# a happy, empowered and sustainable life for everyone

## airtel

Bharti Airtel Limited
India Sustainability Report 2012-13

# highlights ( 2012 - 13 )

**15.8%** reduction in $CO_2$ emission/terabyte in the network infrastructure as against last year

**4.7%** reduction in $CO_2$ emission per rack in Data Centre operations as against previous year

**17%** reduction in customer complaints as compared to previous year

**35%** reduction in partners' grievance calls as against last year

**94%** of India-based suppliers with over 74% local procurement (in terms of value)

Connectivity in **22 districts of J&K** - only private operator to provide seamless connectivity in Kargil (J&K)

**8%** reduction in Top Talent Attrition as compared to last year

**24%** increase in number of students and 18% in number of teachers in the last two years at Satya Bharti Schools

Over **50 Mn** customers serviced through e-bills, leading to saving of around **21,400** trees annually

* All figures above are performance as compared to Fy 2011-12

# contents

# chairman's message



## Sunil Bharti Mittal

'Sustainability' is as much about securing a balance between economic priorities and environmental protection as promoting inclusion and empowerment in society. At Bharti Airtel, we have always believed in making sustainability an intrinsic part of our business agenda.

Acutely conscious of the challenges facing a 24X7 energy dependent sector like ours, we are continuously in search of opportunities to reduce our energy consumption and consequent emissions. Having pioneered the concept of passive infrastructure sharing, which has become a global standard over time, we are committed to ushering in new green initiatives. Over the last few years, our network partners have been working on initiatives focused on energy efficiency and alternate energy use to mitigate our reliance on diesel. Over the financial year 2012-13, we have achieved an overall reduction of 15.8% in emission per terabyte, which is over and above 11% in 2011-12. Similarly, in Africa, a slew of hybrid battery banks have been deployed to achieve drastic reduction in diesel dependence of the tower network.

Multiple studies over the years have concluded that expansion of the ICT sector has an exponentially

beneficial impact on the carbon intensity of economic growth. At a time when global climate change talks are struggling to make headway in the midst of seemingly irreconcilable differences between developed and developing countries, the sector's 'enabling' impact is immensely critical. While services in the areas of banking and commerce are connecting customers to the economic mainstream, our initiatives in healthcare, education and governance are helping extend the reach and quality of these services in the midst of weak infrastructure, giving credible support to national agendas of inclusion.

Counting at over 85 million customers, Bharti Airtel has the largest rural customer base in India. With a host of value-added services oriented towards rural communities, we are perceived as an important driver of socio-economic empowerment in the countryside. IKSL, our joint venture initiative with IFFCO - the world's largest fertilizer co-operative federation – is a great example of farmer empowerment. Over 2.6 million farmers benefit directly from its information services in weather forecasting, commodity prices, agronomy, dairy farming and forestry. 'Sauti ya Mkulima', meaning 'Voice of the farmer' in Swahili, is a similar project in Kenya that is gaining rapid traction and global recognition.

Education continues to be the primary focus area of our philanthropic initiatives, both in India and Africa. In India, Bharti Foundation's flagship Satya Bharti School Programme further consolidated its operation across six states where it's currently running 254 rural schools that impart quality education, free of charge, to more than 38,000 children, the majority of whom are girls from extremely economically weak sections of society. Similarly, Airtel Africa's 'Our School' programme, a school adoption initiative in the continent, expanded its reach over the year to cover 38 schools in 17 markets catering to more than 18000 underprivileged children.

Our first Sustainability Report released last year was an important document that detailed our initiatives in this area. Over the last one year these initiatives have evolved further. I am sure this second edition will help reinforce our approach of harmonizing business interests and the collective interests of stakeholders, giving credence to the philosophy of 'what is good for society is also good for business'.

# CEO's message



## Gopal Vittal

At Bharti Airtel, our vision is to enrich the lives of millions of people every day. With 200 million customers across the country, we have a great responsibility of using our brand in order to serve society and care for the environment.

**That is why we do all we can to ensure social and economic inclusion and drive down our carbon footprint.**

Our business is well positioned to drive social and economic inclusion by bridging the digital divide across the country. We continued to expand our network across the country, the latest being our expansion in Jammu and Kashmir to all 22 districts including Leh and Kargil.

We are also committed to providing our customers the best data experience possible. We have invested in the latest technologies such as 4G, and 48% of incremental subscribers have been on the 3G network. Our Re 1 video store is an example of our efforts to make internet affordable to a vast majority of India.
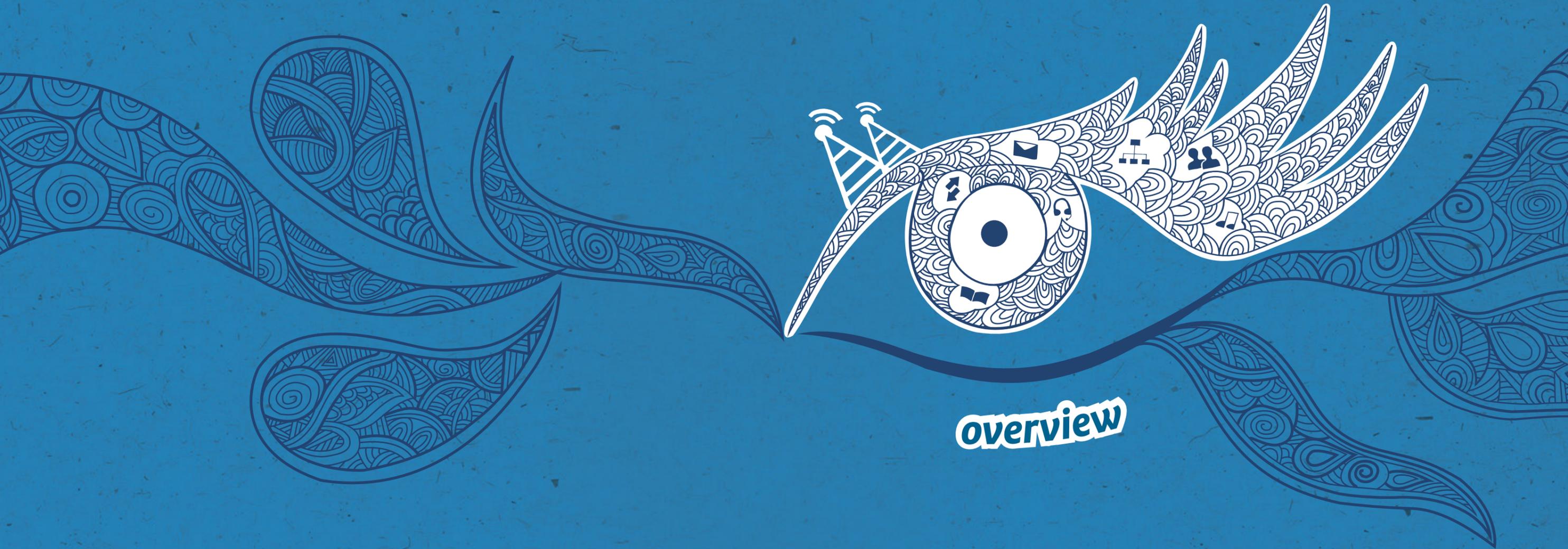
Financial inclusion and access to health and education are key to India's progress. Airtel believes that the use of mobile services can

substantially accelerate this progress. It is this belief that has driven us to launch several innovative services in these sectors. Airtel Money, we believe, is a pioneering step towards easing the access to financial services for a majority of our population that is still unbanked. Similarly, services such as mediphone, mEducation and mFarmer have used mobile and DTH platforms to transform traditional service delivery models and reduce the cost of access to millions of people in far flung rural areas.

At Airtel, we have been at the forefront of CSR by actively supporting the Bharti Foundation. In addition, our circles have done some exemplary work in the fields of disaster relief management, environment protection, blood donations and other social causes.

We are also passionate about driving down our carbon footprint through an intensified effort to conserve the environment for future generations. We have deployed lower power consuming Base Stations, increased tower sharing and have promoted green sites. All our base stations are compliant in accordance to the latest EMF government regulations. We also actively promote Green Business Practices and better Waste Management at our data centres and offices. In December 2012, Airtel launched a new Green Data Centre in Mumbai, the most energy efficient facility in India. Finally, we have taken several steps to reduce plastic usage and paper consumption, recycle e-waste and minimize business travel through video-conferencing.

Airtel strongly believes that telecom services can be a powerful tool to bring about sustainable development in our country, thereby improving the lives of millions of our citizens. I hope that our second sustainability report provides you credible insights into the initiatives we have taken this year that further put sustainability at the core of our agenda.
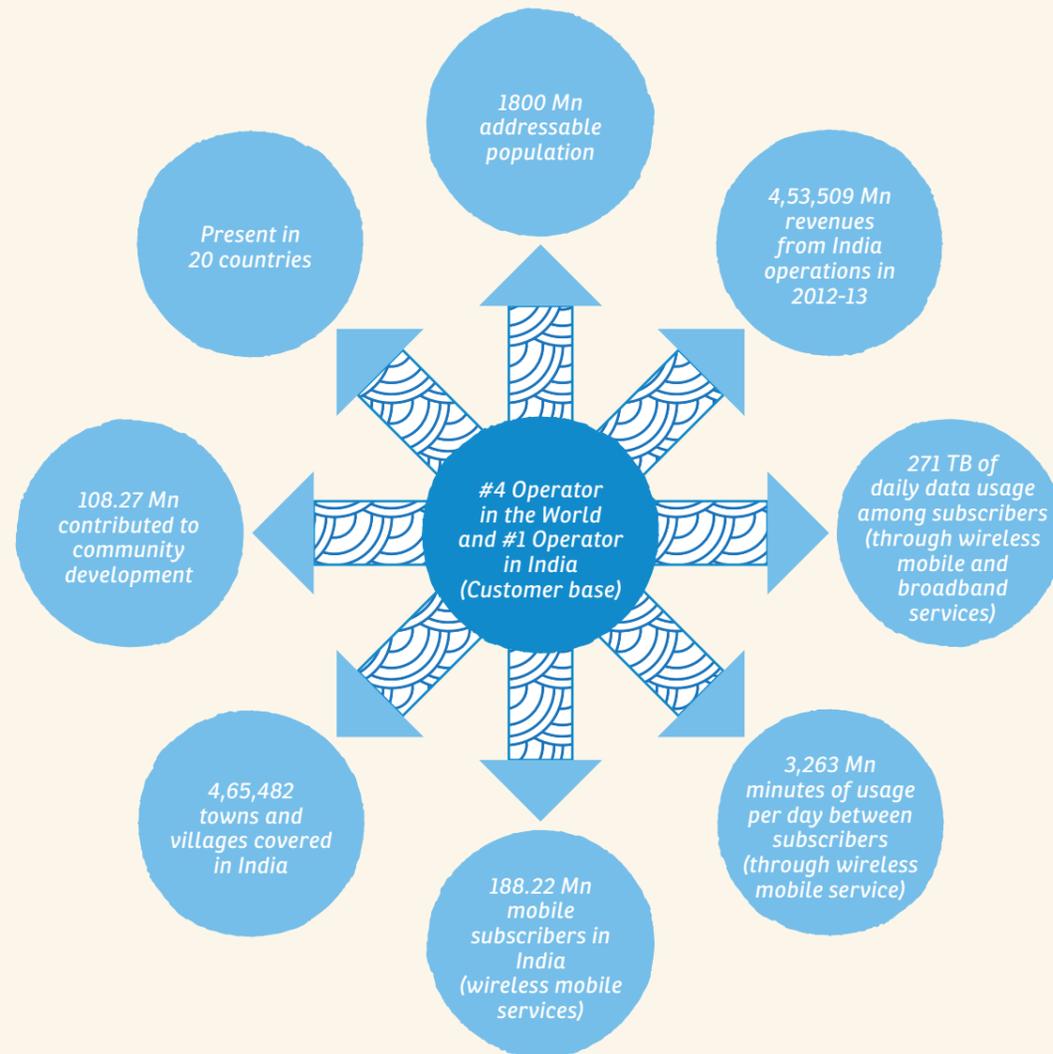
overview

# overview

## Who we are

Bharti Airtel Limited is a leading global telecommunications company that ranks amongst the top 4 mobile service providers globally, in terms of subscribers. The revenue from operations is INR 4,53,509* Mn and its net profit is INR 50,963* Mn. It employs over 15,563 people full time.

## What we do

In India, the Company offers products and services both for the end consumer as well as for businesses. The consumer business offers 2G, 3G and 4G wireless services, mobile commerce, fixed line services, high speed DSL broadband, IPTV and Digital TV. The enterprise services include national & international long distance services to large enterprises, carriers and tower infrastructure services. In the rest of the geographies (i.e. Africa), it offers 2G and 3G wireless services and mobile commerce.

- 1800 Mn addressable population
- 4,53,509 Mn revenues from India operations in 2012-13
- Present in 20 countries
- 271 TB of daily data usage among subscribers (through wireless mobile and broadband services)
- 108.27 Mn contributed to community development
- **#4 Operator in the World and #1 Operator in India (Customer base)**
- 4,65,482 towns and villages covered in India
- 3,263 Mn minutes of usage per day between subscribers (through wireless mobile service)
- 188.22 Mn mobile subscribers in India (wireless mobile services)

## Global Telecom Company

### B2C

### B2B

| Mobile Services | Telemedia Services | Digital TV | Airtel Business |
|---|---|---|---|
| • Cellular mobile service in 20 countries | • Offers fixed telephony and broadband internet (DSL+IPTV) | • Pan India DTH operations | • Services to large enterprises and carriers |
| • Customer and revenue market leader in India | • Customer base of 3.3 Mn | • 8.1 Mn Digital TV services subscribers in India | • Serves as single point of contact for all telecom needs |
| • 259.84 Mn wireless subscribers globally | • Services provided across 87 countries | • Coverage across 639 districts | • Global infrastructure of over 1,50,000 route kms |
| | | | • Services include:<br>* Voice services<br>* Network services<br>* Data & application based services<br>* Data Centre services<br>* Digital Media services |

**World's leading telecom player offering end-to-end solutions**

## Where we are

Headquartered in New Delhi, India, the company has operations in 20 countries across Asia and Africa. Our network coverage extends to over 4,65,482 towns and villages in India. Our products are available at over 1.4 million retailers, and by end March 2013, we had over 271 million subscribers across operations in two continents.

