



#YouFirst

Business Responsibility Report 2017 - 18



Business Responsibility Report
2017-2018

From the Chairman



Dear Shareholders,

I look back nearly 35 years to when we initially set out to build the first corporate hospital, and then to the journey thereafter, in nurturing it into the world-class healthcare institution it has grown into today. Our motivation for the pursuit of our goals has not wavered a bit through this eventful and challenging journey. We have remained relentless during all this time in putting the patient at the core of all that we do, and bringing to them differentiated and loving care to alleviate the pain of illness and keep them well. Then, as now, we remain equally single minded in wanting to bridge the huge demand supply gap in India for quality hospitals and patient focused healthcare.

Rising challenges posed by Non-Communicable Diseases (NCDs) like diabetes, heart disease and cancer, drive us to strive even harder each day. Our country is facing a huge threat in the form of NCDs. Current analyses suggest that by 2020, as many as 300+ million people will be at risk of dying from NCDs in India. According to WHO, NCDs like cardiac diseases, respiratory disorders, and cancer, account for nearly 60% of deaths in this country; specifically, 26% of deaths in the 30 to 70 age group. Diabetes, largely brought on by lifestyle, is the single largest healthcare burden, accounting for nearly 69 million

diabetics and claiming more than a million lives a year. As a country, it is now time to go to war against NCDs.

The Government of India has just announced Ayushman Bharat – the National Health Protection Mission, which will provide Universal Health Coverage to 500 million people. This is an inflection point in the healthcare journey of our nation and will enable healthcare access to millions of under-served families across the country. Apollo Hospitals is a pioneer in Public-Private-Partnership and we look forward to working with the Government as they roll-out the programme, helping to ensure that the highest quality care reaches the citizens on a sustained basis. Additionally, the government’s move to convert its 150,000 PHCs to Health and Wellness Centers that will offer a more comprehensive package of services, marks a pivotal shift towards preventive healthcare and reaffirms what we at Apollo have always been saying – keeping a nation’s citizens healthy, helps the country realize their full potential. Our 300+ clinicians in our various cardiac centres across the country, have performed 10,000+ heart surgeries this year. We have preventive health checks which can diagnose cardiac problems before they develop into a serious heart condition. We want to educate people to ‘Act Before the Attack’. Our solid organ transplant centre is the busiest in the world. Our 35 transplant surgeons across the network have performed 1,500+ transplants in FY18, of which 904 were kidney transplants.

In putting the patient first in our strategy, we have made substantial investments to set up leading edge Cancer Centers with expert physicians and the latest technologies for treating cancer, one of the most crucial among NCDs. Our ‘Proton Treatment Centre’, a cancer treatment and research facility in Chennai, will be operational soon. This facility will give patients access to Proton Beam Therapy, an advanced organ specific radiation treatment for removing malignant tumors from the head, neck, brain, pancreas, and prostate.

Our clinical excellence, marked by quality processes and patient safety practices, and on-going commitment to innovation – the lifeline of any business, has not only helped us make quality healthcare more accessible and affordable, but has placed us on the cutting-edge of healthcare delivery, affording us several differentiators in our various Centers of Excellence.

For any hospital to render uncompromised care to its patients, continuous improvement in service delivery

is a must. To me, this is non-negotiable. We have over the years, determinedly and consistently invested in the latest technologies and sophisticated systems. This enables our doctor fraternity to harness the best treatment options for our patients – similar to those available elsewhere in the world. Today, I take pride that Apollo Hospitals is on par with leading international healthcare institutions. We provide world-class healthcare at significantly lower prices while delivering clinical outcomes that are better or on par with them. The key to this success has been our consistent and on-going dedication to patient satisfaction and need-based healthcare services. We strongly believe that it is not enough to merely treat our patients’ diseases, but that it is important to first treat them as human beings, with care and respect. This is the foremost reason generation after generation our patients come back to us, honoring us with their trust. It is this sort of patient relationship that we work hard to nurture by putting the patient first in our business strategy.

To purposefully deliver healthcare in a country of more than a billion people, it is necessary to build a robust system that can serve both the urban and rural areas. This requires specialty hospitals, clinics, primary health care centers, and remote health care services where technology can be leveraged most optimally for the patients. We have to challenge traditional ways of rendering care and instead use disruptive technology to scale reach and reduce costs. For example, technology enabled home health care must be leveraged to free up scarce beds, speed up recovery and reduce cost.

Business is not just about profit but also about giving back to and serving the community. Apollo Hospitals has championed social causes with initiatives like Save a Child’s Heart, which provides quality pediatric cardiac care to children from underprivileged sections of society, Society to Aid the Hearing Impaired, and the CURE Foundation focused on cancer care assist for children from financially challenged homes.

India is counted among the world’s fastest growing economies. In health care, we are constantly pushing boundaries by sharing and collaborating to improve patient experience, transforming care delivery through telemedicine and optimized protocols, digitalizing and

democratizing health through mobile solutions and telemedicine, and working with Artificial Intelligence and Big Data to develop India-specific patterns for disease detection and cure.

As a nation, let us be committed to the health and well-being of our people. ‘Health for All’ demands that we ensure universal health insurance coverage, put in place comprehensive programs for preventive health, and continue building world-class infrastructure. We should also implement technology-enabled access and build strong health care skills. Above all, we need to focus on empowering the individual to take charge of his own health, and be responsible for his well-being. The right combination of all of the above is the perfect prescription for a healthy India.

It is our strong belief that we have built a well diversified and responsive business model, which has stood the test of a sometimes challenging and changing external environment. We have made internal changes as needed, to position ourselves strongly so as to leverage local demand, the roll-out of NHPS and the increasing numbers of medical value travelers. We remain quietly confident about our prospects in the years to come.

Our Standalone revenues for the year stood at ₹ 71,830 mio, registering a 14% growth. EBITDA was at ₹ 8,297 mio showing a growth of 7%. PAT stood at ₹ 2,332 mio.

Our Consolidated revenues for the year was ₹ 82,435 mio. showing a growth of 14%. EBITDA was at ₹ 7,932 mio, showing a growth of 9%. PAT was at ₹ 1,174 mio.

I am happy to declare a dividend of ₹ 5 per share for the fiscal year 2018.

I thank my Apollo family – doctors, consultants, and staff who have made this journey successful. And I thank all our stakeholders, especially you, our investors, for the faith and trust you have reposed in us and for the continuing support you have shown us over the years. I look forward to that support as we keep pressing forward on our journey.

I wish you and your families much good health,

With warm personal regards,

Dr. Prathap C Reddy,

Executive Chairman – Apollo Hospitals Group

ABOUT US

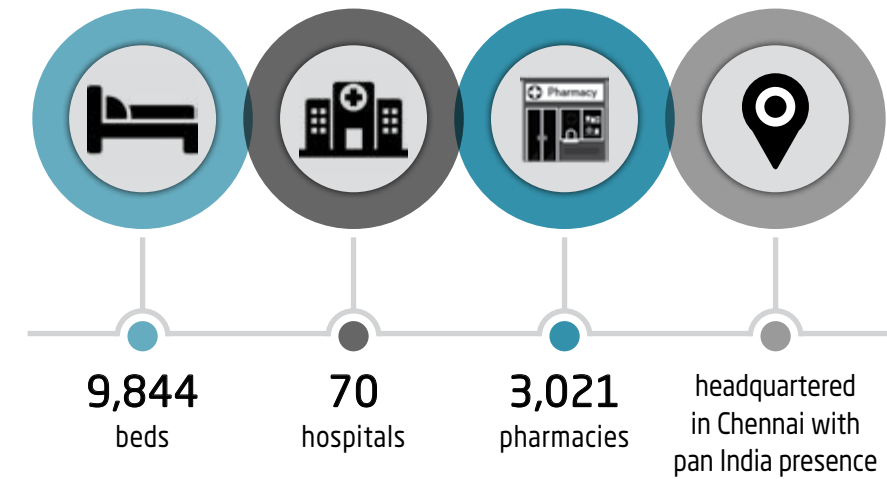


We believe good health is paramount to your happiness. We believe equally that no matter who you are or where you come from, east, west, north or south, that you deserve the best care to preserve and sustain your well-being. Which is why we consistently put You First in our healthcare delivery strategy and leave no stone unturned to bring to you differentiating expertise in the various aspects of personal healthcare. Our aim is simple - to provide you strategic healthcare value across Wellness, Diagnosis, Prescription, Consultation, Tertiary and Quarternary Care; punctuated with leading clinical outcomes and outstanding patient experience. Above all, to give you Assurance, both in terms of the Outcomes and the Value proposition.

We stand testimony to the saying, "The Whole is Greater than the Sum of its Parts", first coined by the philosopher Aristotle. The phrase aptly defines the synergy we have achieved in our care delivery value chain. Our value offerings from Preventive Health to Consultation and Treatment, focus primarily on patient needs rendering our patient care experience singular and invaluable. The value of good health cannot be measured in monetary terms. It is our constant endeavour to provide our patients value that goes beyond the sticker price and results in unmatched outcomes.

Your body is Priceless. We believe we have responsibility to put You First in all that we do. We believe you deserve it.

The vision which underscored the set-up of the Apollo Hospitals Group nearly 35 years ago, still endures - a multi- specialty institution, capable of providing outstanding integrated high quality care to Indians for all health problems – at affordable prices. The aim was to create cues for an institution where the deep knowledge and skills of an expert doctor fraternity could be harnessed, and patients treated with a loving, healing touch.



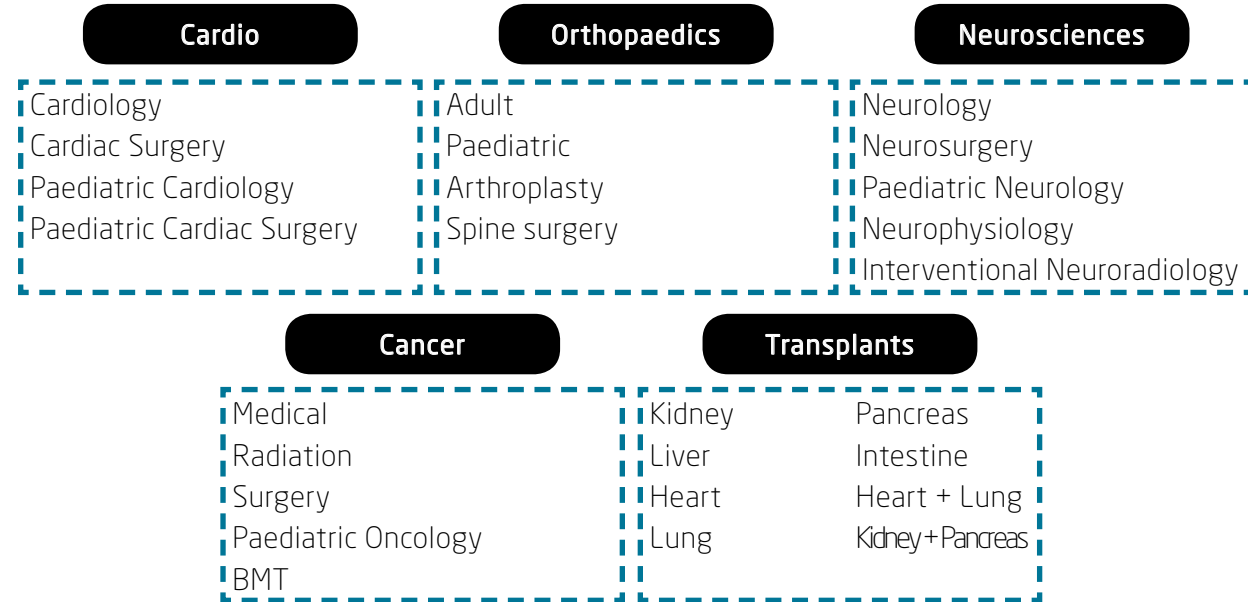
The Apollo Way of Life



FY18 at Apollo Hospitals

400,000+	In Patient Admissions	170	Bone Marrow Transplants
3,500,000+	Out Patients	6,500+	Joint Replacements
300,000+	Preventive Health Checks	57,000+	Chemotherapy Sittings
10,000+	Heart Surgeries	800	Robotic Surgeries
850	Kidney Transplants	225	Liver Transplants
160,000	Radiotherapy Sessions	120	Countries Medical Value Travel
14,000	Neuro Surgical Operations		

Apollo Hospitals has 55 specialties covering the complete spectrum of care.



