and 29. The country is set to be the world’s youngest with 64% of its population of working age. By 2020, the average age of the country will be 29.

Genpact has strategically focused on developing an ecosystem to:

Improve Student Learning Outcomes: Create equitable education between Government and Private schooling sector

Improve employability by enabling youth to build/develop domain relevant skills

Key Projects:

- School Centered Community Development Project (SCCD): Partnership between Genpact, United Ways, Teach For India and multiple skilled NGOs to create sustainable holistic impact by:
 - Building infrastructure
 - Teacher development & training
 - Principle Mentorship
 - Additional Classes
 - Community Development
 - Programs like “Adopt a Classroom,” “Paint a School’, ‘Create Teaching Aids” in partnership with schools across India, Europe, the US, Guatemala, and the Philippines:
 - Transforming Filinvest Annex Elementary School in Philippines to better the learning experience for 800 students through infrastructural developments
 - Mount Carmelo School in Guatemala: Supporting the education of 310 students for the past five years through infrastructural development, mentoring and career support
 - Junior Achievement in New York: Teaching business lessons at low income schools in New York for the past six years

Women’s Empowerment:

As a part of this pillar, we focus on empowering women, enabling them to succeed in their chosen paths, to accelerate gender equality and inclusive growth. This has always been close to the hearts of our employees and is evident through the plethora of volunteering initiatives that they undertake around the globe each year.



Key Projects:

- Dress for Success in US: Empower women in their quest for economic independence, along with providing them a network of support and resources
- Genpact Centre for Women's Leadership (GCWL) with Ashoka University in India: A leading platform to develop, and support women leaders through ecosystem and policy changes
- Udayan Shalini Fellowship in India: Supports girls for advanced education, personality development skills and enable employment
- Genpact runs a mentorship and scholarship program for 419 girls from low income backgrounds
 - Olympic Gold Quest (OGQ) in India: Training and development of women athletes with OGQ to get them ready for the Olympics
- Impacted 31 senior and junior athletes in FY 16-17
- Successfully achieved 3 Bronze Medals and 2 Silver Medals in International Sports Championships
- Touched Romania in Romania: Transforming the lives of high risk mother and babies through infrastructural and emotional support

Sustainable Social Impact:

At Genpact, we leverage our people power and process excellence skills to transform non-profit organizations so that they can create a greater impact on the community. We also deeply care for the environment and help conserve it through frequent plantation and awareness drives. We abide by the global "Environment Health Safety and Sustainability Policy" (EHS&S) which is clearly displayed in all our projects across locations.

Key Projects:

- **Genpact Social Impact Fellowship (GSIF) with EdelGive Foundation in India:** This is a unique one-year program in partnership with EdelGive Foundation, where Genpact extends its core business skills to non-profits with an aim to transform the social sector. In the first batch (2016-2017) of the program, six fellows worked with three leading non-profits and re-engineered the existing processes, transforming the lives of 70,000+ students. The second batch has been scaled up by 180%, with 15 fellows and eight non-profits. In the second batch, 16 fellows created innovative solutions to transform operations for 8 non-profit organizations, with many projects focusing on improving opportunities to help students learn. Together their work impacted 3.6 million lives. The vision of this program is to create diverse project opportunities across our CSR pillars, explore social entrepreneurship model through incubation, and spread across key Genpact India locations
- **Care for Kere in India:** Partnering with non-profits and the local community to rescue and rejuvenate Sowl Kere - a 48-acre lake in Bangalore. This lake was on the verge of dying but now boasts a quality score of 61.49% (up from 37.24% in 2015).
- **Plant a Million in India:** In five years, 7000+ Genpact volunteers have planted 22,000 trees in the Aravalli Biodiversity Park - the largest contribution among all corporations. This abandoned mining site has transformed into a flourishing city forest.

