

Business
responsibility report



Summary

Mindtree's sustainability approach is built on the principles of triple bottom line i.e. People, Planet and Profit. This framework enables us to adopt an expanded spectrum of values that will lead the way to measure the traditional economic parameters along with the environmental and social dimensions.

Introduction & Scope

Our Business Responsibility Report follows the Securities and Exchange Board of India's (SEBI) proposal and is in accordance with the National Voluntary Guidelines on Social, Environmental and Economic (NVG-SEE) Responsibilities of Business issued by the Ministry of Corporate Affairs.

This year, Mindtree will publish its first public domain Sustainability Report, based on the AA1000 framework and the GRI (Global Reporting Initiative) guidelines.

As a reporting organization, we see the disclosure of our sustainability efforts as a valuable platform that will expand our reach and facilitate richer engagements with our stakeholders.

Scope

This Business Responsibility Report encapsulates Mindtree's sustainability journey for the financial year 2012-13

Mindtree's Sustainability Framework

Our mission drives the corporate sustainability approach: "We engineer meaningful technology solutions to help businesses and societies flourish". We view sustainability as a business imperative that helps our customers, societies and Mindtree – for the present and future generations. Our sustainability framework is designed to promote transparency, accountability, sound environmental practices and social responsibility. The framework is built on three pillars:

Ecological sustainability

Mindtree aims to minimize the environmental impact of our business operations by engaging Mindtree Minds as evangelists and leveraging a comprehensive environmental management system. This includes resource conservation practices, Greenhouse Gas (GHG) footprint reduction, efficient energy management, water efficiency and sustainable waste management.

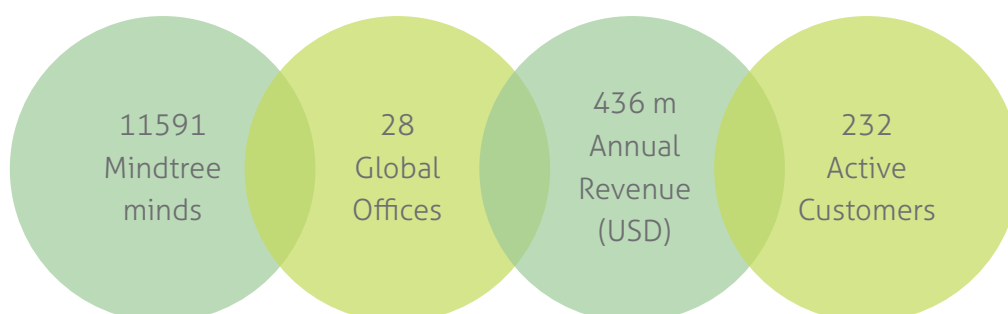
Governance & control

We comply with all applicable local, national and international laws, regulations, codes of practice, directives and conduct our business operations with high honesty and integrity. Mindtree pledges itself to be transparent about its progress on sustainability and stated goals with all stakeholders.

Workplace sustainability

Mindtree believes in a non-discriminatory environment that promotes equal employment practices, health, wellbeing, diversity and inclusion. With an occupational health and safety management system in place we encourage and maintain a safe work environment by providing fair working conditions to all Mindtree Minds.

Additionally, Mindtree recognizes social responsibility as an integral part of its corporate citizenship. We commit to support and nurture societies through innovative solutions to satisfy evolving needs of the society. The nine principles of the NVG guidelines are closely linked to our sustainability dimensions and programs. The principal sustainability topics covered in this report are ordered to provide a logical flow.



Their mapping to corresponding NVG principles are shown in the diagrammatic representation.

Sustainability Dimension	NVG Principles
Stakeholder Engagement	4 and 9
Corporate Governance & Advocacy	1 and 7
Workplace sustainability	3 and 5
Ecological Sustainability	2 and 6
Inclusive Growth	8

Stakeholder Engagement

Management approach

Effective stakeholder engagement is an integral component of an expertise led organization. Our approach towards our stakeholders is driven by following the highest standards of customer orientation, ecological protection, corporate governance and community development.