## Our Vision

It is our vision that by 2015, Airtel will be the most loved brand, enriching the lives of millions across the world.

## Our Values

Our corporate vision describes what we aim to do. Our values of AIR - "Alive, Inclusive and Respectful" - describe how we intend to get there.

### Alive
We are alive to the needs of our customers. We act with passion, energy and a 'can do' attitude to help our customers realise their dreams.

### Inclusive
Airtel is for everyone — we champion diversity, recognizing the breadth and depth of the communities we service. We work with them, anticipating, adapting and delivering solutions that enrich their lives.

### Respectful
We live the same lives as customers, sharing the same joys and the same pains. We never forget that they are why we exist. We act with humility, honesty and mutual respect.

*The Operating revenue and net profit are stand alone figures; Source: Bharti Airtel Limited Annual Report , FY 2012-13.*
*All India related facts and figures above are from Bharti Airtel Limited Annual Report , FY 2012-13.*

embedding sustainability

# *embedding sustainability*

Airtel's commitment to sustainable development and responsible business practices is complementary to its mainstream business agenda. Our commercial success lies in offering widely accessible, efficient, innovative and new services and products that our consumers value. In doing this, we see opportunities to improve the lives of our consumers and employees and benefit society. This business and sustainability co-dependence is embedded in our core brand essence of "enriching lives".

Since its launch 18 years ago, Airtel has upheld its responsibility to be an exemplary corporate citizen while improving the financial bottom line. This approach has helped shape every business decision we have made. Today, a comprehensive and structured sustainability plan is in place that defines our corporate citizenship and how we aspire to act in the world. It is our endeavour to use our business for the larger good, and catalyze change in the community so that everyone we touch can thrive.

## Stakeholder engagement and material issues

Airtel's approach to responsible business activities is through regular engagement with its internal and external stakeholders to confirm issues of importance. This is then aligned with its governance framework and management approach.

Airtel engages with its stakeholders i.e. employees, customers, suppliers, business partners, the community, investors and regulatory bodies on an ongoing basis to help crystallise the range of significant or material issues. The stakeholder engagement process is reviewed and the materiality assessment is performed once in every two years, depending upon the requirements.

During 2012, the stakeholders put forth the following areas as focus areas for Airtel – better levels of customer service and increased customer satisfaction, digital inclusion to catalyze social inclusion and economic parity, fuel consumption and alternate cleaner energy sources, employee engagement, climate change and waste management.

The four material issues that Airtel focuses on emerged basis those that were most important to stakeholders, best aligned with the business and on which Airtel operations had significant impact. In order to address these issues through its governance structure, Airtel has formulated policies and management approaches around each issue. Every material issue is governed by a member of the company's Management Board.

These 4 material issues are -

- *Customer service and satisfaction:* This parameter is the raison d'etre of our business existence; therefore, we continuously measure and work to enhance customer satisfaction and engagement levels.

- *Digital inclusion to catalyze social inclusion and economic parity:* At Airtel, it is our endeavour that our robust network and far-reaching distribution helps bring millions into digi presence, making a positive impact on the community at large.

- *Energy and climate change:* Airtel is committed to minimizing the negative impact of its services on the environment. Reducing the carbon footprint, working towards a sustained decline in our infrastructure GHG emissions, reliance on alternate green sources of energy and increasing resource efficiency are other ways that Airtel is addressing this issue.

- *Waste management and resource optimisation:* Airtel's effort is to minimize waste that is generated by its operations and to ensure end-to-end traceability and recycling of both physical waste and e-waste.

## Stakeholder Expectations

| Business Partners | Business Suppliers | Financial Service Providers | NGOs and Bharti Foundation | Employees and Top Management | Regulatory and Government Bodies | Customers |
|---|---|---|---|---|---|---|
| To foster financial inclusion | Enhance network capability | Contribute in Healthcare, Education, Financial Services, Agriculture, etc | Enable social and digital inclusion via community participation | Assess impact on communities | Increase focus on financial inclusion | Increase network coverage |
| To invest in green IT | To stimulate digital inclusion | Reduction in fuel consumption | Maintaining affordability for larger section of the society | Stimulate employee engagement | Contribute and take mobile health and education to the new level | Improved customer services |
| Reduction in fuel consumption | Focus on alternative sources of energy | Quantify impacts of long-term social development initiatives | Contribute towards quality education | Digital inclusion | | Entertainment and value added services |
| To continue the rural drive towards social inclusion | Adopt green technology | Focus on network quality and expanding | Energy and climate change | Effective customer service | | |
| | | | | Energy and waste management | | |

## Materiality Matrix

**Importance for stakeholders** (Low → High) vs **Influence on business** (Low → High)

Upper left:
Innovation
Product Quality
Supplier Management

Upper right:
Energy & Climate Change
Impact on Communities and Digital Inclusion
Customer Service
Waste Management and Resource Optimisation

Lower left:
Water Conservation
Responsible Marketing
Local Hiring
Brand Management

Lower right:
Responsible Business Conduct
Safety
Human Rights
Securing Leadership Technology

These material issues are critical to being able to stay true to the organizational vision of "enriching lives." They are, therefore, reviewed and assessed every two years. The entire process of stakeholder engagement and deriving material issues is due to be undertaken again next year as part of the two year review process.

## Governance Structure

Our Sustainability Governance Structure promotes the integration of sustainability into our daily operations.

Mr. Rakesh Bharti Mittal, Vice Chairman and Managing Director of Bharti Enterprises, oversees and provides strategic direction to our sustainability efforts. He is supported by the Sustainability Executive Committee, which champions sustainability governance across Airtel, and owns the policies, accelerates progress and streamlines the successful adoption of new sustainability-related processes. The Committee is chaired by the CEO of Bharti Airtel, and supported by Director, Legal and Regulatory.

This committee is supported by a cross-functional Sustainability Working Group, whose role is to put the sustainability framework in motion by driving implementation of strategy and policy across Airtel. This group comprises of nominees from across all functions and is led by a dedicated Sustainability Officer.

# Our Blueprint for Social Inclusion

## The Start

Social inclusion and enrichment is both a target and an instrument of change for millions.

### Vision Pillar One

To live an empowered, happy and sustainable life, millions need to be brought into digi-presence.

### Action Pillar One

Ensure digital presence through far-reaching, even and efficient network coverage and deep internet penetration.

### Vision Pillar Two

m education

Airtel through its Mobile, DTH and Broadband platforms, facilitates financial services, education and health.

### Action Pillar Two

Provide financial, education and health services through mCommerce, mEducation and mHealth.

airtel money

### Vision Pillar Three

Airtel leverages its reach and accessibility to foster sustainable community development.

### Action Pillar Three

Enable community development and quality education through the Bharti Foundation and regional community service.

bharti
Bharti Foundation

## The Goal

Millions more are included and empowered through sustainable social and economic development.

# Airtel's Blueprint
# for Social Inclusion –
# Our Three Vision Pillars

*Our goal: Millions more are included and empowered through sustainable social and economic development.*

## Vision Pillar 1



**To live an empowered, happy and sustainable life, millions need to be brought into digi-presence.**

With 18% of the world's population, India is one of the largest developing countries in the world. A sustained transformation into an inclusive digital knowledge society is likely to be the most efficient way to overcome the current shortcomings in education, health, employment generation, financial inclusion, etc.

At Airtel, it is our firm belief that social and economic transformation can be achieved through telecom connectivity. We try to ensure this through extended reach.

## Action Pillar 1



**Ensure digital presence through far-reaching, even and efficient network coverage and deep internet penetration.**

*Driving accessibility through extended reach*
Establishing a robust platform for digitized telecommunication services is critical to achieving universal digital-presence. These services include mobile telephony, (2G/3G/LTE), fix-line, broadband, long distance calls (national & international), VSAT services and DTH. It is Airtel's endeavor that all these services are accessible to all its customers - indigent or affluent, and across dense urban or remote rural geographies.

Building on its trailblazing work done in Tehri and Khardunla, Airtel has extended its network presence across all 22 districts of Jammu and Kashmir, including Leh. This is enabled through specially designed telecom infrastructure which can be adjusted in case of unprecedented weather conditions. This enables residents and tourists to stay connected with their friends & family across India.



***Connectivity even in Kargil***
Airtel is the only private operator to provide seamless voice and data connectivity to its customers in Kargil (J&K), despite the extreme weather conditions and rough terrain.

*Reducing digital divide by collapsing the technology between India & Rest of the World*

| | | |
|---|---|---|
| **1995** |  | **2G** |

***Launch of Delhi Mobile Network***
- Mobile Voice Services
- Basic Data Transmission – SMS/MMS/e-mail
- Increased privacy - digitally encrypted messages

| | | |
|---|---|---|
| **2011** |  | **3G** |

***Third Generation of Wireless Technology***
- Internet Speed up to 20 mpbs
- Video Conferencing / Video Calling

| | | |
|---|---|---|
| **2014** |  | **4G** |

***Fourth Generation of Wireless Technology***
- Heterogeneous Network
- Self optimizing & Context Aware
- High Speed Internet up to 100 mpbs
- High Quality Multimedia Video Streaming
- High Definition Gaming

***Optimized network for data use***
As data use continues to surge, the Airtel network has been continuously upgraded to provide the best service quality and customer experience. In Oct 2012, Airtel unveiled a new Network Experience Centre in Manesar near Gurgaon, India. The aim of this NEC is to monitor network performance across mobile, fixed line, broadband, DTH, and other systems from a single location. It provides a 360 degree view of any issue, helps prioritize actions to restore normalcy and reduces resolution time, resulting in a superior customer experience.

## Our performance

- Increase in mobile internet customer base to 43.50 Mn in 2012-13, out of which 6.40 Mn use 3G data.
- Data usage doubled in FY 2012-13 and continues to grow with similar pace.

*Targets*
To increase internet penetration to rural areas where it stands at less than 10%.[2]

## Connecting India

**460361** non-census towns and villages

**5121** census towns

**600** switching and routing centres

**300 Mn** minutes of usage (through wireless mobile service)

**270 TB** of data traffic (through wireless mobile and broadband services) on daily basis

**160000** (2G, 3G & 4G) network sites

**150000** route kilometers of optical fibers and undersea cable network

**60.26 Mn** data users



*Increased internet penetration*
Increased internet penetration is critical to driving digital inclusion. It is incumbent on 3 major factors; affordable devices, affordable data-plans and compelling use of technology. With a glut of affordable smart-phones in the market, Airtel is committed to driving affordability through technology. By encouraging data usage through initiatives like Data Share Plan and by demystifying data for subscribers with initiatives such as Smartbytes, Bill Shock alerts, My First Internet packs, etc. Airtel is making data connectivity accessible and affordable for all.

The Airtel vision is that social inclusion and economic parity will inevitably follow digital inclusion. As the leading telecommunication company in India, the company is working to realize both its social responsibility as well as its vision.

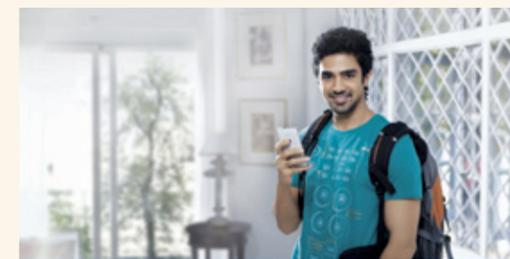**Airtel, through its Mobile, digital TV and Broadband platforms facilitates financial services, education and health.**

**Provide financial, education and health services through mCommerce, mEducation and mHealth.**



Airtel is proud to use telecom technology to enhance lives through innovative services as mHealth, mEducation and mCommerce. The aim is to provide easy access to education in under-served and rural areas through mEducation, access to medical information and services through mHealth, enable farmers through dissemination of agriculture related information through IKSL and enable financial inclusion through mCommerce.

Mobile telephony enriches the lives of over 900 Mn people in India and has far greater reach than traditional payment channels. Mobile as a payment tool is quite amenable to handling a large volume of low-value transactions and has proven expertise in handling payments in a safe, secure and cost-effective manner. Delivering remittance and payment products on the transactional 'rails' laid by a mobile money service is a scalable and viable way to meet the untapped demand in financial services at low-cost structures.



*Airtel Money and IRCTC*
Airtel Money recently launched India's first non-internet mobile based ticketing system in collaboration with IRCTC.



*Convenient utilities payments*
Making bill payments has never been so easy. Consumers can use Airtel Money to pay their water, electricity & gas bills anytime, without standing in long queues or needing a credit, debit card or bank account.
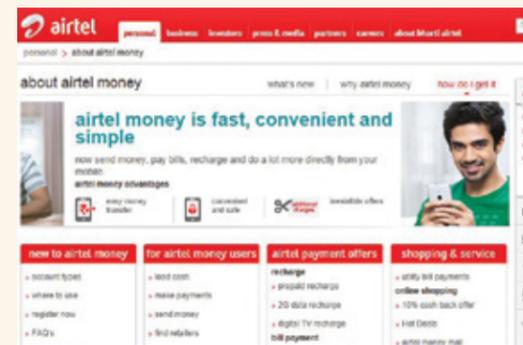
The high penetration, universality and affordability of the mobile phone has a tremendous potential to facilitate a paradigm shift in the way India transacts.

## airtel money - Leading the transformation

Airtel Money is India's first mobile wallet service by a mobile operator. It can run on any Airtel GSM, through a simple, non-internet based menu on any basic phone, or through a powerful smartphone app on all leading mobile platforms. An alternative to other payment options including cash, customers can use Airtel Money for an extensive range of services across merchants to pay for remote transactions like instant money transfers, booking railway and movie tickets, paying for utility bills, insurance premiums, recharging phones, DTH and for physical transactions like shopping.

Registration is simple and can be done through dialing *400# online, dialing the customer awareness helpline or by visiting the nearest airtel retailer.

While getting a bank account can be intimidating for the uninitiated and finding a bank branch might be challenging in rural areas, registering for an airtel money account on the phone is easy. With the evolution to airtel money, other financial products and services like micro-insurance and micro-investments will provide greater value for the people.