Multispecialty multidisciplinary collaboration has resulted in several firsts in India.

Toshiba Aquillion ONE 320-slice dynamics multi-detector computed tomography ("CT") scanner, an advanced diagnostic tool used in heart, brain and whole body scanning - was first launched at the Apollo Heart Centre, Chennai, in September 2008	Philips Gemini TF Time of Flight positron emission tomography computed tomography ("PET-CT") 64 slice scan system - first installed in India at Apollo Specialty Cancer Hospital, Chennai, in January 2009
The Novalis TxTM Radiotherapy and Radiosurgery system, one of the most precise, non-invasive and fastest treatments available for the cancerous and non-cancerous conditions of the entire body - installed in Hyderabad, Kolkata and New Delhi, in November 2009, March 2010 and September 2010, respectively	South Asia's first-of-its-kind. Full-filled digital mammography with tomosynthesis (3D) system - installed at Apollo Speciality Hospital, Chennai in 2001
The "da Vinci Surgical System" enables a minimally invasive option for complex surgical procedures. Apollo Institutes of Robotic Surgery are located at Apollo Hospitals Chennai, Kolkata, Delhi and Hyderabad	The True Beam STx set up in Apollo Bangalore in 2013 - an advanced radio surgery system which performs non-invasive, image-guided radio surgery procedures with pinpoint accuracy and precision
Proton Beam Therapy for oncology procedures scheduled for launch in 2018 in Chennai. It is the first of its kind in South East Asia.	The G4 Cyberknife Robotic Radiosurgery System, Asia-Pacific's most advanced cancer treatment in India at Apollo Speciality Hospital, Chennai, in March 2009

To provide clinicians with the latest equipment, Apollo has invested in state of the art technology over the years. Clinical expertise is supplemented by expertise across healthcare services - specialised nursing, lab services, physiotherapy, rehabilitation and dietetics.

Differentiators in our Centres of Excellence

Institute of Cardiology	First biplane interventional cath lab suite-Philips Allura Clarity 20/15 —Greems Road, Chennai
Institutes of Orthopedics	Minimally invasive (percutaneous) fixation of spine with pedical screw and inter-body fusion done without any blood loss — Apollo Delhi 3D Robotic knee replacement (Unicondylar)
Institutes of Neurosciences	Neuro navigation guided MIBS for deep seated ICH done successfully — Apollo Guwahati (First time in North East India)
Institute of Emergency Medicine	Golden Hour concept for early management of Stroke-Code Fast Protocol Extensive ambulance network with GPS and ECG monitoring
Institute of Cancer Cure	Stereotactic Body Radiation Therapy with temporary organ displacement — Apollo Delhi
Institutes of Transplant	Crossed 18,000 solid organ transplants since inception Successfully treated a rare case of Citrullinaemia by performing liver transplant — Apollo Mumbai

Section A: General Information about the Company

CIN	L85110TN1979PLC008035
Name of the Company	Apollo Hospitals Enterprise Limited [AHEL]
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	2017-18
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 Drugs & Medicines
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 Chennai, Hyderabad, Bengaluru, Mumbai, Aragonda, Bhubaneshwar, Bilaspur, Karur, Karaikudi, Madurai, Mysore, Nashik, Nellore, Trichy and Visakhapatnam. Apollo has an international hospital located in Dhaka.
Major markets served by the Company	India, Bangladesh, Africa, Arabia and Burma

Section B: Financial Details of the Company

Paid up Capital (INR)	₹695.63 million
Total Turnover (INR)	₹71,830 million
Total Profit After Tax (INR)	₹2,332 million
Total Spending on Corporate Social Responsibility (CSR) as a percentage of Profit After Tax (%)	4.45%
List of Activities in which CSR expenditure has been incurred	1. Rural Development 2. Education 3. Healthcare and 4. Research in Healthcare

Section C: Other Details

Does the Company have any Subsidiary Company/ Companies?	Yes. The details of subsidiary companies are available in the Annual Report FY 2017-18 (please refer page 59).
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 businesses 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. However, AHEL intends to extend its applicable environment, social and governance policies to cover major stakeholders.

Section D: Business Review 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	Human Rights P5	Environment P6	Public Policy P7	CSR P8	Customer Relations P9	
1	Do you have a policy/policies for?	Y	Y	Y	Y	Y	Y	Y	Y	Y	
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y	
3	Does the policy conform to any national/international standards? If yes, specify? (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 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-familiariation-policy.pdf									

S. No	Questions									
		Business Ethics P1	Product Responsibility P2	Well Being of Employee P3	Stakeholder Engagement P4	Human Rights P5	Environment P6	Public Policy P7	CSR P8	Customer Relations P9
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?	Y	Y	Y	Y	Y	Y	Y	Y	Y
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 Business Responsibility (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 Board of Directors assess the BR performance of the Company annually.								
2	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently is it published?	Annually. https://www.apollohospitals.com/apollo_pdf/brr-2018.pdf								

Principle
1

Ethics, Transparency and Accountability

Our governance standards are robust and stringent and we continue to adhere to the highest ethical standards as we continue to grow and expand. Corporate governance has a broad coverage and encompasses how an organization is managed, its corporate and other structures, its culture, its policies and strategies and the way it deals with its various stakeholders. It embraces authority, accountability, stewardship, leadership, direction and control exercised within the organization.

Our Hospitals are founded on a commitment to ethical principles, transparency, and leadership in applying the highest standards of corporate governance in our day to day operations and in creating long term sustainable value for all our stakeholders including our shareholders, patients, employees, and the communities we operate in. High standards of corporate governance, we believe is key to our strategy and future growth and will always remain the bedrock of our business.

Our sound governance practices which are underscored by strong accountability percolate to every level of the organization right from the very top starting with our diverse Board of Directors.

Our policies are transparent with systems and processes that support strong internal controls. Board members have on-going oversight and periodically review our strategy and policies. This ensures that all systems are working well and that we are compliant with all applicable laws, rules and regulations. We have a sound and effective risk management framework which the Board also reviews on a periodic basis to ensure we are well prepared to face various risks inherent in our business.

Organizational / Governance Structure

The Board of Directors consists of a combination of executive and Independent Directors who provide leadership and strategic direction to our business. All sub-committees of the Board as required under statutory regulations & guidelines have been constituted by the Board to facilitate smooth & efficient review of governance, and to ensure effective flow of the decision-making process.

To increase the efficiency and effectiveness of governance, board members have been designated into various committees - the Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Share Transfer Committee, Stakeholders Relationship committee, Risk Management Committee and the Investment committee. These specific functions come under the purview of the concerned board members who have oversight on their workings

Our Code of Conduct

Our Code of Conduct for Board Members and Senior Management Personnel sets forth the standards by which we conduct our business. The Code, which has been approved by the Board, covers a range of subjects from the use of funds to conflict of interest. It also covers systems and processes for proper operation of internal controls for the organization, general moral imperatives, specific professional responsibilities, and additional duties / imperatives for Board Members and Senior Management Personnel. The Code is founded on our core principle of maintaining the highest standards of ethics in conducting our business; it takes into account our business performance and the impact we make on the larger society.

The Company Secretary has been appointed as the Compliance Officer and is responsible for ensuring 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 individuals concerned.

The Code of Conduct can be referred to at

- 1) https://www.apollohospitals.com/apollo_pdf/code-of-conduct-directors.pdf
- 2) https://www.apollohospitals.com/apollo_pdf/code-of-conduct-sm.pdf

Conflict of Interest

A conflict of interest is a transaction or arrangement that might benefit the private interest of a board member or employee. Identification, resolution and striving for avoidance of a situation that can give rise to a conflict of interest is critical for good governance and maintaining trust in organizations.

At AHEL, the Code of Conduct has specific clauses, adherence to which ensures nil cases of conflict of interest. Steps taken to avoid and manage conflict of interests at the Board level include:

- 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

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 at a Company level as well as for individual business segments.

Our Risk Management strategy seeks to identify, assess and prioritize risks (the effect of uncertainty on our business objectives), followed by effective steps to minimize, monitor, and control the probability and impact of negative events, and to maximize the realization of opportunities.

Risk management is one of the key aspects of Corporate Governance. Most prominent of these is the Organization of Economic Co-operation & Development (OECD) principles of corporate governance and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Regulation 21 of which integrates risk management to corporate governance. In compliance with the Companies Act 2013, the Board of Directors has developed and implemented a risk management policy to identify critical risks which may impede the functioning of the Company.

While it may be impossible to eliminate all risks, we take utmost care to mitigate and reduce our risk exposure as best as possible. As 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 Risk Management Committee. We have 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 our business objectives and enhance the Company's competitive advantage.

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.

The Internal Audit function carries out the audits 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 aspect of our business according to the highest standards of ethics and integrity, the cornerstones of performance and sustainability.

We therefore adhere to all applicable statutes in letter and spirit and endeavour to adopt best practices that go beyond adherence of statutory frameworks to bring transparency and accountability in all facets of our operations. We have thus developed and implemented internal controls at all levels of the organization.

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 the Company and also ensures that all applicable rules, regulations, laws and bye-laws, are adhered to.

Anti Corruption and Bribery

Besides strengthening the risk management framework and building strong internal controls, AHEL also has a robust vigilance mechanism with which to curb corrupt practices that may arise in the course of its business for which we have zero tolerance. 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 to the Company management, concerns of unethical behaviour, actual or suspected, fraud, or violation of the Company's Code of Conduct without fear of reprisal or victimization. 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

Founded on our core organizational values, AHEL is committed to transparency in all its operations and in the services it provides in accordance with the highest standards of corporate governance and business ethics. However, if due to any unprecedented reason, stakeholders find that there is / are reason(s) to improve, they are encouraged to report the same.

