

Apollo Hospitals Enterprise Limited

Business Responsibility Report
2015-2016



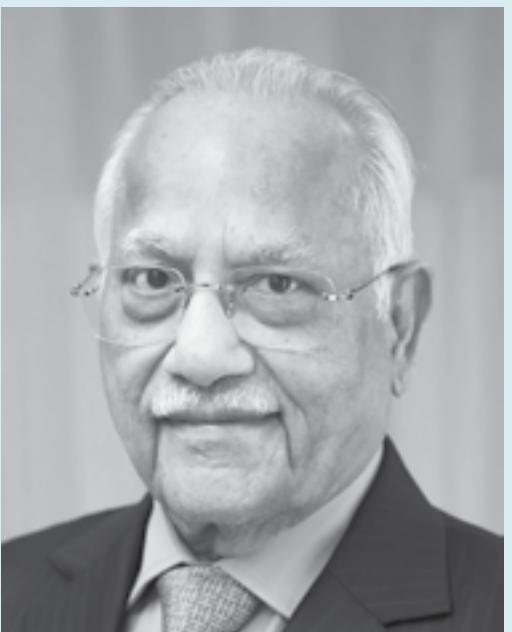


Apollo Hospitals Enterprise Limited

Business Responsibility Report
2015-2016

DR. PRATHAP C REDDY

Executive Chairman
Apollo Hospitals Group



‘Our mission is to bring healthcare of international standards within the reach of every individual. We are committed to the achievement and maintenance of excellence in education, research, and healthcare for the benefit of humanity.’

Dear Stakeholders...

I am delighted to present Apollo Hospitals Maiden Business Responsibility Report to you. As a representative of the Company, I thank you for your valuable time and your contribution towards Apollo Hospitals' current position in the Indian economy. Our report is an attempt to connect with each one of you, to apprise you where we stand and how we impact the environment and society in which we operate.

Our Business Responsibility Report (BRR) is in line with SEBI's circular dated August 13, 2012 and the

(Amendment) Regulations, 2015, which mandates inclusion of BRR as a part of the Annual Report for the top 500 listed entities.

The “Apollo Hospitals” brand is recognized as a strong brand in the healthcare sector in India. We are a preferred choice of patients and medical professionals alike. With 6 JCI accredited facilities, we have the largest number of global accreditations for any single healthcare group in Asia. Excellence in patient care continues to be the primary focus at all our hospitals.

We know that building a climate of trust with patients and local communities in the countries where we operate is one of the necessary conditions of hope. We have a responsibility to uphold the highest ethical standards in every country and our Board of Directors play a pivotal role in ensuring that the Company runs on robust and ethical business principles and that its resources are utilized for creating sustainable growth and societal wealth.

Apollo Hospitals has a continuing focus on adopting the latest technologies and providing best in class treatment, while also delivering world-class clinical outcomes for the patients. We have made strides in advancing our commitment to embedding environmental, social and economic considerations into all of our business practices.

In our journey of continuous improvement, our aim has been to strengthen our clinical system further and this is done through our unwavering focus on talent, training and processes. We place equal importance on our employees health and safety and invest substantial resources into preparing our employees' to address new healthcare challenges and hone their skills. The diversity of our workforce drives the development of innovative solutions and allows us to respond more effectively to the needs of patients and our other stakeholders.

Tender loving care is a silent revolution that sweeps the corridors of every Apollo hospital, every single day. We take seriously our responsibility to maintain a sustainable environment for generations to come. Last year, we have taken several initiatives to preserve earth's resources and safeguard our planet. We also collaborated with colleagues across our network on energy conservation, waste reduction, environmentally conscious construction and the adoption of more nutritious standards.

Our mission is to touch a billion lives. We strive to reach out to people from every walk of life and do our bit to help them stay healthy. Apart from the major social initiatives and programmes that Apollo Hospitals has

initiated, every individual hospital in the group does its bit for the community it serves. Every member of the Apollo family is committed to provide care and comfort to the people in their location.

We have pioneered emergency care over three decades and have been on the forefront to bring in innovation and re-define benchmarks in India, which are comparable with the best in the world. Through our Apollo “REACH” Hospital initiative, we have been able to set up a network of secondary care facilities in Tier II and Tier III cities which provide access to high quality healthcare services and technology at their doorstep.

We constantly endeavour to bring in innovative solutions and technologies in India and evaluate the technical feasibility of innovation using our in-house developed Innovation matrix. We benchmark our practices with the best hospitals in the world to ensure the highest quality clinical standards.

In our Business Responsibility Report, we present in an open and transparent manner, the operations of the Apollo Group. It is our hope that this report will strengthen our bond with the general public, help the public understand the faith, actions, and organization of our system, open up a dialogue with our stakeholders, and draw us all together to collaborate on building the future of the Company.

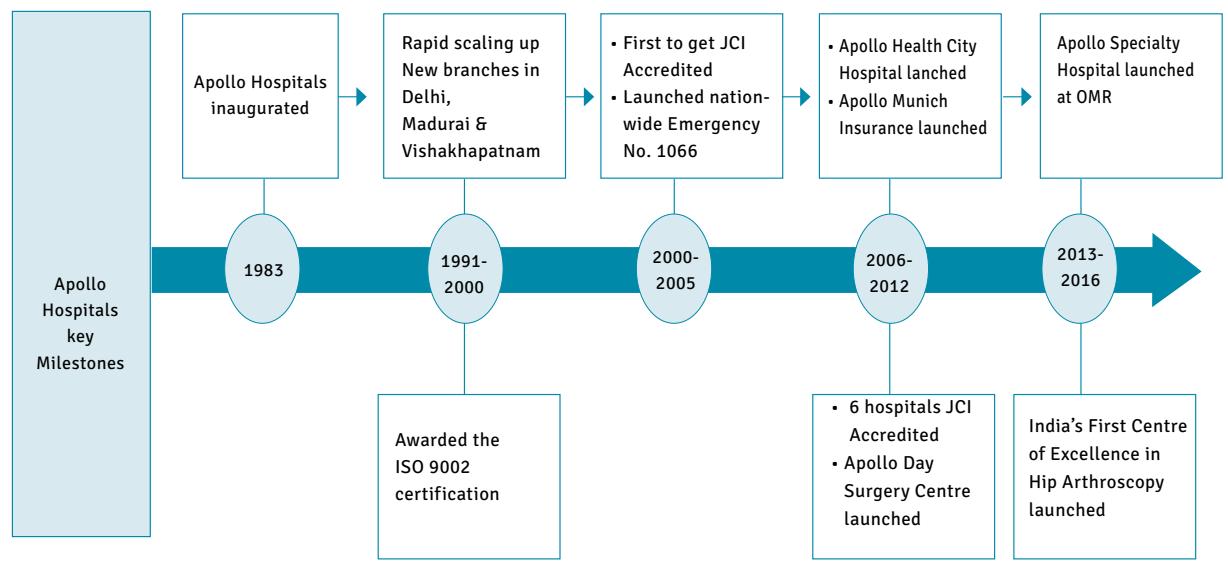
I am encouraged by the progress we've made in our sustainability efforts over the past few years and grateful to our employees for serving both as compassionate stewards of care and responsible global citizens. We will continue to identify new and innovative ways to enhance our sustainability program as it remains a priority for our business and an integral component of our mission.

I would like to thank the Board and the management team for their ongoing commitment to Apollo Hospitals, but most of all to the staff and Doctors who work very hard to ensure that we continue delivering better health outcomes.

Dr. Prathap C Reddy,
Executive Chairman
Apollo Hospitals Group

About Us-Know us better

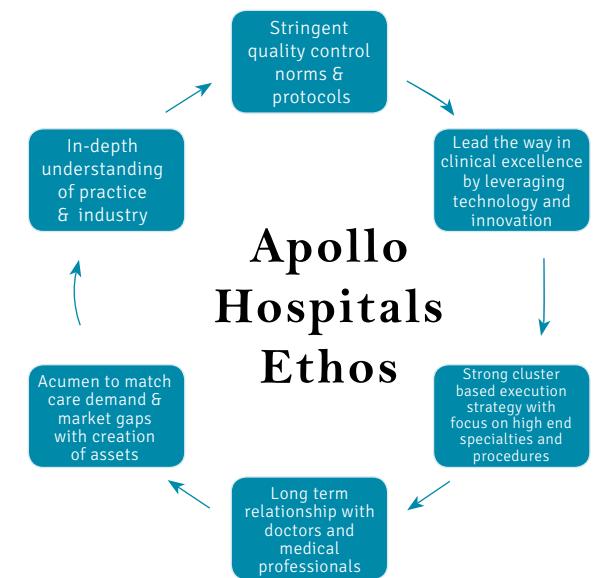
Apollo Hospitals Enterprise Limited (AHEL) founded by Dr. Prathap C. Reddy is widely recognised as the pioneer of private healthcare in India. We have a total of 9,554 beds across 69 hospitals (61 through wholly owned/subsidiaries/JVs/Associates and 8 under management contracts & franchise arrangements) under our management apart from operating 2,326 pharmacies. We also provide projects and consultancy services to third party organisations.



Our business model has enabled access to world class healthcare amenities at affordable prices. Our enduring value systems continue to drive unwavering focus on key touchstones like excellence, expertise, empathy and innovation.