**Helping people save**
The Super Account is a no-frills interest-bearing savings bank account of a leading bank on Airtel's mobile platform. Currently, the product is available in the top 4 remittance corridors – i.e Delhi and Mumbai on the sending side and Bihar and East UP on the receiving side. Services are to be extended across the country.

This product offers customers a convenient and safe way to deposit and withdraw cash, transfer money as well as recharge their mobile and DTH connections, while earning savings account interest.



**Far-reaching distribution**
With over 30,000 trained retailers in India, Airtel Money is present in areas that do not have a bank branch or an ATM to cater to banking needs.

To provide savings as a proposition among the masses, Airtel Money offers Super Account, its Axis Bank partnered product in UP, Bihar, Delhi and Mumbai. Super Account provides the facility of withdrawing cash and helps people earn interest on their deposits.

Airtel Money has also partnered with MFIs like Swadhaar for furthering its financial inclusion agenda. Micro Savings are promoted through the Small Savings Bank a/c of Axis bank that makes transacting convenient through a simplified, mobile-based platform at the nearest airtel outlet, which becomes the teller the at customers' doorstep metaphorically. Airtel Money thus brings with it the scope for product and delivery innovation, extending "Micro Pensions/Insurance" using economies of scale, and takes cash management out of the MFI's domain, thus saving on cost and time which can be utilized in further business and product development. It is foreseen that these customers, especially women, will inculcate a habit of savings without fear of loss or theft and should feel empowered by way of this powerful digital tool.

In addition, Airtel is looking to partner with Government bodies to provide efficiency and transparency to Government to Customer (G2C) payments like PDS, LPG, pensions, scholarships, health payments, SHG loans, etc.

Airtel Money can help support these public service initiatives by allowing the Government to seamlessly send money to the pre-registered recipient in a transparent manner instantly, thereby empowering the customer.

Airtel Money has made it easy for the common man to get access to a secure and convenient payment channel. It has provided empowerment and helped create a difference in people's lives.

Airtel Money has commenced the journey of financial inclusion in India and has the potential to bring about a sweeping change in the nation's socio-economic landscape. It can shift the focus from cash-to-mobile as a swift and convenient mode of payment and diminish the distance between banks and customers, creating a revolution in the lives of many.



**Driving Airtel Money**
Auto driver Bharat Gupta helps people pay their bills and undertake money transfers using the Airtel Money service. This earns him additional revenue as well as goodwill from his customers.

## mHealth

The healthcare industry in India is projected to be worth $78 billion by 2017. However, the current healthcare infrastructure provides limited reach to remote villages and does not provide patients round-the-clock access. In addition, the daunting doctor-patient ratio, infrastructure challenges and the expected shortage of over half a million doctors and a million nurses are all current realities.

Launched in August 2011 in association with Healthfore, our doctor-on-call service was intended to help address precisely these issues. Through Mediphone, an Airtel subscriber can phone a doctor or nurse, who will assess the clinical symptoms described and provide medical advice. With 24x7 availability and prescriptions on SMS and emails, Mediphone provides timely, specific medical assistance to the needy in far-flung rural areas. Access to MCI certified urban medical professionals from home prevents the loss of time and wages that incur from travel and also ensures utmost confidentiality for the patient.

In addition to Mediphone, Airtel also provides an online health portal for its customers called 'Ask a doctor' which provides a platform for users to have their questions answered by a panel of doctors, get health tips, get user feedback and access a host of health information videos.



*need a doctor's advice? call Mediphone.*

The Mediphone service helps prevention / treatment of acute minor ailments. This allows patients to save on healthcare costs, efficiently manage diseases and avoid unwanted attendance at healthcare facilities.

**Our Services**

Building Information and Awareness
• Preventive health care information - SMS packs
• Alternate health care (Ayurveda) - voice
• Customized diet plans – SMS packs

Provision of health resources
• A doctor on call - Mediphone
• Health queries on mobile based online portal – Ask a doctor

Airtel also has a host of health information packs providing helpful tips to deal with common medical conditions like fever, aches and pains as well as chronic diseases such as diabetes, cardiac problems, respiratory problems, etc.

*Overwhelming customer response for Mediphone as customer satisfaction doubled to 94% by the end of FY 2012-13.*

**On the anvil for exploration and piloting:**

• Real-time treatment, video-diagnostics and remote disease monitoring.

• Doctor appointment services.

• Drug authentication services - a free service whereby the authenticity of a specific drug is ascertained.



**India's first customized mDiet service**
Airtel consumers can access diet-plan packs customized to their needs basis their age, gender, weight and cuisine preference developed by VLCC and N-lite.

Airtel is also actively partnering with / supporting government led mHealth initiatives. The Kilkari project (in association with the BBCWWT and the Government of Bihar) is designed specifically for pregnant women, recent mothers and their newborns. It aims to curtail infant mortality and child-birth deaths and offers audio information

on the mobile in the form of periodic calls to the subscriber at a minimal cost of Re 1 per week.

The opportunity for mHealth services in India is huge. However, for it to become an effective tool of social inclusion, governments, healthcare providers, mobile operators, device vendors and content and application providers will all need to support the roll-out and adoption of new mHealth services.

## mEducation

Though the literacy rate has improved six-fold from a mere 12% in 1947 to an impressive 74% in 2011, India is still stymied by a lack of parallel growth in education. A mere 7% in the age-group of 18-25 opt for a college education and there is a woeful lack of vocational training. The major gaps in the educational landscape can be put down to a lack of English language knowledge, infrastructural constraints and a lack of qualified and trained teachers.

Airtel's mEducation services use mobile and DTH technology to create modules that bring a quasi-classroom experience of education to urban and semi-urban youth through mobile telephony. The services facilitate learning over mobile phone through partnerships with software and content providers. They benefit recipients by helping them overcome physical barriers like distance, time and lack of infrastructure, and allow reaching out to many consumers at a time.

**A classroom on your phone**
Airtel Classroom is the first massive open online course (MOOC) by a telecommunication operator. It offers accessible and affordable learning opportunities in the form of branded courses from top providers over IVR and SMS.

**Airtel Career Counseling uses SMS and Voice to bridge the gap between knowledge seekers and knowledge providers.**
• 67% engaged users
• Over 300 live sessions with experts
• Over 150,000 queries answered over SMS
• Over 900K MoU on recorded content

**mEducation's current portfolio**

**Assistance in English proficency**
• Assisting in bettering English speaking skills, enhancing self esteem and career prospects.
• Opportunities to learn English in native language.
• Helping acquire a corporate vocabulary.

**Assistance in preparation for competitive exams**
• Providing preparatory material for entrance & competitive exams.

**Career / Job Guidance**
• Addressing education and career related queries, in consultation with knowledge providers and leading industry experts.
• Services include Ask an Expert, Office Vocabulary, Personality Development, Campus Search and Scholarship Alerts.

**Approach**
To provide quality education for enhanced career opportunities and exam-preparation to urban and semi-urban youth.

**Performance**
• CAT Fastrack Pack garnered over 40,000 paid users.
• Over 17 L subscribers for Career Counseling.
• Spoken English, an interactive voice-based tool enrolled 40K users for four months, even in its pilot stage.
• 13K unique users for tool on Nursery Admissions.

**Target**
Enhanced career opportunities.

*Awards and recognition*
Airtel has earned the prestigious mBillionth award which recognises innovations in Telecom & Mobile content / Applications / Models for its innovations and focus on the realm of education.

In addition, Airtel uses its DTH platform to facilitate services like "iExam", which is a first of its kind interactive service. This affordable subscription-based service enhances learning and test taking capabilities and provides best-in-class content for various competitive examinations.



**Airtel's iExam**
Winner of NABARD Rural Innovation Award 2012

## mFarmer

To cater to its 80 million rural consumer base[3], Airtel launched the IFFCO Kisan Sanchar Limited (IKSL) service. As part of the mFarmer initiative, it provides farmers with timely and relevant information to enhance crop yield and profitability. Various aspects related to agriculture and rural life e.g. soil management, crop production, animal husbandry, crop protection, market rates, weather forecasts, employment opportunities, government schemes, etc. are all covered. This gamut of information is intended to enable farmers to make more informed decisions pertaining to agrarian activities.

## Strategy
To empower farmers and people living in rural India with pertinent and timely information to enhance decision making.

### Performance
• 1 Mn farmers actively listen to the IKSL content in over 120 IKSL zones.

• Alliance with NABARD and ATMA (Agricultural Technical Management Agency) to provide information through IKSL services in many states.

• 79 agri-communities with specialised and focused areas of interest created by IKSL e.g. Spice Board, Coconut Board, Rubber Board, Sugar Mills Community, etc.

### Targets
• Content enhancement to cover all aspects of farmers / rural life - agricultural, livelihood, animal husbandry, weather, market and other information.

• To broad-base the communities to cover fishermen, tea board and farmers under BPL through National Livelihood Mission.

## Mobile-based Services for Farmers

• **Voice Messages:** *Five free voice messages are delivered to the subscribers covering diverse areas such as soil management, crop management, dairy and animal husbandry management, horticulture and vegetable management, plant protection, market rates and weather forecasts.*

• **Help Line:** *Farmers can get a solution to their problems and queries by using this application.*

• **Call Back Facility:** *A short code which provides opportunity for listening to the messages delivered on that day once again.*

• **Phone in Programme:** *Live phone-in programmes on specific subjects of interest to farmers are organized periodically.*

• **Mobile Quizzes:** *Mobile based quiz programmes are organized to sharpen the knowledge levels of subscribers and enhance their retention levels.*

• **Focused Communities:** *To further improve the effectiveness of its services, IKSL promotes Focused Communities / Groups with common interests. This provides an opportunity to extend more focused services to the Community members.*



### Worldwide recognition for IKSL
IKSL is a unique initiative that has won the admiration of President Obama of the US in addition to the e-world and SKOCH Digital inclusion award.

### IKSL goes Green
IKSL distributes specially branded Green Airtel SIM cards to farmers. These Green SIM cards allow access to various agricultural information services. The farmers receive 5 free one minute voice messages every day in the local language on a variety of agricultural related topics. It also provides access to a live helpline service, which provides answers by agri-experts to their agriculture queries and concerns. Over 2.6 Mn such Green SIM cards have been distributed.

As part of the continuing focus on the rural consumer, Airtel has introduced two more schemes in association with its partners, namely, Nokia Life Tools and Behtar Zindagi. These are focused on agriculture, education, entertainment and health and are delivered to subscribers in regional languages.



### Sanchar Shakti = Stree Shakti
Sanchar Shakti is a rural initiative specifically targeted towards upliftment of women in the rural sector. Through this project Airtel provides content to women's SHGs (self-help groups) and NGOs working for women in the rural sector.*

*http://www.jagranjosh.com/current-affairs/sanchar-shakti-project-launched-for-women-empowerment-1299652586-1



### Apna chaupal
In order to improve the quality of life in rural India, Airtel launched 'Apna Chaupal', which is intended to replicate 'a village meeting place'. It is a voice based service offering information in regional languages on agriculture, job-updates, entertainment, devotion, education including English language learning and career counseling.



### A phone service for fishermen
Bharti Airtel launched a mobile advisory service for fishermen in association with the Odisha State Government. Fishermen in coastal villages in Odisha get 4 daily, free voice messages about various Govt schemes, loan subsidies and conditions at sea.

In its endeavor to ensure social, economic and financial inclusion, Airtel aims to provide life and skill enhancing services to all - urban youth, remote farmers, migrant workers as well as jobseekers. By providing a gamut of financial, health and education services on the mobile platform, Airtel hopes to address the needs of its wide customer base.

## Vision Pillar 3

**Airtel leverages its reach and accessibility to foster sustainable community development.**



The desire to be seen as a trusted partner is at the heart of Airtel's developmental efforts, employee volunteerism and community outreach initiatives. The organization endeavors to apply its core competence and partnerships to transcend traditional developmental challenges. It actively promotes social inclusion across multiple platforms through initiatives undertaken by the Bharti Foundation as well as regional community service done by Circles.

## Action Pillar 3

**Enable community development and quality education through the Bharti Foundation and regional community service.**



### Action pillar 3
- Education and social inclusion through the Bharti Foundation.
- Circle level community-centric activities.

### Education and social inclusion through the Bharti Foundation:
Well-rounded holistic development of children today is essential for building the leaders of the next generation. In recognition of this, Airtel concentrates most of its sustainability / CSR efforts and employee volunteerism by actively supporting the education and social initiatives of the Bharti Foundation.



*Developing forerunners of change:*
- 49% girl students
- 75% students from SC / ST / OBC
- 59% female teachers with 49% from ST / SC / OBC
- Over 1400 local youth recruited as teachers from local and neighbouring communities



*Design for Change:* 15 schools won the contest at national level.