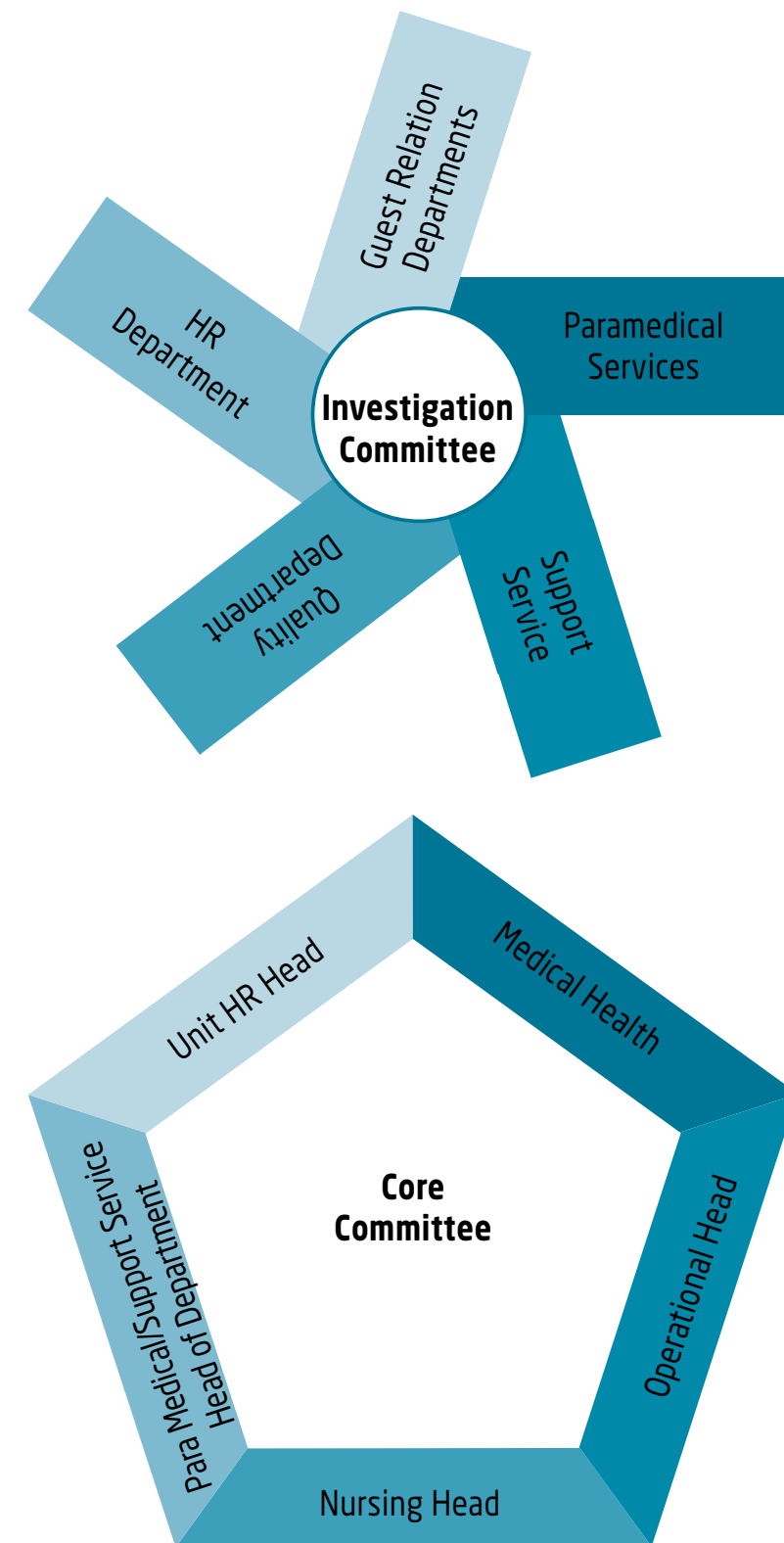
The 'Stakeholders Relationship Committee' formulated by the Company, specifically looks into issues such as redressal of shareholders' and investors' complaints; transfer of shares; non-receipt of shares; non- receipt of declared dividends; expeditious share transfers; and the redressal of the grievances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

AHEL endeavours to provide a supportive and enabling work environment for its employees to keep them motivated and engaged. . The Company has in place an Employee Grievance Redressal System (EGRS) to primarily address all concerns and grievances from employees. This helps to quickly identify, address, and resolve employee grievances and to support a robust organizational framework which can successfully anticipate, identify and set right flaws in the operational procedures and services of AHEL. The investigating committee and the core committee play a vital role in ensuring the effectiveness of the EGRS system.

In the financial year 2017-18 we have provided services to around 4 million patients. The feedback of our internal and external stakeholders is important for us to strengthen the relationship with our stakeholders. During the year more than 98% of the consumers'/stakeholders' concerns/ complaints were resolved. We also received 214 concerns/complaints from our shareholders and all of these concerns have been resolved. This is testimony that we look at and take up all complaints conscientiously and meticulously work on resolving them on a priority basis.

Our commitment to the best practices of corporate governance, our dedication to the areas of sustainability, ethics and fiscal transparency, and our relationship with our shareholders is the hallmark of the Apollo Way and has helped us earn the trust of the community.

Departmental & Unit Representatives



Principle
2

**Product Life-Cycle
Sustainability**

At AHEL we believe that we should conserve and protect the environment. We have therefore undertaken several initiatives for the reduction of energy and water consumption . We are also conscious of and care about the potential impact our operations may have on the environment and on people's health. We have consequently implemented safeguards at every stage in the life cycle of our products and services which we examine every year to ensure they are working as they should. Each year, we also evaluate, monitor and seek to reduce waste from our operations by advancing scientific knowledge.

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. We endeavour to develop the capacity of local suppliers while ensuring there is no compromise on quality so as to promote local sourcing and reduce our carbon footprint.

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 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 the awarding of contracts.

Process for awarding contracts

Founded on the highest standards of professionalism and ethical conduct, to invite tenders or proposals to help a choice for award of a purchase order or contract. The process of competitive bidding, negotiation and the awarding of contracts will be made without bias and the most appropriate vendor for the related requirement will be chosen. The process will be auditable

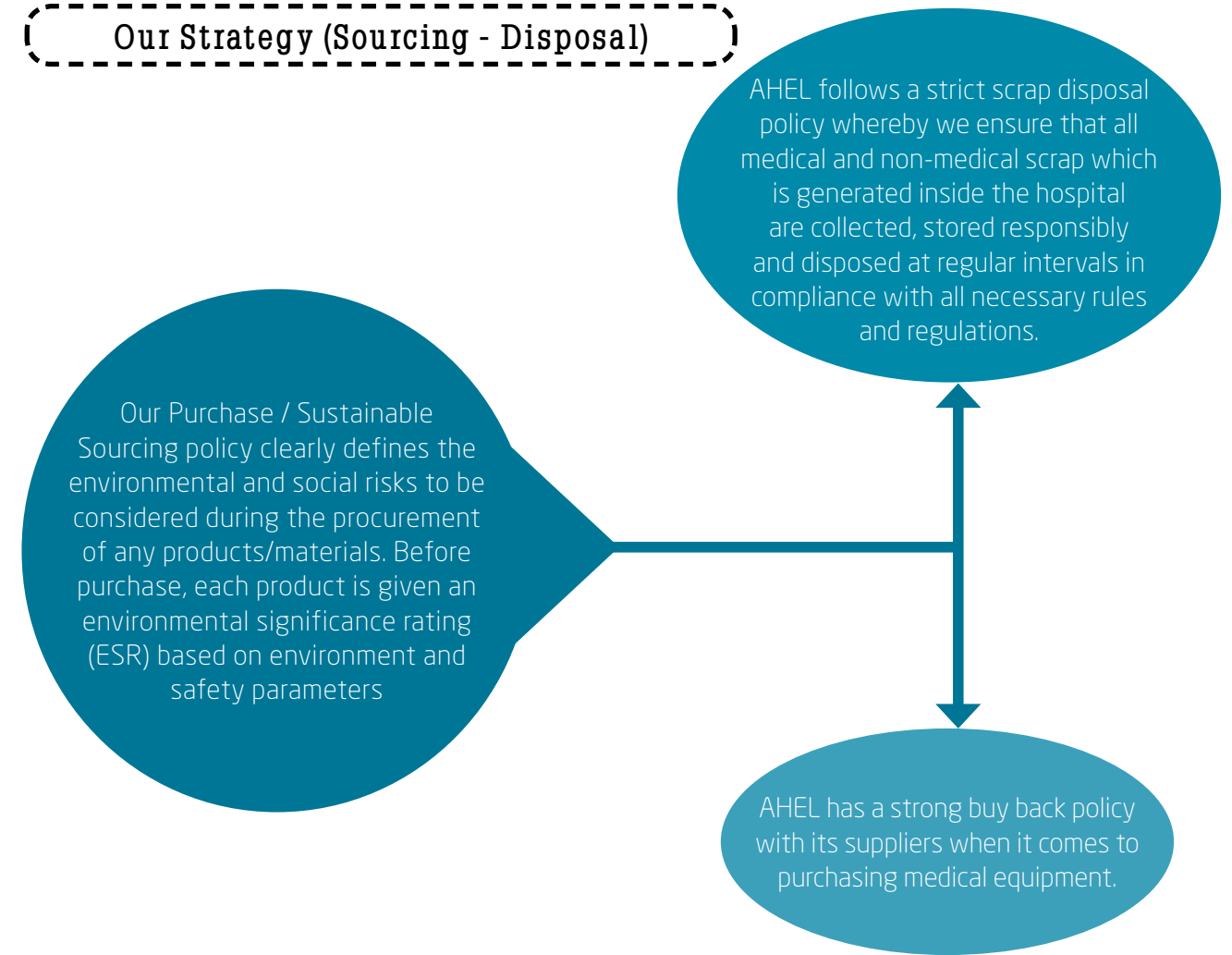
Risk Management

Transparent risk management policies which can reduce or mitigate business risks and potential internal and external conflicts of interest.

Dealing with Suppliers

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

Our Strategy (Sourcing - Disposal)



We ensure safety and optimal use of our resources over the life-cycle of our equipments and services in all our day-to-day operations. We also ensure that all our suppliers, employees, recyclers, and others, are aware of their responsibilities.

We encourage our suppliers to adopt processes and technologies that are resource efficient and sustainable. We regularly review and support new technology development so as to deliver the best quality treatment to our patients but we stay committed to social, ethical and environmental considerations in pursuit of this goal.

Principle
3

Employee Well Being

In Apollo we consider our employees as extended family and our biggest asset. We are committed to their success and prosperity and thank them for their support in all aspects of our business. As key contributors to our success, we believe we have to engage them meaningfully and empower them to provide the ideal gateway to welcome our customer into our hospitals. We believe, that superior customer experience starts with them as they are the first touch-point in our care delivery value chain. Our Apollo family is therefore uniquely positioned to understand customer needs and expectations. We value their input which helps us at an organizational level to provide high quality services that are relevant and meet customers' needs and expectations.