Over the past three decades the Apollo Hospitals group has forged a transformative journey in the Indian healthcare sector, with the adoption of clinical excellence standards, acquiring international quality accreditations like JCI and monitoring adherence to global best healthcare practices. Our group has also pioneered the Tender Loving Care (TLC) concept through which hospital processes are continuously improved to ensure maximum patient centricity.

We are headquartered in Chennai with a pan India presence. In addition, we have also established our presence in Bangladesh, Kuwait and Qatar and are in the process of setting up an advanced healthcare facility in Dar es Salaam, Tanzania through a Joint Venture Agreement. We also operate telemedicine units in Burma and East & West Africa.



Though Apollo has been in the pharmacy business for 20 years, the business has seen rapid evolution in the recent past. There has been exponential growth in the business where operations have expanded from 350 stores initially to 2,326 pharmacies. One unique feature in some of the standalone pharmacies is a 'nurse station' where basic services of dressing, blood pressure, blood sugar monitoring, are provided free of charge to our customers. Our product mix has also seen favourable modification with the introduction of wellness and self-branded products. The pharmacy team is looking at levers such as improved stocking, widening of product portfolio including addition to our range of self-branded products, more impactful marketing, and the introduction of value-added services in these stores to get them to more profitable operating margins.

Pioneer of cardiac and cardio-thoracic procedures
India's first keyhole multiple bypass surgery was conducted at our hospital and we were the first private healthcare provider to perform a heart transplant in 1995.

Leading through innovation

At AHEL, we embrace a culture of innovation and focus on identifying the most advanced technologies and procedures. We have adopted cutting edge technology such as Novalis, CyberKnife, 3T MRI and 320 slice CT in our hospitals. Sterilization of surgical instruments is carried out through state of the art technology and quality indicators. Our micro-biology lab provides the backbone for ensuring surveillance of patient infections.

64 Slice CT Angiography

With a commitment to offering nothing but the best to our patients, we have always leveraged the latest technologies be it in diagnostics or for procedures.

We systematically benchmark our performance against some of the leading hospitals around the world through ACE, our clinical balanced scorecard which embodies our commitment to excellence and our efforts to continuously improve our standard services. ACE @ 25 (renamed as ACE 1 now) assesses performance based on twenty five clinical parameters which are

critical to delivering the best clinical outcomes. In our commitment to excellence, we launched ACEP, a quality initiative, in 2013. This tool shares best practices in clinical excellence and quality improvements with other healthcare providers.

Ours is the only hospital in India with a PET Suite (both PET MRI and PET-CT in the same facility). We have capability for robotic surgeries in multiple facilities.

Focus on Patient Safety

We monitor surgical site infections to help reduce hospital stay for the patient while enhancing outcomes after surgery. Monitoring and reducing Door to Balloon time helps to prevent any complication for the patients. VAP per 1,000 ventilator days are monitored through National Healthcare Safety Network benchmark at 0.9 VAP per 1,000 ventilator days. This helps to reduce airway infection for all patients with ventilator support.

0% "Missed Injuries" in acute trauma patients

Excellence in Clinical Services

Our multi-disciplinary assessment methodology helps in optimizing treatment plans to ensure best possible clinical outcomes. Our systems and procedures frequently monitor key metrics thereby, leading to high success rates and clinical outcomes especially for complex and high-end medical procedures.

We have also added characterization of human genetic variations to determine their association with complex diseases based on Genome-Wide Association Studies. Apollo has entered into a strategic partnership with Datar Genetics to offer the Personal Genome Analysis Test that determines genetic based disease predisposition for more than 60 conditions.

Apollo Chennai launched India's first Centre of Excellence in Hip Arthroscopy, a cutting edge procedure using minimally invasive techniques.

CENTRES OF EXCELLENCE

1. Apollo Heart Institutes	Over 160,000 + Cardiac surgeries 99.6% success rate in cardiac bypass Introduced off-pump & beating heart surgeries
2. Institutes for Orthopedics	TKR, Ilizarov procedure and hip resurfacing- high success rate Congenital spine problems, ceramic coated knee replacements
3. Institutes of Neurosciences	Transsphenoidal surgery for pituitary tumors, spinal fusions, x-knife for fractionated treatment of benign and malignant tumors Supported by modern neuro radiology services, neuro-intensive care facilities and oncology services
4. Emergency	200 + ambulances, 500+ calls daily, 120,000+ emergency footfalls annually, 500,000+ calls served in 10+ years Well-equipped ambulances Air ambulance services for remote areas Effective communication system between ambulances and emergency facilities
5. Cancer Institutes	First in India to introduce Stereotactic Radiotherapy and Radiosurgery for cancer treatment Introduced the most advanced Cyberknife Robotic Radio Surgery System in Asia Pacific Region First in India to introduce Proton Beam Therapy
6. Institutes of Transplant	1,570+ solid organ transplants during FY 2015-16 Services offered include liver and kidney transplant, heart transplants, intestinal & GI transplants & paediatric transplants
7. ICU Management	Infection control protocols developed jointly with intensivists and anesthetists Standardized procedure for clinical handover

We have set the highest standards of clinical outcomes in various specialties which has helped us in maintaining an impeccable track record and high success rate even in surgeries of high complexity such as transplants and oncology.

Patient Centric Care Giving

In our endeavour to continuously improve patient care we benchmark our services and seek accreditation. This is evidenced by the metrics in the ACE 1 and RACE surveys which monitors parameters such as infection rates and medication errors, falls etc. and these are bench marked with the best in the industry. Our innovative and flexible training and development approaches have continued to ensure that we have highly competent personnel consistently delivering high quality care.

Among the most talented group of people with multiple awards including "Best places to work"

Social Initiatives

Apollo Hospitals strongly believes that social initiatives help transcend barriers. The SACHI (Save a Child's Heart Initiative) initiative aims to provide quality paediatric cardiac care to children from the underprivileged sections of society suffering from heart diseases. We also support the SAHI (Society to Aid the Hearing Impaired) initiative which aids poor children with hearing impairments. We have also joined hands with Yuvraj Singh's YOUNEWECAN to organize large-scale cancer screenings, in addition to regular comprehensive health screening camps across the nation. Being the pioneers in the healthcare industry it is imperative that we ensure environmental well-being. We have made considerable investments in state of the art medical technologies and equipment. We leverage these investments to increase the efficiency and effectiveness of our services and conserve energy. Some of our initiatives such as installing solar water systems in various facilities, water harvesting, and stringent bio-medical waste management supports AHEL's culture of awareness and sensitivity towards conserving and preserving the environment.

SECTION A, SECTION B & SECTION C
Section A: General Information about the Company

CIN	L85110TN1979PLC008035
Name of the Company	Apollo Hospitals Enterprise Limited
Registered Address	No. 19, Bishop Gardens, Raja Annamalaipuram, Chennai – 600 028
Website	www.apollohospitals.com
E-mail ID	investor.relations@apollohospitals.com
Financial Year Reported	2015-16
Sector(s) that the Company is engaged in (industrial activity code-wise)	Healthcare Sector
List three key products/services that the Company manufactures/provides (as in the Balance Sheet)	Healthcare services Stand Alone Pharmacy
Total Number of locations where the business activity is undertaken by the Company	AHEL's business operations are spread across various locations in India . AHEL's business activities includes operating hospitals and pharmacies and it has a presence in Bengaluru, Chennai, Hyderabad, Aragonda, Bhubaneshwar, Bilaspur, Karur, Madurai, Mysore, Nashik, Nellore, Trichy and Visakhapatnam.

Apollo has an international hospital located in Dhaka.

India, Bangladesh, Africa and Burma

Section B: Financial Details of the Company

Paid up Capital (INR)	₹695.63 million
Total Turnover (INR)	₹54,090 million
Total Profit After Tax (INR)	₹3,694 million
Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit After Tax (%)	2.34%
List of Activities in which expenditure in 4 above has been incurred	1. Rural Development 2. Education and 3. Healthcare

Section C: Other Details

Does the Company have any Subsidiary Company/ Companies?	Yes. The details of subsidiary companies can be referred to in the Annual Report FY 2015-16 on page No. 51.
Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Companies:	Subsidiaries maintain policies relevant to their business operations. However, AHEL always encourages its subsidiary companies to run their business in a socially and environmentally responsible manner.
Do any other entity/entities (e.g., suppliers, distributors, etc.) 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. But going forward, AHEL intends to extend its applicable environment, social and governance policies to cover all its relevant stakeholders.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR	
DIN Number	00001873
Name	Smt. Suneeta Reddy
Designation	Managing Director
Telephone number	+91-44-28290956
E-mail ID	suneetareddy@apollohospitals.com

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)									
S. No	Questions	Business Ethics P1	Product Responsibility P2	Well Being of Employee P3	Stakeholder Engagement P4	Customer Relations P9	Equitable Development P8	Public Policy P7	Environment P6
1	Do you have a policy/policies for?	✓	✓	✓	✓	✓	✓	✓	✓
2	Has the policy been formulated in consultation with the relevant stakeholders?	✓	✓	✓	✓	✓	✓	✓	✓
3	Does the policy conform to any national/international standards? If yes, specify? (50 words)	AHEL conforms to the following national and international standards: 1) NVG Guidelines issued by the Ministry of Corporate Affairs, GOI 2) Environment and Social Guidelines issued by IFC. 3) Quality of healthcare guidelines issued by JCI and NABH. 4) Environment Guidelines as per ISO 14001 and Ministry of Environment and Forest.							
4	Has the policy been approved by the Board? If yes, has it been signed by MD/Owner/CEO/appropriate Board Director?	Yes, all the policies at AHEL have been approved by the Board.							
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Yes, the Board has nominated a Director to oversee the implementation of the policy.							
6	Indicate the link for the policy to be viewed online?	https://www.apollohospitals.com/apollo_pdf/code-of-conduct-directors.pdf https://www.apollohospitals.com/apollo_pdf/code-of-conduct-sm.pdf https://www.apollohospitals.com/apollo_pdf/whistle-blower-policy.pdf https://www.apollohospitals.com/apollo_pdf/csr-policy.pdf https://www.apollohospitals.com/apollo_pdf/board-familiarization-policy.pdf							