We collaboratively partner and engage with our stakeholders to achieve a significant sustainable change. This provides us valuable insights and catalyzes continuous improvement. Our stakeholders include our employees, customers, shareholders, suppliers, communities, academies, Government and regulatory bodies and the environment. We have a stakeholder based engagement model that acts as a value base for inputs and feedback on our sustainability programs. The stakeholder feedback is a crucial input to our strategy setting process and defines our future actions.

Corporate Governance & Advocacy

Management approach

Mindtree believes that good Corporate Governance is a key driver of sustainable corporate growth and long-term shareholder value creation. Mindtree's values have been integrated into every system and process. To us, sustainability begins with integrity; we conduct ourselves with the highest standards of integrity and are transparent in our professional transactions and dealings that may impact the place of work. Mindtree has a zero-tolerance threshold to bribery of or by any business partner, government agency or public authority.

Business strategic planning at Mindtree takes appropriate measures to integrate sustainability views

and programs with our business strategy. This helps us identify, assess and manage business risks. In the conduct of Mindtree's business and our dealings, we abide by the principles of honesty and transparency.

Mindtree has a comprehensive code of conduct policy that sets broad direction for all business dealings. This encompasses specific guidelines on information security, third party relationships, equal opportunity, human rights, breach in discipline and workplace etiquette. Additionally, the code of conduct bears linkage to three other policies, as described below.

Integrity policy

Our shareholders appoint and authorize the Board of Directors to conduct business with objectivity and ensure accountability. Each Mindtree Mind is issued a booklet on the Integrity Policy. All Mindtree Minds, irrespective of level, role and location are bound by the policy.

Anti-Bribery and Anti-Corruption policy

We are committed to the prevention, deterrence and detection of fraud, bribery and all other corrupt and unethical business practices. It is our policy to conduct our business activities with honesty, integrity, and the highest possible ethical standards while vigorously enforcing our business practice of not engaging in bribery or corruption across our operations.

Whistle blower policy

Mindtree has a robust Whistleblower Policy that establishes mechanisms to allow secured disclosures of incidents related to corporate governance, related party transactions, siphoning of funds, noncompliance to the law of the land, concealing legal mandatory disclosures, breach of fiduciary responsibilities, financial irregularities, sexual harassment, misuse of intellectual property, breach of integrity and any suspicious activity / event which indicates a potential threat to the security of Mindtree's assets and employees.

The whistleblower enterprise is governed by the Culture Protection Committee (CPC) that is responsible for case investigation, case closure and provision of adequate

safeguards for whistleblowers. Details of the cases in 2012-13 are detailed in the table below:

Type of Complaint		Action Taken	
Corporate Governance	2	Separation	1
Financial Irregularities		Warning	
Sexual Harassment	1	Counseling	2
Misuse of Intellectual Property		Process/ Policy changes	
Breach of Integrity	1	Minor Issue/ Clarifications	1
Threat to security		Others	

Advocacy

At Mindtree, we believe that business sector participation is key in meeting the challenges of development. We actively engage in a dialog as part of industry networks such as NASSCOM and CII in areas such as business excellence and strategic reviews.

Workplace Sustainability

Management approach

We believe in the Power of People. This belief is incorporated in meeting the strategic drivers that shape our people practices and processes. Mindtree's values create a global foundation for context drivers such as engagement, learning and empowerment which are led by our People Function throughout an employee's lifecycle - from candidate selection to exit interview. Mindtree's practices create a culture of openness and fairness. Our practices in performance management, compensation models, diversity and inclusion, learning & development and health & wellbeing embrace globally recognized standards and are prime in building a fair and free workplace.

	Total	Permanent	Contractual
Men	8,916	8,282	634
Women	3,532	3,309	223

Employee engagement and recognition

Mindtree's culture consists of a foundation of leadership, vision, values, effective communication, strategic plans and people policies that are focused on the employee. We believe that commitment, cooperation and responsibility are the foundations of engagement that provides an empowering platform connecting Mindtree Minds with different levels of the organization.

Drivers such as communication, performance clarity and feedback, organizational culture, rewards and recognition, relationships with managers and peers, career development opportunities and knowledge of the organisation's goals and vision are some of the factors that facilitate Mindtree's employee engagement practices.