Apollo Family Member – Our First Customer concept helps in creating an environment where the family members are excited to come to work. The synergy arising out of their effort and the HR business strategy will result in a positive result for the organization. Our policies are designed to stimulate employee creativity and encourage optimal performance towards attaining organizational goals. HR strategic planning will enable the organization to identify and respond to factors which inhibit successful execution on strategic priorities.

Strategic HR planning is an important component of HR management. It links HR management directly to the strategic plan of the organization. The strategic plan helps in guiding decisions about the future and showing the path about the direction in which we are moving.

Our Holistic Strategy

- Ensuring that we have the right people with the right skills at the right time at the right place
- To keep up with technological trends that impact on human resources in our organization
- To remain flexible so that our organization can manage change, if the future is different than anticipated

Number of male employees	24,843
Number of female employees	12,631
Number of male employees with disabilities	84
Number of female employees with disabilities	14
Total number of employees on roll	37,572
Total number of contract employees	6,654

Recruitment Strategy

Strategic HR planning helps in predicting the future HR management needs of the organization after analyzing the organization's current human resources, the external market and the future HR environment that the organization will be operating in.

The most important guarantee for the long term success of the organization is a "Strong Culture". It is one of the vital aspects of a successful organization.

A strong positive culture will help our organization to provide a great environment which will motivate our employees to contribute positively towards the growth of the organization and in turn, will strengthen relationships with our customers. Culture needs to be monitored and nurtured to ensure that it reflects our organization.

Training programs will help us to drive culture in our organization. This will help us in the following ways:

- Understanding the current culture
- Setting the required expectation
- Aligning with business
- Focussing on driving culture
- Managing Culture
- Constant Communication

We are a leading healthcare provider having a huge responsibility in energising the nation and in playing a vital role in providing excellent healthcare services.

We have an opportunity to make a real difference. Each and every day, we contribute to the organization and in turn the organization contributes to the society in a meaningful way.

We are proud to possess a very strong ownership culture which helps us in creating an environment of business success. The role of HR has become very crucial as people driven processes are the critical success factors for the organization to succeed.

Awards and Recognitions

- Dr. Prathap C. Reddy, Chairman, Apollo Hospitals Group is the fifth Indian and the second medical doctor to be conferred with the prestigious Lions Humanitarian Award by Lions Club International Foundation for making international standards of healthcare accessible and affordable to millions of people across India and around the world.
- Times Research conducted a survey of healthcare institutions across multiple platforms to arrive at a list of Top Super Speciality Hospitals. The survey ranked Apollo as India's No. 1 Multi-Speciality Hospital in India.
- Apollo Health City, Hyderabad, won the coveted National Tourism Award for "Best Medical Tourism Facility", for the fourth time.
- Apollo Hospitals, Navi Mumbai, is now the 1st JCI accredited hospital in Navi Mumbai.
- Apollo Munich Health Insurance, was conferred with the 21st Asia Insurance Industry Awards in the "General Insurance Company of the Year" category. We are the first standalone health insurer in Asia-Pacific region to win this award.

- In the WEEK-Nielsen Best Hospital Survey, 2017, three facilities (Chennai, Kolkata and Ahmedabad) were chosen among the Best Private Hospitals in India — the most by any single healthcare group in the country. Hospitals at Kolkata, Chennai, and Bengaluru were rated as the number one facility in their respective cities while Ahmedabad was ranked 3rd in the West Zone.
- Apollo Hospitals won ASSOCHAM's India-Africa Champion at the Biz Awards 2017 for its outstanding contribution to Africa's Healthcare sector.
- At the TV5 Business Leader Awards 2017, Dr. Prathap C. Reddy was conferred the 'Lifetime Achievement Award'.
- At the Times Health Icon Award 2018, Apollo Hospitals was ranked first as 'Hub for Medical Tourism'

Employee Health & Safety

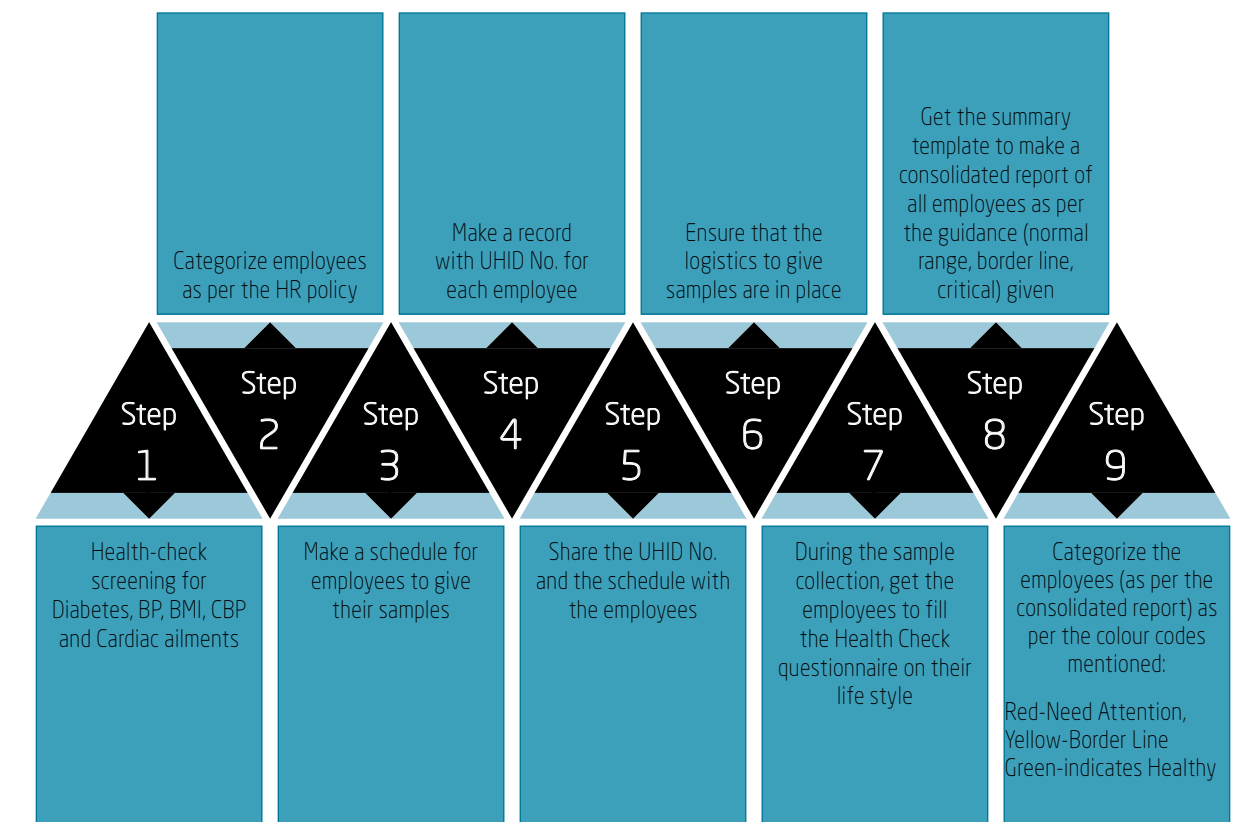
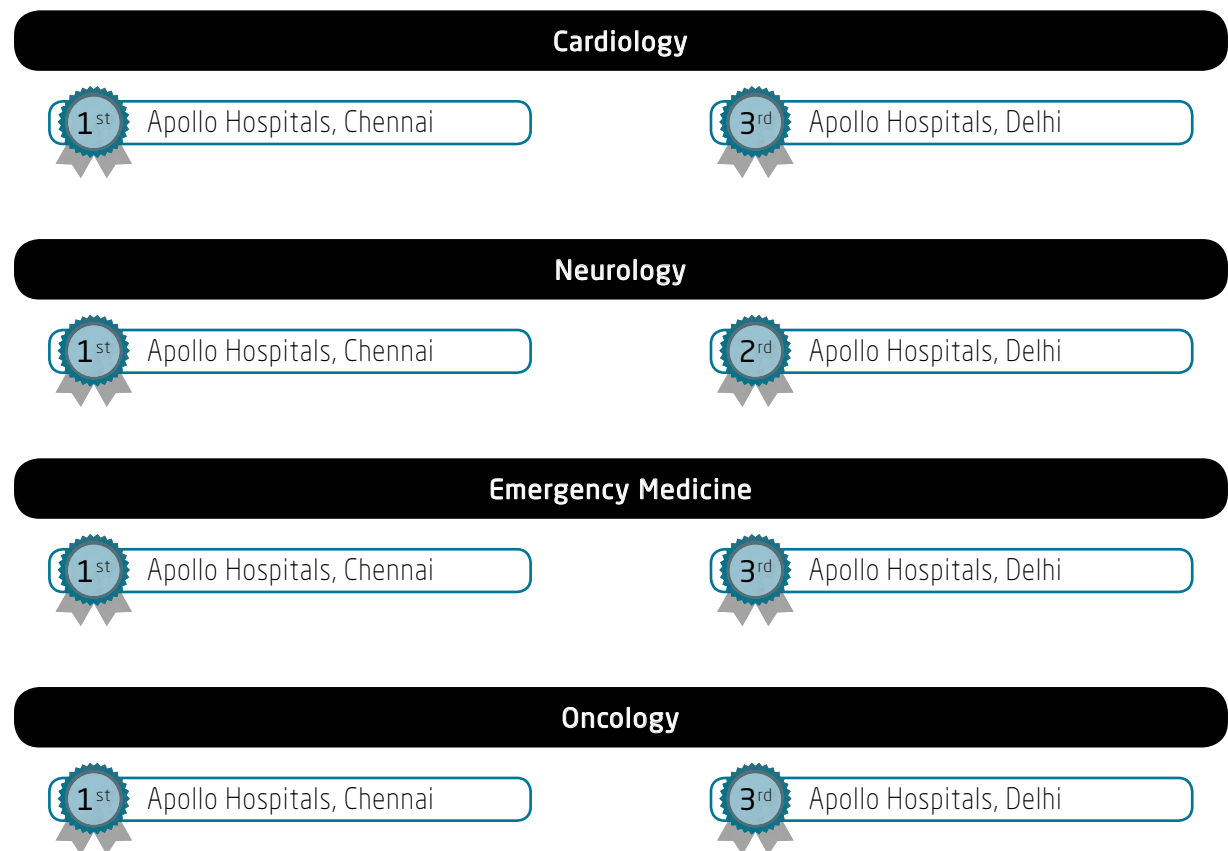
As part of the employee welfare program, 98% of our employees went through an Annual Health Check.

Our Chairman, Dr. Prathap C Reddy has expressed serious concern over the spread of Non-Communicable Diseases (NCDs) which poses a great challenge to India's socio economic development as it is estimated that NCDs will cost India USD 6 trillion by 2030.

He said, "The new challenge that we will face in terms of NCDs – Diabetics, Heart Disease and Cancer are severe and we at Apollo Hospitals will take several steps in the coming years to address it."