S. No	Questions	Business Ethics P1	Product Responsibility P2	Well Being of Employee P3	Stakeholder Engagement P4	Customer Relations P9	Equitable Development P8	Public Policy P7	Environment P6
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been formally communicated to internal and external stakeholders. It has been communicated to the external stakeholders through www.apollohospitals.com							
8	Does the Company have an in-house structure to implement the policy/ policies?	Yes, we have a well defined governance structure with clear roles and responsibilities within the organization.							
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓							
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	All the policies have been formulated in consultation with various stakeholders, however the Company plans to carry out an internal/ external assessment in due course of time.							
2a.	If answer to Section 2 against any principle, is 'No', please explain why: (Tick up to 2 options) – Not Applicable								
3.	Governance related to BR								
1	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The Company will come out with its first BR report this financial year. The Board of Directors will assess the BR performance of the Company annually henceforth.							
2	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 has published its first BR report for the financial year 2015-16.							

Principle 1: Ethics, Transparency and Accountability

High standards of business ethics and governance have been fundamental to AHEL since its inception. We believe that for our sustained growth and profitability, we must maintain high standards of corporate conduct towards our shareholders, patients, employees, other stakeholders, and society in general. We have always focused on good corporate governance, which is a key driver of sustainable corporate growth and long-term value creation for our shareholders.

We maintain effective oversight and strong accountability through sound corporate governance practices that start with our Board of Directors and are applied at every level of the organisation.

Good governance at the Company is ensured through deployment of strategy and oversight by the Board of Directors, building a robust governance structure, laying and implementing transparent policies, establishing systems & processes for internal control, strengthening risk management framework and ensuring compliance with all the applicable laws, rules and regulations.

Organizational / Governance Structure

The Board of Directors consists of a combination of executive and independent Directors who provide strategic direction to AHEL. Further, various sub-committees of the Board have been constituted by the Board as required under statutory regulations & guidelines and also to facilitate the smooth & efficient flow of the decision making process. The Board of Directors play a pivotal role in the implementation of sound and ethical principles across the organization and ensuring integrity and transparency in the Company's dealings with its stakeholders.

To increase the efficiency and effectiveness of governance, specific functions are regularly supervised by dedicated board committee members. The board

committees include the Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Share Transfer Committee, Stakeholders Relationship committee, Risk Management Committee and the Investment committee.

Our Code of Conduct

A Code of Conduct for Board Members and Senior Management Personnel has been formulated to ensure ethical business conduct. Further, we have also developed and implemented systems and processes for proper operation of internal controls for the organization.

The Code, which was approved by the Board, encompasses general moral imperatives, specific professional responsibilities, and additional duties / imperatives for Board Members and Senior Management personnel. The Code reflects our thorough belief in maintaining the highest standards of business ethics, which take into account our business performance and impact on society.

The Company Secretary has been appointed as the Compliance Officer and is responsible to ensure adherence to the Code by all concerned individuals. All members have affirmed compliance to the Code during the reporting period. Besides being available on our website, copies of the Code are circulated to all the individuals concerned.

The Code of Conduct can be referred at https://www.apollohospitals.com/apollo_pdf/code-of-conduct-directors.pdf and https://www.apollohospitals.com/apollo_pdf/code-of-conduct-sm.pdf.

Conflict of Interest

Identification, resolution and striving for avoidance of any situations giving rise to conflict of interest is

crucial to good governance and maintaining trust in organizations.

At AHEL, the Code of Conduct has specific clauses, adherence to which ensures no cases of conflict of interest. Conflict of interests at the Board level are avoided and managed in the following manner:

- Directors give the disclosure of their concern or interest in any Company or companies or bodies corporate, firms, or other association of individuals by giving a notice in writing and the same is put up to the Board. In case a Director is directly or indirectly interested in a particular agenda/ matter, he abstains himself from participation in the discussion of such agenda item.
- Related party disclosure(s) is made as per the applicable Accounting Standards as well as under the Companies Act, 2013 and Rules made thereunder.
- As per the requirement of the Companies Act, 2013 and Listing Agreement, approval of the Audit Committee and/or Board and/or Shareholders as required is taken for Related Party Transactions.

Risk Management

Risk management is one of the key aspects of Corporate Governance. Most prominent of these being the Organisation of Economic Co-operation & Development (OECD) principles of corporate governance and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Regulation 21 of which integrates risk management with corporate governance. The Companies Act, 2013 requires the Board of Directors to develop and implement a risk management policy and identify risks which may threaten the existence of the Company.

While it may be impossible to eliminate all risks, we take utmost care to mitigate and reduce our risk exposure to the maximum possible levels. As a part of our risk management approach and also in pursuance to the requirement of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted a Business Risk Management Committee.

The Company has also developed a robust Business Risk Management framework to identify and evaluate business risks & opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

The business risk framework defines the risk management approach across the enterprise at various levels. The framework has different risk models which help in identifying risk trends, exposure and potential impact analysis at a Company level as also separately for individual business segments.

Internal Control Systems and their Adequacy

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Internal Audit function carries out risk based auditing as per the annual audit plan approved by the Audit Committee.

Internal Audit function carries out the audit of financial, commercial, technical and other business activities of the Company besides reviewing the adequacy of internal control systems and risk management framework. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

Ethics and Integrity

At AHEL, we believe the best way to build and to maintain trust is to conduct every element of our business according to the highest standards of ethics and integrity.

Ethics and integrity are the cornerstones of performance and sustainability. At AHEL, we believe in adhering to all applicable statutes in letter and spirit and endeavour to adopt best practices to go beyond adherence of statutory frameworks and bring transparency, accountability and equity in all facets of its operations.

In terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board has formulated internal Procedures for Prevention of Insider Trading in dealing with the securities of AHEL. The Company also ensures that all the applicable rules, regulations, laws and bye-laws of the land are adhered. Over the years, we have also been successful in developing and implementing systems and processes for internal controls throughout our organizational structure.

Anti Corruption and Bribery

Besides strengthening the risk management framework and building strong internal controls, AHEL also has a robust vigilance mechanisms in order to curb corrupt practices it may encounter during the course of its business. We have zero tolerance for corruption at the workplace.

In addition to the Code of Conduct, the Company also has a Whistle Blower policy (https://www.apollohospitals.com/apollo_pdf/whistle-blower-policy.pdf) in line with the requirements of Section 177 of the Companies Act, 2013. The policy enables all employees to report concerns of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct within the Company without fear of reprisal or

victimization to the management of the Company. Our intent behind the whistle blower policy is to identify potentially serious concerns, which could have a long term impact on the operations and performance of AHEL.

Grievance Redressal

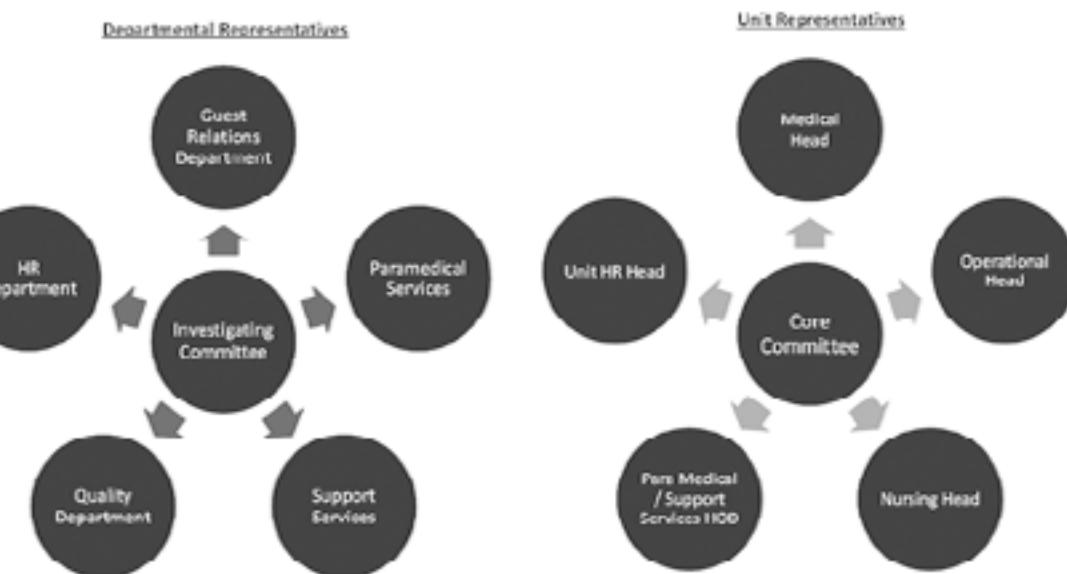
AHEL is committed to provide services to its stakeholders to in a transparent manner by upholding the highest values of corporate governance and ethics. Our endeavour is to uphold and ensure implementation of our core organizational values. However, if due to any unprecedented reasons, stakeholders find that there is / are reason(s) to improve, then they are encouraged to report the same.

