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Genpact LTD
Form 10-K
March 01, 2019
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-K

Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the fiscal year ended December 31, 2018.

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from _____ to _____.

Commission file number: 001-33626

GENPACT LIMITED

(Exact name of registrant as specified in its charter)

Bermuda 98-0533350
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

Canon's Court

22 Victoria Street

Hamilton HM 12

Bermuda

(441) 295-2244

(Address, including zip code, and telephone number, including area code, of registrant's principal executive office)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Exchange on Which Registered
Common shares, par value \$0.01 per share	New York Stock Exchange

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Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Annual Report on Form 10-K or any amendment to this Annual Report on Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

As of June 30, 2018, the aggregate market value of the common stock of the registrant held by non-affiliates of the registrant was \$4,301,213,430, based on the closing price of the registrant's common shares, par value of \$0.01 per share, reported on the New York Stock Exchange on such date of \$28.93 per share. Directors, executive officers and significant shareholders of Genpact Limited are considered affiliates for purposes of this calculation, but should not necessarily be deemed affiliates for any other purpose.

As of February 20, 2019, there were 189,456,783 common shares of the registrant outstanding.

Documents incorporated by reference:

The registrant intends to file a definitive proxy statement pursuant to Regulation 14A within 120 days of the end of the fiscal year ended December 31, 2018. Portions of the proxy statement are incorporated herein by reference to the following parts of this Annual Report on Form 10-K:

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Part III, Item 10, Directors, Executive Officers and Corporate Governance;

Part III, Item 11, Executive Compensation;

Part III, Item 12, Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters;

Part III, Item 13, Certain Relationships and Related Transactions, and Director Independence; and

Part III, Item 14, Principal Accounting Fees and Services.

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Special Note Regarding Forward-Looking Statements

We have made statements in this Annual Report on Form 10-K (the “Annual Report”) in, among other sections, Item 1—“Business,” Item 1A—“Risk Factors,” and Item 7—“Management’s Discussion and Analysis of Financial Condition and Results of Operations” that are forward-looking statements. In some cases, you can identify these statements by forward-looking terms such as “expect,” “anticipate,” “intend,” “plan,” “believe,” “seek,” “estimate,” “could,” “may,” “shall,” and variations of such words and similar expressions, or the negative of such words or similar expressions. These forward-looking statements, which are subject to risks, uncertainties and assumptions about us, may include projections of our future financial performance, which in some cases may be based on our growth strategies and anticipated trends in our business. These statements are only predictions based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from those expressed or implied by the forward-looking statements. In particular, you should consider the numerous risks outlined under Item 1A—“Risk Factors” in this Annual Report. These forward-looking statements include, but are not limited to, statements relating to:

- our ability to retain existing clients and contracts;
- our ability to win new clients and engagements;
- the expected value of the statements of work under our master service agreements;
- our beliefs about future trends in our market;
- political, economic or business conditions in countries where we have operations or where our clients operate, including the uncertainty related to the pending withdrawal of the United Kingdom from the European Union, commonly known as Brexit, and heightened economic and political uncertainty within and among other European Union member states;
- expected spending on business process outsourcing and information technology services by clients;
- foreign currency exchange rates;
- our ability to convert bookings to revenue;
- our rate of employee attrition;
- our effective tax rate; and
- competition in our industry.

Factors that may cause actual results to differ from expected results include, among others:

- our ability to develop and successfully execute our business strategies;
- our ability to grow our business and effectively manage growth and international operations while maintaining effective internal controls;
- our dependence on favorable policies and tax laws that may be changed or amended in a manner adverse to us or be unavailable to us in the future, including as a result of recently adopted tax legislation in the United States, and our ability to effectively execute our tax planning strategies;
- our ability to comply with data protection laws and regulations and to maintain the security and confidentiality of personal and other sensitive data of our clients, employees or others;
- our dependence on revenues derived from clients in the United States and Europe and clients that operate in certain industries, such as the financial services industry;
- our ability to successfully consummate or integrate strategic acquisitions;
- our ability to maintain pricing and asset utilization rates;