Highlights



- Apart from the focused work under the three pillars, we also work for the development of underprivileged children and neglected communities. Some of our projects include:
- • Sponsoring a Primary Health Centre for the underprivileged at minimal cost, and engaging our large volunteer base to participate in blood, organ, and stem cell donation drives <are we still doing this?>
- • Supporting disaster relief through donation drives with partner nonprofit organizations
- • Restoring water bodies, planting trees and driving environment conservation
- • Supporting rehabilitation of street children

Our areas of focus are supported by the following key drivers:

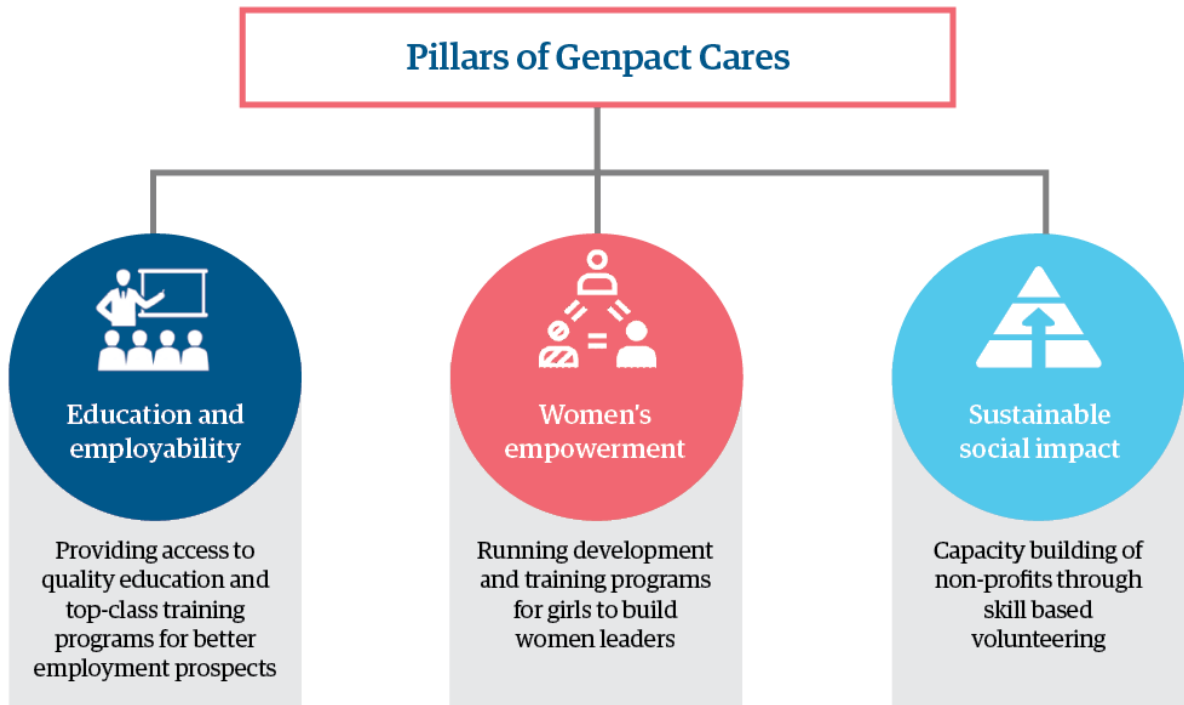
- Volunteerism – the cornerstone of our CSR program
- Payroll giving and donation programs
- Partnership with nonprofits and strong client engagement and support
- Powerful communication engine that helps build a culture of giving
- Each of our major sites conducts a CSR program based on an adaptation 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 the key to success of our CSR efforts. Leadership 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 2016, Genpact spent 2471416 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 77,000 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. Genpact donated USD 300,000+ to non-profits across the world in 2016 via the payroll donation program



Overall, volunteering at Genpact includes 21K+ unique volunteers (27% of our employee base), 65000+ volunteer hours, spanning 16 countries, impacting the lives of 16,000+ people through our 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, and 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 positive feedback from clients and feel that this allows us to forge an informal bond that extends beyond the workspace and allows enables 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 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 27% and 21%, respectively, in 2017. 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 creating standard CSR 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 and through 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.