*Key initiatives 2012-13: Satya Bharti Schools*

- Value based curriculum
- Need based training
- Teacher Subject Knowledge Test
- Teacher Resource Book, containing sample lesson plans
- Science kits in all elementary schools
- Phonic approach for English in primary schools
- Students Leadership Council
- External competitions participation and awards won by students

*An increase of about 18% in teachers and 24% in students in the past two years.*
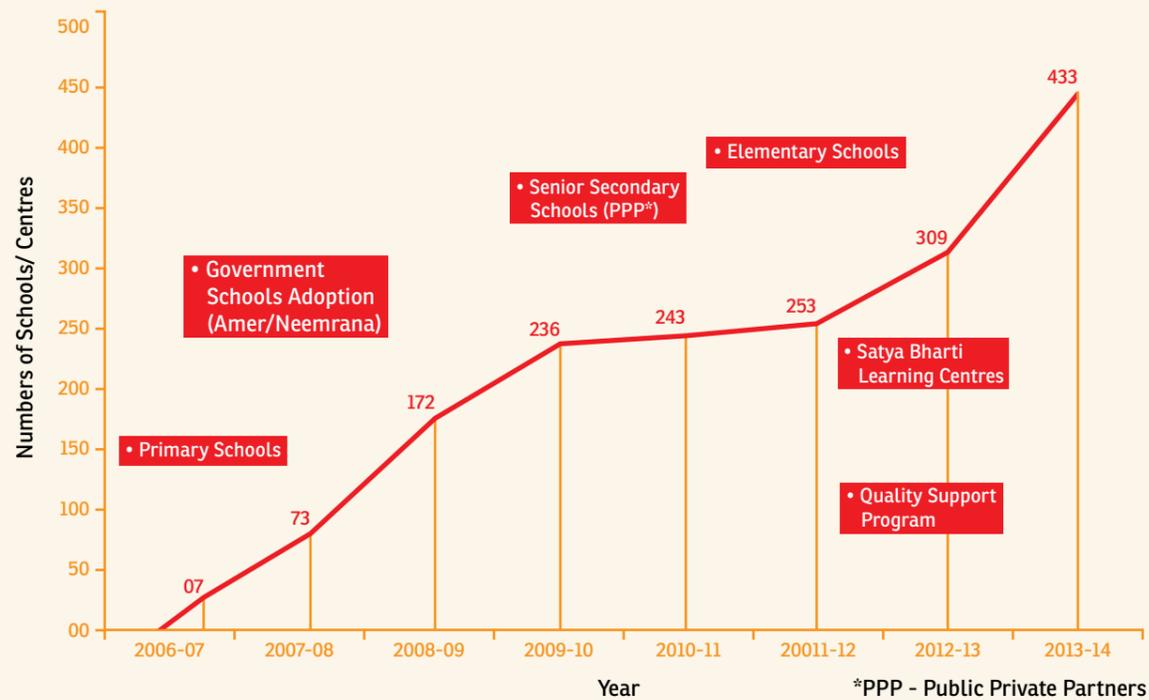
Launched in 2006, the Satya Bharti School Programme aims at delivering free of cost, quality education to underprivileged children in rural India with a focus on the girl child. The programme attempts to enhance the learning levels of students by providing quality education with exposure especially to English, computers, life skills, communication and leadership. The objective is to develop them into self-reliant individuals with a deep sense of social commitment.

With 187 primary, 62 elementary and 5 senior secondary schools operational, the Satya Bharti School Programme has emerged as one of the largest end-to-end rural education initiatives undertaken by a corporate in India.

**Numbers of Schools/ Centres** (y-axis) vs **Year** (x-axis)

- Primary Schools
- Government Schools Adoption (Amer/Neemrana)
- Senior Secondary Schools (PPP*)
- Elementary Schools
- Satya Bharti Learning Centres
- Quality Support Program

| Year | Value |
|------|-------|
| 2006-07 | 07 |
| 2007-08 | 73 |
| 2008-09 | 172 |
| 2009-10 | 236 |
| 2010-11 | 243 |
| 20011-12 | 253 |
| 2012-13 | 309 |
| 2013-14 | 433 |

*PPP – Public Private Partners

In 2012-13, the Foundation decided to take the learning and best practices from the Satya Bharti School Programme to the government system to provide quality education for children in those schools. Two models have been introduced as pilots:

**• Quality Support Programme**
Under the Quality Support Programme, Bharti Foundation aims to take learnings and best practices from the Satya Bharti Schools to Government schools for improving the overall quality of schooling experience for students. The programme comprises of partnering with Government schools and working along with their leadership and teachers to support them in their journey towards excellence. This partnership focuses on mentoring Government schools to enhance quality of education through need-based interventions along with ensuring optimal utilization of Government resources. An MoU with the Government of Rajasthan for ten schools and with Government of Haryana for four schools has been signed.

**• Satya Bharti Learning Centres**
Through a strategic partnership with the global initiative, Educate a Child (EAC), launched by Her Highness Sheikha Moza bint Nasser of Qatar, which aims to significantly reduce the numbers of out of school children worldwide, the Satya Bharti Learning Centres are being set up initially in the Government schools in the villages of Rajasthan. It has been designed to offer three / six / nine / twelve month's age-appropriate courses through structured remedial modules. As on 31st March 2013, 41 Centres were operational in Rajasthan with 941 children (50% of whom are girls).

*Say no to addiction*
Aim: Spreading awareness to eradicate drug addiction and substance abuse amongst villagers.

Impact: This initiative was supported by the village sarpanch and elders and helped highlight the ill effects of drug addiction and substance abuse.

*Bringing children back to school*
Aim: Increasing awareness and knowledge about the Right to Education and ensuring 'out of school' children go back to school.

Impact: Through this initiative, students convinced the village panchayat about child rights including right to education and positively impacted the number of children attending schools.



*A healthier and cleaner tomorrow*
Aim: Helping villagers understand the significance of health and hygiene, students demonstrated basic hygiene guidelines.

Impact: Created awareness amongst villagers to keep their surroundings clean and the environment pollution free.

**Impact assessment of Satya Bharti School Programme**
A structured impact assessment study was conducted by a third party to assess the Satya Bharti School Programme. 15 Satya Bharti Schools across Punjab, Haryana and Rajasthan were compared to 15 other schools within the vicinity of five kilometers to ascertain the impact that the programme has made on children, parents, communities and teachers.

• Empowering the girl children – 96% of parents with a girl child studying at Satya Bharti School wanted her to pursue higher education (compared to 74% among parents whose child goes to other schools).

• Instilling greater confidence among students - On a confidence battery of one to four, 86% of children studying at Satya Bharti Schools were rated 4 in terms of confidence in communicating with elders / outsiders (compared to only 32% children studying at other schools).

• Developing stronger values and ethics among students - Satya Bharti School Students tend to exhibit a stronger value code as 84% of them believe in amicable dispute resolution (in comparison to 42 % children from other schools).

• Sensitizing communities towards responsible participation – 75% of families in the communities with access to a Satya Bharti School regularly join Panchayat meetings (where other communities have only 40% of such families).

• Notable shift in the perception of value education – 24% of families whose children are going to Satya Bharti Schools reported that they are saving for their child's future education (the corresponding figure for other families was about 8%).

• Quality teacher training programmes for teachers.

• Aid to teachers in pursuing higher education.

• Social empowerment, integration and upliftment of community, especially mothers engaged as Mid-day Meal vendors.

**Disability to ability**
Aim: Empowering the disabled to become self-sufficient, productive members of society.

Impact: Villagers contributed aid and assistance and the Zila Panchayat offered their support by announcing low interest loans, free travel and enhanced safety measures for people with disability.

**Conservation of water**
Aim: Increase awareness of the importance of water conservation in general and help raise the rapidly sinking water table level in particular.

Impact: This initiative resulted in increased awareness of the importance of water conservation and a substantial reduction in water wastage.

During 2012-13, Bharti Airtel has contributed the following amount in various community developmental activities:

• Bharti Foundation, toward furtherance of its objectives – INR 105.82 Mn.

• Bharti Foundation (toward scholarship) – INR 0.97 Mn.

• Various NGOs (toward various philanthropy Programs) – INR 1.48 Mn.



**Celebrating the girl child**
Aim: Drive attitudinal change about the status of the girl child and women in the community.

Impact: Through initiatives like celebrating the birth of every girl child in the village, spreading awareness about various government schemes for girl and women empowerment and highlighting the achievements of successful Indian women, this initiative has helped villagers in reevaluating the age-old mindset towards the girl child.

In addition to the efforts of the Bharti Foundation, Bharti Airtel encourages its employees to contribute to the community as well. In the past year, the Airtel Circles' involvement in community engagement has seen a significant increase. Our various Circles have done exemplary work in responding to local needs promptly - be it disaster relief management, social issues or in addressing the evolving educational and technological needs of the people.

In its commitment towards supporting the Bharti Foundation's initiatives of community development, Bharti Airtel contributes the proceeds through the sale of IT scrap to the Foundation every year, creating a win-win situation for both.

**A helping hand**
Bharti Airtel continues to extend its support to the community in times of natural calamities and other disasters. The NESA circle helped the victims of communal clashes in Lower Assam in August 2012. 200 volunteers helped provide food packets and clothes to the victims.



**Leading by example**
In 2012-13, the entire batch of 98 Young Leaders volunteered at 49 Satya Bharti Foundation Schools for two weeks as a part of their corporate induction.

### Employee engagement Programme - ACT (A Caring Touch)

ACT is an employee payroll giving programme for the Bharti Group of Companies. Under ACT all monetary contributions are matched by the respective Group Company.

In 2012-13, out of INR 19 Mn contributions made towards the Satya Bharti School Programme, a total of INR 12 Mn were contributed by Bharti Airtel and Bharti Airtel Services along with their employees.

As a part of ACT, an Employee Volunteering Programme has been designed that encourages employees of Bharti Airtel to volunteer with the Satya Bharti Schools or a charity of their choice. It actively encourages employees to take a day off from work to volunteer off-site or on-site.

### A marathon effort

In addition to being an expression of sporting prowess, marathons are also a platform to raise awareness about various social causes.
Since its inception in 2008, Bharti Foundation has been actively associated with the Airtel Delhi Half Marathon (ADHM).

In 2012-13, INR 11.7 Mn was raised through this initiative.

### Trees for life

Under the project Million Trees Gurgaon, Airtel Centre, in collaboration with "I am Gurgaon," pledged to plant 2,000 saplings in the bio-diversity park, Gurgaon. This drive saw the participation of over 200 employees.

### Not disabled – just differently abled

On 'World Disability Day', Rajasthan Circle hosted the largest ever painting competition for children. The competition was organised for special, slum and Thalassemic children. More than 6000 children from various schools participated and over 3000 village schools across Rajasthan participated in the event.

Airtel's founding principles promote the enhancement and empowerment of the communities that it operates in. Providing its services to remote and inaccessible locations, banking services for the unbanked, enabling medical advice over the phone, the Bharti Foundation's unswerving commitment to education – all of these initiatives reflect Airtel's goal of enabling inclusive social and economic progress.

Through its mainline services, its focus on education, health and finance and the many CSR activities it spearheads, Airtel is committed to make the planet a better place, one initiative at a time.

### Drops of hope

Continuing Bharti Airtel's Blood Donation Drive across various circles, in 2012-13, Airtel Centre – Gurgaon, Airtel Business, NESA Circle, Karnataka Circle and UPU Circle, all organized blood donation camps.

*our impact on the value chain*
our customers, partners, planet, people

# our customers

Facilitating customer connections is central to Airtel and the basis of a sound business strategy. We exist to connect customers through intuitive and simplified processes that deliver a world-class experience with every interaction. Therefore, our primary goal is to build an enduring relationship with our diverse customer base by providing them with innovative services and products.

*Airtel customer care principles:*
• Self service for better standards of customer care
• Innovative services for individuals and enterprise
• Safeguarding customer privacy and interests and data-security
• Enhancing customer satisfaction

**Airtel Service Centre**
Airtel Service Centre (ASC) is a multi-brand retail outlet that has a service agreement with Bharti Airtel and sells over 12 million Mobile, SMS and Internet packs annually.

• 37000 Service Centres cover over 111000 villages across the country.

• In 2012-13, over 64000 camps were conducted to help rural customers.



**Rural call centres**
Airtel launched its first rural call-centres at Chand and Chindwara in August 2011.

These centres offer rural subscribers a range of telecom services specific to their needs. They have also provided excellent job opportunities locally and given local jobseekers the experience of a professional work environment.

## Self-service for better standards of customer care

In order to provide prompt and relevant service to customers, Airtel actively encourages customers to manage their relationship through self-service. It has pioneered customer self-service initiatives in multiple ways and across many platforms.

IVR, web-based applications, USSD, SMS are all ways to stay connected with customers in real-time. These initiatives also allow consumers to manage their relationship through self service.

**Customer self-service highlights:**

• In FY 2012-13, on an average 1.3 Mn transactions recorded every month on self-service channels.

• An increase of 167% in the no. of visits on Airtel online in 2012-13 over 2011-12.

• Improvement in online average visit duration by 30% in FY12-13.



**My Airtel app**
My Airtel app is the winner of the 'Best Application' honors at GSMA's Global Mobile Awards 2013. It empowers customers to manage all Airtel services themselves using their mobile handset, eliminating the need to call or visit an Airtel relationship centre. Customers can keep track of usage and charges, make payments, manage VAS & view promotions across all Airtel connections - broadband, digital TV and mobile. The app ensures seamless access for the customer – a totally secure connection with no credentials to remember and auto detection of services.

My Airtel app had over 1 Mn downloads between May 2012 till March 2013.

## Enabling customers through innovative services

In a bid to address the constantly evolving needs of its diverse customer base, Airtel has a range of innovative products and services. These are aimed at both individuals and corporates. The aim is to provide services that are relevant to and answer the unmet needs of specific consumer groups.

*Retail customer services*
Over 43% of Airtel's customers reside in rural areas. However, though the potential for growth is immense, factors like lower population densities, larger distances and a multiplicity of languages and preferences pose challenges in servicing this market. Airtel addresses these issues through physical proximity and through better understanding of local interests.

Through Rural Value Added Services (VAS), Airtel aims to inform, educate and/or entertain its rural consumer base with services pertaining to health, employment, weather forecasts, farming techniques, computer education and career development.

| Rural Value Added Product | Description |
|---|---|
| Saral Rozgar | A unique award winning service which provides information on blue collar job vacancies. |
| Emergency alerts | Emergency alerts via voice calls and SMS which include nearest location and automatic location tracking. |
| Railways | The official Railways service, providing PNR status, booking status, train schedules, enquiry, etc. all available on a single call. |
| Live aarti | A service where people can listen to the live aarti played at the place of worship of their choice without having to physically be there. |
| Around Me | A unique service where the customer can get location specific information on the nearest restaurants, ATMs, hospitals, etc. |

**Progress through mobile telephony**
Innovative product offerings such as Nokia Life Tools, Rural Portal, IFFCO Kisan Sanchar Limited (IKSL) and Behtar Zindagi offer services that are local in nature in local languages. These initiatives provide access to better healthcare and entertainment and offer opportunities for economic and social progress.

### My Airtel My Offer (MAMO)
My Airtel My Offer (MAMO) is an innovative and highly personalized product that enables customers anywhere to choose from a variety of online offers and services. It offers the customer a choice of local, STD, ISD, SMS and data packs and is easily accessible through multiple channels. MAMO offers the consumer convenience, round the clock accessibility and renewability.

### Mobile Application Tool for Enterprise (MATE)tv
Mobile Application Tool is an innovative IT and telecom integrated framework that enables enterprises to cut cost, increase efficiency and improve decision making. By allowing access to and exchange of data on the move through the use of smartphones, it results in faster deployment and efficient business and work-force management.