- our ability to hire and retain enough qualified employees to support our operations;
- increases in wages in locations in which we have operations;
- our relative dependence on the General Electric Company (GE) and our ability to maintain our relationships with divested GE businesses;
- financing terms, including, but not limited to, changes in the London Interbank Offered rate, or LIBOR, including the pending global phase-out of LIBOR, and changes to our credit ratings;
- our ability to meet our corporate funding needs, pay dividends and service debt, including our ability to comply with the restrictions that apply to our indebtedness that may limit our business activities and investment opportunities;
- restrictions on visas for our employees traveling to North America and Europe;
- fluctuations in currency exchange rates between the currencies in which we transact business, primarily the U.S. dollar, Australian dollar, Chinese renminbi, Euro, Indian rupee, Japanese yen, Mexican peso, Philippine peso, Polish zloty, Romanian leu and U.K. pound sterling;
- our ability to retain senior management;
- the selling cycle for our client relationships;
- our ability to attract and retain clients and our ability to develop and maintain client relationships on attractive terms;
- legislation in the United States or elsewhere that adversely affects the performance of business process outsourcing and information technology services offshore;
- increasing competition in our industry;
- telecommunications or technology disruptions or breaches, or natural or other disasters;
- our ability to protect our intellectual property and the intellectual property of others;
- deterioration in the global economic environment and its impact on our clients, including the bankruptcy of our clients;
- regulatory, legislative and judicial developments, including the withdrawal of governmental fiscal incentives;
- the international nature of our business;
- technological innovation;
- our ability to derive revenues from new service offerings; and
- unionization of any of our employees.

Although we believe the expectations reflected in the forward-looking statements are reasonable at the time they are made, we cannot guarantee future results, level of activity, performance or achievements. Achievement of future results is subject to risks, uncertainties, and potentially inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could differ materially from past results and those anticipated, estimated or projected. You should bear this in mind as you consider forward-looking statements. We undertake no obligation to update any of these forward-looking statements after the date of this filing to conform our prior statements to actual results or revised expectations. You are advised, however, to consult any further disclosures we make on related subjects in our Forms 10-Q and Form 8-K reports to the SEC.

In this Annual Report on Form 10-K, we use the terms “Genpact,” “Company,” “we” and “us” to refer to Genpact Limited and its subsidiaries. Our registered office is located at Canon’s Court, 22 Victoria Street, Hamilton HM 12, Bermuda.

PART I

Item 1. Business

About Genpact

Genpact is a global professional services firm that makes business transformation real. We drive digital-led innovation and run digitally-enabled intelligent operations for our clients, guided by our experience running thousands of processes for hundreds of Fortune Global 500 clients. We have more than 87,000 employees serving clients in key industry verticals from more than 25 countries. Our 2018 total net revenues were \$3.0 billion.

In 2018, we continued to implement a strategy focused on differentiated, domain-led solutions, growing our expertise in strategic industries and geographic markets, and expanding our client relationships. We made acquisitions in 2018 to increase our domain expertise in our areas of focus, and we invested in our people and our solutions – in particular our digital capabilities – in an effort to drive more agile business models for our clients and help them to stay ahead of the disruptive challenges they are facing.

Our Approach

We use our Smart Enterprise ProcessesSM (SEP) —a patented and highly granular approach to dramatically improving the performance of business processes – to help our clients make their business processes more efficient and effective. SEPs, and their more recent evolution, Digital SEPs, combine Lean Six Sigma methodologies – which reduce waste and inefficiency and improve process quality – with design-thinking principles and our deep expertise in how businesses run. Our SEPs test the effectiveness of client processes using best-in-class benchmarks we have developed by mapping and analyzing hundreds of millions of client transactions across thousands of end-to-end business processes. In this way, we identify opportunities for improving client processes and technologies, and we apply our deep process knowledge and process-centric technology to transform them. Our Digital SEPs build on our SEP framework by adding domain-specific digital products and solutions that draw on our expertise in mobility, cloud, workflow, advanced visualization, robotics, and machine learning.

Genpact Cora integrates our proprietary automation, analytics, and AI technologies into a unified platform. It draws insights from our deep domain and operations expertise in our target industries and service lines, and is focused on improving the customer experience. Our teams use Genpact Cora to embed the latest technologies along with our deep domain knowledge into our solutions to accelerate our clients' digital transformations.

Domain-led digital transformation

Our clients are operate in increasingly complex business environments, driven by an explosion in technology opportunities, new and disruptive competitors, and shifting market dynamics. Companies need to reimagine their business models and adapt to rapid change.