The process for the Annual Health Check Program is as follows:

All India Critical Care Hospital Ranking Survey 2018 - The Times of India



Post Investigative Interventions:

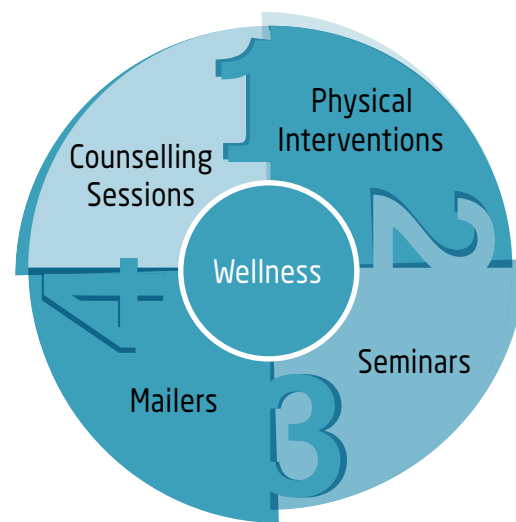
- One-on-one with Doctors
 - o HR will arrange one-on-one sessions with the required Specialists and Consultants for the employees falling into the Red band & Yellow band
 - o Employees to be made aware of their existing health status, and counselled on necessary medications, possible invasive interventions preventive measures for further deterioration and improvement in health

Retention of prognosis by HR for future reference:

- The HR will retain a copy of the prognosis (prescription) and maintain an individual Health dossier for every Apollo Family member
- The individual dossier to be checked every six months to evaluate the respective family member's health status

Wellness Drivers:

Wellness Drivers defining the calendar are as below:



New Hires in FY 2017-18

Total No. of New Hires (2017 -18)	14,760
Total No. of New Hires - Female	5,456
Total No. of New Hires - Male	9,304

Employee Turnover

Total No. of Separated Employees (2017-18)	13,149
Total No. of Separations - Male	4,711
Total No. of Separations - Female	8,438

Performance Appraisal:

Promotion system in AHEL is systematic. The KRAs based on the Unit / Organizational Goals are drawn and submitted in the beginning of the financial year. The employees undergo a half-yearly and annual appraisal system based on the KRAs. We believe in keeping the appraisal system very transparent and reward & recognize the deserving employees.

Every unit makes an Annual Operating Plan for the year, based on which, the KRAs of the employees are derived. The KRAs are discussed and agreed with the Reporting Manager/ HOD at the beginning of the year. A half-yearly and Annual review is done as per the PMS plan.

Rating for the employees is totally based on the individual's performance. Based on the Unit Performance and normalization of the ratings, increments are rolled out.

Technology



Learning & Organizational Effectiveness:

We believe that continuous knowledge, competency and skill development is vital for all employees.

We hone the talents of our employees by exposing them to diverse competency enhancement platforms. We keep a monthly & yearly tracker of all internal and external training programs. All our employees (permanent, casual, temporary & contract) undergo safety and skill up-gradation trainings on a regular basis based on their role, domain and individual needs. All new incumbents undergo comprehensive orientation programs for familiarization with organizational work culture. Our talent management team collaborates with various functional heads to identify need based and focused training programs 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 & 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, which is possible because of the in-depth training we provide them. Our nurses focus on patient safety and the prevention of any harm to patients.

This is evident by the metrics in the ACE and RACE surveys where parameters like Infection Rates and Medication Errors, Falls and VOC are captured and benchmarked with the best hospitals globally. This is a standardized 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 and adapt to a complex clinical set up. The training is standardized across the group. The various JCI accreditations and NABH certifications wear testimony to the quality of our service delivery and process rigour. Superior nurses training combined with employee welfare schemes have drawn many an aspiring nurse to the Apollo Hospitals fold.

Providing Learning Environment for our Staff:

It is imperative for every employee to go through relevant development interventions to broaden their skills and competencies and to help them further in their career development. Our innovative and flexible trainings 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.

WARD – We All Render Delight

Key to health care excellence is by delivering better value and quality care to patients. This can be achieved by embedding the right processes and handling day-to-day concerns in clinical care, being time bound and becoming more patient focused by ensuring that quality and safety is of utmost priority.

The level of care should make patients feel safe, boost confidence and contribute to good patient experiences. Healthcare is a service for patients that works best when it is structured around the needs of the patients.

The complexity of health care services presents different challenges which impact the results and effectiveness. It is known that improving the quality of Healthcare Delivery is always subject to some reformation. Hence, the purpose of healthcare quality initiatives is to ensure patient safety, improve clinical effectiveness and promote accountability.

WARD is a unique concept, where it will function as an individual unit and is self-centric ensuring effective coordination and administration to deliver high quality patient care.

It is about bringing teams together to deliver care with the best possible outcomes and in turn boosting the reputation of the organization and enhancing the productivity of the unit. This is an endeavour to make the members of the ward accountable for the provision of care expected of the Apollo brand.

In this model the patient can benefit from more structured care and the care can be tailored as per the needs of the patient.

Well-designed organizational structures will enable efficient communication channels and encourage fast and right decisions. A good ward management is multi-dimensional; it is the service provided by a coordinated group of professionals i.e. technical, supportive and other workers under the direction of the In-charge doctor.

In the ward different segments are split to provide specific services to patients – for example, clinical support, dietetics, pharmacology, billing, insurance etc. where it is important to have one representative for each segment to handle and in return each of these representatives will report directly to the In-charge Doctor administratively to execute as a team and impart best service to the patient. The ultimate goal of this structure is to avoid clogging and overlap and to eliminate redundancies.

The principle of Ward as a Unit is to plan the services and understand the importance of effective administration. The WARD In-charge doctor administers the Ward as an individual unit by itself. He would be responsible for all the end to end operations of the respective ward with the support of the other stake holders. He shall execute a process and adopt steps and methods in dealing with patient needs and complaints through other health team members of the ward.

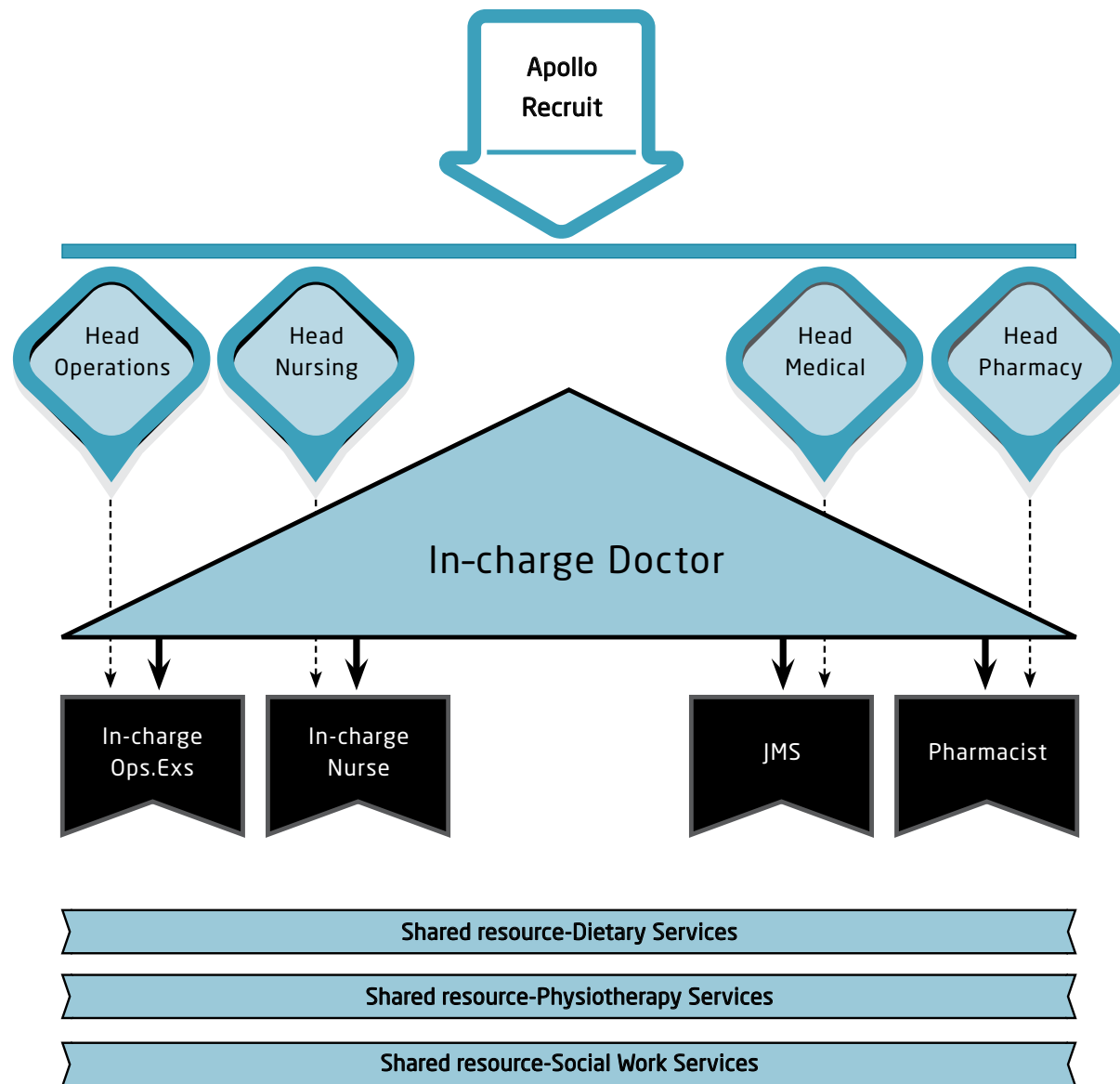
At the same time to make it functionally effective all the stake holders would have a dotted line reporting to their respective Functional Heads / HODs besides an administrative reporting to the In-charge doctor.

The Key Personnel of WARD are as follows:

- In-charge Doctor
- In-charge-Nursing
- In-charge operations
- Pharmacist

Every 40 beds will constitute 1 WARD Scope: All floors, wards and ICUs

Reporting Structure of a WARD



Protecting Human Rights:

We are committed to Human Rights and the prevention of issues like Child Labour and Forced Compulsory Labour in our network. Our HR department ensures the process of document verification, medical fitness, address and age verification, together with compliance to other statutory requirements. The Company is further committed to being proactive in eradicating child labour by actively contributing to the social upliftment of children. We also encourage our suppliers to adopt a 'No Child Labour' policy.

Protection of Human Rights is central to good corporate citizenship and to a healthy bottom line. Our induction program introduces our employees to the relevant policies including the Code of Conduct and the Whistle Blower policy, and trains them to deepen their understanding of these aspects.

We are committed to the safety and protection of our women employees across the organization, and to ensure them top security, we have a well-defined Sexual Harassment Policy in place. The policy has a mechanism for resolution of complaints and conducting mandatory training programs for all employees to create awareness on the subject.

Our company has a Sexual Harassment redressal committee with four members and a presiding officer who is a woman. Complaints are resolved within 15 days of receipt of the complaint following a thorough enquiry together with the Unit Head. In-case of dissatisfaction with the solution proposed by the Apollo Sexual Harassment Redressal committee, the complainant is free to approach the corporate committee for redressal. In FY 2017-18, we received four cases of sexual harassment. The case was presented to the unit sexual harassment redressal committee and satisfactorily resolved.

The Employee Association and Unions are also given due importance; employees are encouraged to communicate their grievances and needs under the code of discipline.