In order to deepen our volunteer penetration, in 2017 Genpact launched an internal platform called "p3 Employee App "Goodera volunteering app and portal" This is a mobile app which enables employees to discover and register for volunteering opportunities at the click of a button. It also gives an opportunity to employees to instantly share their stories of impact with the Genpact community making their volunteering experience much more fulfilling. Goodera volunteering app and portal has P3 employee app has led to steep increase in our volunteer base in 2017 and has increased the level of engagement of employees with CSR activities.

The CSR teams at each location work as a team with the central CSR group 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.

Genpact also has active CSR communities on the company intranet and social media, as well as an external blog where we report out our stories of impact and engage with our volunteers.

Leveraging our expertise and skills

Through Genpact Social Impact Fellowship (GSIF) - a year-long fellowship program in partnership with EdelGive Foundation Genpact deploys process excellence experts to work on high-impact projects in India to bring a systemic change in the social sector. Leveraging Genpact's digital technology, process expertise, lean six sigma and design thinking skills, our fellows create innovative solutions for non-profit organizations that are replicable, scalable, and sustainable. The first batch of GSIF fellows partnered with three leading non-profits and worked on projects that led to improving student learning outcomes of 70,000+ children in India. In the second year, 16 fellows created innovative solutions to transform operations for eight non-profit organizations, their work impacting 3.6 million lives. 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, 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.

Community investment (in USD '000)		
CSR areas	2016	2017
Spend on activities related to CSR focus areas	2471	1872
Total	2471	1872

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.

It has always been our endeavor to promote gender diversity across the organization. The overall representation of women in our global workforce is 39%, and rising. Of this total representation, 33% are at the mid-management (managers and senior managers) level and 24% are in the senior management (AVP and above). Due to our efforts over the years, we have seen significant increases in representation of women at our very top levels of leadership, with 23% women at SVP level, 15% women in the Global Leadership Council (our highest level of leadership consisting of 20 key executives from across our global operations including the CEO), and 25% women on board.





of our total workforce	of our senior management (AVP and above)	of our middle management (Manager and Senior Manager level)
Representation of women in our workforce		

Our strategy on gender diversity is focused on five pillars: Create a Supportive Ecosystem, Drive Sensitization, Build Women Leaders, Attract Diverse Talent, and Cultivate an External Network. These pillars are supported by regional as well as a business-level strategy and dedicated plans around governance, communication and partnerships. Each business vertical and region has diversity ambassadors who are passionate advocates for the diversity agenda. Diversity Ambassadors are responsible for driving diversity and inclusion initiatives on the ground, track the health of diversity metrics within their regions and verticals and provide contextual and regional feedback to the central team.

Creating a supportive and safe ecosystem:

At Genpact, we do whatever it takes to make our organization ‘women-friendly’ – right from flexi-work policies to onsite childcare centers to systems and infrastructure. Genpact offers six weeks of fully paid parental leave in the US, for all new parents. Effective January 2017, we have increased paid maternity leave in India from 12 weeks to 26 weeks for birth mothers, adopting and commissioning mothers. Our Returning Moms program, currently operational in India and Philippines, helps ensure that women returning from maternity leave have a smooth transition by making the best effort to accommodate their shift timing and location of choice. We were one of the first few companies in India to offer on-site daycare facilities. Currently we have six onsite facilities in India and Philippines as well as tie-ups with near-office facilities in India and Europe, in which a total of 265 children are enrolled. Both onsite and near-office services are available to employees at subsidized cost and the company pays portion of the fee to make the services available at a nominal and affordable fee.

Driving sensitization

We are committed to creating an inclusive workplace where all our employees are recognized and valued for their specific attributes and contributions. We realize the importance of driving sensitization in building a more inclusive workforce. We regularly host networking forums for our employees to engage with women leaders both inside and outside of Genpact and explore the power of people talking about diversity and inclusion – creating awareness and making it a part and parcel of their work life.