These organizations seek partners that can both improve productivity and manage cost while creating competitive advantages and realizing top-line benefits, such as expanded market share, seamless customer experiences, increased revenue, and minimized risk and loss. We believe our approach to business transformation, enabled through combining our deep industry and process expertise with our advanced skills in digital, differentiates us from our competitors.

Our Lean DigitalSM Innovation Centers help clients learn about new digital solutions that can address their business needs. We use these innovation centers to bring together clients, partners, and other industry leaders for brainstorming and hackathon-style workshops. As part of this process, we apply design thinking to make the most of human capabilities, domain expertise, and innovative technology,

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and create solutions that quickly and aptly meet client objectives. The results can include quick-turnaround prototypes that clients can install and test in their own environments.

We enable domain-led digital transformation for our clients primarily in two ways: designing and running Intelligent OperationsSM and providing digital-led Transformation Services.

Intelligent Operations

Our Intelligent Operations embed digital and advanced analytics into our business process outsourcing solutions to automate and transform our clients' operations. This allows enterprises to be more flexible and helps them focus on what they need to do to better compete in their industries.

Transformation Services

Our transformation services include our digital products, services and solutions, consulting services, and analytics offerings.

Digital: Through our portfolio of digital products, we help our clients harness the power of digital. Our Genpact Cora platform helps us design and implement our digital solutions, making use of advanced technologies, including robotic process automation, AI and data engineering.

Consulting: Our consulting practice, which includes digital experts, helps clients:

- Get a complete picture of how they run their operations across their organization in our areas of focus;
- Measure how their operating processes compare to industry best practices;
- Create custom roadmaps to help them meet their business goals; and
- Train client teams to execute on our recommendations.

Analytics: We use advanced analytics and data engineering to help our clients make timely, informed and fact-based decisions. We offer analytics services and solutions in areas where we have domain expertise, both on a standalone basis and embedded in our other service offerings. We use quantitative and qualitative methods to analyze a client's data to help them assess new business opportunities, manage risk, and make better business decisions. Our Lean Digital Innovation Centers in Bangalore and Delhi, India, Boston and Palo Alto, United States, and Netyana, Israel bring together our clients, partners, and other industry experts to design and develop new ideas.

Our service offerings

For clients across our chosen industry verticals, we offer the following professional services:

- Finance and accounting services;
- Core industry operations specific to our chosen industry verticals;
- Sourcing, procurement and supply chain services; and
- IT services.

Finance and accounting

We believe we are one of the world's premier providers of financial and accounting services. Our services in this area include:

- Accounts payable: document management, invoice processing, approval and resolution management, and travel and expense processing;

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• Invoice-to-cash: customer master data management, credit and contract management, fulfillment, billing, collections, and dispute management services;

• Record to report: accounting, treasury, tax services, product cost accounting, and closing and reporting, including SEC and regulatory reporting;

• Enterprise performance management: budgeting, forecasting, and business performance reporting; and

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Enterprise risk and compliance: operational risk and controls across a wide range of regulatory environments.

Core industry operations

We help our clients design, transform and run core enterprise operations specific to their industries. On the foundation of domain expertise embedded in our SEP frameworks, we use our Lean Digital approach to leverage digital technologies and specialized analytics to power Intelligent Operations. We support our clients' core operations in all of our chosen industry verticals.

Sourcing, procurement and supply chain services

We offer direct and indirect strategic sourcing, category management, spend analytics, procurement operations, master data management, and other procurement and supply chain advisory services.

We use our expertise in this area to help clients transform and run sourcing strategies across expense categories, drive process compliance and realize significant cost reduction in their businesses. Using our Lean Digital approach and best-in-class SEPs, we help clients improve productivity and their customers' experiences by:

- Improving sourcing and procurement processes;
- Optimizing inventory management and the overall supply chain;
- Automating processes, such as order management;
- Integrating separate technology systems and analyzing disparate data sources; and
- Providing a single dashboard to see metrics in one place.

IT services

Our IT services include end-user computing support, infrastructure management, application production support, and database management. We provide support in more than 25 languages.

Monitoring and management: We help our clients monitor and manage their data centers, servers, storage, emails, networks, databases, applications, and end-user devices.

Infrastructure management: We offer cloud infrastructure services, IT service integration and management and cybersecurity services.

Business intelligence and data warehousing: We leverage our deep domain and process expertise to help clients with business intelligence and big data, enterprise resource planning, quality assurance, technology integration, and business intelligence reporting. We also have significant expertise in Hyperion, SAS and Cognos, and platform support for ERP systems such as Oracle, SAP, and Microsoft.