Mindtree's engagement forums such as MiVoice, Mindspace, Fundo Club, Shadowing programs, mentoring programs, Emerging Leaders programs and informal engagement programs such as Konnect act as information sharing and interactive platforms that facilitate a regular channel of engagement at various levels of organization. We participate in the Great Places to work survey to externally validate our processes.

One noteworthy source of employee feedback and opinion, globally, is the MiVoice survey. This survey is a key input to our materiality matrix. MiVoice looks to evaluate aspects such as great workplace relationships, differences in perception across dimensions and demographics, understand employee experiences, effectiveness of people practices and connects and disconnects between people practices and employee perception.

The Fun@Work Charter brings lighter moments to work place by establishing fun events under one global umbrella.

Our rewards and recognition charter enables us to encourage a spirit of gratitude and build a culture in

rewarding for performance. This is an important exercise in both engagement and retention. We have several programs to recognise great efforts as well as a range of awards to reward exceptional work performance.

Employee retention

Mindtree has a robust retention council that supports business in improving retention levels. The council fosters an open and reliable culture that creates models of best retention practices and strategies. The council has driven a decreasing pattern in our attrition levels in comparison to previous years. Our attrition levels are currently at 13.4%. We hope to reduce this further next year. We have also revamped our rewards and recognition system to motivate our employees.

Fair work practices

Mindtree strongly believes in fair work practices, our efforts in this area align themselves to those stated in the human rights section of this report.

Our initiatives include:

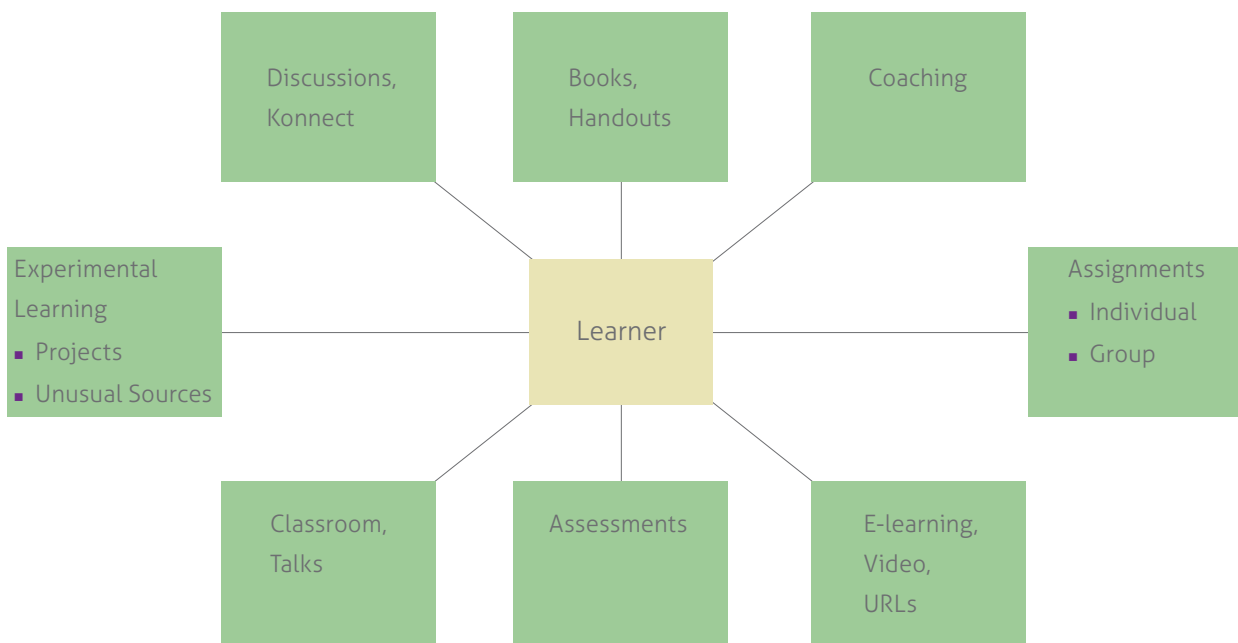
- An open session by the CEO conducted twice a year
- A direct communication wall known as KK’s Wall, where people can post questions for the CEO that is visible to everyone
- Tackling favoritism: Over the next 12 months the Chairman will personally monitor leaders to identify any inadvertent actions that may be taken as favoritism

- Communication: Regular communication on a series of internal job openings, coaching and instrument based sessions that explain the need for transparency

We ensure equity and fairness at the workplace through MindSpeak, an issue redressal forum, with regard to fairness in performance, career progressions, promotions, etc.