The Company has formulated a 'Stakeholders Relationship Committee' specifically to look into issues such as redressing of shareholders' and investors' complaints such as transfer of shares, non-receipt of shares, non-receipt of declared dividends and ensuring expeditious share transfers and also redressing the grievances of deposit holders, debenture holders and other security holders. The status on complaints and share transfers is reported to the Committee periodically.

AHEL also consistently strives to provide an enabling work environment for its employees satisfaction as negative disruptions in the workplace often tend to make employees feel demotivated. In order to avoid negative disruptions, the Company has in place an Employee Grievance Redressal System (EGRS) to primarily address all concerns and grievances from employees. The underlying purpose behind the (EGRS) system is to develop an organisational framework which works to quickly address and resolve the employee grievance, and identify and anticipate flaws in the operational procedures and services of AHEL. The investigating committee and core committee play a vital role in ensuring the effectiveness of the EGRS system.

In the financial year 2015-16 we have provided services to around 3 million patients. The feedback of our internal and external stakeholders is important for us to strengthen the relationship with the stakeholders. During the financial year 2015-16, we received

6,979 instances of stakeholder concerns / complaints and over 95% of these concerns have been resolved. We also received 214 concerns/complaints from our shareholders and all of these concerns have been resolved. This is a testimony to the fact that we take complaints meticulously and work on resolving them on a priority basis.



Principle 2: Product Life-Cycle Sustainability

We care about the potential impact of our operations to the environment and on people's health. We have consequently implemented safeguards at every stage in the life cycle of our products/services. Each year, we evaluate, monitor and seek to reduce waste from our operations and contribute to advancing scientific knowledge. To protect the environment, we have undertaken several initiatives for reduction of energy and water consumption.

We also have a Sustainable Sourcing and Purchase Policy to ensure good Environmental, Social and Governance (ESG) practices in our entire value chain. The focus is on conducting business in an ethical manner and abiding by all legal and regulatory requirements and other applicable best practices. All our purchases and contracts are executed in compliance with our

procurement policy. It is our constant endeavour to develop the capacity of local suppliers so as to ensure local sourcing without compromising on quality.

The 'Guiding Principles' of our Sustainable Sourcing/purchase policy include the following:

Enable high patient care standards

To procure quality goods and services which enable meeting the highest standards of patient care.

Encouraging Competitive Process

To support and encourage meaningful participation of suppliers in a competitive process prior to the establishment of a business relationship or awarding contracts.

Process for awarding contract

To initiate, based on the highest standards of professionalism and ethical conduct, tenders or proposals to make a choice for award of a purchase order or contract. The process of competitive bidding, negotiation and process awarding contracts will be auditable, without favouritism and the most appropriate for the related requirement.

Risk Management

To reduce business risks and the potential for internal and external conflicts of interest through the application of specific and transparent policies.

Our Strategy (Sourcing – Disposal)

Our Purchase / Sustainable Sourcing policy clearly defines the environmental and social risks to be considered during the procurement of any products/materials. Before purchase, each product is given an Environmental Significance Rating (ESR) based on environment and safety parameters.

AHEL follows a strict scrap disposal policy whereby we ensure that all the medical and non-medical scrap which is generated inside the hospital are collected and maintained properly and disposed at regular intervals in compliance with all necessary rules and regulations.

AHEL has a strong buy back policy with its suppliers when it comes to purchasing of medical equipments

In our day-to-day operations, we ensure safety and optimal use of our resources over the life-cycle of our equipments and services. We also ensure that everyone connected with us such as suppliers employees recyclers etc. are aware of their responsibilities.

We encourage our suppliers to adopt processes and technologies that are resource efficient and sustainable. We regularly review and improve upon the process of new technology development when it comes to delivering the best quality treatment to our patients. In pursuit of the above goal, we stay committed to social, ethical and environmental considerations.

Dealing with Suppliers

To treat suppliers with courtesy, fairness, respect, honesty and professionalism and to ensure that no supplier has an unfair advantage over its competitors. To respect and not disclose Suppliers' confidential information.

Principle 3: Employee Well Being

AHEL's aspiration is to be the "best place to work in healthcare."

At AHEL, we are committed to empower our employees who deliver medical care to our patients in the most vulnerable times of their lives; a situation where an extra effort makes all the difference. Our strategies align around this aspiration, creating a work environment where our people are recognised for their work and provided opportunities for career progression.

To help us fulfil our commitments, we have a well defined HR programme with the following objectives:

- A skilled and performance oriented workforce
- Employee retention
- Protecting human rights
- Cordial labour relations

Employees who are motivated and able to pursue a fulfilling career are a major business asset. AHEL seeks to achieve this by enhancing the skills and developing the potential of our people throughout the organization. We provide our employees with a healthy and safe work environment, growth opportunities, freedom of communication, fair and transparent modes of rewards, and engaging means of recreation. We know that with the right strategies and our commitment to people, our employees will flourish, and our patients will receive the best possible care.

OUR PEOPLE DEVELOPMENT VISION

"AHEL attracts diverse and exceptional talents, a place where everyone is able to unleash their full potential and grow as professionals, while contributing to the growth of our Company."

Our Holistic People Development Strategy

- Encourage Diversity, Provide Equal opportunities and ensure Non-discrimination

We encourage diversity in the workforce, which brings varied talents to the table and helps in our endeavours to achieve success. To enhance diversity at AHEL, we recruit people from across the country with a special focus to encourage and empower female candidates.

AHEL is proud to be an Equal Opportunity employer and promotes diversity and inclusivity at the workplace. It does not discriminate amongst its employees on the basis of gender, cast, creed, or religion or on any such basis and provides equal pay for equal work. Our Company complies with the Equal Remuneration Act, 1976 and there is no discrimination in wages based on gender. The Company also ensures that no discrimination is practiced during the recruitment / career development / appraisal process and for compensation in any work center. No incident of discrimination was reported during FY 2015-16.

Workforce snapshot (AHEL Standalone)

Total number of employees	29,845
Total number of contract employees	5,976
Total number of permanent women employees	10,503
Number of permanent employees with disabilities	55

The talents and enthusiasm of all employees contribute to driving our Company's success. AHEL is committed to creating an inclusive environment for employees with disabilities by retaining employees who have become disabled, apart from training and raising employee awareness about disability in the workplace.

- Recruiting right talent

The HR Strategy is aligned with the core business objectives.

Transparent selections based on merit is the hallmark of the Company's recruitment policy. The objectives of the Company's Recruitment policy are:

- To plan the manpower requirements and budget the requirement of requisite human resources with necessary qualifications, skills, aptitude and experience etc.
- To regulate and facilitate recruitment and selection of suitable human resources in the Company.
- To focus on the proper placement of employees in jobs to which they are best suited taking into account their qualifications / experience, and aptitude etc.

The Company has a well-planned system of Human Resource Planning (HRP) both at the corporate and unit level. The non-managerial and non-supervisory level posts are normally filled at the unit level, where as the executive level posts are filled centrally.

New Hires in FY 2015-16

FY 2015-16	Male	Female	Total
New Hires	7,420	5,084	12,504

- **Retaining talent**

Cognizant of the enormity and the complexity of identifying skilled resources, Apollo Hospitals has strengthened its initiatives of skilling & up-skilling in the domain of Health. The Group has been involved in reversing the brain drain of talented Indian doctors and has built quality education infrastructure which includes Nursing colleges, Courses for Allied Health professionals, Hospital Management programs and ongoing CMEs and CNEs for doctors and nurses respectively. In keeping with the need for professionals to drive its expansion, The Company has established industry leading practices which include 'Chairman's Club' a unique Succession Planning and Leadership Development Program; 'You-r-HR module' one of the most forward looking initiatives to standardize the HR Processes across the network; 'Employee Assistance Program' with Compsych, the World Leader in EAP to help individuals address personal life issues.

A structured and transparent compensation programme is followed across the organization. Comprehensive evaluations are conducted and employees are made aware of their performance ratings on Key Result Areas and Competencies. The Company also tracks levels of satisfaction among employees as it believes that satisfied individuals contribute more. The Company has put in place several processes to improve the level of satisfaction, increase innovation and build morale to perform better. The Company has also put in place procedures to identify and reward achievers to increase the efficiency and drive within the organization. These robust processes ensure that both existing and incremental manpower can appropriately develop to support the organization's patient care delivery process and fuel its growth objectives.

The Company strives to sustain a high standard of values in each of its employees and truly believes that each and every one associated with the network has the potential to be an ambassador to drive the collective vision and mission of the Group which is to bring healthcare of international standards within the reach of every individual.

Employee engagement programs

AHEL follows an engagement calendar every year whereby recognition and recreational activities are conducted on specific days. The above avenues are a source of relaxation and motivation to employees. Some of our employee recognition and recreational activities include Painting competitions, Poetry competitions, Sports activities and other recreational activites.