Airtel business managed MPLS and business tele-presence bridging and VNOC services provide effective face-to-face communication solutions that minimize the need to travel. Airtel has partnered with SAVVIS to launch a suite of cloud, network and security services. Our content delivery network enables organisations to ensure that IP content from their servers is effectively delivered across various access media including broadband, DSL, mobile, etc.

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**MATE products**

*Airtel track MATE,* a GPS based system, provides real-time vehicular information.

*Airtel trace MATE*, a cell-ID based location tracing application.

*Airtel secure MATE,* designed to trace people's movements.

*Attendance Monitoring System (AMS),* a biometric device that records a person's entry-exit data.

## Information Security and Business Resilience

At Airtel, it is an article of faith to ensure that personal data is handled and protected in accordance with governing laws and best business practices. A highly trained and competent team of security professionals are entrusted with ensuring data security for all sensitive personal and business information.

Bharti Airtel has implemented strong processes to ensure information security and business continuity. These processes ensure security of information, regulatory compliance and continued availability, even in the face of a disaster. It has been certified ISO 22301 and ISO 27001 for following standard best practices for business continuity and information security.

A comprehensive security framework ensures data security in technology and business processes. Airtel has matured policies with respect to information security, information privacy, third party security and infrastructure safety to ensure that its employees follow standard practices with respect to security and safety.

To protect customers' best interests, Airtel has put in place various procedures and measures. These include state-of-the-art Data Centres, Bill Protection and Bill Shield, enforcement of responsible data usage on International Roaming, etc. The highlight feature for 2012-13 is the robust in-house VAS Consent process to increase existing customer satisfaction levels with the activation process.

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In 2012, no significant breach or substantiated complaints of invasion of customer-privacy and/or data loss were encountered.

## Enhanced customer satisfaction through exemplary customer service

The dynamic nature of the telecom industry today necessitates the use of analytics to understand customer needs, expectations and the criteria for satisfaction. Airtel aims to understand customer attitudes, perceptions and areas critical to customer loyalty through Customer Relationship Assessment (CRA), an overall strategic measure. In addition, feedback data is collected through varied channels to compute the Customer Transaction Assessment (CTA). In order to motivate our customer service representatives, performance appraisal linked bonuses are positively correlated with customer satisfaction indices (CSI).

Being the preferred telecom service provider for millions of customers across geographies is our greatest honor. It underlines our commitment towards enriching the lives of all those who put their faith in us. Therefore, providing innovative products and services, exploring new technologies and setting up systems and processes that help serve our customers better is of paramount importance to us.

*- Achieved 17% reduction in complaints in FY 2012-13 over 2011-12.*

*- In 2012-13, only 0.059% customer complaints were pending and carried forward to 2013-14.*

*- Out of 312 legal consumer cases received in 2012-13, 64% were pending at the end of the financial year, and the rest have been resolved.*

# our partners

Airtel's success is as a result of having fostered unique, enduring and strategic partnerships in its formative years. The interdependence between processes and partnerships is an integral part of its corporate ecosystem. These partnerships have allowed Airtel to explore superior technology, develop innovative services and provide enhanced customer services.

### Building enduring partner relationships
• Outsourcing and Partner selection
• Partner engagement
• Building sustainability in partner relationships

## Outsourcing and selection of partners

Airtel pioneered the globally acclaimed outsourcing model in the telecommunication industry in 2004. This transformed the organisation from a capital and people intensive business into a lean marketing and supply chain management firm. This groundbreaking initiative included outsourcing the network, information technology (IT) services, retail stores, call

centres, and passive infrastructure divisions to outside partners. It resulted in many benefits - reduced capital expense, expanding revenue and an expanding customer base. In addition, by outsourcing its entire distribution to distribution networks just like most FMCG companies, Airtel managed to achieve extensive reach even in remote geographies with optimum resource utilisation.

> **Airtel's outsourcing strategy is based on these principles of**
> •*creating an ethical and sustainable supply chain*
> •*creating a win-win for the partner as well as Airtel*
> •*motivating partners to evolve new products and services*
> •*constant planning and review*
> •*ensuring trust and transparency*
> •*implementing outstanding contract governance*
>
> Airtel's innovative model has today become a norm for the telecom industry and a case study in many business schools across the world.

Airtel's partner selection is predicated on honesty, fairness, confidentiality, transparency, and equal opportunity. Policies and procedures and a rigorous code of conduct pertaining to ethical business partnership are in place. These help manage end-to-end pre-selection, strategic alignment, best practice sharing, and help partners with common goals and interests.

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**Engagement meetings**
Frequently held to discuss trends and analysis, product innovation, technology, score-card based improvement, future plans and issues and grievances. On the anvil for inclusion at these meets is the sustainability agenda.

> **Partnership to promote entrepreneurship**
> In 2012-13, Airtel worked with 11,247 suppliers. In order to promote indigenous entrepreneurship, over 94% of suppliers are based in India and 74% of sourcing (in terms of value) was from these India-based partners.
>
> To make the supply chain engagement more socio-economically meaningful, women entrepreneurs and small businesses receive special patronage.

> **Partner helpline**
> Airtel has introduced a partner helpline for assistance in pending payments, partner registration, supplier portal and issues related to taxation and certification.

## Engaging with partners

Airtel endeavors to have active and engaged partnerships with mutual benefit as the end objective. We seek to establish a relationship of trust and transparency with all our partners in the following ways:

### Transparent and effective communication
Periodic operational meetings and need based interactions are held along with special annual Partnership Meets. Here, partners get to interact with top management so there is complete clarity on common vision, mission, performance, community initiatives and business plans.

### Partner satisfaction
Extensive online surveys and feedback are used to gauge partner satisfaction in key areas. These surveys evaluate perceptions in areas such as business partnerships, environment and processes and are critical to improving Airtel's processes and cultivating enduring partner relationships.

### Partner forums
To consolidate its relationship with business partners in Circles, Airtel has introduced Partner Forums. These forums provide a channel for partners to report and resolve issues that they may be facing in day-to-day operations which may hamper their performance. The result is improved operational efficiency, better quality of services and increased customer satisfaction.

### Partner grievance handling
All partner grievances are addressed in a transparent and structured manner and are reviewed and monitored by the Supply Chain Council and its senior members. Ethics and integrity issues are handled as per Bharti Airtel Code of Conduct's Ombudsmen process. There is a dedicated team with substantial financial authority to address and redress partner grievances.

> • 35% reduction in number of grievance calls in 2012-13 over 2011-12.
> • 70% reduction in highest level escalation.

### Partner training
Our partner training programme is aimed at enhancing our partner relationships and helping partners move up the value ladder. Various initiatives have been taken to train the partners on multiple issues.

### Partner reward and recognition

A half-yearly scorecard is given to partners to provide feedback on several parameters. These include the quality of product and services, consistent and on-time delivery, competitive advantage, compliance with statutory requirements, etc. The performance on these parameters is used to reinforce the spirit of partnership through rewards and recognition.

### Distributor reward and recognition

Airtel's distribution team comprises of a network of over 1.6 million retailers and over 27000 "feet on street" Field Sales Executives (FSEs). This is critical to building direct customer relationships and helps create direct and indirect employment for over 1.5 million people every month.

To recognise their contribution, various reward programmes are in place at Airtel. The Navratna programme was launched in 2008 and is India's largest retail partner engagement programme. It is an elite club of the country's top performing retailers.

## Building sustainability in partner relationships

In order to promote sustainability in every way, Airtel is committed to building a responsive and responsible supply chain.

To this end, it is mandatory that all strategic partners are TL 9000 and ISO 9000 certified and HR and Admin Partners are ISO 27001 and ISO 14001 certified. Similarly, the telecom infrastructure partners who supply network equipment and site material are required to be OHSAS 18001 and RoHS certified

Through our Business Standards of Conduct, we ensure and implement compliance with applicable company and environmental laws, ethical competition, non-discriminatory policies and practices at work, prohibition of child labor, safe working conditions and accuracy of company records.

Airtel encourages all its partners to publicly disclose their performance on social, environmental and governance issues. A corporate responsibility clause embedded in the company contract is also on the anvil. The contract stipulates supplier

adherence to laws concerning human rights, forced and child labor and a rigorous statutory compliance monitoring process which includes self-certification by each partner on a quarterly basis. This is substantiated with adequate backups and audits conducted by an independent internal audit team.

Partnerships are critical to Airtel - it endeavors to improve its long-term economic performance and that of its supply chains by attracting, retaining and fostering the right partnerships. It also attempts to incorporate its social, environmental and economic goals into its business processes while stringently implementing its Code of Conduct.



**navratna**
the elite partner club

### An elite club
- The Navratna programme includes reward and recognition, scholarships, bonanza schemes, etc.
- Personal accounts created in the Navratna portal for retailers to view earnings, redeem rewards, get programme updates and avail of self-service options.
- All Navratna retailers given personal insurance of 5 lakhs and 4 lakhs for their outlets.
- 240 children of Navratna retailers won scholarships worth ₹12,000/- each for their children.
- Over 37,000 gifts made available for redemption.

# our planet

The current state of our planet necessitates intensive efforts at conservation. Telecommunication technology is important because it can provide opportunities that reduce planetary-life threatening emission and waste.

Airtel and its network-infrastructure partners continuously evaluate the impact of their business operations to minimize environmental fallout or degradation. Promoting reduced energy consumption, minimizing waste and focusing on developing innovative solutions that minimize negative environmental impact are some of the important steps taken by Airtel in this regard.

### Caring for the planet
- *Energy and climate change*
- *Waste management and optimisation*
- *Innovative initiatives to reduce carbon footprint*

## Energy and climate change

In order to address energy conservation and climate change issues, Airtel is focusing on both ends of the problem spectrum. Reducing the negative impact of infrastructure is as important and takes equal priority to reducing the negative impact of the Airtel facilities and data centres.

### Approach
To minimize environmental impact of our network operations by reducing the energy and carbon footprints, taking innovative initiatives through the tower companies and by consolidating renewable sources of energy at core & owned locations.

### Emission performance
- Achieved **15.8%** reduction in emission per terabyte in FY 2012-13, which is over and above 11% reduction already achieved in 2011-12.

### Targets (FY 2013-14)
- Over **18000** cumulative network sites to be converted to Renewable Energy Technology (RETs) / green sites to eliminate / reduce dependency on diesel.

- Over **70,000** network sites to have Auto TRX shutdown feature installed.

- **70%** incremental sites and over 3000 existing sites to be converted from indoor to outdoor sites to eliminate air conditioner usage, reducing energy consumption by 35%-40% per site.

- Replicate the commissioning of **3-4 more main switching centres (MSCs)** with solar power plants of total capacity of 300 KWp.

- POC for Li-Ion solution for sites with erratic grid supply.

## Reducing negative impact of infrastructure

Energy is essential to driving the business operations of the telecommunication industry in India. Due to the 24X7 nature of its businesses, an uninterrupted and reliable energy supply is essential to achieve optimum functioning. Currently, 70% of approximately 400,000 mobile towers in India face electrical grid outages for more than 8 hours a day. To address the demand supply gap, telecom tower operators currently use diesel generators and a variety of power management equipment. This has an adverse effect on the climate and increases operating costs, since energy costs are currently one third of the total network operating cost.

Various alternate and renewable energy sources are being explored by our network infrastructure partners to mitigate the dependency on diesel. Reducing dependence on conventional sources of energy and increasing overall energy efficiency will help our partners remain competitive in the telecom infrastructure business. In addition, the efforts of Indus Towers and Bharti Infratel in energy saving have been instrumental in reducing the carbon footprint of the telecom industry collectively.
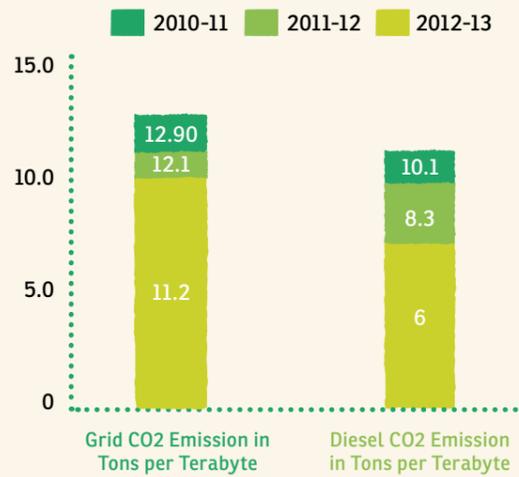
Solar energy solutions, fuel cells to reduce use of diesel generators, power management systems to optimize power consumption, energy efficient DC diesel generators and Free Cooling Units that reduce dependence on and power consumption by ACs – these are but a few of the alternate energy avenues that are being explored by our network partners.

- In 2012-13, over **1,680** base stations were converted from indoor to outdoor, eliminating the use of air-conditioners at these site locations. This endeavor is over and above Bharti Airtel's initiative to deploy 81% sites as outdoors.
- Auto TRX shutdown feature has been successfully installed at over **61,000** Pan-network sites.
- In 2013, Airtel successfully completed the installation of **25 biomass gasifiers**, in order to replace DG at BTS sites, in Rajasthan circle.
- Airtel's endeavors to build network with low Power Consuming BTS has helped to reduce power consumption per BTS **by 60%** over the last five years.

Airtel has pioneered the concept of passive infrastructure sharing in telecom more than a decade ago.

In 2012-13, **68%** of the incremental sites deployed by our network partners were shared sites, and there is collective average tenancy ratio of **2.01** for all sites. Over **8500** sites have more than **4** tenants on a single tower.

### Our emission performance

| | 2010-11 | 2011-12 | 2012-13 |
|---|---|---|---|

Grid CO2 Emission in Tons per Terabyte: 11.2, 12.1, 12.90

Diesel CO2 Emission in Tons per Terabyte: 6, 8.3, 10.1

The Indus Towers Green Sites project, launched in 2011, was conceived to run telecom network operations without using Diesel by augmenting electricity supply and other alternate energy initiatives without compromising on network connectivity. As of March 2013, 9,000 of Indus Tower Airtel sites have been successfully converted into green sites by eliminating the use of diesel.