Learning and development

Learning and development at Mindtree is a strategic priority that is part of our Culture and Competence (C2) framework. The C2 initiative is conceptualized with the objective of facilitating learning and development within the organization. Learning plans are structured to cater a variety of learning opportunities through diverse channels that ensure a natural learning channel. The foundation of the learning culture in Mindtree is built with the current realities in mind. The Key focus in 2012-13 has been to build and develop domain expertise. We believe this will help us partner with our clients in their business transformation initiatives. The C2 team develops competence through certifications and training programs. During 2012-13, Mindtree Minds across levels benefited from over 1470 programs. Our Certifications are rigorous and cover aspects related to one’s role. They impart essential technology, domain, leadership and behavioural based skills that extends over an



individual's career map. For engineers with 0-4 years of experience, we offer domain knowledge training program called Archers. Furthermore, an emerging leaders program has been developed to build leaders for current and future roles.

Summary of learning & development programs

Soft-skills certification

- Senior Leaders: iLead
- Mid-level Leaders: vLead
- First Time Leaders: nuLead

Technical certifications

- Project Manager: Mindtree Certified Project Manager
- Business Analyst: Mindtree Certified Business Analyst
- Technical Leader: Mindtree Certified Technical Leader
- Senior Software Engineer: Mindtree Certified Software Engineer
- Software Engineer: Mindtree Certified Engineer

% of Employees that received skills training	
Permanent	75.61
Contractor	11.20
Permanent Women Employees	80.15
People with disability	80.65

Diversity & inclusion

Being a global organization on the cutting-edge of technology, talent and workforce diversity is integral for business success. As an equal opportunity employer, we work with a non-discriminatory practice that respects and values the workforce and with those we do business with. Embracing a diverse and inclusive workforce gives us an innovative, creative, competitive and more productive edge. Our focus on diversity and inclusion has gathered significant momentum in 2012-13, owing to the development of our charter. Mindtree's diversity and inclusivity charter focuses on four pillars which we call "EDGES" – Ethnicity, Disability, Gender and Sexual Orientation. Over the years the percentage of women at Mindtree has nearly doubled from 16% in 2004 to 28% in 2012-13. Mindtree follows a multidisciplinary approach to gender inclusion taking cognizance of the dual roles played by women and the additional responsibilities that they undertake in life.

Policies

We have defined policies that go a long way towards retaining women Minds. These are special needs leave, maternity leave, sabbatical, work from home policy, flexible working hours, equal opportunity policy, reasonable accommodation policy and prevention of harassment policy.

Infrastructure support

Infrastructural arrangements such as Baby's Day Out and Day Care Centers at our Bangalore offices assists greatly in promoting work-life balance.

Employee network group

Dhriti is Mindtree's Women's Network and serves as a platform for women Minds to voice their concerns and to share and learn from one's own and others' experience. It spearheads awareness programs on gender sensitivity and inclusivity. The Dhriti Umbrella covers defining women-friendly policies, career development programs and various e-learning and self-development initiatives. It also serves as a grievances forum.

Women

- Lady Minds constitute 28% of our total workforce
- Dhriti - A community built to Empower women realize their true potential has 500 members with 11 champions
- The high note – Leading Women speaker series -senior women from client organizations speak on career and life

People with disabilities

- 31 across various roles

Training & Mentoring

This program is indigenous, catering to the internal learning needs of Mindtree minds and fits into that learning space which cannot be classroom led. The program aims for the holistic development of Mindtree Minds, at both the professional and personal levels. It provides a focused, one on one, two way experiential learning avenue for the mentor and the mentee.

Women's Safety

Mindtree takes special focus for women's safety in transportation. Initiatives such as escort services, door step pick up/drop, unique auto routing software and driver training sessions are held in this regard.