Rewards & recognitions

Rewards and recognitions are key for improving employees' motivational levels. Institutionalized mechanisms exist in AHEL to ensure that employees are adequately recognized for their contributions. These include the following:

Awards	Criteria
Employee of the Year Award	Accountability & Ownership Achievement Orientation Developing People Capability Planning and Organizing
Service Excellence Award	The Apollo Look - Monthly Audit Mechanism Frame your experience - The team/individual which creates a special experience Club excellence - Department with highest satisfaction score based on VOC data Story of Glory - Associate who has been rated as the best in delivering great customer service
I Spark	Exceptional Employee Award
Dedicated Service Award	Employees who have completed 10,15,20, 25 & 30 years
Honesty Award	Employees exhibiting honest behavior

Employees Turnover in FY 2015-16

FY 2015-16	Male	Female	Total
Employees	6,639	4,394	11,033
Separated			

- **Performance Appraisal**

Promotion system in AHEL is based on a system which is a combination of both meritocracy and seniority. 100% of regular employees receive regular performance/career development reviews.

- **Learning and Organizational Effectiveness**

Doctors receiving and treating emergency patients are trained specifically in emergency medicine and are experts in handling acutely ill cases.

Emergency care areas are distinct and fully independent departments with certified nurses and paramedics, assisting the emergency physicians. All our staff are certified in Basic and Advanced Cardiac Life Support.

We believe that continuous knowledge, competency and skill development is vital for all employees. We hone the talent in our employees by exposing them to diverse competency enhancement platforms. We keep a yearly and monthly tracker of all internal and external training programmes. All our employees (permanent, casual temporary and contract employees) undergo safety and skill up-gradation training on a regular basis based on their role, domain and individual needs. All new incumbents undergo comprehensive orientation programmes for familiarization with organisational work culture. Our talent management team collaborates with various functional heads to identify need based and focused training programmes for every employee. Senior experienced personnel from established hospitals are located in newer hospitals to ensure effective implementation of corporate standards across different hospitals. On the job training is conducted to ensure that employees perform their job safely and efficiently in their respective work environments.

Clinical training and quality of education

- **Superior Quality of Apollo Nursing Care**

We differentiate ourselves on the quality of our nursing and the tender loving care our nurses provide patients-all made possible by the in-depth training we provide them. Our nurses focus on patient safety and the prevention of harm to patients.

This is evidenced by the metrics in the ACE and RACE surveys where parameters like Infection Rates and Medication Errors, Falls, and VOC are captured and bench marked with the best hospitals globally. This is a standardised practice across all our hospitals & is critical to clinical outcomes. In-Service Education is a pillar of our nursing department which allows our fresh recruits to acclimatize & adapt to a complex clinical set up. The training is standardized across the Group. Apollo's pursuit of JCI accreditation and NABH certification further strengthens our service delivery and brings rigour into processes on the floor. Superior nurses training combined with employee welfare schemes have drawn many an aspiring nurse to the Apollo Hospitals fold.

- **Providing a Learning Environment for our staffs**

It is imperative for every employee to go through relevant development interventions to broaden their skills and competencies and to help them further their career. Our innovative and flexible training and development approaches have continued to ensure that we have highly competent staff consistently delivering high quality care.

Apollo's motto of Tender Loving Care (TLC) translates into clinical and operational excellence - processes that deliver value to stakeholders. These processes are documented through manuals and training is imparted to staff to help them deliver service standards that meet and enhance patient requirements.

Shadowing and handover processes help ensure that knowledge is transferred from departing

employees. Employees in critical positions and those with critical skills and competencies, regularly conduct training sessions mitigating the possible loss of skills and knowledge.

Health & Safety Practices

We recognize that the human resources are the real drivers of our business performance. Ensuring their health, safety and well-being is more than a top priority – it is essential to our success.

We promote safe work environment and safe work practices. In our approach to health and safety, we implement measures designed to limit the risk of disease and injury to ensure that our workforce, as well as outside contractors, are provided with a safe environment and healthy working conditions.

At AHEL, unsafe acts and conditions are regularly monitored through safety inspections and audits. We encourage reporting of accidents, injuries and near misses. Periodic safety training programmes are held across the organization. The Operations Head along with the Safety and Hazmat Committee has authority and responsibility for the hazardous materials and waste

management policy and procedures within the Company. The Radiation Safety Officer conducts radiation and MRI safety training for hospital staff during the orientation for new employees; and annual refresher training is provided for nursing staff members, housekeeping staff, x-ray technicians, environmental service workers and nuclear medicine employees.

Ensuring Patient Safety & Infection control

Patients undergo numerous interventions in a hospital, both invasive and non-invasive, which can lead to healthcare associated infections. It is important that health care providers institute appropriate measures & processes to minimize such problems. Infection control is a dynamic field, which addresses factors related to spread of infections within the healthcare setting (whether patient to patient, from patient to staff, staff to patient, or among staff). Apollo has the distinction of being a leader in the country in infection control. We have implemented evidence based protocols and practice algorithms into a replicable model called 'Bundle Approach' which is essentially the consistent implementation of a select set of preventive measures for every patient to minimize device associated infections.

SAFE SURGERY CHECKLIST

The 'Safe Surgery' checklist has made surgeries safer for patients. Sterilization of surgical instruments using state of the art technology & quality indicators, use of hair clippers for surgical skin preparation, pre-surgical antiseptic shower & targeted antibiotic prophylaxis are practices that are followed within all Apollo hospital locations. These play a huge role in safeguarding patients from contracting an infection especially during complex surgeries like liver transplants & multi visceral transplants.

A best-in-class microbiology lab provides the backbone for the surveillance of infections. It offers advanced tests to diagnose infections which leads to quicker and more focused treatment resulting in better patient outcomes & reduced nosocomial cross transmission

Apollo Hospital employees follow hand hygiene practices strictly.

We monitor surgical site infections as it helps reduce hospital stays for the patient while enhancing outcomes after surgery. The data helps identify and describe evidence-based best practices for SSI prevention. The benchmark for SSI is 1.9% adopted from the National Healthcare Safety Network (NHSN).

Focus on Patient Safety

Lower hospital acquired infections in comparison to NHSN benchmarks, 2012

No instance of retained foreign body or wrong site wrong side surgery across the group hospitals in 2015

0% "missed injuries" in acute trauma patients

Catheter related UTI

Most Urinary Tract Infections are caused due to the urinary catheter and monitoring this helps to avoid infection.

The data helps institute best practices to prevent healthcare-acquired UTI and to reduce the number of catheter days for a patient.

We monitor compliance with the help of the bundle checklist. The benchmark is 2 for CR-BSI per 1000 central line days as per National Healthcare Safety Network

Safety at Work

Apollo Hospitals pays a lot of importance to its employees' health. 'Safety at work' is a habit.

Personal protective equipment, safe infusion practices, responsible disposal of medical waste and vaccinations when necessary, are all a way of life here.

We champion preventive initiatives to avoid accidents and limit the occurrence of diseases and injuries. At the same time, we focus on stress management and employee fitness programs that encourage individuals to take responsibility for their own health and well-being.

Protecting Human Rights

We are committed to prevent human rights abuses like child labour and forced / compulsory labour in all our operations. We follow a zero-tolerance policy for Child & forced Labour and ensure that no such employment occurs at any of our operations. In order to ensure this, an elaborate process of background verification, medical fitness, address and age verification is followed along with compliance of other statutory requirements by the HR department. Further, the Company is committed to work in a pro-active manner to eradicate child labour by actively contributing to the improvement of children's social situation. To promote this, we encourage our suppliers also to work towards a no child-labour policy.

Though there has not been a formal / specific initiative to identify operations which face the threat of child labour or forced and compulsory labour, no incident of engagement of child or forced or compulsory labour has been identified in the reporting year. The concerned executive at every location ensures relevant statutes are complied with.

The issue of human rights is central to good corporate citizenship and to a healthy bottom line. All employees during induction are trained on AHEL's Code of Conduct, Whistle blower policy etc., to develop their understanding on these aspects.

With a view of assuring better security for women across the organization, we have a well-defined policy for prevention of sexual harassment at the work place. The policy has been adopted in the Company with an objective of providing a mechanism for resolution of complaints, and conducting mandatory training programmes for all employees to create awareness on the subject.

Every unit in our Company has an Apollo Sexual Harassment Redressal Committee which comprises of four members, with the Presiding Officer being a woman. The solution is communicated to the complainant within fifteen days of receipt of the complaint. In case a complainant is not satisfied with the solution given by the Apollo Sexual Harassment Redressal Committee, they can approach the Corporate Committee for redressal of the same. The Committee conducts a thorough enquiry with the unit head to understand the issues involved. In FY 2015-16, two cases of sexual harassment were received in Bhubaneswar and one case was noted in Nashik unit, which have been successfully resolved by the management.

Employee associations / unions are also given due importance and employees are encouraged to communicate their grievances and needs under a code of discipline. At present we have two management-recognized employee associations:

- Apollo Hospitals Staff Union
- Apollo Hospitals Employee Union

These unions covers approximately 25% of our employee headcount (as members).

Principle 4- Stakeholder engagement

At AHEL, we remain committed to our stakeholders with the aim to grow in a transparent and accountable manner. Engaging with our key stakeholders and materiality process helps us in deciding on issues to focus on in order to mainstream sustainability into our decision making.

AHEL aims to measure its performance based on the value that it brings to its stakeholders. For us, Stakeholder engagement is about managing relationships with our

Our Key Stakeholders



Mode of engagement with key stakeholders

Patients & their families	Engagement Team	Guest Relations Department
	Mode of engagement	VOC process, which measures patient experience rather than satisfaction among both in-patients and outpatients
		Structured partnership with Gallup World Wide.
		It captures qualitative & quantitative feedback on 27 attributes across all patient touch points in all the units

stakeholders in an efficient and an effective manner. This not only helps us in identifying opportunities but also in assessing emerging risks which may increase in magnitude at a later stage in future.