Airtel gives the utmost importance to electromagnetic field (EMF) emission management and is compliant with all the regulations regarding Radio Frequency emissions. It is our endeavor to ensure the clarity and transparency of our position and to share the updated, research backed facts on this matter with the general public.

As per the latest government regulation on EMF, all our base stations are compliant with the limits on emission norms. All our existing 1,50,415 sites are self-certified, as is every new site that

Gangaganj is a 100 KWp non-penetrating rooftop solar power plant and the first of its kind in the Indian telecom industry. This initiative has resulted in saving over 80 tons of CO2 emissions.

Airtel is planning to replicate this initiative in its other MSC Locations with 300KWp solar power plants.
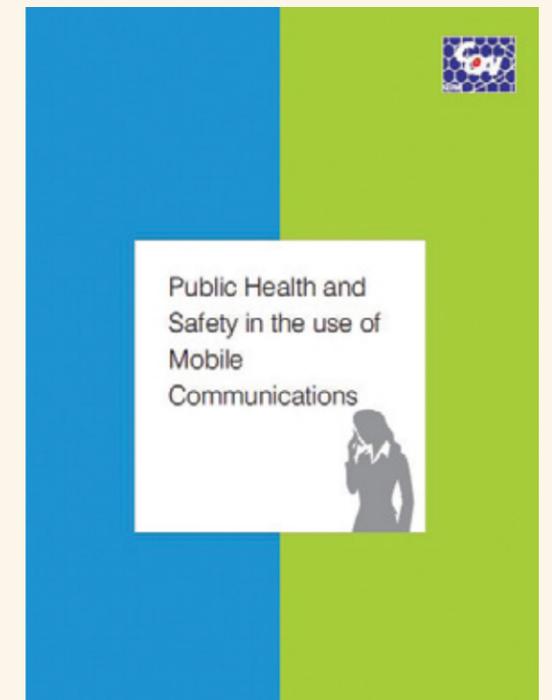
*Continuing its efforts to reduce the carbon footprint through lower and optimized diesel usage, Bharti Infratel, under its pioneering Green Towers P7 Programme, deployed more than 22,000 installations as on March '13. This primarily includes over 1,200 solar powered towers with installed capacity of approximately 6MW generating 8 Mn units of energy annually.*

*In addition to this, over 5,000 towers have been installed with btattery bank hybrid solutions. Energy efficiency measures such as Integrated Power Management Systems (IPMS) and Free Cooling Units (FCU) have been successfully implemented at 7000 and 6,300 tower sites, respectively.*

*Together, these high impact initiatives have helped reduce CO$_2$ emissions by more than 65,000 metric tons (MT).*

*Source: http://green.kkr.com/results/bharti*

becomes operational. These sites are also subject to random checks and audits by the Telecom Enforcement Resource and Monitoring (TERM) Cells of DoT. In the 4,131 physical site audits done by the TERM cell till March 2013, 99.9% of sites were found compliant with existing norms and for the remaining sites, corrective action has been swiftly taken.

Airtel, as a member of Cellular Operators Association of India (COAI), has been actively participating in various programmes, workshops, seminars and stakeholder meets to disseminate information about EMF and its impact. The

Association also engages with the Department of Telecommunication (DOT) and other relevant departments of the Government of India in building confidence measures. Additionally, we, along with Tower companies, constantly engage with Resident Welfare Associations (RWAs) to address their apprehensions & myths, and share facts with them so that they form informed opinions.

Public Health and Safety in the use of Mobile Communications

Handbook developed by Cellular Operators Association of India for public awareness on EMF.

## Reducing negative impact in our facilities and data centres

Implementation of 'Green Business Practices' in day-to-day operations as well as the physical business environment is important at Airtel. Over the years, there have been multiple initiatives undertaken, which have focused on the optimization of operations at the facilities and data centres. These have not only aided energy conservation but also led to better space utilization and reduced e-waste. These practices help in reducing Airtel's environmental footprint and optimising resources.

> **Actively promoting green operations at Airtel involves:**
>
> • The use of information technology solutions at the work place, adjustments in AHU running hours and reduction of excess UPS load.
>
> • Robust Building Management Systems (BMS) and the setting up of numerous efficient HVAC design 'One Airtel' campuses.
>
> • Insulation solutions, deployment of energy efficient cooling and photovoltaic solutions, and regular monitoring of chiller temperature.
>
> • Daylight harvesting, installation of motion & occupancy sensors, maximizing utilization of daylight and replacement of lights with efficient LED lights.
>
> • Ground water re-charging, use of pre-used water for gardening and advanced Sewage Treatment.

At our data centres, we are committed to advancing sustainability in innovation, operations, and business practices. Across all the seven facilities in India, we have implemented comprehensive energy conservation and efficiency programmes through the following initiatives:

### • Installing Variable Frequency Drives (VFDs)
A Variable Frequency Drive (VFD) installed in our HVAC systems automatically reduces a motor's speed and power draw when there is lower system load.

### • Cold Aisle Containment
Cold aisle containment uses a physical barrier to reduce the mixing of cold supply air and hot exhaust air in data centre aisles. This delivers lower energy consumption and more efficient cooling.

### • Energy Usage Optimization
Basis an extensive energy usage study and power audits conducted, various initiatives were undertaken over the years to optimize usage of electricity, some of which include:
• Identifying and rectifying hot spots
• Optimization of lighting and AC usage
• Short cycling of cold/ hot air
• Optimizing set points of AC/Chillers within framework of ASHRAE

The above measures have resulted in maintaining an average PUE of almost 2.0 across data centres and reducing $CO_2$ emission per Rack by 4.7% in FY 12-13.

As a road ahead, in continuation to its efforts to reduce carbon emissions and optimise the diesel usage at its Data Centres, Airtel is endeavoring to implement the alternate, renewable sources of energy (like wind and solar) for the non-critical loads.



In December 2012, Bharti Airtel launched a new Green Data Centre in Mumbai. This state of the art facility has been designed to achieve 1.7-1.75 PUE, making it one of the most energy efficient facilities in India.

The new Data Centre, spread across 20,000 sq.ft., expands Airtel Business' ability to offer collocation, managed hosting, disaster recovery, remote infrastructure management, application and cloud computing services to small, large and medium enterprises across verticals in Mumbai.

By actively promoting green operations and offices and mobilizing our employees to create a 'Green Workplace' at all our offices and data centres, Airtel hopes to be an environmentally conscious corporate citizen and employer.

## Waste management and optimization

Airtel's effort is to minimize waste that is generated by its operations and to ensure end-to-end traceability and recycling of both physical waste and e-waste.

We aim to reduce the paper usage that results from physical copies of bills and receipts by promoting the use of e-bills and online payment methods. In addition, an automated queue management based printing solution and automated intra-office approval processes also help reduce paper consumption. Telecommunication services like tele-conferencing and video-conferencing are used to ensure minimal business travel, cutting down on carbon emissions.

All e-waste that results from technology upgradation and capacity augmentation, be it electronic components, telecom equipment or IT hardware, etc. is recycled as per Waste Electrical and Electronic Equipment (WEEE) norms.

> **Cutting down waste**
> To reduce transportation cost from abroad and plastic waste, the size of the SIM card was reduced in a phased manner to one-fourth of the original size in 2010.

> *Airtel's stringent waste and e-waste disposal guidelines include:*
>
> • *Inventory liquidation as per blue book where ageing is monitored on a monthly basis.*
>
> • *E-waste disposed off through authorized partners with the required clearance from the environment ministry.*
>
> • *Technical evaluation of end-of-line products for classification as scrap.*
>
> • *Cannibalization of items declared partial scrap to make use of usable parts.*
>
> • *Scrap disposal as per item classification post-approval from Technical/SCM.*

> **Reducing e-waste**
> • Over 40 used laptops have been donated to the Bharti Foundation.
> • Airtel is the only DTH player doing CPE recovery. Nearly, 60,000 Set Top Boxes recovered, refurbished and resold with a 1 year guarantee.
> • In 2012-13, project initiated to repair and reuse end of life GSM antennas which were earlier being scrapped.

> Around 2000 tons of e-waste were generated from IT and network infrastructure and were recycled through e-waste recyclers.

## Innovative initiatives to reduce carbon footprint

Airtel's efforts to reduce its carbon footprint and the depletion of essential natural resources are focused on converting physical services to tele/online services. Helping consumers transfer to tele/online medicines, tele/online banking and online/mobile education cuts down travel related carbon emission and paper related deforestation.

In addition, Airtel has many innovative, resource-efficient and environmentally friendly services for customers. These include Digital Media Services - a media exchange platform that creates an ecosystem that makes tapes, reels, CDs, etc. redundant, cuts travel and the subsequent carbon emissions. Airtel's pioneer GPS tracking solution (TrackMATE) is an innovative monitoring system that ensures punctuality, productivity and faster delivery of goods and services while reducing fuel consumption and the resultant carbon footprint. Open Visual Communications Consortium (OVCC) is a video services product that facilitates distance learning and telemedicine among other things.

Airtel and its infrastructure partners are aware of the possible negative environmental impact of the telecommunication industry and the responsibility of ensuring that the impact is minimised. That explains Airtel's continued commitment to efficient energy consumption, resource optimization and reduced carbon emission. The journey is ongoing – on the anvil are various technologies like wind energy, biomass, zero emission batteries, etc. as well as the development of a sustainable community power programme in rural areas.

# our people

At Airtel, we acknowledge and celebrate the immense potential of our human capital. We believe that our success depends on our ability to develop our employees' knowledge, skills and experience.

Airtel has consistently tried to create and promote an inclusive work environment for employees of diverse backgrounds to help enable them to realize their full potential. The objective is to ensure that the 15,563 strong workforce is both skilled and engaged with the company and that the organization is perceived as being inclusive, entrepreneurial and an equal opportunity employer.

With over 1500 women employees, Airtel's policies have not only encouraged women to join its work force, but also to attain positions of high responsibility. Initiatives like mentorship programmes, talent acquisition partner reward programmes, KPI's around diversity as part of talent management strategy and other welfare programmes such as childcare services, flexible work hour options and sabbaticals programmes.

### Our people policy
- Employee engagement.
- Talent development and performance management.
- Rewards and recognition.
- Developing a safe, healthy and ethical work culture.

## alive
## inclusive
## respectful

Our core values, Alive, Inclusive and Respectful, create an environment for individuals to prosper in and also provide a framework for us to transform into a more agile, innovative, efficient and entrepreneurial organization. This drives our culture of service, trust and integrity.

## Employee engagement

A productive work environment is one where people at every level are engaged and involved. Therefore, open and interactive channels of employee communication are consistently encouraged at Airtel. The goal is to have an adaptive and entrepreneurial organizational culture where employees are empowered to venture into new roles and areas of interest. This ability to adapt and flourish leads to individual as well as organizational growth.

In 2012-13, Airtel used the employee engagement survey 'Airpulse' to measure dimensions like performance excellence, cultural environment and to identify employee expectations.

As a result, 89% of the overall population responded favorably on Employee Engagement Indices and 92% on Performance Excellence Indices.

Airpulse index and Airtel culture index that measure overall employee satisfaction are at a high 91%.

*Letting a million entrepreneurs bloom*
Airtel has a much acclaimed Entrepreneurial Policy (EP) in place and has set up an Entrepreneurial Committee.

Airtel's inclusive work culture is reflected in the manner in which transitions from being an employee to being an employee-cum-partner are facilitated and supported within the organization.

14 employees have opted for EP in the last three years and 7 in year 2012-13.

*"I consider myself a very lucky person to have been a part of the Airtel family for 13 years now. This place has nurtured me by allowing me to be part of thoughtful assignments and network with some great, inspirational minds in the industry. I have always felt welcomed, my opinions have seemed to be counted, and each day this place has drawn out of me a deeper sense of myself and my work. The journey till date has been exciting…waiting for more challenges and learnings to come. If you dream big and want to see your dreams come to life, I highly recommend airtel to you."*
**Shefali Malhotra**
**Finance Controller – Airtel Business**

## Talent development and performance management

One of the most critical challenges for any organization is to build people capabilities on an ongoing basis. Talent development is essential to handle the ever-changing requirements of the market place and also to help realize the employees' professional potential. To achieve this objective Airtel has a well evolved OTR. Key features of the OTR include sharper talent segmentation using a competence framework, succession planning for critical leadership positions, focused approach to talent development and periodic talent councils.

Airtel learning and development framework works on the 50:30:20 approach - that is, 50% of the learning happens through on job training, 30% through feedback and 20% through training.

Top talent engagement and development is one of the topmost priority areas of the organization. Substantial investments have been made in nurturing and preparing top talent for accelerated career growth. In addition, Airtel has engaged the leading training organizations/consultancies in the world to expose high performing employees to the most cutting-edge learning solutions.

# smartlearn+

*Learn. Share. Inspire*

**Smart learning with smartlearn+**
smartlearn+ is a virtual learning academy for all leadership, competency & functional development interventions. Powered by world class content, this portal provides access to learning resources through the year.

- 335 unique training interventions, imparting trainings to over 11300 unique employees.
- 27 competency training programmes.
- 176 functional training programmes.
- 132 leadership training programmes.

**Align employee growth with organizational growth**

**Support accelerated growth for employees**

**Leverage multiple learning channels**

**Focus on strategic impact**

**Create continuous learning culture**



**Iris learning centre**
IRIS – a state-of-the-art learning centre at Manesar - is another milestone in Airtel's investment in talent development.

The aim at the IRIS learning Centre is to encourage employees to broaden their horizons, acquire new skills, sharpen competencies and discover new ways of doing business.

Bharti Airtel's Reverse Mentoring project gives employees the perfect opportunity to present their new ideas and latest developments to the Business Board.



**Leadership Acceleration Programme (LeAP)**
Leadership Acceleration Programme is a series of transition interventions designed along the leadership and strategy execution track. It provides a platform for accelerated learning & growth of our top talent. Mid-level and first-level managers are also trained through different interventions (BLeap and ELeap) to equip them with the necessary skills, knowledge and perspectives to enable transition to future leadership roles. Mentoring and coaching of high potential employees by business board members and a robust career path for succession planning also help the company manage and engage talent.

In 2012-13, average hours of training per employee increased to 21.4 hours as compared to 2011-12.

36% increase in productivity per employee in 2012-13 over 2010-11.