Industries we serve

We work with clients across our chosen industry verticals, which are areas in which we believe we have deep industry acumen. In addition to our professional services, such as finance and accounting, that are available to clients across our verticals, we offer core industry-specific services to clients in select verticals.

Banking and financial services

Our clients in this vertical include retail, investment and commercial banks, mortgage lenders, equipment and lease financing providers and other financial services companies. Our services for these clients include application processing, collections and customer services, equipment and auto loan servicing, mortgage origination and servicing,

risk management and compliance services, reporting and monitoring services, and wealth management operations support.

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Capital markets

Our clients in this vertical include investment banks, wealth and asset management firms, broker/dealers, exchanges, clearing and settlement organizations and other financial enterprises. Our services for these clients include end-to-end information technology services, application development and maintenance, managed services, risk management and compliance services, and consulting.

Insurance

Our services for clients in the insurance industry – such as property and casualty insurers, life and annuities insurers, reinsurance providers and insurance brokerage firms – include underwriting, claims management, risk and catastrophe modelling, and customer segmentation and loyalty.

Consumer goods and retail

Our clients in this vertical include companies in the food and beverage, household goods, apparel, personal goods and consumer health industries as well as grocery chains and other retailers. The services we provide to these clients include supply chain management, order management, trade promotion optimization, and supplier risk management.

Life sciences and healthcare

Our clients in this vertical include pharmaceutical, medical technology and biotechnology companies as well as healthcare payers (health insurers) and providers and pharmacy benefit managers. Our services for life sciences clients include regulatory affairs services, such as lifecycle management, regulatory operations, Chemistry Manufacturing Controls compliance, safety and pharmacovigilance, and regulatory information management. Our services for healthcare clients include managing the end-to-end lifecycle of a claim, from claims processing and adjudication to claims recovery and payment integrity.

Infrastructure, manufacturing and services

Our clients in this vertical include companies in the automotive, chemicals, energy, hospitality, manufacturing, media and entertainment, and transportation and logistics sectors. Our solutions for these clients include industry-specific solutions for the Internet of Things (IIoT), aftermarket services support, industrial asset optimization, engineering services covering the complete product lifecycle from concept to release and sustaining engineering, supply chain management, direct procurement and logistics services.

High Tech

Our clients in this vertical include companies in the electronics, software and technology sectors. The services we provide to these clients include industry-specific solutions for the IIoT, order and supply chain management, and risk management.

Our clients

We serve more than 700 clients across many industries and geographies. Our clients include some of the biggest brands in the world, many of which are leaders in their industries.

GE

GE has been our largest client since our inception and accounted for \$268.2 million, or approximately 8.9%, of our total net revenues in 2018. We serve most of GE's business units, including GE Aviation, Baker Hughes GE, GE Corporate, GE Current, GE Digital, GE Healthcare, GE Industrial Finance, GE Power, GE Renewables and GE Transportation.

We provide broad services to GE across all of our service offerings. Commitments with respect to services we may perform for GE are set forth in statements of work, or SOWs, purchase orders and business services agreements, or BSAs, that we may enter into with individual GE business units from

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time to time. These SOWs, purchase orders and BSAs cover in more detail the type of work to be performed and the associated amounts to be billed. In general, each GE business unit decides whether to enter into a SOW, purchase order or BSA with us and on what terms it will do so. Therefore, although some decisions may be made centrally at GE, our revenues from GE come from many different businesses, each with its own leader who makes decisions about our services.

Global clients

We serve about one fourth of the Fortune Global 500, including clients such as Aon, Bayer, Boeing, Citigroup, Hyatt, McKesson, PayPal, Walgreens Boots Alliance and Walmart.

Our net revenues from Global Clients, which include all clients other than GE, have grown from \$1.6 billion in 2013 to \$2.7 billion in 2018, representing a compound annual growth rate of 11%. Our net revenues from Global Clients as a percentage of total net revenues increased from approximately 77% in 2013 to approximately 91% in 2018. See Item 7—“Management’s Discussion and Analysis of Financial Condition and Results of Operations—Classification of Certain Net Revenues.”