We are aware of the fact that managing unconscious bias is an important step towards building an inclusive organization. A good part of the effort that we undertake to drive sensitization comprises of identifying our unconscious biases, bringing them to the forefront, and addressing them effectively. We have specific training programs that are mandatory for all manager and above employees, we track and report completion details periodically.

We have a zero tolerance towards harassment of women at the workplace and stringent policies in accordance with the law.

Developing women leaders

At Genpact we believe in nurturing talent to become fantastic leaders. Mentoring is a key component of continuous learning and development. It plays a vital role in breaking barriers, providing opportunities to network with experienced leaders, and taking proactive ownership of one’s own career trajectory. With this in mind we have partnered with the US and UK Chapter of the 30% Club on their exclusive cross-mentoring program.



We also ensure 40% gender diversity for all of our existing internal Global Leadership Development (GLD) programs. Business functions have also launched their own Leadership and Development (L&D) programs addressing networking, training, and sponsorship. In particular, Genpact's Banking and Financial Services (BFS) function has successfully been running the Aparajita L&D program for women since 2014. In recognition of these efforts, Genpact's BFS business leader won the "Noon Award" at the Gender Equality and Diversity Conference in London and the "WiLL Women's Choice" Award in India in 2015. The initiative was also showcased at the Gender Equality and Diversity Conference in London and at Catalyst India's D&I Logues Conference in Mumbai in 2015. In 2017, the program received an Honorable Mention Citation at the ATD Excellence in Practice Awards for Diversity and Inclusion.

Attracting diverse talent

We hire top women talent by incorporating best practices for diverse hiring particularly at the mid-management to senior levels of leadership when women tend to drop off the career ladder. Our flagship initiative, Career 2.0, targets this exact pain point by proactively seeking an often overlooked segment of the corporate talent pool: women with strong experience who have been 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.

Cultivating external network

In 2015, we launched the Genpact Centre for Women Leadership, a unique academic-industry partnership with Ashoka University to drive gender-inclusive growth with a vision to create a balanced distribution of income, resources and decision-making powers across sectors.

To ensure that Genpact is leveraging all available best practices to help build an even more gender-inclusive workforce, we partner with leading organizations. Our President and CEO Tiger Tyagarajan serves on the Boards of Catalyst and the Center for Talent Innovation (CTI), and is one of the founding members of the US chapter of the 30% Club, a global group of business leaders across industries who are working together to achieve better gender balance at all levels of organizations including corporate boards. We work closely with the Catalyst team and leverage their expertise to inform our communication and programs. In 2017, we kicked off a series of workshops in partnership with Catalyst – which deal with topics such as engaging men in gender initiatives and mitigating unconscious biases.

Our practices take a holistic approach in furthering gender diversity at every level of the organization – with a particular focus on leadership — and are structured around attracting, developing, advancing, and retaining top talent. As Tiger Tyagarajan states in his blog, gender diversity is critical to the success of any company and is not just another box that a company checks off of a list. He has also written extensively about global talent development and the need for inclusiveness, especially by increasing the number of women in the workforce.

Use of Communication

We recognize communication as a powerful tool – and rally for support and create awareness around gender diversity through compelling campaigns and communication series. We use various channels of communication such as videos, emails, theatre performances, and have active communities on the company intranet and social media. These channels help us engage with our employees and re-enforce messages around our initiatives. Inspiring stories showcasing our women leaders and how men in the organization act as important catalysts are regularly published to bring about a change in the mindset.

In 2017, we ran a month-long campaign which led our leadership team as well as over 700 Genpacters to take an actionable pledge in support of gender diversity. These pledges included signing up for our on-going initiatives such as being a buddy or mentor to new female colleagues, participating in and



hosting diversity networking forums, sponsoring and guiding women, and helping them achieve their ambitions and more. We are now tracking the pledges made and partnering with the employees to ensure that they get the opportunity to fulfil their pledges.