These stakeholders include individuals, groups and organizations that affect or are affected by our business. We have defined specific roles and responsibilities of the key departments in AHEL to address these concerns, monitor, and ensure that they are addressed in a timely and efficient manner.

Employees	Engagement Team	Human Resource Department, Corporate Operations & Maintenance team.
	Mode of engagement	Satisfaction surveys, Grievance Redressal, Open house, Various committees, Emails, Journals, Meetings with employee associations and unions; Various Events including employee open forum every month, celebration of department day etc.
Investors	Engagement Team	Company Secretariat, Finance & Investor Relations
	Mode of engagement	Annual General Meeting, Investor Meets, Investor Conferences, Conference Calls
Business Partners/ Suppliers	Engagement Team	Contracts & Procurement Department, Projects Department
	Mode of engagement	Supplier meet, Emails, One-to-one meetings
Local Communities	Engagement Team	CSR Committee, Corporate Social Responsibility team, HR Department
	Mode of engagement	Community Meetings, Project Meetings, Conducting awareness program, Free camps, Impact assessment, skill development etc.
Government & Regulators	Engagement Team	Legal Department, Project, Company Secretariat
	Mode of engagement	Hearings and other Meetings, MoU's, Interaction with Regulatory bodies, Initiatives for Public private partnership etc.

We believe that sustainability of our business growth is inherent in responding to the needs of the people, in benefiting communities, in protecting our environment and upliftment of the marginalized sections of the community.

We have engaged with the disadvantaged and marginalized sections of the society through our various CSR programmes in and around our operational areas. Further, we make a conscious effort to engage with such stakeholders, and identify their needs / concerns and address them in due course of time.

Our work in rural development is carried out through Total Health, a non profit organisation incorporated under Section 8 of the Companies Act, 2013 by AHEL which provides holistic healthcare for the entire community in Thavanampalle Mandal in Chittoor district of Andhra Pradesh. The activities carried out include providing safe drinking water, extension of sanitation facilities, setting up of nutrition centres and vocational training centres and mobile clinics.

In the field of education, Aragonda Apollo Medical Educational Research Foundation (AAMERF) runs a primary school under the name of "Apollo Isha Vidhya Niketan" at Aragonda village, Chittoor District, Andhra Pradesh, in association with the Isha Foundation for academic delivery since June 2012. The school is one of the best schools in Chittoor district and provides quality education to the rural community.

We have healthcare initiatives in place to provide free medical treatment to the needy and poor in the community. Apart from this, we have undertaken certain special initiatives such as supporting Saving a Child Heart Initiative (SACHI) for paediatric, cardiac care and child heart surgery, etc.

A detailed description of our initiatives undertaken for community upliftment is provided under Principle 8.

At AHEL, we also provide equal employment opportunities to everyone without any discrimination, thereby ensuring inclusion of vulnerable and marginalized stakeholders. We have employed 55 people with disabilities in our hospitals.

Principle 5: Advocating for Human Rights

The human right to 'health' means that everyone has the right to the highest attainable standard of physical and mental health, which includes access to all medical services, sanitation, adequate food, decent housing, healthy working conditions, and a clean environment.

The human right to 'health care' means that hospitals, clinics, medicines, and doctors' services must be accessible, available, acceptable, and of good quality for everyone, on an equitable basis, where and when needed.

AHEL respects and is committed to fostering human rights, dignity and the diverse contributions of all, as detailed in the Company's Human Rights Policy.

We are committed to respecting human rights as embodied in the Universal Declaration of Human Rights and endeavour to ensure that we do not infringe on human rights, and comply with the laws of the countries in which we do business.

In particular, we believe our most significant opportunities to impact human rights—and therefore our greatest areas of responsibility—are in the areas of Human Rights in the Workplace and Access to Health Care.

Human Rights in the Work Place

Our employees are the backbone of our commitment to human rights practices and performance. We respect the dignity and human rights of our employees as well as those working in our external supply chain. In addition to UNGC principles on Human Rights, we also follow the principles in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, including non-discrimination, freedom of association and collective bargaining, and freedom from forced and child labour. Our commitments are detailed in our Code of Business Conduct and our Human Resource manual. Our workplace practices and policies on providing fair compensation, equal opportunity, safe and healthy workplaces and other commitments to human rights reflect our belief that the success of our Company is linked with employee satisfaction and well-being. We foster compliance with these policies on a continuing basis through our internal training and audit programs.

As a health care Company, we have a long-standing commitment to improve and sustain the health of our workforce.

In accordance with laws and regulations, we have formal mechanisms for employees to raise grievances and to file complaints and violations without fear of reprisal.

Access to Healthcare

We believe that effective, compassionate health care systems are critical to achieving better health for people around the world. Such systems are centered on the needs of individuals and offer access to health care coverage for all.

Our Chairman created the Company in the belief that every person has a fundamental right to health, a principle that is stated in the Universal Declaration of Human Rights. Providing health care services is only part of that job. We are constantly working with all of our partners and stakeholders to improve the availability, accessibility, affordability and quality of care worldwide, to help as many people as possible live their life to the full.

We work to support our commitment to human rights through strong governance and policies for implementation throughout our operating units. Responsibility for human rights follows our management structure and resides in our local operating units. Implementation of the human rights policy and practices that inform our commitment to human rights is managed by the relevant corporate and business group functions.

We also expect our business partners to commit to respecting human rights, as outlined in our policies, and encourage them to develop similar standards of their own. We follow a tender process to provide quality goods and support services at cost-effective prices. Suppliers are screened for compliance with relevant legislations including environmental and human rights legislations. Multi-disciplinary consultative forums and various doctor interactions form the framework for decisions. The process is finalised with approvals from senior management and the procurement executives. The procurement policy and process are reviewed regularly and endorsed by the procurement executive.

In FY 2015-16, there were no Human Rights violation complaints reported, relating to child labour / forced labour / involuntary labour and discriminatory employment in our Company. However, three cases of sexual harassment had been reported in our Bhubaneswar (two) and Nashik (one) hospital, which have been satisfactorily resolved by the management.

Principle 6: Care for Environment

AHEL is committed and pro-active when it comes to managing the environmental impact due to its operations. Addressing different categories of waste including bio-medical waste generated from our premises is one of the focus areas of our environmental strategy and provides the impetus for a number of action plans as well as industrial and scientific partnerships.

We support and sustain a culture of awareness and sensitivity towards conserving and preserving the environment. Protection and preservation of the environment is not only restricted to legal compliance but also it is a matter of priority for the Company.

To achieve this, we are involved in a range of initiatives such as:

- analyzing waste water effluents at our hospitals and assessing their impact on the environment
- using state-of-the-art technologies to treat waste water discharge from our sites,
- limiting the environmental impacts of our business operations,
- carrying out environmental risk assessments,
- encouraging and supporting the proper use of medicines,
- contributing to take-back programs for the collection and safe disposal of unused medicines

Environmental risk assessment

Our commitment to preventing environmental risks is central to our QHSE policy. Guided by our in-house experts, we have established a sound governance system for assessing the potential impact of our services on the environment.

Waste Management

The commitment towards waste management is reflected in our waste disposal policy that lays emphasis on improving waste management practices with a focus on bio-medical waste management across all operations. We adhere to all statutory compliances and environmental clearances through respective pollution control boards and regular renewal of consents to

operate for hazardous waste authorizations accorded. However, we also have well established environment management systems which are dedicated to function beyond compliance levels.

Our 'Hazardous materials and Waste Management Plan' applies to all staff in the hospitals and defines the responsibility of all healthcare personnel for identification, storage, handling, disposal and transportation of hazardous materials in accordance with the regulatory requirements. All the chemicals used for our operations are properly labelled and hazard ratings are identified. The Operations Head along with the Safety and Hazmat Committee has the responsibility for handling hazardous materials and administering the waste management policy. For e-wastes and old medical equipments, we follow a stringent "Buy Back policy" from vendors.

The Human Resources department and Hazmat team members are responsible for orientation and training of staff handling hazardous material and waste in co-ordination with the radiation safety officer.

Appropriate type and adequate number of personal protective equipments have also been made available for the personnel responsible for waste handling and disposal.

The Hazmat team also carries out internal inspections and evaluations to review the effectiveness of the implementation plan for waste management and disposal practices followed at the facility.

During the last financial year, there were no major chemical spills reported from any of our hospitals.

Green Building Initiative

- We are in the process of getting LEED certification for the hospital in Navi Mumbai.
- Minimal usage of external glazing while designing elevation to reduce the heat load impact.
- Usage of thermal insulation glass on external walls to reduce the heat transfer.
- Under-deck insulation on slabs to reduce the radiation level inside the hospitals.

Water Harvesting

Water for all the hospitals is sourced from the local municipal sources. The water quality is tested to ensure that it is potable. Few of the key initiatives taken by us to conserve and re-use water include the following:

- Rain water harvesting- Increasing the ground water level by channeling the excess rain/ storm water to harvesting pits across the premises; rain/storm water storage and effective utilization with proper filtration.
- Conservation of water by reuse of dialysis RO rejected water and drinking RO rejected water.
- Water conservation in western toilets by removing single push button.
- Reuse of water generated from sanitary and house keeping, for gardening purpose.