Our contracts with clients often take the form of a master services agreement, or MSA, which is a framework agreement that we then supplement with SOWs, and we also frequently enter into software-as-a-service and consulting agreements with our clients depending on the scope of the services to be performed. Our MSAs specify the general terms that apply to the services we will provide. For more about our contracting frameworks, see Item 7—“Management’s Discussion and Analysis of Financial Condition and Results of Operations—Overview—Net Revenues.”

Our people

Our people are critical to the success of our business. We have created, and constantly reinforce, a culture that emphasizes collaboration, innovation, process improvement, and dedication to our clients. We seek to attract, retain and develop employees who exhibit our core values – curiosity, incisiveness and courage – and who uphold our dedication to integrity consistent with our Code of Ethical Business Conduct. We are committed to the career development of our employees, and our increasingly mobile, agile and inclusive learning infrastructure supports focused and meaningful technical, functional, industry-specific, managerial, and leadership skill development for our employees based on their roles and levels. Our performance management approach supports our career philosophy by encouraging employees to reflect on their performance, set challenging goals, identify their development needs and find relevant learning and training opportunities.

As of December 31, 2018, we had approximately 87,000 employees working in more than 25 countries.

Partnerships and alliances

We have entered into and continue to pursue alliances with companies whose solutions complement ours. Together, we work to enhance our existing solutions or create new solutions to meet market needs.

Our alliances generally fall into one of the following categories:

- Joint ventures
- Strategic, go-to-market alliances
- Deal-specific relationships to jointly solve a specific issue for a client
- Digital and other “white label” embedded technology-based relationships

We have three primary types of partners: consulting partners, digital partners, and solution partners. Our digital and solution partnerships aim to nurture relationships with established and emerging players and start-ups. These potential partners specialize in leading-edge disruptive digital technologies and solutions that we can embed into our offerings or proactively bring to market.

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Corporate social responsibility

Genpact’s approach to corporate social responsibility focuses on three pillars that reflect our strengths, core expertise, and causes that our employees care about:

- Education and employability
- Gender diversity and inclusion
- Sustainability

We foster a culture of giving and volunteering through several global platforms, projects, and social initiatives. Our more than 31,000 employee volunteers have, among other things, helped underprivileged children get better access to education, assisted unemployed women in developing job skills and finding jobs, and worked on projects to help improve infrastructure and education in the communities in which we work and live. Additionally, more than 10,000 of our employees participate in our payroll-based charitable donation programs.

Sales and marketing

We market our services to both existing and potential clients through our business development team and our global relationship managers. Members of this team are based around the globe, including in the United States, Europe, Australia and Asia, and dedicate their time to expanding the services we provide to our existing clients as well as acquiring new clients.

We have designated client partners and global relationship managers for each of our strategic relationships. The relationship manager is supported by digital and analytics, process improvement, quality, transition, finance, human resources, information technology and industry/product subject matter expert teams to ensure the best possible solution is provided to our clients. We constantly measure our client satisfaction levels to ensure that we maintain high service levels for each client, using measures such as the Net Promoter Score. Our sales force is primarily organized by industry vertical teams that are supported by horizontal service offerings.

The length of our selling cycle varies depending on the type of engagement. The sales cycle for project work is typically much shorter than the sales cycle for a large business process engagement. Our efforts may begin in response to our lead generation program, a perceived opportunity, a reference by an existing client, a request for proposal or otherwise. In addition to our business development personnel, the sales effort involves people from the relevant service areas, people familiar with that prospective client’s industry and business leaders. We may expend substantial time and resources in securing new business. See Item 7—“Management’s Discussion and Analysis of Financial Condition and Results of Operations—Overview—Net Revenues.”

As our relationship with a client grows, the time required to win an engagement for additional services often gradually declines. In addition, as we become more knowledgeable about a client’s business and processes, our ability to identify opportunities to create value for the client typically increases. For example, productivity benefits and greater business impact can often be achieved by applying our Lean DigitalSM approach and SEPSM methodology, by focusing on processes that are “upstream” or “downstream” from the processes we initially handle, or by applying our analytical, consulting and digital capabilities to transform processes.

We also strive to foster relationships between our senior leadership team and our clients’ senior management. These “C-level” relationships ensure that both parties are focused on establishing priorities, aligning objectives and driving client value from the top down. High-level executive relationships have been particularly constructive as a means of increasing business from our existing clients. It also provides us with a forum for addressing client concerns. Our governance methodology is designed to ensure that we are well connected at all levels of our clients’ organizations (executive, management and operations).