Principle 4

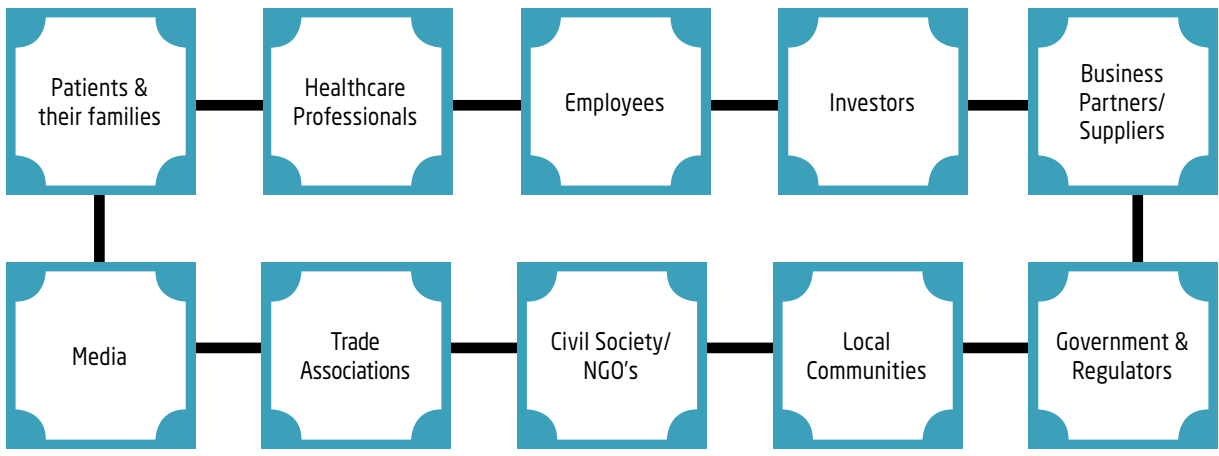
Stakeholder Engagement

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 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.

Major Stakeholders



Mode of engagement with key stakeholders

Key Stakeholders	Engagement Team	Mode of Engagement
Patients & their families	Guest Relation Department	VOC process, which measures patient experience rather than satisfaction among both in-patients and out-patients Structured in partnership with Gallup World Wide It captures qualitative & quantitative feedback on 27 attributes across all patient touch points in all the units.
Employees & Healthcare Professionals	Human Resource Department, Corporate Operations & Maintenance team	Satisfaction surveys, Grievance Redressal, Open forums, Various committees, Emails, Journals, Meetings with employee associations and unions; and events like Celebrations, Department Day, etc.
Investors	Company Secretariat, Finance & Investor Relations	Annual General Meeting, Investor Meets, Investor Conferences, Conference Calls
Business Partners/Suppliers	Marketing, Procurement, and Projects Department	Creditors' meeting, Redressal of Grievances through emails, One-on-one meetings and annual meets
Local Communities	CSR Committee, Corporate Social Responsibility team, HR Department	Community Meetings, Project Meetings, Conducting awareness program, Free camps, Impact assessment, skill development etc.
Government & Regulators	Legal Department, Project, Company Secretariat	Hearings and other Meetings, MoU's, Interaction with Regulators, Initiatives for Public private partnership with regulators, etc.

We believe it is our corporate responsibility to not only to protect the environment, but to uplift the lives of the marginalized sections of the communities we operate in. We are engaged in many initiatives in this regard.

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

In the field of education, the Aragonda Apollo Medical Educational Research Foundation (AAMERF) has been running a primary school under the name of "Apollo Isha Vidhya Niketan" at Aragonda village, Chittoor District, Andhra Pradesh, in association with the Isha Foundation since June 2012. The school is recognized as 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 Saving a Child Heart Initiative (SACHi) (for pediatric cardiac care and child heart surgery), and SAHI for the hearing challenged children.

A detailed description of our community development initiatives appears under Principle 8.

At AHEL, we also provide equal employment opportunities to all without any discrimination, thereby ensuring inclusion of vulnerable and marginalized citizens. We have employed 98 differently abled people in our hospitals.



Principle 5
Advocating for Human Rights

The human right to 'Health' means that everyone has the right to the highest attainable standards of physical and mental health, which includes access to all medical services, sanitation, adequate food, shelter, 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.

Apollo respects and is committed to supporting human rights, and the dignity of India's diverse populace, as detailed in the Company's Human Rights Policy.

In particular, we believe our most significant opportunities to uphold 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 the UNGC principles on Human Rights, we also follow the principles in the International Labor 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, a safe and healthy workplace and other commitments to human rights, reflect our belief that the success of our Company is directly 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 Healthcare 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 for a nation's well-being and for achieving better health for people around the world. Such systems are centered on the needs of individuals, and offer equitable access to quality healthcare for all.

Our Chairman first set up Apollo Hospitals with the firm conviction that every person has an undisputed fundamental right to quality healthcare regardless of geographic location or economic status - a principle that is stated in the Universal Declaration of Human Rights. Providing health care services is only part of that commitment. We are constantly working with all our partners and stakeholders to improve the availability, accessibility, affordability and quality of care nationwide and also globally to help as many people as possible live their lives to the full.

We ensure commitment to human rights in all our operating units through strong governance policies. Oversight of the Human Rights policy and practices is managed by the relevant corporate and business group functions. Our Board has always been diligent in implementing laws and guidelines to ensure the safety of resources and stakeholders

We encourage our business partners to commit to respecting human rights as outlined in our policies, and also motivate 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 decision making. The process is finalized with approvals from senior management and procurement executives. The Procurement Policy and processes are reviewed regularly and endorsed by the procurement executives.

In FY 2017-18, there were no complaints of Human Rights violation reported relating to child labour /forced labour / involuntary labour and discriminatory employment in our Company

Principle 6

Care for Environment

Apollo is committed and pro-active when it comes to managing the environmental impact caused by its operations. Responsible disposal of different categories of waste including bio-medical waste generated from our premises, is a key focus area of our environmental strategy and provides impetus for a number of action plans as well as industrial and scientific partnerships. Necessary arrangements have also been made with authorised vendors for the disposal of e-waste, solid waste and hazardous waste. Training is provided to employees on compliance to these.

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 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 hospitals
- 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 Quality Health Safety and Environment policy (QHSE). Guided by our inhouse experts, we have established a sound governance system for assessing the potential impact of our services on the environment.

Waste Management System

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 our operations. We adhere to all statutory compliances and environmental clearance parameters as stipulated by the relevant authorities. We also have well established environment management systems which are dedicated to function beyond laid down 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 regulatory requirements. All 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" with vendors.

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

Appropriate type and adequate number of personal protective equipment have also been made available for personnel who are handling waste and disposal.

The Hazmat team carries out internal inspections and evaluations to review the effectiveness of the waste management plan and disposal practices followed at our facilities across India.

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

Water Harvesting

Water for all the hospitals is sourced from 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 into harvesting pits across the premises; 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 Operations and Maintenance philosophy. Adherence to efficient operations and quality maintenance practices in O&M has resulted in optimizing energy consumption. Our O&M department further endeavors to continuously improve its performance in this area.

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

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

- Phase out of CFL lamps to LED lights.
- Procurement of electricity from alternative source - Wind Electric Generators.
- Optimization of fuel consumption in boiler operations.
- Introduction of timer based operation of Air Handling Units (AHU) to reduce power, consumption.

- Introduction of micro processing energy saver for AHU Motors.
- Energy optimization practices Implemented in Transformer operation.
- VFD installation for AHU motor in a phased manner.
- Operation of all Lifts and OT AHUs with VFD panels.
- Introduction of timer control for AHU motors to reduce running hours.
- Phase out of split air conditioner units with chilled water FCU to reduce power consumption and capital cost.
- Using pre-heated water for boilers as primary feed from solar energy, thus in fuel savings of 4 litres per hour.
- Optimal utilization of chillers by inter-connecting the facilities which resulted in savings of nearly ₹5.50 million.
- PPAs for buying power which has been generated through solar energy.
- Installation of occupational sensors in OPD consultant's rooms.

Management Systems:

We have developed and demonstrated our expertise in managing hospitals over the years and have been recognized for best practices in hospital management on par with international standards. We have implemented international certifications such as ISO 9001 at Chennai and Joint Commission International (JCI), for 8 hospitals including the hospitals at Delhi, Chennai, Mumbai, Hyderabad, Bangalore, Kolkata, Ahmedabad 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 ISO22000 - 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 in those hospitals, which are not yet certified for an accreditation, we ensure that the requirements for these systems are integrated into the design and operations. Corporate level policies, guidelines, checklists and MIS have been developed and implemented for this purpose.

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

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.



- † Accredited Member Organization of Indian Society For Clinical Research (ISCR)
- † Confederation of Indian Industry (CII)
- † Federation of Indian Chambers of Commerce and Industry (FICCI)
- † Indian Pharmaceutical Association (IPA)



- † Association for the Accreditation of Human Research Protection Programs (AAHRPP)
- † Joint Commission International Accreditation (JCIA)
- † National Accreditation Board for Hospitals and Healthcare providers (NABH)
- † National Accreditation Board for Testing and Calibration Laboratories (NABL)
- † The International Organization for Standardization (ISO)

Apollo Hospitals Educational and Research Foundation (AHERF)

The Apollo Hospitals Education and Research Foundation (AHERF) is a not for profit organisation recognised by the Department of Scientific and Industrial Research (DSIR), and is focused on basic, translational and epidemiological research. AHERF comprises of the Cell and Molecular Biology Research Center (CMBRC) and centers at Chennai, Hyderabad and Delhi to carry out research activities. The CMBRC enables basic and translational research projects in cutting edge areas such as liquid biopsy, molecular diagnostics, pharmacogenetics and exosomes. Further AHERF also spearheads a faculty development programme to spawn research pilots for basic research projects.

Current Projects

Validation of the Biomarker for Glioblastoma

The objective of the proposed study on validation of the biomarker for Glioblastoma is to establish the feasibility of employing blood-based markers in GBM diagnosis thus obviating the need of a risk-associated biopsy. The aim is to establish serum-based diagnostic panel to identify GBMs with increased sensitivity and specificity compared to histo-pathological examination. The study is reviewed and approved by the Ethics Committee and has been initiated at the CMBRC lab, Hyderabad.

Establishment of Exosome Technologies

AHERF has developed exosome based technology for detection and screening of glioblastomas (GBMs) from blood. This technology is based on the principle that an exosome epidermal growth factor receptor VIII (EGFR VIII), a molecular signature for brain tumors is increased in GBM patients which can be quantified. This minimally invasive technology enables gaining information about the GBM profile without the need for an invasive biopsy. Further, this panel can also be used for real time monitoring of GBM post-surgery for cases of metastasis.

Extension of the Brain Tumor Exosomal Project

The project is extended towards detection of other markers of disease relevance-PTEN,CD147, HPIP.

Use of Exosomes as Drug Delivery Agents

A project for establishing drug delivery with exosomes would be established in-house in AHERF with curcumin as the initial drug choice and would be extended to other cancer drugs like Palcitaxel, Doxorubicin and Temozolmide. Both, NT Hyderabad and University of Hyderabad facilities would be used in establishing the technology. There is also a plan for the establishment of research work for regenerative medicine through exosome therapeutics.

