

Business Responsibility Report

for the Financial Year 2014-2015

Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company	L72200MH1989PLC053666
2. Name of the Company	Oracle Financial Services Software Limited
3. Registered address	Oracle Park, Off Western Express Highway Goregaon (East), Mumbai 400 063
4. Website	www.oracle.com/financialservices
5. E-mail id	investors-vp-ofss_in_grp@oracle.com
6. Financial Year reported	April 1, 2014 to March 31, 2015
7. Sector(s) that the Company is engaged in (industrial activity code-wise) As per the National Industrial Classification codes of 2008	Group: 620 Class: 6201 Sub-class: 62011, 62013
8. List three key products/services that the Company manufactures/ provides (as in balance sheet)	Products Business Consulting Services BPO Services
9. Total number of locations where business activity is undertaken by the Company	
i. Number of International Locations (Provide details of major 5)	USA, Singapore, Netherlands, Greece, China
ii. Number of National Locations	6 offices in India
10. Markets served by the Company – Local/State/National/International	Global Banking and Financial Services Sector

Section B: Financial details of the Company

1. Paid up Capital (as on March 31, 2015)	₹ 423.07 million
2. Total Turnover (for financial year ended March 31, 2015)	₹ 33,410.95 million
3. Total profit after taxes (for financial year ended March 31, 2015)	₹ 10,580.20 million
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax	1.13 %
5. List of activities in which expenditure in 4 above has been incurred	Education, Environment and Community

Section C: Other Details

1. Does the Company have any subsidiary company / companies?

The Company has subsidiary companies in Greece, India, Republic of Chile, Republic of China, Republic of Mauritius, Singapore, The Netherlands and USA to handle international operations, sales & marketing and post-sales support.

2. Do the subsidiary company / companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s).

The Company's Business Responsibility & Sustainability Policy (BR policy), which includes ethical conduct, anti-corruption, workplace and community, are applicable to its subsidiaries.

3. Do any other entity / entities that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

No. Other business partners of the Company do not directly participate in the Company's BR initiatives.

Section D: Business Responsibility Information

1. Details of Director and BR Head responsible for BR:

DIN Number	00969094
Name	Chaitanya Kamat
Designation	Managing Director & Chief Executive Officer
Telephone number	+91 22 6718 3000
Email ID	investors-vp-ofss_in_grp@oracle.com

2. Principle-wise (as per NVGs) BR Policy / Policies:

Principles as per the SEBI Business Responsibility Report Framework

Reference	Principles	Description
P1	Principle 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Principle 3	Businesses should promote the wellbeing of all employees
P4	Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Principle 5	Businesses should respect and promote human rights
P6	Principle 6	Business should respect, protect, and make efforts to restore the environment
P7	Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Principle 8	Businesses should support inclusive growth and equitable development
P9	Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policies for each of the principles?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders? [†]	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national /international standards? If yes, specify*	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director? [§]	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate link for the policy to be viewed online (See ref. below)	1,5	2	1,4	N	N	1	1	N	3
7	Has the policy been formally communicated to all relevant internal and external stakeholders? ^{**}	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes, the Company maintains an "open door" policy with regard to the questions from customers, suppliers, partners and others, including any questions related to business conduct, ethics, anti-trust, unfair competition, employee relations concerns, environmental, health and safety concerns. Incidents can be reported to the regional legal counsel or logged using the Compliance and Ethics Helpline or reported through the Incident Reporting Website (https://www.compliance-helpline.com/oracle.jsp).								
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency? ^{††}	Y	N	N	N	Y	N	N	N	N

[†] The consultations are conducted as required and where relevant.

* The BR policy of the Company is formulated on the basis of the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business.

§ Oracle Global policies are applicable to the Company in terms of the Board approval and do not require any signature.

** The policies are accessible to employees of the Company. The policies are available to other stakeholders on the internet or intranet as relevant and required.

†† The policies and practices at the Company are subject to internal audit and/ or review from time to time.

Policies referenced in the above table:

- (1) Code of Ethics and Business Conduct - <http://www.oracle.com/us/corporate/investor-relations/cebc-176732.pdf>
- (2) Supplier Code of Ethics and Business Conduct - <http://www.oracle.com/us/corporate/supplier/coe-070625.pdf>
- (3) Services Privacy Policy - <http://www.oracle.com/us/legal/privacy/services-privacy-policy-078833.html>
- (4) Equal Employment Opportunity Policy - <http://www.oracle.com/us/corporate/citizenship/038115.htm>
- (5) Global Anti-Corruption Policy and Business Courtesy Guidelines - <https://secure.ethicspoint.com/domain/media/en/gui/31053/anticorruption.pdf>

2. a. **If answer to S. No. 1 against any principle is 'No', provide explanation:**

Not applicable

3. **Governance related to BR:**

a. **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

Annually

b. **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published ?**

The Company's Business Responsibility Report for the financial year 2014-15 is available on <http://www.oracle.com/us/industries/financial-services/046571.html>. The Business Responsibility Report is part of the Annual Report.

Section E: Principle-wise Performance

Principle 1: Ethics, transparency and accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company ?