Significant new business opportunities are reviewed by business and sales leaders from the applicable industry vertical, operations personnel, and members of our finance department. If they

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determine that the new business is aligned with our strategic objectives and a good use of our resources, then our business development team is authorized to pursue the opportunity.

Global delivery

We serve our clients using our global network of 88 delivery centers in 17 countries. We have delivery centers in Australia, Brazil, China, Guatemala, India, Israel, Japan, Latvia, Malaysia, Mexico, the Netherlands, the Philippines, Poland, Romania, Slovakia, the United Kingdom, and the United States. We also have many employees who work with our clients either onsite or virtually, which offers flexibility for both clients and employees.

With this global network, we are able to manage complex processes around the world. We use different locations for different types of services depending on client needs and the mix of skills and cost of employees at each location.

Our presence around the world gives us:

- multilingual capabilities;
- access to a larger talent pool; and
- “near-shoring” capabilities to take advantage of time zones.

We also regularly look for new places to open delivery centers and offices, both in new countries or new cities in countries where we already have a presence. Before we choose a new location, we consider several factors, such as the talent pool, infrastructure, government support, operating costs, and client demand.

Service delivery model

We seek to be a seamless extension of our clients’ operations. To that end, we developed the Genpact Virtual CaptiveSM service delivery model, in which we create a virtual extension of our clients’ teams and environments. Our clients get dedicated employees and management, as well as dedicated infrastructure at our delivery centers. We also train our teams in our clients’ cultures, processes, and business environments.

Intellectual Property

The solutions we offer our clients often include a range of proprietary methodologies, software, and reusable knowledge capital. We also develop intellectual property in the course of our business and our agreements with our clients regulate the ownership of such intellectual property. We seek to protect our intellectual property through various means, including by agreement and applications for patents, trademarks, service marks, copyrights and domain names. Some of our intellectual property rights are trade secrets and relate to proprietary business process enhancements.

We often use third-party and client software platforms and systems to provide our services. Our agreements with our clients normally include a license to use the client’s proprietary systems to provide our services. Clients authorize us to access and use third party software licenses held by the client so that we may provide our services.

It is our practice to enter into agreements with our employees and independent contractors that:

- ensure that all new intellectual property developed by our employees or independent contractors in the course of their employment or engagement is assigned to us;

-

provide for employees' and independent contractors' cooperation in intellectual property protection matters even if they no longer work for us; and
include a confidentiality undertaking by our employees and independent contractors.

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Competition

We operate in a highly competitive and rapidly evolving global market. We have a number of competitors offering services that are the same as or similar to ours. Our competitors include:

- large multinational service providers and accounting firms that provide consulting and other professional services;
- companies that are primarily business process service providers operating from low-cost countries, most commonly India;
- companies that are primarily information technology service providers with some business process service capabilities;
- smaller, niche service providers that provide services in a specific geographic market, industry or service area, including digital; and
- in-house departments of companies that use their own resources rather than engage an outside firm for the types of services and solutions we provide.

Our revenues are derived primarily from Fortune Global 500 and Fortune 1000 companies. We believe that the principal competitive factors in our industry include:

- skills and capabilities;
- technical and industry expertise;
- innovative service and product offerings, including digital offerings;
- ability to add value, including through continuous process improvement;
- reputation and client references;
- contractual terms, including competitive pricing;
- scope of services;
- quality of services and solutions;
- ability to sustain long-term client relationships; and
- global reach and scale.

Our clients typically retain us on a non-exclusive basis.

Regulation

We are subject to regulation in many jurisdictions around the world as a result of the complexity of our operations and services, particularly in the countries where we have operations and where we deliver services. We are also subject to regulation by regional bodies such as the European Union, or EU.

In addition, the terms of our service contracts typically require that we comply with applicable laws and regulations. In some of our service contracts, we are contractually required to comply even if such laws and regulations apply to our clients, but not to us, and sometimes our clients require us to take specific steps intended to make it easier for them to comply with applicable requirements. In some of our service contracts, our clients undertake the responsibility to inform us about laws and regulations that may apply to us in jurisdictions in which they are located.