TARGET

- Increase gender diversity (women) by 3% in totality by 2014-15
- Identify job roles suitable for individuals with different forms of disabilities

Mindtree has a comprehensive framework designed to aid inclusion. We believe that an inclusive environment encourages employment as well as a stable career path. Our inclusion framework is driven by our reasonable accommodation policy. In addition to this, we support accessible infrastructure at all our facilities and provide accessible technology and information systems. We look to identify job roles suitable to persons with varied forms of disabilities to facilitate the individual's career stability and growth. We are growing and expanding overseas, this provides us with a platform to generate local employment and capitalize on a talent pool of diverse nationals.

Health & Wellbeing

Health and wellbeing of employees is of prime importance to us. We strive to achieve a positive balance with all aspects governing the life of an employee. We promote a comprehensive approach that encompasses physical, mental and emotional wellbeing. Our flagship program, Healthy Mind Healthy Body (HMHB), Corporate Wellness Program that focuses on offering education and opportunities to improve both physical and mental health of Mindtree Minds. We also have B+ve, our employee assistance program where Mindtree Minds have a platform to get neutral and objective professional assistance from qualified counselors with complete anonymity and confidentiality. Additionally, we have a health portal, a one-stop shop for all health related queries. It has a host of health related articles, online chat sessions with dieticians and exercise finders. A detailed list of health and wellbeing programs is provided in the table below.

All our India locations are OHSAS 18001:2007 Certified. With this certification as our backbone, we drive a comprehensive health and safety policy that entail workplace hazard identification, risk assessment programs and security measures. Our practices that promote safety, health, emergency response and overall wellness are frequently revised based on regulations, industry trends and employee feedback.

Benefits	Physical Wellbeing	Psychological Wellbeing	Safety & Security	Awareness
Medical Insurance	Healthy Mind Healthy Body	B+ve - Employee Assistance Program	Security Training	Talks by experts & workshops
Group Term Life Insurance	First Aid Centers		Emergency Response Teams	Health Camps
Leave Policies	Ergonomic Consulting & Evaluations			Process Improvement Plans
Paternity Leave	Fitness Camps			
	Baby's Day out & Day care centers			

Human Rights

Management approach

Mindtree represents a talented and diverse workforce. We strongly believe in a free and fair workplace without any form of discrimination. This fosters a culture that embraces differences and celebrates unique ideas, perspectives and experiences.

Mindtree respects and values equal opportunities among our workforce and with those we do business with. Our Code of Conduct defines our actions as an ethical employer. We do not discriminate on grounds of race, ethnicity, gender, gender-identity, language, age, sexual orientation, religion, socio-economic status, physical and mental ability, for salary and or any other employee benefits. Mindtree's position on equal opportunity is strong in all aspects of employment, including recruitment, training conditions of service, career progression, termination or retirement.

Our focus on human rights is tailored into our compliance systems. We ensure compliance with labour norms such as prevention of child labor, forced or involuntary labour and conformance to employment norms like minimum wage standards, statutory benefits, and timely wage payment. There have been no defaults in this regard.

We respect employees' right to freedom of association. At present, none of our employees are part of registered trade unions.

Promoting human rights across our value chain

Mindtree's suppliers undergo human rights screening as evinced by the contract signed containing the principles of Mindtree's supplier code of conduct. Our supplier code of conduct as well as the Leadership in Energy and Environmental Design (LEED) principles, to which we adhere, extends the responsibility of transparency and integrity to our suppliers and furthermore facilitates sustainable sourcing.

Contracted labor and vendors are required to abide by the norms of Mindtree's Code of Conduct while working on our premises. To imbibe our culture of integrity

across the value chain, we conduct integrity sessions for vendors and contract staff. There have been no incidences of Code of Conduct violations or complaints for the reporting period.

TARGET

- Enforce the supplier code of conduct across Mindtree's supply chain
- Develop and implement supplier evaluation process in terms of an engagement model in line with Mindtree's Supplier code of conduct

Ecological Sustainability

Management approach

Ecological Sustainability is one of the key pillars of Mindtree's sustainability framework. With the increasing centrality of issues such as climate change, energy security and water stress, we recognize environmental risks and the importance of managing our impact on the environment. We aim to minimize the environmental impact of our business operations through resource conservation practices, Green House Gas footprint reduction, efficient energy management, water efficiency, sustainable waste management and by engaging Mindtree Minds as evangelists.