The Company's Code of Ethics and Business Conduct and Anti-Corruption Policy covers aspects of improper payments, insider trading, anti-corruption and financial integrity, amongst others. These are applicable to its employees and Directors and business partners. The Supplier Code of Ethics and Business Conduct are applicable to its suppliers.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

In relation to policies governing this principle, there was no complaint received in the Financial Year 2014-15.

Principle 2: Safe and sustainable goods and services

1. List up to 3 of the Company's products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

Company has implemented an e-delivery mechanism for its software where by saving on physical media and infrastructure needed for shipping the media. This improved the productivity and made it environment friendly.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc) per unit of product (optional):

A. Reduction during sourcing / production / distribution achieved since the previous year

Information collected over last two years shows that quarterly shipments which used to be about 200 each quarter, have reduced to just about 4-5 per quarter.

B. Reduction during usage by consumers (energy, water) achieved since the previous year

Same applies at the customer end also as they contribute towards these savings by making use of the e-delivery environment.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

The Company strives to reduce its environmental impact by employing sustainable procurement practices and limiting business travel, wherever possible. In the process of selecting a supplier based on the product/ services required, suppliers are first evaluated through a set of prequalification criteria. Qualification criteria include BR-related aspects such as adherence to norms of compliance, Code of Ethics and Business Conduct and existence of Environment, Health and Safety (EHS) policy.

4. Has the Company undertaken any steps to procure goods and services from local and small producers, including communities surrounding their place of work?

The Company engages with both local and global suppliers. Purchases are driven by open and transparent non-discriminatory procurement policy.

Company has enrolled multiple suppliers with preferences to a local vendor in several areas such as, office catering, local transportation, suppliers for subcontracted resources.

5. Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste? Also provide details.

The Company strives to recover, reuse, or recycle its workplace tools such as copiers, computers and paper.

- The policy for asset sale, donation, and disposal outlines what employees should do with technology assets that are not being fully utilized or have reached their end of useful life.
- Computers, monitors, computer accessories, printers, fax machines, projectors, and more are collected and managed by the technology recovery and e-waste recycling program.
- Surplus equipment from one department is given to another for immediate use, and assets that must be retired are mined for their useful parts before being donated or recycled.
- The company discourages use of paper wherever feasible. Internal processes have been enhanced to process significant amount of expenses through electronic submissions of the vouchers, receipts, and other voluminous documents significantly saving paper usage, movement and storage.
- Sewage Treatment Plants are installed in our owned office premises (Mumbai, Pune and Bangalore) where we treat the waste water and the treated waste water is re-used for non-drinking purposes.
- Company follows the process of safe handling and disposal of e-waste. Specialized agencies are hired to carry out the e-waste disposal as per the applicable local norms and in an environment friendly manner.

Principle 3: Well-being of employees

1,2,3,4: Please indicate the Total number of employees, total number of employees hired on temporary/contractual/casual basis, Number of permanent women employees and number of permanent employees with disabilities

Manpower	As on March 31, 2015 (in numbers)
Total number of employees	9,352
Permanent employees	8,928
Temporary/contractual/casual basis- employees	424
Permanent women employees	2,447
Employees with disabilities	Not applicable*

* As per the data privacy and non-discrimination principles, Company does not disclose this information.

5. **Does the Company have an employee association that is recognized by management?**

Not applicable.

6. **What percentage of the Company's permanent employees is members of this recognized employee association?**

Not applicable.

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

There were no complaints relating to child labour, forced labour, involuntary labour that the Company received during the financial year 2014-15 and pending as on March 31, 2015. There was one complaint of sexual harassment received in the financial year 2014-15 and the issue has been addressed per the norms of Company policy.

8. **What percentage of Company's under mentioned employees were given safety & skill up-gradation training in the last year?**

- Permanent Employees:** 95% of our permanent employees including women employees have received training in the last year. Employees based in India, undergo fire drill and fire safety training every year.
- Permanent Women Employees:** All employees (except employees who were on long medical leave) have undergone the safety training.
- Casual/Temporary/Contractual Employees:** 90% of all contractual employees have undergone this training in the last year.
- Employees with Disabilities:** Same as above. This data is not separately maintained.

Principle 4: Responsiveness to all stakeholders

1. Has the company mapped its internal and external stakeholders?

Yes. The Company has identified its stakeholders in the BR policy. These include, but are not restricted to, shareholders, employees, clients, suppliers, business partners, and the wider community.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

The Company is committed to equal opportunity in its employment practices. As a practice within the organization, preference is placed for disadvantaged, vulnerable or marginalized candidates, given that they possess equal merit.

For employees, the Company has instituted policies against unlawful discrimination and sexual harassment, Ergonomics & RSI (Repetitive Stress Injury) Consultation Policy, provisions of flexible-work hours and access to counsellor to promote a healthy, safe and productive workplace.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders.

The Company engages with each of its stakeholders through a variety of forums, including employee engagement initiatives, training programs, feedback process, customer satisfaction surveys and investor meets.