Publications/ Presentations

Exosomes as a Biomarker Platform for detecting Epidermal Growth Factor Receptor (EGFRviii) Positive High-grade Gliomas', published in the Journal of Neurosurgery.

Extra Mural Grants Received

Successfully secured grant from the Department of Biotechnology (DBT), Ministry of Science and Technology, for 'Identification of Pharmacogenomics Determinants causing Toxicity in Pediatric ALL'

Collaborations:

Collaborations/MOUs for Translational Research

MOU with University of Hyderabad

A memorandum of understanding (MOU) has been signed between University of Hyderabad (UOH) and AHERF. The MOU would facilitate in conducting collaborative research activities, epidemiological and, population studies intervention studies and trials, health systems research, programs on patient safety and quality, conduct of conferences and workshops and exchange programs for various therapeutic disciplines.

Collaboration with Manitoba Chemosensory Biology Group (University of Manitoba)

AHERF has collaborated with Manitoba to develop salivary exosome protocols for detecting bitter receptors - G-protein-coupled receptors (GPCR) project in pathological conditions. The project has since been completed.

Collaboration with Ncare solutions

A Master Research collaboration agreement was signed with Ncare. Ncare is engaged in the business of cell processing and stem cell therapy in the areas of blood banking, bone marrow transplantation, graft engineering, bio-banking, regenerative medicine, and GMP lab cell culture. Ncare is interested in developing dendritic cell vaccine/dexosomes with AHERF.

Collaboration with Guru Nanak Institutions

AHERF has undertaken a retrospective study in collaboration with Guru Nanak Institutions in the field of Medical Imaging. The study is for the clinical validate of image fusion protocol. Currently, the data is being analyzed for validating the algorithm developed by Guru Nanak Institutions.

MOU with Stemcyte India

Stemcyte provides complete stem cell solution from banking to application and treatment. AHERF and Stemcyte undertook a collaborative research agreement to establish exosome therapeutics from cord blood. The project would focus on establishment of mesenchymal stem cell exosomes as cell free regenerative medicine. The project would lead to novel cell free regenerative medicine for treating cardiology and oncology complications.

MOU with Mitra Biotech

Mitra is a global leader in therapy selection in oncology and chemo sensitivity testing services for drug development and discovery applications in oncology. Mitra has a multidimensional laboratory based screening platform that enables assessment of tumor response to multiple potential treatment options. The major aims of the collaborations are two-folds:

- Develop and enhance Mitra Biotech "Can-Script assay with exosome platform
- Re-purpose old drugs for new oncology applications using Mitras' CanScript and AHERF exosome platform

Collaborations/MOUs for Medical Devices and Diagnostics

Tech Emerge - Mobile ODT

AHERF completed conducting a pilot study to evaluate the benefits of integrating Mobile ODT's EVA system for Digital Cervicography into their primary screening for cervical cancer.

iFeel Labs

AHERF signed an agreement to conduct a validation study on the iFeel Labs, an Israeli based company with an objective to provide Heart Rate Variability Modulation technique by biofeedback in asthmatic patients.

Apollo Research and Innovations (ARI)

Apollo Research and Innovations (ARI) is a division of Apollo Hospitals. ARI focuses on scouting, evaluating, deploying and integrating innovations across Apollo Hospitals, with an objective of improving outcomes, affordability and accessibility for patients. Innovations span across drugs, devices, healthcare software or consumer goods of clinical relevance. ARI provides an end to end platform for converging clinical insights, technology and business to spawn innovation & research within the Apollo Hospitals ecosystem. ARI currently has a comprehensive ecosystem to undertake clinical studies for sponsored drug trials, devices, software as well as consumer goods. Apollo currently is also India's single largest clinical site solutions organization having undertaken over 850 clinical studies, operated by a dedicated team of 80 professionals, located across 14 Apollo Hospitals, in over 10 therapeutic areas. This competence has been further evolved to extend co-development capabilities and augment the same with some very creative business models.

Work Scope

ARI works across a diverse set of focus areas namely - clinical trials, clinical research training program, pre-market validation studies, device and software validation studies and co-development, basic and translational research, public health studies, personalized medication and healthcare innovation through creative collaborations.

Clinical Research-Overview

Institutional Ethics Committee

- ARI provides expert advice and recommendations on various aspects on ethical conduct of clinical research to the research sites, which enables the hospital centre's to comply with the stringent regulatory changes. The ethics committees are registered with Drug Controller General of India (DCGI). Ethics Committee across 5 sites have completed the process for NABH accreditation assessment visits.

b. Institutional Committee for Stem Cell Research (IC-SCR) IC-SCR has been formed at Chennai and New Delhi to review and approve the stem cell research proposals as per DBT-ICMR guidelines. The committees have submitted the same for registration with National Apex Committee (NAC). The chairpersons of the respective committees at each institution conduct meetings as per the SOP to review all stem cell related projects.

Experiences in Clinical Trials

ARI has vast experience in conducting clinical trials, clinical research studies, registries, data collection studies, validation studies, investigator initiated research studies, non-clinical studies, basic research studies and translational research studies.

ARI oversaw 63 clinical trials at various Apollo Hospitals' units

Apollo Research and Innovations - Competence

Research	Resource	Framework	Credentials
16 Networking Sites	More than 200 experienced investigators	SPOC for clinical trials site solutions	AAHRPP accredited
Availability of satellite sites	GCP certified, experienced in conducting international standard	Clinical trial management system (CTMS)	Over 900 clinical studies with 150 ongoing studies at any given time
	Leading clinicians across a broad range of therapeutic areas	DCGI registered EC's with uniform SOPs	Drugs, Devices, FMCG, vaccines, others
	More than 60 certified GCP coordinators	OH RP registered ethics committee	Inspections from a US FDA

Principle 8
Equitable Development

Apollo Hospitals Group

The commitment of Apollo Hospitals towards social responsibility through inclusive healthcare inspired the establishment of Apollo Foundation. The focus is on bringing quality healthcare within the reach of all people regardless of their geographic location or economic status.

With an aim to upgrade the standards of healthcare across various regions, several impactful programmes have been initiated. These programmes cover areas such as Rural Development, Rural Health care, Skill Development and Vocational Training, Research in Healthcare, Pediatric Cardiology, Cancer Care, Cardiovascular Risk Awareness, Medical Camps, and Disaster Relief Programmes.

Through the following CSR initiatives run by different Apollo Hospitals' units across India, Apollo Hospitals aspires to make timely and quality healthcare available to all:

- Billion Hearts Beating Foundation
- SACHi: Saving A Child's Heart Initiative
- Total Health Programmes
- Apollo Aushad
- Indraprastha Apollo Hospitals, Delhi, CSR
- Apollo Hospitals, Hyderabad, CSR
- Apollo Hospitals, Bangalore, CSR
- Apollo Hospitals, Chennai, CSR
- Other CSR Initiatives

Billion Hearts Beating Foundation

The Billion Hearts Beating Foundation (BHB) is a not-for-profit organization that works with the objective of prevention of heart disease and its contributing risk factors in India. To combat the core issues pertaining to heart disease through a sustained program of action and awareness, BHB has identified 5 simple solutions: Eat Healthy, Get Active, Quit Smoking, Beat Stress and Get a Regular Heart Check. BHB provides basic healthcare and reaches out to the elderly and the under privileged children through its Old Age Home Program for the elderly and School of Heart Program for children.

Old Age Home

Started in 2014, the Old Age Home Program has identified old age homes in the Delhi region, where the elderly are provided health care through health checks and medications, free of cost. The program has organised health camps in 34 old age homes across the Delhi region. Around 1300 health checks have been done in the year 2017. Medicines prescribed by doctors have been provided free every month to over 400 residents.



School of Heart Program

The School of Heart Programme aims to spread awareness and develop healthy living for children from economically weaker sections of the society. It is a year-long programme currently running across ten NGOs and Government Schools. The program organizes health camps and workshops for the children. In the year 2017, the School of Heart Programme covered around 3,000 health checks for children from the disadvantaged backgrounds.



SACHi: Saving A Child's Heart Initiative

SACHi works for the detection and treatment of congenital heart diseases for children from the disadvantaged sections of the society. The condition is detected through free monthly clinics, health camps, heart screenings. Children with heart diseases are provided free or subsidized treatment.

In the year 2017, SACHi in Hyderabad conducted free and subsidized heart surgeries for 105 children, hailing from families below the poverty line. In Delhi, heart surgeries for 16 children with paediatric heart disease were conducted in the year 2017.

Total Health

Total Health was started in 2013 in Andhra Pradesh, to provide holistic healthcare for the entire community. The program works in the fields of protecting health, preventing the onset of diseases, providing nutritious supplements, introducing sustainable agricultural practices, enabling sanitation, providing potable water, spreading education and sustaining livelihoods for the people of the underprivileged community.

The following activities were organised as a part of the programme in the year 2017:

Healthcare Services to patients suffering from Non-Communicable Diseases (NCDs)

The Door-to-Door Survey conducted to study the health determinants of the community, based on WHO's 'STEP' approach, has till date covered 35,000 people.

More than 1600 patients suffering from NCDs such as diabetes and hypertension were treated at the regular monthly clinics.

Mobile and Satellite clinics

As a part of the mobile and satellite clinics which are run daily, check-ups and extended health care services were provided to the communities of more than 80 villages and benefited more than 32,300 people.

Cancer Screening

Cancer screenings were conducted across several villages in Thavanampalle Mandal.



Health Camps

Health camps were conducted in schools to assess and monitor the health of children. About 5200 screenings were done in these camps. This included cardiac screenings for 350 school students, and children identified with cardiovascular abnormalities were further referred for treatment.

Eye Screening Camp

Eye screening camp was organized for the underprivileged community in villages, and corrective measures were taken which benefited more than 1,300 people.

Swarna Bindu Prashana

An ayurvedic immunization program for the children upto 16 years of age, the Swarna Bindu Prashana provided free immunization to about 4,000 children.

Nutrition Centers

Total Health runs six nutrition centres for pregnant women catering to over 271 pregnant and lactating mothers and about 50 children of below 5 years' age. It also operates three geriatric nutrition centers catering to over 100 elderly people in three villages.

Skills Development

In order to develop skills and professional capabilities of people from the underprivileged community, vocational trainings were provided such as tailoring, apparel making and jute bag manufacturing. More than 500 people were trained under these courses. Many have started earning livelihoods through these new set of skills.



Potable Water Plant

To facilitate clean drinking water for people in villages, potable water plant has been installed under the Total Health Program, which benefits more than 30,000 people living in these communities.

AYUSH Program

AYUSH is the integration of AYUSH- the ayurvedic treatment with the allopathic system of medicine, for providing holistic healthcare services to the community. Around 32,00 patients were treated as a part of AYUSH.

School Sanitation

In order to improve sanitation in the schools, Total Health program helped to build clean toilets in the schools for the benefit of more than 800 children.