Drastic drop in top-performer attrition in 2012-13 to 8%.

## Rewards and recognition

Aimed at driving a high performance culture, Airtel's reward and recognition programme recognizes and acknowledges employees for their exceptional performance and contributions. Its key objectives include driving and reinforcing Airtel's core values, highlighting stellar efforts and performances, celebrating successes and driving cross-functional and peer recognition.

With these objectives in mind, Airtel launched an integrated online recognition platform, kudos! which involves multiple planned and instant award programmes.

Airtel's reward programmes and policies are periodically reviewed through various surveys and changes made to adapt to a constantly changing business environment and rewards landscape.
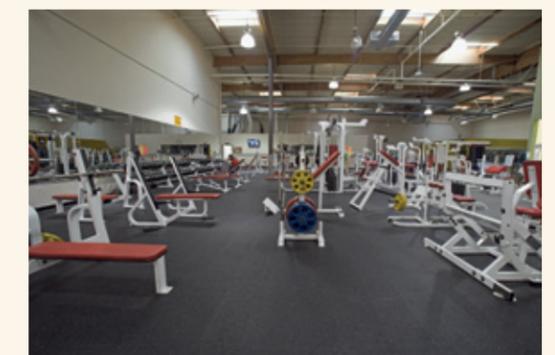


**kudos!**
- Approx. 67% of the employees in the organization were recognized through Instant Recognition.

- Over 21% of the employees were recognized across various planned awards categories.

## Developing a safe, healthy and ethical work culture

Airtel acknowledges that healthy employees are more committed, engaged and productive. Airtel's commitment to health and safety issues is demonstrated by policies that provide comprehensive guidelines for health promotion and disease prevention.

The safety approach and systems are aligned to leading international standards such as Occupational Health and Safety Management Standard-OSHAS 18001 and ISO 31001 for risk management. The long term strategic goal is to promote health and safety in the organization and to ensure the safety and the wellbeing of all employees.



**Health and safety**
There are several health facilities that are provided by the Team Facility at Airtel Centres which include first aid boxes, wellness rooms, wheel chairs, CPR training, etc. Preventive measures such as water, food and air testing for contamination, occupational health and safety measures, 'green' pest control, etc. are a regular features at all our facilities.

**Self defence training**
Self defense training programmes (especially for women employees) are conducted periodically.

Over 12000 employees received safety training in 2012-13.

Bharti Airtel is committed to implementing a Health, Safety and Environment Management System to maintain safe and incident-free work places. It has also formulated policies on the health and safety of its work force to cover occupational health, domestic travel, safety of women employees, health check ups and HIV/AIDS amongst others.

The method and process for stakeholders to voice concerns about any unethical conduct is outlined by the Ombudsperson Policy. All employees and partners with grievances involving the company have complete access to the Ombudsperson. Through a formal process review, the Ombudsperson investigates and takes appropriate action to resolve the reported matter. Instances of grave misconduct are reported to the Audit Committee. Violation of the Code of Conduct, company policies and guidelines, financial impropriety including bribery and corruption and misreporting or non-reporting of critical information are addressed through the Consequence Management Policy.

In order to prevent sexual harassment and abuse at the workplace, Airtel has formed GO-PoSH, a group committee comprised of more than 50% women members, which is dedicated to the prevention of sexual harassment. A policy called 'PoSH' is also in place which addresses instances of sexual harassment and abuse.

Annual COC Certification was made compulsory for every employee in the end of FY 2012-13.

Airtel's policies and procedures emphasize rigorous assessments, talent development, functional and behavioral capability building and well defined career paths. This is because the belief is that the mental, physical and ethical well-being of employees is the biggest asset of the company.

# global initiatives

## Airtel Africa

Airtel's philosophy is to help realise socio-economic, educational and health-care parity for all. In its global operations as well, the organization is committed to going beyond the realms of business and acting as a catalyst for socio-economic change.

Working primarily in the field of education and agriculture, Airtel Africa has been actively involved in social welfare initiatives across the 17 countries where it operates. It has forged strong ties with local communities, various corporate organizations, institutions and the government to help realize this social agenda.

### Airtel Africa and education initiatives
*'Our School' Programme* - It is a school adoption initiative spearheaded by Airtel Africa under which it has adopted primary schools in the rural areas of 17 African countries. Currently, there are 38 such schools under this flagship programme that cater to more than 18,000 underprivileged children. Airtel works closely with the government in these countries to improve the quality and delivery of education by helping in the infrastructural

refurbishment of classrooms including furniture, providing school uniforms, books and teaching aids, ICT and broadband connectivity.

*'Connect to Learn'* - It is a programme at the 'Millennium Villages' that aims to implement information and communication technology in schools to enhance the quality of education. The programme gives special attention to girls, addressing the specific challenges they face in getting enrolled and staying on in schools.

*Nokia Education Delivery (NED)* - A joint endeavour by Airtel Africa and Nokia, NED is an ICT based initiative to provide broadband connectivity to rural schools in Nigeria and Kenya. Teachers in remote schools are provided with training sessions via mobile phones through this programme.

### Airtel Africa and agriculture initiatives
'Sauti ya Mkulima' – Swahili for 'Voice of the Farmer' - is an innovative project from Airtel Kenya. It helps farmers increase their agricultural productivity and income by providing them with access to specific agriculture-related information.
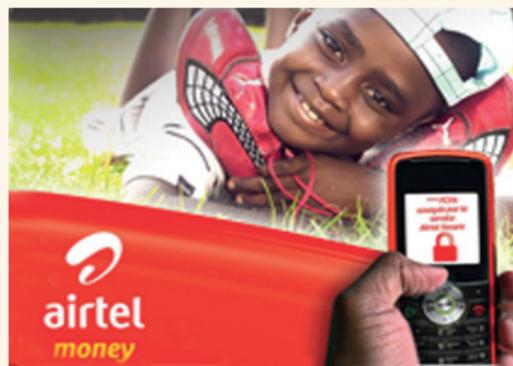
**Making healthcare accessible in Ghana**
Airtel Ghana, as part of its Corporate Social Responsibility initiatives, has funded the construction of a purpose-built Clinical Teaching Facility and Diagnostic Centre for the School of Medical Sciences, University of Cape Coast. It is hoped that this centre will help to bring the benefits of medical sciences to more recipients.

*As part of the alliance with the GSMA mFarmer initiative, supported by USAID and the Bill and Melinda Gates Foundation, Airtel Africa was awarded US$ 400,000 towards funding 'Sauti ya Mkulima'. The fund is being used to develop a reliable database of content and set up technological capabilities.*

**Airtel Africa and healthcare initiatives**
In the field of healthcare, Bharti Airtel has entered into a strategic agreement with Sanlam, a South African-based financial services group, and will be developing low-cost insurance and health funding products in Kenya, Ghana, Tanzania, Zambia, Uganda, Malawi and Nigeria.



**Enabling change in Africa**
Worm infection was a major health concern with school children in Nigeria. As a part of the employee philanthropy scheme, Airtel Nigeria, in association with GSK and Ministry of Education, organised a one day de-worming drive at a school in Nigeria for all the students. This drive is now being replicated in other adopted schools.

Airtel is in partnership with the Earth Institute, a non-profit organization, to provide connectivity to 8 villages named 'Millennium Villages' in 6 countries across Africa. Airtel is committed to ensuring telecommunication and internet services to these villages.

*Airtel Adopted Millennium Villages*

Bonsaaso
Sauri and Dertu
Mwandama
Pampaida and Ikaram



**Because every child counts**
Child count is an application that uses mobile telephone technology to improve the delivery of health-care. It is developed by the Earth Institute to empower communities to improve child survival and maternal health using mobile phones.



**Aiding gender equality in Africa**
Airtel entered into a 2 year partnership with UN Women, the UN entity for gender equality and empowerment of women in Africa. This partnership aims to build entrepreneurial skills and enhance the capability of African women through mobile solutions.



**Airtel Africa and environmental initiative**
Airtel Africa has increased its grid connections by moving 60 percent of its towers from diesel to hybrid battery banks. Using a Modular Solar (or Hybrid) powered system that can power the basic electrical needs of up to 20 consumers, it has already made significant strides in its green agenda.



**Soccer for success**
Under the aegis of the Airtel Rising Stars programme, the Airtel Africa Championship, a soccer talent initiative, focuses on identifying and nurturing soccer talent from the grassroots onto a national stage. The biggest tournament in the continent, the championships have attracted approximately 18,000 youth teams and 324,000 youth players in 15 African countries.

## Airtel Bangladesh

Airtel Bangladesh, in collaboration with the Jaago Foundation and the US Embassy, sponsored the 'Youth of the Nation Award' for contribution of Voluntary and Development works for the betterment of society.

Airtel Bangladesh also distributed warm clothes and blankets to the underprivileged across the country to help them survive winter.

### Airtel Bangladesh and environment initiatives
To address environmental concerns and scarcity of power, Airtel Bangladesh installed new BTS equipment which consumes less power.

To reduce pressure on the national power supply, 75% of all Airtel sites in Bangladesh have been installed with 380 FCUs (Free cooling units), PU (Polyurethane) shelter/ cabins instead of brick-made civil rooms, which are convenient for relocation and repeat use.

Airtel Bangladesh also launched Half SIM cards that avoid consumption of plastic contents, and the 4-in-1 RCVs that reduce paper consumption. It is also promoting ERS and online top-up of air time reloads and has achieved a 95% e-billing for postpaid subscribers.

### Victory day
"Ghuri Fest", an event with the theme of Bijoy Dibosh (Victory day), was organized and sponsored by Airtel. A sum of BDT 1 lac was collected by selling new kites and donated to JAAGO foundation to sponsor 500 underprivileged children.

### Facilitating Governance
Airtel Bangladesh has an Access to Information (A2I) project with the Govt. of Bangladesh that aims to increase transparency, improve governance and reduce the time, cost and effort required to avail of government services in rural Bangladesh.



### Helping those in need
Airtel Bangladesh Limited took the initiative to distribute warm clothes and 8,500 blankets to the destitute, primarily in the northern parts of the country where the cold wave was most severe.

## Airtel Sri Lanka

Telecommunications has become a significant part of our lives. As an organization that innovates products and services that cater to the needs of our youth, Airtel Lanka appreciates that growth in this segment is vital for the overall development of the nation.

Keeping this in mind, and with the objective of imparting knowledge and education to the future leaders of the country, cross-functional representatives from Airtel visit schools, universities and local educational institutes to train the students on Leadership characteristics as well as ingredients for successful corporate life.
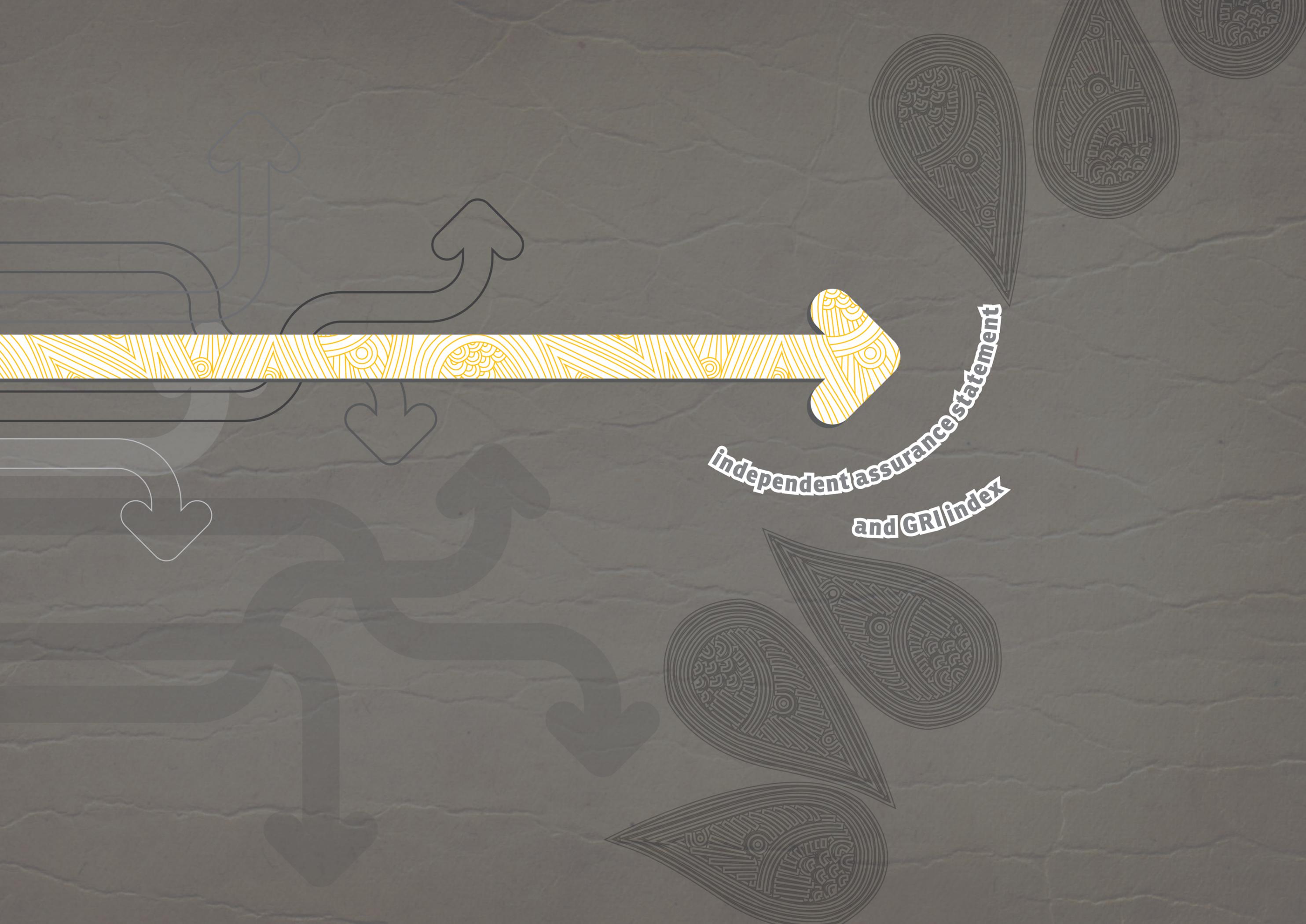
### Empowerment through education
Airtel Sri Lanka through its Madu Maha Vidyalayam, Mannar project distributes school books and accessories to talented, underprivileged children.