Scope of report

Mindtree India, representing 89% of our workforce.

Management systems

The Environmental Management system framework is the backbone of our environmental charter. All our India offices are ISO 14001: 2004 Certified.

Energy efficiency

Energy availability is a core area of our resource conservation efforts. Over the years we have implemented a variety of energy conservation and energy efficiency measures. The implementation of energy efficiency measures in the areas of IT infrastructure, cooling, lighting and general operations has resulted in a savings of 782 MWh in the year 2012-13. Our employee energy intensity stands at 201 kWh per month.

We have adopted the LEED green building design for our

infrastructure. 3 of our India offices are certified to LEED gold standards.

TARGET

- Reduced energy consumption per capita by 5% year on year by the implementation of energy efficiency measures
- Ensure all new buildings follow at minimum, LEED Gold standards of construction.

Green community

Our Green community has been a passionate advocate for change and eco-friendliness within and outside Mindtree, spearheading initiatives in the fields of energy, water and waste.

Water efficiency

Water scarcity is a growing reality in the world around us. At Mindtree, water is withdrawn from three sources - ground water, municipal water supplies and private purchase. We have put in place rainwater harvesting systems in late 2012-13 to capitalize on water harvesting from monsoons.

100% of the outlet water from our facilities is treated using Sewage Treatment Plants (STP's) available at our own premises and Common Effluent Treatment Plants (CETP's) at our builder's premises. We recycle approximately 8% of water using owned STP's and the rest using CETP's. This water is reused internally for flushing and landscaping purposes.

Our water consumption per employee is 1.05 KL per month. We are constantly exploring better methods to monitor, measure and conserve our water. We have implemented waterless urinals at our Bangalore campuses leading to a saving of approximately 2400 KL of water every year. Additionally, we have installed water filters in washroom taps that regulates the supply of water hence reducing consumption by roughly 180 KL annually.

TARGET

- Reduce water consumption per capita by 5% year on year.
- Implement rain water harvesting or ground water recharge systems in all owned campus

Waste management

At Mindtree, we are diligent about tracking and managing our waste levels. We continually assess the operational risks to the environment and take care to recycle our waste where possible.

65% of the waste generated at our facilities is recycled through authorized vendor tie-ups. A majority of the balance mixed solid waste and tissue paper is also handled through vendors. However, the final fate of the waste is not clearly understood.

TARGET

Improve waste recycling from 65% to 85% by 2015

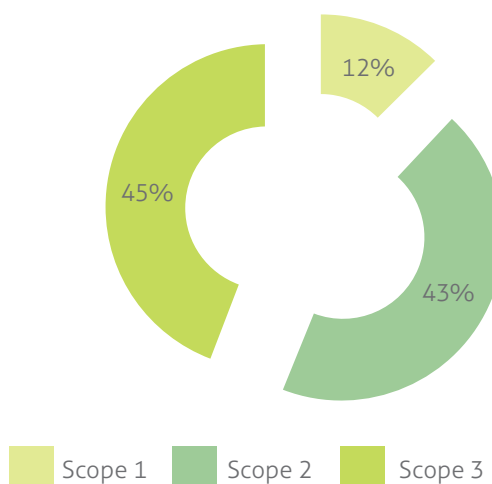
We are continuously exploring better monitoring of our waste management practices. A significant proportion of the waste data is based on derivations.

GHG Footprint

We started measuring our carbon emissions from 2009 and have actively taken steps to reduce our GHG footprint. Our GHG mitigation strategy works on a three pronged approach - resource conservation practices, energy efficiency and sustainable waste management.

The chart provides a summary of our overall carbon emissions – categorized under:

- Scope 1 (emission from direct energy consumption, like fuel),
- Scope 2 (emissions from purchased electricity) and
- Scope 3 (emissions from other indirect sources).