Energy Efficiency

Energy conservation has been adopted as an integral part of our Operation and Maintenance philosophy. Adherence to efficient operation and quality maintenance practices in O&M has resulted in optimum energy consumption. Additionally, it is the endeavour of our O&M department to constantly improve on its performance in this area.

AHEL sources electricity for hospitals from the grid. However, diesel generators are provided as back-up in case of grid power cuts.

The important factors contributing to reduction in energy consumption and internal consumption apart from reduction in carbon footprint are:

- Better maintenance techniques for health monitoring of the plant and equipment resulting in an increase of minimum time between failure (MTBF).
- Procurement of electricity from Wind energy suppliers.
- Use of Energy efficient chillers in HVAC system.
- Use of Variable Frequency drive pumps to optimize the chilled water flow.
- Use of de-tuned harmonic filters to maintain quality of power distribution system.

AHEL has not received any show cause / legal notice from the CPCB / SPCBs. This is a testimony to the fact that we treat the aspect of environmental safety with utmost seriousness.

- Usage of highly energy efficient transformers and power conductors to reduce the energy loss during transmission.
- Replacement of CFL Lamp fitting by LED fitting in a phased manner.
- Renewable energy (Solar hot water systems): Solar hot water systems have been installed in new hospitals located at Trichy, Nellore, Bangalore (Malleswaram), Visakhapatnam and Navi Mumbai.

Management Systems:

We have developed and demonstrated our expertise in managing hospitals over the years and have been recognized for the best practices in the region, which are in line with international standards. We have implemented international certifications such as ISO 9001 at Chennai and Joint Commission International (JCI), for 6 hospitals including the hospitals at Delhi, Chennai, Hyderabad, Bangalore, Kolkata and Dhaka.

Apollo Hospitals, Chennai has been accredited in accordance with the Standard ISO 15189:2003 "Medical Laboratories - particular requirements for Quality & Competence" for its facilities in the field of Medical Testing. The Chennai Hospital was also the first to be awarded the ISO 9001:2008 certification. The ISO 22000 - HACCP certification by the British Standards Institution has recognized Apollo's high standards of quality and food safety measures. In addition, many hospitals have been accredited by the National Accreditation Board for Hospitals (NABH) and the laboratories by the National Accreditation Board for Laboratories (NABL). Even for those other hospitals, which are not certified for any such accreditations, we ensure that the requirements of these systems are integrated in the design and operations of all the hospitals. Corporate level policies, guidelines, checklists and MIS have been developed and implemented for this purpose.

Principle 7 Public Advocacy

We believe that actions brought about through strategic alliances and public advocacy must be done so in a responsible manner. We participate in several industry associations - national and international advocacy organizations - to influence positive sustainability actions. To the extent possible, we utilize the trade and industry chambers and associations and other such collective platforms to undertake such policy advocacy.

AHEL being a benchmark name in the hospital industry has a say while pursuing public advocacy in the healthcare sector. We ensure that our policy positions are consistent with the Principles and Core elements contained in these guidelines.

In-depth insights and strategic inputs forms the core of our approach towards policy formulations. We collaborate with numerous trade and industry associations and organizations, as a member.



- Confederation of Indian Industry (CII)
- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Indian Pharmaceutical Association (IPA)



- Joint Commission International (JCI)
- National Accreditation Board for Hospitals and Healthcare providers (NABH)
- National Accreditation Board for Testing and Calibration Laboratories (NABL)
- The International Organisation for Standardization (ISO)

In addition, we also have ongoing collaborations with the following entities:

Sl. No.	Centres	Area of Collaboration
1	Stem Cyte Inc.	Cord blood banking Stem Cells research
2	Anna University, Chennai	Clinical Research Course
3	IGNOU, New Delhi	Hospital Administrative, paramedical and online courses
4	Institute of Genomics and Integrative Biology, New Delhi and Institute of Bio Medical and Genomics, Kolkata	Research study Myocardial infarction in Young Indian adults- Genetic Risk factors
5	Health Net Global	Information on Drug interactions through mobile phones
6	MTESC- NGO, District Collector's office, Sivagangai	Epidemiological screening study on Prevalence of anaemia and obesity in 20,000 adolescent and adult girls and women
7	Kasturba Hospital, Gandhigram, Madurai	Screening camp to evaluate the Healthcare status by How with transmission of data through telemedicine.
8	West Bengal Government	Mobile medical unit to provide healthcare to the rural population in 24 Parganas
9	Puttur Bone setters	Scientific validation of traditional PBS system

10	Sciformix corporation	Pharmacovigilance workshops and programs
11	Sanofi	Preferred partner for clinical studies and education
12	University College, London	Collaborative research studies
13	Analytics for Life, Canada	Validation of cardiovascular diagnostic software
14	Sapien Biosciences	Collaboration for bio-banking and patient faced research activities
15	Merck Sharp Dome	Clinical studies
16	Nestle Health Services	Clinical and validation studies in nutrition products
17	Philips India Limited	Research studies
18	Indian Pharmaceutical Association	Internship for D Pharm students

Completed Collaborations

Sl. No.	Centres	Area of Collaboration
1	Harmann UK	Validation of digital technology versus manual
2	Microsens Technologies UK	Evaluation of screening technology in TB diagnosis
3	Mann India Technologies	Information on drug interactions through mobile phones
4	International Centre for Genetics engineering and Biotechnology and Kalawati Saran Children's Hospital, New Delhi	Pathogen detection and discovery using high throughput platforms
5	IIT Madras	MoU for collaborative research

The expertise of the above entities and AHEL is being leveraged for mutual benefit in the areas of medical sciences and clinical research

Details of other collaborations:

- HealthXL and AHEL announced a partnership to aid concerted efforts towards innovation in healthcare. Apollo Hospitals joins a network of 15 HealthXL partners including leading global healthcare brands such as Bupa, Clevel and Clinic, Becton Dickinson, IBM, ICON, ResMed, Janssen Healthcare Innovation, Linde Healthcare, Novartis, Partners HealthCare, Silicon Valley Bank, EY, Soft Serve, Hermitage Medical Clinic and Soft Layer, all working towards a common goal of holistic approach towards optimal healthcare delivery.
- Google would be collaborating with AHEL in India for launch of Health Cards. These Health Cards have been integrated into the Google Knowledge graph which powers the search experience in India. The cards will be available on Google Search on the desktop and the iOS and Android mobile apps. The Health Cards will overall offer information about 431 diseases in India both in English and Hindi.
- Datar Genetics Limited, center for molecular and genetic analysis partnered with Apollo Hospitals to develop, offer and promote precision oncology based on molecular and genetic analysis. These technologies can potentially impact all aspects of cancer management eliminating several painful and ambiguous processes from current treatment modalities.

Principle 8: Equitable Development

We focus on bringing quality healthcare to all citizens regardless of geographic location or economic status. Apollo Hospitals aspires to be one of the most respected companies in India and be recognised as a socially responsible corporate citizen delivering superior and sustainable value to all our customers, business partners, shareholders, employees and host communities.

We have classified CSR activities under the following broad themes:

- Rural development** - Initiatives include providing safe drinking water, sanitation facilities, setting up of nutrition centers, vocational training centers, facilitating skill development training, Mobile Medical Units- primary & preventive, health care including diagnostics promotion and revival of rural sports. "Total Health", a not for profit organization, sponsored by the Company carries out activities in line with Section 8 of the Companies Act, 2013. The following activities were carried out during the year:
 - Mobile Clinics have been set up covering 16 gram panchayats at Thavanampalle Mandal in Chittoor district of Andhra Pradesh which has benefitted 137 patients. There is a focus on continuous IT enabled monitoring for extending timely healthcare services for the communities in the villages.
 - Satellite clinics have been started covering 9 panchayats which has benefitted 2,662 patients so far. School health camps were organized for 72 government schools in this village wherein thorough medical checks were provided to 2,451 children.
 - Cervical cancer screening and awareness camps have been started at Aragonda Apollo Hospital.
 - Health education and awareness campaigns have been organized at the village level for villagers and government schools.
 - Eye screening camps were conducted in conjunction with GAPIO, Jain Sangh Chittoor and Sankar Eye Hospitals in Chennai wherein 751 patients were screened in Thavanampalle Mandal in Chittoor district.
- Healthcare** - AHEL has conducted medical camps at various places and the number of beneficiaries impacted have been 55,192. Free medical treatment for children ailing from heart diseases is also provided through Save a Child Heart Initiative (SACHI). The total spend has been INR 42.30 million in 2015-16.
- Education and skill development** - The Aragonda Apollo Medical Educational Research Foundation (AAMERF) runs a primary school under the name of "Apollo Isha Vidhya Niketan" at Aragonda village, Chittoor District, Andhra Pradesh, in association with the Isha Foundation for academic delivery since June 2012. The school has been set up with a vision to shape up the future of these children and give them a strong foundation to take up higher education to become professionals and contribute to society positively. Currently the school has classes from LKG to Vth Standard, 450 students and is affiliated to the Andhra Pradesh State syllabus. It is planned to expand the school to up to the 12th standard with minimum 2 divisions each, over a period of the next 5 years.

Our Unique Initiatives

SACHI

SAHI

Savings a Child Heart initiative (SACHI) is an initiative funded by Apollo Hospitals which is dedicated to pediatric cardiac care and financial support to children from under privileged sections of society suffering from heart diseases.

This campaign was initiated to create an awareness among the people on the cardio vascular risks and to motivate them to stay healthy.