Airtel Sri Lanka continues to help fight child abuse. In association with the Sri Lanka College of Pediatricians, it published an informative booklet which educates parents on different forms of child abuse and neglect and methods of countering them. These booklets have been distributed to schools, police stations, arbitration offices, etc. located across the island.

Through its partnership with The Management Club, Airtel Sri Lanka sponsored yet another project, the 'Enable the Disabled Diri Jaya Awards programme' which recognizes and rewards talented, disabled achievers who have conquered their disability.

*Airtel's humanitarian endeavours across multiple initiatives are all aimed at improving the community it operates in. Through its core products and services as well as through its social endeavors, the objective is social inclusion. This will empower people across socio-economic strata to live a life of good health, self-sufficiency and dignity with opportunities for self-improvement and progress. By pioneering socially relevant and critical initiatives in the fields of telecommunication driven education, health and commerce, Airtel is helping make life more sustainable for all.*

independent assurance statement

and GRI index

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**CEO and the Management**
**Bharti Airtel Limited**
**Gurgaon, Haryana, India**

### Independent Assurance Statement

Ernst & Young LLP (EY) was engaged by Bharti Airtel Limited (the 'Company') to provide independent assurance on its Sustainability Report 2012-13 (the 'Report') covering the Company's sustainability performance during the period 1st April 2012 to 31st March 2013.

The development of the Sustainability Report, its content, and presentation is the sole responsibility of the management of the Company. EY's responsibility, as agreed with the management of the Company, is to provide independent assurance on the report content as described in the scope of assurance. Our responsibility in performing our assurance activities is to the management of the Company only and in accordance with the terms of reference agreed with the Company. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any dependence that any such third party may place on the Report is entirely at its own risk. The assurance report should not be taken as a basis for interpreting the Company's overall performance, except for the aspects mentioned in the scope below.

### Assurance standard

Our assurance is in accordance with International Federation of Accountants' International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000) for 'limited' assurance, and also refers to Type I Moderate level assurance of AA 1000 AS (2008).

### Scope of assurance and methodology

The scope of our work for this assurance engagement was limited to review of information pertaining to environmental and social performance for the period 1st April 2012 to 31st March 2013. We conducted review and verification of data collection/ measurement methodology and general review of the logic of inclusion/ omission of necessary relevant information/ data and this was limited to:

▪ Review of consistency of data/information within the report as well as between the report and source;
▪ Execution of an audit trail of claims and data streams, on a selective test basis, to determine the level of accuracy in collection, transcription and aggregation. Corporate office at Gurgaon was visited for this purpose;
▪ Review, policies and practices, pertaining to their social, environment and sustainable development, so as to be able to make comments on the fairness of sustainability reporting.

### Limitations of our engagement

The assurance scope excludes:

▪ Data and information outside the defined reporting period (1st April 2012 to 31st March 2013);
▪ Review of the 'economic performance indicators' included in the Report which, we have been informed by the Company, are derived from the Company's audited financial records;
▪ The Company's statements that describe expression of opinion, belief, inference, aspiration, expectation, aim or future intention;

### Our assurance team and independence

Our assurance team, comprising of multidisciplinary professionals, was drawn from our Climate Change and Sustainability network, and undertakes similar engagements with various Indian and international companies. As an assurance provider, EY is required to comply with the independence requirements set out in International

Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. EY's independence policies and procedures ensure compliance with the Code.

### Observations and opportunities for improvement

During our review process, we observed that:

▪ The Company has scope to develop a more robust data management system to improve the accuracy and completeness of reporting on certain indicators, viz, energy consumption (diesel and electricity consumption) and waste disposal (hazardous and non-hazardous waste and e-waste);
▪ The Company may decide to improve understanding of sustainability indicators within the organization and strengthen internal review mechanism for the sustainability performance data.

### Conclusion

On the basis of our procedures for this limited assurance, nothing has come to our attention that causes us not to believe that the Company has reported on sustainability issues relevant to its business and its stakeholders.

On the principles of AA1000AS (2008), our conclusions are:

▪ Inclusivity: We did not come across any finding which causes us to believe that the Company does not have appropriate mechanism to apply the principle of inclusivity in engaging with the key stakeholder groups
▪ Materiality: Nothing has come to our attention that causes us to believe that any material issues have been excluded from reporting by the Company
▪ Responsiveness: Nothing has come to our attention that would lead us to conclude that the Company has not applied the responsiveness principle for engaging with its stakeholders on material aspects covering its sustainability performance

**Ernst & Young LLP**
**Sudipta Das**
**Partner**

Dated: April 24th, 2014
Place: Kolkata

**AA1000**
Licensed Assurance Provider
000-43

# GRI Indicators Index

## STANDARD DISCLOSURES PART I: Profile Disclosures

### Strategy and Analysis

| Profile Disclosures | Description | Reference |
| --- | --- | --- |
| 1.1 | Statement from the most senior decision-maker of the organization | AR and SR |
| 1.2 | Key impacts, risks and opportunities | AR |

### Organisational Profile

| Profile Disclosures | Description | Reference |
| --- | --- | --- |
| 2.1 | Name of the organisation | SR |
| 2.2 | Primary brands, products, and/or services | SR |
| 2.3 | Operational structure | AR |
| 2.4 | Location of headquarters | AR |
| 2.5 | Countries in operation | AR |
| 2.6 | Nature of ownership and legal form | AR |
| 2.7 | Markets served | AR |
| 2.8 | Scale of organisation | SR |
| 2.9 | Significant changes during the reporting period regarding size, structure, or ownership. | AR |
| 2.10 | Awards received | AR and WB |

### Report Parameters

| Profile Disclosures | Description | Reference |
| --- | --- | --- |
| 3.1 | Reporting period | SR |
| 3.2 | Date of most recent previous report | Jan 13 |
| 3.3 | Reporting cycle | SR |
| 3.4 | Contact point for questions | SR |
| 3.5 | Process for defining report content | SR |
| 3.6 | Boundary of the report | SR |
| 3.7 | Limitations on the scope or boundary | SR |
| 3.8 | Joint ventures, subsidiaries, leased facilities, and outsourced operations | AR |
| 3.9 | Data measurement techniques | NA |
| 3.10 | Effects of re-statements of information provided in earlier reports | NA |
| 3.11 | Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied | NA |
| 3.12 | Location of the Standard Disclosures | SR |
| 3.13 | External assurance | SR |

### Governance, Commitments and Engagements

| Profile Disclosures | Description | Reference |
| --- | --- | --- |
| 4.1 | Governance structure | SR |
| 4.2 | Indicate whether chairperson is also executive officer | SR |
| 4.3 | Independent and/or non-executive members at Board | AR |
| 4.4 | Mechanisms for shareholders and employees to provide recommendations to the board | WB |
| 4.5 | Linkage between executive compensation and organisation's performance | SR |
| 4.6 | Processes to avoid conflicts of interest at the board | WB |
| 4.7 | Expertise of board members on sustainability topics | AR |
| 4.8 | Statements of mission, codes of conduct, and principles | SR |
| 4.9 | Procedures for board governance on management of sustainability performance | AR |
| 4.10 | Processes for evaluation of the board's sustainability performance | NA |
| 4.11 | Precautionary approach | SR |
| 4.12 | External charters, principles, or other initiatives | WB |
| 4.13 | Memberships in associations | WB |
| 4.14 | Stakeholder groups | SR |
| 4.15 | Stakeholder identification and selection | SR |
| 4.16 | Approaches to stakeholder and engagement | SR |
| 4.17 | Key topics and concerns raised through stakeholder engagement | SR |

## STANDARD DISCLOSURES PART II: Performance Indicators

### Economic

| Profile Disclosures | Description | Reference |
| --- | --- | --- |
| DMA EC | Disclosure on Management Approach EC | AR |
| **ECONOMIC PERFORMANCE** | | |
| EC1 | Direct economic value generated and distributed | SR |
| EC2 | Financial implications due to climate change | NA |
| EC3 | Coverage of the organisation's defined benefit plan | AR |
| EC4 | Financial government assistance | AR |
| **MARKET PRESENCE** | | |
| EC5 | Entry level wage compared to local minimum wage | AR |
| EC6 | Locally-based suppliers | SR |
| EC7 | Local hiring | NA |
| **INDIRECT ECONOMIC IMPACTS** | | |
| EC8 | Infrastructure investment and services for public benefit | SR |
| EC9 | Indirect economic impacts | NA |

### Environmental

| Indicator | Disclosure | Location of Disclosure |
| --- | --- | --- |
| DMA | Disclosure on Management Approach | SR |
| **MATERIALS** | | |
| EN1 | Volume of materials used | NA |
| EN2 | Recycled materials | NA |
| **ENERGY** | | |
| EN3 | Direct primary energy consumption | SR |
| EN4 | Indirect primary energy consumption | SR |
| EN5 | Energy conservation | SR |
| EN6 | Initiatives for energy-efficiency and renewable energy | SR |
| EN7 | Initiatives for reducing indirect energy consumption | SR |
| **WATER** | | |
| EN8 | Total water withdrawal | NA |
| EN9 | Effect of water withdrawal | NA |
| EN10 | Water recycled and reused | NA |
| **BIODIVERSITY** | | |
| EN11 | Land assets in or adjacent to protected areas | NA |
| EN12 | Impacts on biodiversity | NA |
| EN13 | Habitats protected or restored | NA |
| EN14 | Strategies for biodiversity | NA |
| EN15 | Endangered species | NA |
| **EMISSIONS, EFFLUENTS AND WASTE** | | |
| EN16 | Greenhouse gas emissions | SR |
| EN17 | Other greenhouse gas emissions | SR |
| EN18 | Initiatives to reduce greenhouse gas emissions | SR |
| EN19 | Emissions of ozone-depleting substances | NA |
| EN20 | NOx, SOx, and other air emissions | NA |
| EN21 | Water discharge | NA |
| EN22 | Waste by type and disposal method | SR |
| EN23 | Significant spills | NA |
| EN24 | Waste deemed hazardous under the terms of the Basel Convention | NA |
| EN25 | Impacts of discharges and runoff on biodiversity | NA |
| **PRODUCTS AND SERVICES** | | |
| EN26 | Initiatives to mitigate environmental impacts | SR |
| EN27 | Packaging materials | SR (DTH Refurbishment) |
| **COMPLIANCE** | | |
| EN28 | Sanctions for non-compliance with environmental regulations | NA |
| **TRANSPORT** | | |
| EN29 | Environmental impacts of transport | NA |
| **OVERALL** | | |
| EN30 | Environmental protection expenditures | - |

### Labour

| Profile Disclosures | Description | Reference |
| --- | --- | --- |
| DMA | Disclosure on Management Approach | SR |
| **EMPLOYMENT** | | |
| LA1 | Workforce by employment type | SR |
| LA2 | Employee turnover | SR |
| LA3 | Benefits to full-time employees | AR |
| **LABOUR/MANAGEMENT RELATIONS** | | |
| LA4* | Employees with collective bargaining agreements | - |
| LA5 | Minimum notice period(s) regarding operational changes | 2 Months |
| **OCCUPATIONAL HEALTH AND SAFETY** | | |
| LA6 | Workforce represented in joint health and safety committees | SR |
| LA7 | Occupational diseases, lost days, and number of fatalities | SR |
| LA8 | Training on serious diseases | SR |
| LA9 | Trade union agreements on health and safety | - |
| **TRAINING AND EDUCATION** | | |
| LA10 | Training per employee | SR |
| LA11 | Programmes for lifelong learning | SR |
| LA12 | Regular performance and career development reviews | SR |
| **DIVERSITY AND EQUAL OPPORTUNITY** | | |
| LA13 | Composition of governance bodies | SR |
| **EQUAL REMUNERATION FOR WOMEN AND MEN** | | |
| LA14 | Gender pay disparity | SR |

### Human Rights

| Profile Disclosures | Description | Reference |
| --- | --- | --- |
| DMA | Disclosure on Management Approach | WB/AR |
| **INVESTMENT AND PROCUREMENT PRACTICES** | | |
| HR1 | Investment agreements | - |
| HR2 | Supplier screening on human rights | SR |
| HR3 | Training on human rights | WB |
| **FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING** | | |
| HR4 | Incidents of discrimination | - |
| HR5* | Freedom of association and collective bargaining | - |
| **CHILD LABOUR** | | |
| HR6 | Child labour | - |
| **FORCED AND COMPULSORY LABOUR** | | |
| HR7 | Forced labour | - |
| HR8 | Training for security personnel | - |
| HR9* | Violations of rights of indigenous people | - |

### Society

| Profile Disclosures | Description | Reference |
| --- | --- | --- |
| DMA | Disclosure on Management Approach | SR |
| **LOCAL COMMUNITIES** | | |
| SO1 | Impact on communities | SR |
| **CORRUPTION** | | |
| SO2 | Corruption risks | AR |
| SO3 | Anti-corruption training | AR |
| SO4 | Actions taken in response to incidents of corruption. | - |
| **PUBLIC POLICY** | | |
| SO5 | Public policy positions and participation in public policy development | WB |
| **ANTI-COMPETITIVE BEHAVIOUR** | | |
| SO6* | Donations to political parties and politicians | AR |
| SO7 | Legal actions for anti-competitive behaviour | - |
| SO8 | Sanctions for non-compliance with laws and regulations | - |

### Product Responsibility

| Profile Disclosures | Description | Reference |
| --- | --- | --- |
| DMA | Disclosure on Management Approach | SR |
| **PRODUCT AND SERVICE LABELING** | | |
| PR1* | Health and safety impacts along product life cycle | SR |
| PR2* | Non-compliance with health and safety standards | - |
| PR3* | Product information | WB |
| PR4* | Non-compliance with product information standards | - |
| PR5 | Customer satisfaction | SR |
| PR6 | Marketing communication standards | - |
| PR7 | Non-compliance with marketing communication standards | - |
| PR8 | Complaints regarding customer privacy | SR |
| **COMPLIANCE** | | |
| PR9 | Sanctions for non-compliance with product and service related regulations | - |

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