Our Emission intensity stands at 3.38 tons/employee. In addition to our energy efficiency practices, we made a concerted effort to reduce the GHG footprint of our scope three emissions. Implementation of transportation initiatives such as common bus systems, carpooling and cab route optimization have contributed significantly in the reduction of our footprint.

TARGET

Reduced GHG footprint per capita by 5% year on year

We ensure all our emissions are within the permissible limits prescribed by the pollution control board.

We are in the initial stages of implementing our GHG mitigation strategy and hence have not adopted a clean development mechanism project.

Biodiversity

Biodiversity loss is one of the least understood ecological risks and critically interconnected with global warming, water scarcity and livelihood loss in many ways. None of our current facilities is proximate to biodiversity sensitive areas (protected or of high value). Our business operations pose zero risk to any endangered species, plant or animal.

Environmental management in our value chain

Design and development of software solutions is core to Mindtree's business operations. In our sustainability vision and thinking, we recognize the centrality of going beyond our organization's boundaries and working with all stakeholders in the value chain - suppliers, customers, contractors and service providers. As we do not develop products, we regularly review and improve upon the process of new technology development, deployment and commercialization by incorporating social, ethical, and environmental considerations. Our supplier code of conduct as well as the LEED principles, to which we adhere, extends the responsibility of transparency and integrity to our suppliers and furthermore facilitates sustainable sourcing.

Green community initiatives

Solid Waste Management Initiatives in Raja Rajeshwari Nagar

Green community members are working on an initiative on Solid Waste Management in the neighboring locality of Raja Rajeshwari Nagar. This has yielded excellent results and the efforts have been highlighted in the Times of India Bangalore edition under the section "City & the Citizen".

Environment day celebrations

Important events such as World Environment Day, World Water Day, Earth Day and Earth Hour are celebrated to bring awareness. We regularly conduct "Expert talks" sessions on afforestation, rain water harvesting, biodiversity conservation, waste management, and eco-architecture

Awards & recognition

- People Green Award (Jul'12): Mindtree has won the 2nd Runner-up in the People's Green Award category as part of the TCS World 10K Marathon that was held in Bangalore, May 2010. This award is for Companies and Corporate Foundations contributing to the environmental causes without seeking any monetary gains
- "Certificate of Merit" for a note worthy performance in community impact by SHRM, India

Customer Engagement

Mindtree takes pride in the fact that we have consistently assisted our customers build value by engineering meaningful technology solutions and by delivering high quality services. We have several mechanisms in place to measure Customer Satisfaction. We gather feedback regularly through project surveys and steering committee meetings.

The CES (Customer Experience Survey) process is an annual check on the health and customer relationship sustenance. The actions emanating from the survey drive our customer engagement and service delivery improvement initiatives at different organisational levels. We have not received any customer complaints nor have incurred any cases with regard to unfair trade practices, irresponsible advertising or anti-competitive behavior in the last five years.

Inclusive Growth & Equitable Development

Management approach

Mindtree recognizes social responsibility as an integral part of its corporate citizenship. Driven by our value system, we commit to support and nurture societies through innovative solutions to satisfy evolving needs of the society. We strive to foster a socially responsible corporate culture by introducing a balanced approach to business by addressing social and environmental challenges through required investments, necessary resource allocation and stakeholder engagements. Mindtree Foundation plays a catalyst role in bringing this change, step by step.

Our social transformation initiatives are led by Mindtree Foundation and are now nearly six years old. Over the years, our approach has been to engage in social issues with sensitivity, rigor and responsibility. Mindtree Foundation lays the platform for Mindtree's value system. The Foundation's charter is to

- Promote education to underprivileged children with a special emphasis on people with disability
- Provide relief to poverty by way of assistance to food, shelter and clothing
- Provide relief to distress caused by calamities of nature

Mindtree Foundation strives to achieve these charters through its grant, voluntary, organizational development and technical consultancy programs. Below is a snapshot of our activities.

CSR Contributions (2012-13)	Amount (INR)
Donation-Charitable Institutions	5,050,000
Donation-Shelter Expenses	18,021,549
Donation school fees	538,007
Donation food expenses	90,010
Indirect Expenses towards donation	22,578
Miscellaneous	68,681
Total	23,790,825