Society to Aid the Hearing Impaired, seeks to identify hearing impaired children, mainly in rural areas, with little or no access to modern medical treatment.

Unique Initiatives

SACHI (Saving a Child's Heart Initiative): It is dedicated to paediatric cardiac care and child heart surgery for the underprivileged, in order to combat the escalating problem of congenital cardiac issues in children. Established in 2002, SACHI aims to provide early diagnosis, treatment, surgery, post-operative care and financial support to children from economically weak sections of society. SACHI has till date touched 50,000 lives. Our goal is that every child irrespective of community or background, should be provided cutting edge treatment and operative care.

SAHI (A Society to Aid the Hearing Impaired): SAHI seeks to identify hearing impaired children, mainly in rural areas, with little or no access to modern medical treatment facilities.

Goals:

- Conducting camps in rural areas for the hearing impaired.
- Identifying children with hearing problems.

- Providing quality hearing aids.
- Conducting surgeries with the help of Apollo Hospitals, Hyderabad.
- Bringing about awareness for prevention through health education.

Activities:

- Organizing periodic awareness programs for the general public, school children and school teachers.
- Conducting periodical check-up programs for the benefit of children belonging to poor socio economic backgrounds.
- Providing hearing aids to improve hearing ability.
- Providing state-of-the-art medical and surgical aid including micro ear surgeries and cochlear implants to treat the hearing disabilities.



- Conducting other activities to bring about public awareness and to help these children medically, socially and financially.
- Raising funds for treatment of children with hearing disabilities.

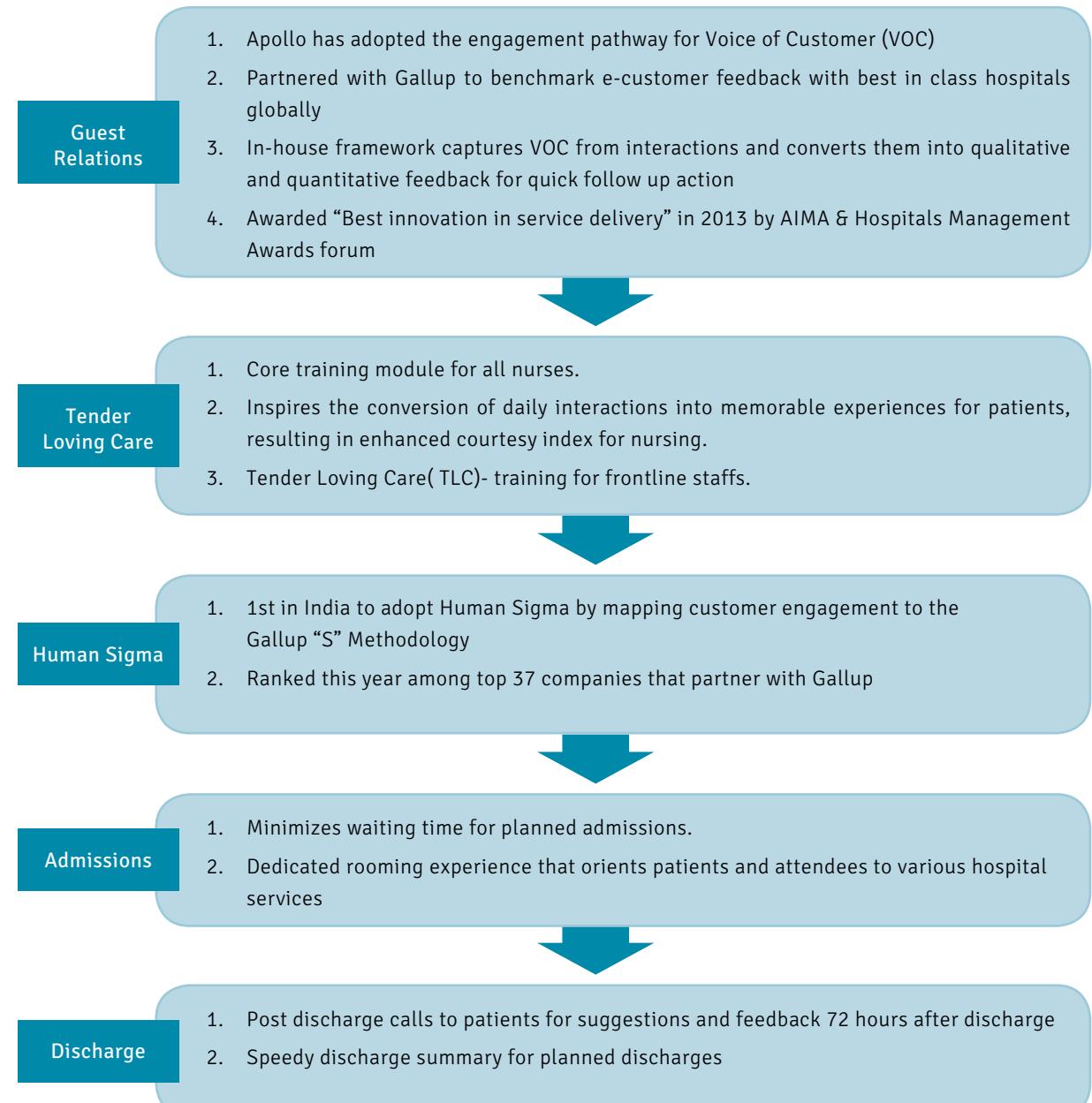
Measuring Change from Social Initiatives

We have carried out an impact assessment for all our initiatives under rural development, healthcare and education by regularly monitoring and evaluating the activities and outcomes by setting key performance indicators. The feedback from these studies serves as an input in planning Apollo's future course of action on CSR. All our initiatives have been recognized through various awards and accolades. Our Chairman, Dr Prathap C Reddy, was honored with the prestigious "Responsible Business Leader" Award. We actively monitor the implementation of all our initiatives.



Principle 9 Meeting Customer Expectations

We value our patients the most, and safeguarding their health is our priority. Pharmacies form an important part of ensuring patient care. AHEL follows stringent protocols when it comes to stocking of drugs for its pharmacies. We ensure that all our unused drugs are sent back to suppliers three months before expiry. We follow a unique five pronged customer centric approach as follows :



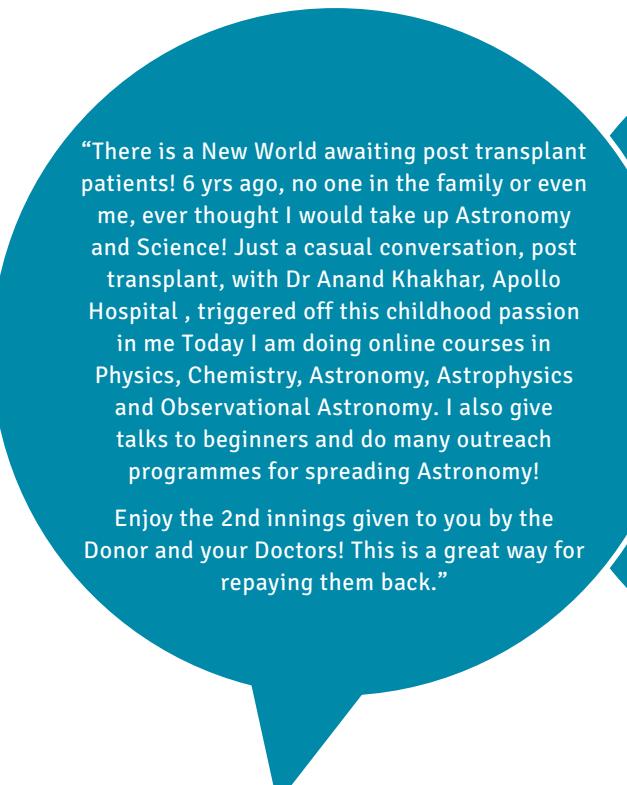
Measuring Customer Expectation

In the financial year 2015-16 we have provided service to around 3 million patients. We also received 6,979 customer concerns and were able to resolve 95% of them. This is a testimony to the fact that we take complaints seriously and work on resolving them on a priority basis. In pursuit of making the customer-feedback process more digitized, we have devised a Apollo Instant Feedback system (AIFS). The application is ready to be deployed in 24 units. Our pharmacies ensure that all medicine packaging have relevant labelling as required under the relevant regulations. No case has been filed by any stakeholder against our group, regarding dishonest trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years.

We have instituted a stringent feedback mechanism with our patients to enable continuous improvements. The feedback is carried out post discharge too to assist the customer post treatment at our facilities.

High quality of patient care is possible in Apollo Hospitals because of an engaged workforce that takes pride in its day to day responsibilities. They are able to alleviate feelings of stress and fear in patients while instilling in them a positive approach towards treatment. Through small acts of kindness, they create a superior patient experience that few others are able to match.

Our Patients:



Ms Leela Kalyanaraman,
Chennai



Mr Jeff Miller
USA





Apollo Hospitals Enterprise Limited
[CIN : L85110TN1979PLC008035]

Regd. Office: No.19, Bishop Garden, Raja Annamalai Puram, Chennai – 600 028
Secretarial Dept: Ali Towers III Floor, No.55, Greams Road, Chennai – 600 006
E-mail: apolloshares@vsnl.net : Website: www.apollohospitals.com
Phone: +91 044 28290956, 044 28293896 Board: 28293333 Ext. 6681