Awards & Accolades

Gartner Magic Quadrant Rankings:

- “Visionary” in Data & Analytics 2018
- “Visionary” in Intelligent BPM Suites, 2017 (PNMsoft)
- “Visionary” in Managed Workplace Services NAM, 2016 & 2017
- “Leader” for 6th consecutive year in F&A BPO, 2015

Forrester

- “Advanced Analytics” Player in Customer Analytics Vendor Landscape, 2017
- Strong Performer in Customer Analytics WAVE 2017

HfS Blueprints:

- “Winner’s Circle” in HfS AI 2018
- “Winner’s Circle” in HfS Smart Analytics 2018
- High performer in IoT Services 2018
- High performer in Digital OneOffice 2018
- #12 in HFS Top 10 Cognitive Assistant Service Providers
- “Winner's Circle” in HfS Procurement-as-a-Service, 2017, 2016
- “Winner's Circle” in HfS F&A-as-a-Service, 2017, 2016
- “Winner’s Circle” in HfS Insurance as a Service, 2017
- “Winner’s Circle” in ADMS, 2017
- “High Performer” in ITMS and Enterprise Cloud Services, 2017
- “High Performer” in Strategy & Consulting 2017



- “High Performer” in IT Services Masters 2017
- “Early Leader” in AI-Powered OneOffice Premier League, 2017
- “High Performer” in Design Thinking As-a-Service Economy, 2017 & 2016
- #9 in HFS Digital OneOffice Premier League, 2017
- “Winner’s Circle” in Capital Markets Operations, 2017
- #6 in HFS RPA Autonomics Premier League, 2016
- “Winner’s Circle” in Intelligent Automation, 2016

Everest Group PEAK Matrix Rankings:

- “Star Performer and Leader” in Capital Markets BPO, 2018
- “Leader” in F&A Digital Augmentation Suite, 2018
- “Star Performer & Leader” in SCM Services 2018 & 2017
- “Star Performer and Leader” in Banking BPO Services, 2017 & 2018
- “Star Performer and Leader” in P&C Insurance BPO, 2017 & 2018
- “Star Performer and Leader” in Analytics BPS, 2017 & 2018
- “Star Performer and Major Contender” in Procurement Outsourcing Services 2018
- “Major Contender” in Contact Ctr. Outsourcing Services, 2018, 2017 & 2016
- “Star Performer & Leader” in FAO Services, 2017
- “Major Contender” in Digital Services, 2017

Zinnov Zones:

- “Leader” in RPA Services, 2017 and 2016
- “Leader” in IoT Services, 2018, 2017 & 2016
- “Execution Powerhouse” in Digital Services, 2017

ISG Research:

- “Leader” in FAO Digital Outsourcing Services, 2018
- “Leader” in FAO Provider Lens, 2018

NelsonHall NEAT Rankings:

- “Leader” in Digital Banking 2018



- “Leader” in RPA and AI in BPS 2018
- “Leader” in Digital Marketing, 2017
- “Leader” in P&C Insurance BPS, 2017
- “Leader” in Fintech Services in Banking, 2017
- “Leader” in Life, Annuities & Pensions BPS, 2016
- “Leader” in Wealth and Asset Mgmt. BPO, 2016

IDC MarketScape Rankings:

- “Leader” in Worldwide Procurement as a Service Vendor Assessment, 2018
- “Leader” in Finance & Accounting Services, 2017
- “Leader” in Worldwide Life Science Social Media Analytics, 2017
- “Major Player” in Industry Cloud Collaborative Services, 2017 & 2016
- “Leader” in Worldwide Business Analytics Services, 2016
- “Leader” in Worldwide F&A BPO, 2015
- “Major Player” in Life Sciences Sales and Marketing Strategic Consulting, 2015

Association for Talent Development (ATD):

- Among BEST Award companies ranked #15, 2017

Aecus Innovation Award:

- Innovation award for Genpact-Mondelez partnership, 2016

Brandon Hall

- 7 2017 and 10 2016 Brandon Hall Group Human Capital Management (HCM) Excellence Awards for global talent development practices