Apollo Aushad

Apollo Aushad is a joint CSR Project of Apollo Pharmacy and Apollo Educational and Research Foundation (AHERF), where free medicines are supplied to old age homes. The aim of Apollo Aushad is to reach out to needy senior citizens in old age homes and meet their medicine requirements.

Data of medicine requirements is collected every month from the individual residents as well as the old age homes and medicines are supplied free of cost, on a monthly basis through Apollo Pharmacy.

Currently free medicines are being supplied every month to total of 100 old age homes across Tamil Nadu, Andhra Pradesh, Telangana and Karnataka, and is benefiting more than 3,700 residents of the homes.

Apollo Hospitals, Hyderabad, CSR

The CSR division of Apollo Hospitals, Hyderabad focused on providing medical screenings through health camps. In the year 2017, Apollo Hospitals, Hyderabad CSR conducted 34 medical camps in its territory, where a total of 4,700 people were provided health checks and screenings.

The camps were organized to conduct health checks and treatment for the people from disadvantaged backgrounds of the society. These camps were held across schools, social welfare hostels, cab drivers community, forest guards, old age homes, religious locations among others.

Apollo Hospitals, Bangalore, CSR

The CSR division of Apollo Hospitals, Bangalore, worked to provide healthcare for children, women and the elderly from the underprivileged sections of the society. The following CSR activities were conducted as a part of the CSR initiative:

- Health camps for pregnant women
- Supporting schools in rural areas
- Medical screenings and doctor consultations for residents in old age homes

Flood Relief Camp at Guwahati

Apollo Hospitals, Guwahati, organized a Flood Relief and Health Check camp at Patidoiya Village, Morigaon District, Assam in the month of August 2017. The camp conducted health screenings and provided free medicines to over 450 people of the village.

Apart from this, relief materials such as food items, packaged drinking water, candles, mosquito repellents, bleaching powders, plastic water buckets, bed sheets and sanitary napkins for women were distributed to 500 families which benefited more than 3,000 people of the village.

Free Clinics

Apollo Hospitals Chennai runs free clinics at Tambaram, Ayanambakkam, The Chennai Airport and Koyambedu. Health care services are available for the public free of cost

PROJECT ACCOMPLISHMENT REPORT

ACTIVITY & PROGRESS IMPACT UPDATES

TOTAL HEALTH

House hold survey	A total number of 30,600 members with 11,148 families have been covered in the survey from the inception of the project
Re-survey	Re-survey on Pre and Probable diabetes, out of 2,911 people in 80 villages, 709 people were assessed. A total of 125 persons were diagnosed with diabetes.
Care for diabetic and hypertensive	A total of 1,563 diabetic and hypertensive patients are under Total Health's care and are being regularly monitored for improvement in their conditions.
Mobile and satellite clinics	From the time of inception of mobile and satellite clinics, a total number of 31,277 people have been benefited through extension of these services

Weekly clinics

Extension of healthcare services to the community at the doorsteps of the villages as per the local health needs is being ensured through this initiative

Cervical cancer

Cancer screening for 1,114 women in 28 villages was conducted. Cases requiring further screening and investigation were referred to Apollo Aragonda Hospital.

Health camps

A total number of 3,588 students were screened in government schools (69 schools) and Anganawadi centres (65 anganwadi centres) of Thavanampalle mandal. Four cardiac procedures were undertaken for young students successfully and are being followed up.

Malnutrition

Pilot study on malnutrition integrating with ICDS and Public Health Center, Thavanampalle. Base line investigations were conducted for selection of the samples. Food with nutritional content were provided to the underweight and anemic mothers and children.

Ayush wing

- Medication
- OP and IP sections and Panchakarma. The community is happy to avail alternate system of medicine locally for chronic ailments.
- Swarna Bindu Prashana
- Swarna Bindu Prashana – children immunization programme. This immunity booster immunization programme for children has been well accepted and is being utilized by the community members

Yoga initiative

- Yoga initiative under stop type 2 diabetic movement in convergence with S-VYASA, University, Bangalore. The research program is in its final stage and the data would be analyzed.
- YIC course has completed 3 batches with 27 students.
- Initiated and conducted Personality development course – 10 days yoga crash course with 16 students from Thavanampalle mandal

Nutrition initiative

- Supplementary nutrition centres, about 761 Ante Natal Care[ANC] mothers and 1693 Post Natal Care [PNC] mothers were provided additional nutrition support with health education, yoga and regular health checks. All 761 ANC mothers had safe institutional deliveries and both mothers and infants are healthy. Infants were motivated during the first 6 months of breast feeding and immunization. Nutrition status of 268 children is being maintained in normal range and they are active and healthy.
- Geriatric nutrition centres
- Elderly people are happy with the nutrition provided. Health checks for them are being conducted during monthly intervals.

Skill development

- Basic Tailoring: A total of 300 candidates have been trained in Tailoring and Jute stitching from the inception of the program.
- Apparel training: Order for stitching of 750 sets of bed spreads and pillow covers and 70 pairs of hospital scrub suits was obtained from Government General Hospital, Chittoor. Entered MoU with the State Government which has supplied 20 high end sewing machines
- Jute Bag stitching: This has led to creation of employment opportunities for more than 35 women as they are getting a regular livelihood and getting a steady income every month
- Handmade paper bag: 20 women got trained in the programme on making handmade paper bags.

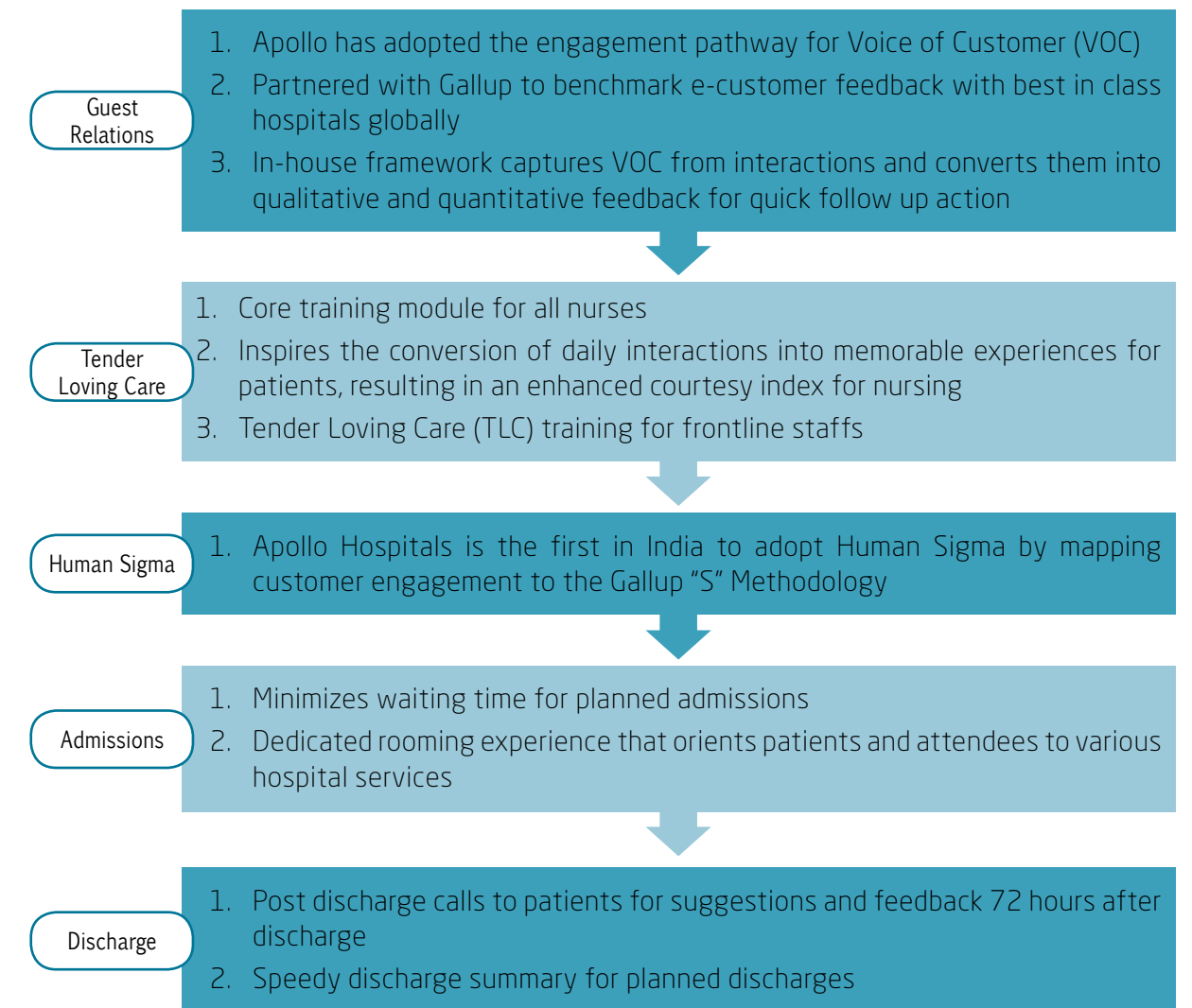
Recognition	<ul style="list-style-type: none"> Total Health got shortlisted for the Jute Integrated Development Scheme (JIDS) from National Jute Board, Ministry of Textiles, Government of India. Field Inspection got completed in 3rd week of October Entered MoU with National Jute Board and completed Basic, Advance and designing courses. The Jute board would extend support for 2 years in terms of equipments and setting up shop.
Water plant	Rapid Sand water plant (RSWP) is a technology that saves water and requires minerals. The respective gram panchayats would contribute the required shed for the plant, electricity and source of the water amounting to around Rs. 3 to 5 lakhs. Two Rapid Sand Water filter plants have been established at Mathyam and Santhapalle villages.
Agriculture	Total Health got shortlisted for establishing a Poly House at Aragonda. As part of this, Total Health performed Bhoomi Pooja on 11th October, 2017 in the presence of the District Collector, Chittoor and Chairman, AHEL.
Sports	Conducting sports meets to encourage the children and youth. Rural Sports - Mandal level Volley Ball tournament was conducted on 29th January 2018
Infrastructure	Total Health complex: Total Health community hall is ready to occupy for Functions & Events. Procurement of requisite materials is under progress. Total Health vocational centre is under completion stage and would be ready for occupation in a month's time.

9

Principle

Meeting Customer Expectation

We value our patients the most. They are at the core of our operations, and safeguarding their health is our priority. That is the Apollo Way. Pharmacies form an important part of ensuring patient care. AHEL follows stringent protocols when it comes to the 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 2017-18 we have provided service to around 4 million patients. We have an exclusive online customer redressal mechanism, "Voice of Customer" (VoC). A dedicated team "Guest Relations" addresses all concerns/complaints of the customers, through this system. This is evidence that we take complaints seriously and work on resolving them on a priority basis. In our endeavour to digitize the customer-feedback process, we have launched the Apollo Instant Feedback System. Our pharmacies ensure that all medicine packaging has relevant labelling as required under relevant regulations. No case has been filed by any stakeholder against our Group regarding dishonest trade practices and/or anti-competitive behaviour during the last five years.

We have instituted a stringent feedback mechanism for our patients to enable continuous improvements. The feedback is collected post discharge also.

High quality 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.



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