Business Responsibility Report

for the Financial year 2017-18

[Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 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, 2017 to March 31, 2018
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)	Software Products, IT Consulting Services and BPO Services for financial services industry
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, 2018)	Rs. 427.08 million
2.	Total Turnover (for financial year ended March 31, 2018)	Rs. 38,617.27 million
3.	Total profit after taxes (for financial year ended March 31, 2018)	Rs. 10,059.90 million
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax	3.29 %
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, China, Chile, Mauritius, Singapore, The Netherlands and the United States of America.

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, etc. is also applicable to all its subsidiaries.

3. **Do any other entity/entities (example suppliers/ distributors) 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.

Section D: Business Responsibility Information

1. **Details of Director/ BR Head responsible for BR:**

DIN Number	00969094
Name Designation	Chaitanya Kamat, 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 as per National Voluntary Guidelines) 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
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 being 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)	1,2,3	1	4, 5	1,6	1	1,7	1	1,6,7	1
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	Y	Y	Y	Y	Y	Y	Y	Y

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

** *The policies are accessible by 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) Global Anti-Corruption Policy and Business Courtesy Guidelines - https://secure.ethicspoint.com/domain/media/en/gui/31053/anticorruption.pdf

(4) Workplace safety - https://my.oracle.com/site/hr/RegionalSites/India/India_Handbook/workplace_safety/workplace_safety

(5) Health and Safety - https://my.oracle.com/site/ref/gres/ehs/index.html

(6) Corporate Social Responsibility - http://www.oracle.com/us/industries/financial-services/ofss-social-responsibility-2437852.pdf

(7) Global Environment, Health and Safety Policy Statement - https://my.oracle.com/site/ref/gres/ehs/global-ehs-policy/index.html

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 Business Responsibility Report is part of the Annual Report. The Company's Business Responsibility Report for the financial year 2017-18 is available on: http://www.oracle.com/us/industries/financial-services/046571.html.

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? Does it extend to groups, joint ventures, suppliers, contractors, NGOs and others?**

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 bribery and corruption, there was no complaint received in the Financial Year 2017-18.

In relation to policies governing ethics, there were four complaints received in the Financial Year 2017-18 out of which three complaints have been resolved and one complaint is pending resolution.

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 makes software products and therefore this area is not applicable. However,

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

b) The Company maintains energy efficient office workspaces and provides communication infrastructure for a remote communications saving travel time and fuel.

c) The company adheres to strict safe disposal of e-waste. The Company engages specialized PCB authorized vendors for e-waste disposal.

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 throughout the value chain**

   Not applicable

   b) **Reduction during usage by consumers (energy, water) achieved since the previous year**

   Not applicable

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)? (if yes, what % of the Company's inputs were sourced sustainably)?**

   The Company strives to reduce environmental impact by employing sustainable procurement practices and limiting business travel, wherever possible. In the process of selecting suppliers for 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 preference to local vendors in several areas such as office catering, local transportation, suppliers for subcontracted resources, etc.

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. (Separately as < 5 %, 5-10 %, > 10 %)**

   The Company strives to recover, reuse, or recycle its workplace tools.

   - 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, scanners, 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 systems and processes have been designed to process significant amount of transactions in a paperless mode.
   - Sewage treatment plants are installed in our owned office premises (Mumbai, Pune and Bangalore) where treated water is re-used for non-drinking purposes.
   - The 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.
   - The Company has a record archival and disposal policy that strives to enable off-site storage of documents and safe discarding of old records.

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

Particulars	As on March 31, 2018
Total number of employees	7,149
No. of Temporary/contractual/casual basis- employees	262
No. of Permanent women employees	2,238
No. of Permanent Employees with disabilities	Not Applicable*

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

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

   No.

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.

The Company does not employ child labour. During the financial year 2017-18, there were no complaints relating to child labour, forced labour, involuntary labour.

During the financial year, one complaint was filed under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The complaint was outstanding as on March 31, 2018 and the same has been resolved as on date.

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

a. **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.

b. **Permanent Women Employees:** All employees (except employees who were on long medical leave) have undergone the safety training.

c. **Casual/Temporary/Contractual Employees:** 90% of all contractual employees have undergone this training in the last year.

d. **Employees with Disabilities:** 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 Business Responsibility policy. These include, but are not limited 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.

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 counselor 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 meetings.

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 jurisdictions, 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 for human rights violation were received by the Company in the financial year 2017-18.

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 and subsidiaries. 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, 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. The 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 Go Green initiative, which promotes electronic communication of the Annual Reports and other documents to the 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. (provide hyperlink)

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

- Significantly enhanced online presence – internal video platform to offers employees wide applications such as remote training, remote meetings with much greater ease, thereby reducing the need for travel and help reduce costs and carbon foot-print.
- Sewage treatment plants at all the major offices to treat and re-use waste water.
- Energy efficient LED lighting in most of the areas in our premises.
- Environmentally friendly e-waste disposal.
- Solar Panels installed at few of the office site to generate solar power

These initiatives have led to savings in energy required for running the equipment, created more secure operating environment, and 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.

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 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, 2018 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?**

   No independent assessment was 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 INR 330.48 million for this financial year towards 105 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 105 NGOs in the areas of Education (40 projects), Environment (15 projects) and Community (50 projects).

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

   The Company monitors the outcome of the CSR initiatives in relation to the objectives.

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 dating back to 2007 filed by an investor at the consumer forum that is pending before the State Commission as on March 31, 2018.

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)**

   Not applicable for software products

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior 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 satisfaction survey annually for decision makers and influencers in the customer organization. It provides a measure of health of customer relationships and forms the basis for identifying customer requirements and expectations.

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