If we fail to comply with any applicable laws and regulations, we may be restricted in our ability to provide services, and may also be the subject of civil or criminal actions involving penalties, any of which could have a material adverse effect on our operations. Our clients generally have the right to terminate our contracts for cause in the event of regulatory failures, subject to notice periods. See Item 1A—“Risk Factors—Risks Related to our Business—Our global operations expose us to numerous and sometimes

conflicting legal and regulatory requirements, and violations of these laws and regulations could harm our business.” If we fail to comply with contractual commitments to facilitate our clients’ compliance, we may be liable for contractual damages, and clients in regulated industries may be less willing to use our services.

We are affected by laws and regulations in the United States, the United Kingdom, the EU and its member states, and other countries in which we do business that are intended to limit the impact of outsourcing on employees in those jurisdictions, and occasional changes to laws and regulations in such jurisdictions may impose changes that further restrict or discourage offshore outsourcing or otherwise harm our business. See Item 1A—“Risk Factors—Risks Related to our Business—Future legislation or executive action in the United States and other jurisdictions could significantly affect the ability or willingness of our clients and prospective clients to utilize our services.”

Our collection, use, disclosure and retention of personal health-related and other information is subject to an array of privacy, data security, and data breach notification laws and regulations that change frequently, are inconsistent across the jurisdictions in which we do business, and impose significant compliance costs. In the United States, personal information is subject to numerous federal and state laws and regulations relating to privacy, data security, and breach notification, including, for example, the Gramm-Leach-Bliley Act, Health Insurance Portability and Accountability Act, Federal Trade Commission Act, Family Educational Rights and Privacy Act, Communications Act, and Electronic Communications Privacy Act. As of 2018, all fifty U.S. states and the District of Columbia have implemented separate data security and breach notification laws with which we must comply; in addition, some states have strengthened their existing laws. Some courts have become more willing to allow individuals to pursue claims in data breach cases, indicating that it may become easier for consumers to sue companies for data breaches. California’s new privacy law, which is expected to take effect in 2020, will impose additional obligations related to the collection and usage of California residents’ data. Related laws and regulations govern our direct marketing activities and our use of personal information for direct marketing, including the Telemarketing and Consumer Fraud and Abuse Prevention Act, Telemarketing Sales Rule, Telephone Consumer Protection Act and rules promulgated by the Federal Communications Commission, and CAN-SPAM Act. In 2018, the Clarifying Lawful Overseas Use of Data, or CLOUD, Act established new required processes and procedures for handling U.S. law enforcement requests for data that we may store outside of the U.S. In the EU, a new, comprehensive General Data Protection Regulation, or the GDPR, went into effect in May 2018. The GDPR supersedes EU member states’ national protection laws and imposes privacy and data security compliance obligations and increased penalties for noncompliance. In particular, the GDPR has introduced numerous privacy-related changes for companies operating in the EU, including greater control for data subjects, increased data portability for EU consumers, data breach notification requirements and increased fines. GDPR enforcement has begun, and companies have faced fines for violations of certain provisions. Fines can reach as high as 4% of a company’s annual total revenue, potentially including the revenue of a company’s international affiliates. Additionally, foreign governments outside of the EU are also taking steps to fortify their data privacy laws and regulations. For example, some countries in Latin America and Asia are considering GDPR-like data protection laws, and Canada implemented a new mandatory breach reporting and recordkeeping regime in November 2018. Evolving laws and regulations in India protecting the use of personal information could also impact our engagements with clients, vendors and employees in India. As privacy laws and regulations around the world continue to evolve, these changes could adversely affect our business operations, websites and mobile applications that are accessed by residents in the applicable countries.

In the United States, we are either directly subject to, or contractually required to comply or facilitate our clients’ compliance with, laws and regulations arising out of our work for clients operating there, especially in the area of banking, financial services and insurance, such as the Financial Modernization Act (sometimes referred to as the Gramm-Leach-Bliley Act), the Fair Credit Reporting Act, the Fair and Accurate Credit Transactions Act, the Right to Financial Privacy Act, the Bank Secrecy Act, the USA PATRIOT Act, the Bank Service Company Act, the Home Owners Loan Act, the Electronic Funds Transfer Act, the Equal Credit Opportunity Act, and regulation by U.S. agencies such as the SEC, the Federal Reserve, the Federal Deposit Insurance Corporation, the National Credit Union

Administration, the Commodity Futures Trading Commission, the Federal Financial Institutions Examination Council, the Office of the Comptroller of the Currency, and the Consumer Financial Protection Bureau.