Principle 5: Promoting human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

The policy is applicable to the Company, its subsidiaries and vendors. The commitment to human rights is embedded in the Oracle Code of Ethics and Business Conduct adopted by the Company. The Company requires vendors to comply with the relevant laws safeguarding labor rights and human rights in their respective jurisdiction, and where the clauses of the Code are stringent, must comply with the Code. The Code further affirms equal employment opportunity policies and intolerance to any form of harassment of employees

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No stakeholder complaints have been received by the Company in the financial year 2014-15.

Principle 6: Protecting the environment

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/others.

The Company's Global Environment, Health and Safety Policy is applicable to all its employees. As per the Code of Ethics and Business Conduct, the Company expects its suppliers and partners to be compliant with the Code and with applicable laws and regulations to an entity, including environmental laws and regulations.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

The Company is committed to conducting its business in a manner that minimizes pollution and other adverse environmental impacts. Company's Real Estate & Facilities Global Sustainability Program seeks to drive environmental stewardship by reduction of global energy and water consumption, reducing waste and diverting waste from landfill. The Company also supports Ministry of Corporate Affairs' Go Green initiative, which makes provision for electronic communication of the Annual Reports and other documents to shareholders.

3. Does the Company identify and assess potential environmental risks?

By virtue of nature of its operations, employees are required to work at their workstations for majority of the time. Therefore, the office environment for employees is of utmost importance. In cognizance of this, the Company has formulated an Ergonomics & RSI Consultation Policy, which allows the provision of professional consultation to evaluate issues of discomfort at the workplace experienced by the employees. The Company implements the recommendations based on a professional assessment of seating area, lighting, seating and other environmental factors.

4. Does the Company have any project related to Clean Development Mechanism?

Given the nature of the Company's business, this is not relevant.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.

During the year, the Company continued its several initiatives to reduce energy requirements from the data centres. These are:

- A. Consolidation of assets – major refresh of the laptops and desktops across the company was done during the year to deploy modern and energy efficient workstations.
- B. Commenced the migration of enterprise network to MPLS technology providing greater speed, reliability and security.

- C. Online presence –launched new online internal video platform that empowers individual to create and edit video messages, slides accompanied by audio, web camera recordings, in addition to on-line video presence. The platform offers wide applications such as remote training, remote meetings with much greater ease, reducing the need for travel and helps reduce costs and carbon foot-print.

These initiatives have led to savings in energy required for running the equipment, created more secure operating environment, facilitated communication across the globe. The Company intends to continue to implement energy efficient measures in its operations.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, the emissions and waste generated by the Company are within the permissible limits of Pollution Control Board.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Nil

Principle 7: Responsible policy advocacy

1. Is the Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

- Bombay Chamber of Commerce and Industry, Mumbai, India
- Confederation of Indian Industry (CII), India

2. Has the Company advocated/lobbied through above associations for the advancement or improvement of public good?

The Company does not engage in influencing regulatory policy.

Principle 8: Supporting inclusive development

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8?

Pursuant to the introduction of Corporate Social Responsibility (CSR) requirement as set out in Section 135 of the Companies Act, 2013, the company has formulated a CSR policy for covering education, protecting the environment and enriching community life. The Company has awarded cash grants to non-profit organizations, non-governmental organizations and other implementation partners to carry out its CSR initiatives. Volunteering by employees as well as awarding in-kind grants of software, curriculum, training and certification resources to educational institutions also forms some of the initiatives the Company would undertake in this area.

Corporate Social Responsibility Report giving the requisite details of CSR spending for the financial year ended March 31, 2015 forms part of the Annual Report of the Company.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

The Company would use a judicious blend of in-house expertise, along with Donor Aided Funds and NGOs to manage its CSR initiatives.

3. Have the Company done any impact assessment of Company's initiative?

As the CSR program of the Company is in its first year of implementation, impact assessment has not yet been carried out.

4. What is the company's direct contribution to community development projects-Amount in INR and the details of the projects undertaken?

The Company has spent an amount of ₹ 119.32 million for this Financial Year towards 33 programs / projects through various NGOs and other organizations in three areas of its focus, namely Education, Environment and Community. These projects are being implemented through 33 NGOs in the areas of Education (19 projects), Environment (5 projects) and Community (9 projects).

5. Have the Company taken steps to ensure that this community development initiative is successfully adopted by the community?

As the CSR program of the Company is in its first year of implementation, it is premature to comment on this aspect.

Principle 9: Providing value to customer

1. What percentage of customer complaints/ consumer cases is pending as on the end of financial year?

There is one case filed by an investor at the consumer forum that is pending before the State Commission as on March 31, 2015.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

The products are provided with manuals. There are no legal mandatory requirements regarding the product information for the Company's products.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year

There were no complaints filed or pending against the Company regarding unfair trade practice, irresponsible advertising and/or anti-competitive behavior in the last five years.

4. Did the Company carry out any consumer survey/ consumer satisfaction trends?

The Company conducts customer satisfaction surveys twice every year. One for decision makers and influencers in the customer organization and the other for people at operational level. These provide a measure of health of customer relationships and are also the basis for identifying customer requirements and expectations.