Because of our debt collections work in the United States, we are also regulated by laws such as the Truth in Lending Act, the Fair Credit Billing Act, the Fair Debt Collection Practices Act, the Telephone Consumer Protection Act and related regulations. We are currently licensed to engage in debt collection activities in all jurisdictions in the United States where licensing is required. U.S. banking and debt collection laws and their implementing regulations are occasionally amended, and these changes may impose new obligations on us or may change existing obligations.

Because of our insurance processing activities in the United States, we are currently licensed as a third-party administrator in 41 states and are regulated by the department of insurance in each such state. In two other states, we qualify for regulatory exemption from licensing based on the insurance processing activities we provide.

In the United States, we are subject to laws and regulations governing foreign trade, such as export control, customs and sanctions regulations maintained by government bodies such as the Commerce Department's Bureau of Industry and Security, the Treasury Department's Office of Foreign Assets Control, and the Homeland Security Department's Bureau of Customs and Border Protection.

Several of our service delivery centers, primarily located in India, China, the Philippines and Guatemala, benefit from tax incentives or concessional rates provided by local laws and regulations. The Indian Special Economic Zones Act of 2005, or SEZ legislation, introduced a tax holiday in certain situations for operations established in designated "special economic zones," or SEZs. The SEZ tax benefits are available only for new business operations that are conducted at qualifying SEZ locations. We cannot predict what percentage of our operations or income in India or other jurisdictions in future years will be eligible for a tax holiday. See Item 7—"Management's Discussion and Analysis of Financial Condition and Results of Operations—Overview—Income Taxes." In addition to the tax holidays described above, certain benefits are also available to us under certain Indian state laws. These benefits include rebates and waivers in relation to payments for the transfer or registration of property (including for the purchase or lease of premises), waivers of conversion fees for land, exemption from state pollution control requirements, entry tax exemptions, labor law exemptions and commercial usage of electricity.

Our hedging activities and currency transfer are restricted by regulations in certain countries, including India, Romania and China.

Certain Bermuda Law Considerations

As a Bermuda company, we are also subject to regulation in Bermuda. Among other things, we must comply with the provisions of the Companies Act 1981 of Bermuda as amended, or the Companies Act, regulating the declaration and payment of dividends and the making of distributions from contributed surplus.

We are classified as a non-resident of Bermuda for exchange control purposes by the Bermuda Monetary Authority. Pursuant to our non-resident status, we may engage in transactions in currencies other than Bermuda dollars. There are no restrictions on our ability to transfer funds in and out of Bermuda or to pay dividends to United States residents that are holders of our common shares.

Under Bermuda law, "exempted" companies are companies formed for the purpose of conducting business outside Bermuda. As an exempted company, we may not, without a license granted by the Minister of Finance, participate in certain business transactions, including transactions involving Bermuda landholding rights and the carrying on of business of any kind, for which we are not licensed in Bermuda.

Organizational structure

We conduct our business primarily through direct and indirect subsidiaries of our parent company, Genpact Limited, which is a Bermuda exempted limited company.

Our business was initially conducted through various entities and divisions of GE. We began operating as an independent company in 2004, when GE spun off our operations and sold indirect interests in us to our initial investors. In 2007, we completed our initial public offering. In 2012, affiliates

of Bain Capital Investors, LLC, or Bain Capital, acquired the majority of the remaining interests held by our initial investors. Following an offering in February 2019, Bain Capital (through its affiliates) owned approximately 17% of our outstanding equity as of February 15, 2019.

Available Information

We file current and periodic reports, proxy statements, and other information with the SEC. The SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, at www.sec.gov. We make available free of charge on our website, www.genpact.com, our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. The contents of our website are not incorporated by reference into this Annual Report.

Executive Officers

The following table sets forth information concerning our executive officers as of February 15, 2019:

Name	Age	Position(s)
N.V. Tyagarajan	57	President, Chief Executive Officer and Director
Edward Fitzpatrick	52	Senior Vice President, Chief Financial Officer
Patrick Cogy	52	Senior Vice President, Infrastructure, Manufacturing & Services and High Tech
Balkrishan Kalra	49	Senior Vice President, Consumer Goods, Retail, Life Sciences and Healthcare
Ahmed Mazhari	49	Senior Vice President, Chief Growth Officer
Piyush Mehta	50	Senior Vice President, Chief Human Resources Officer
Darren Saumur	51	Senior Vice President, Global Operating Officer
Heather White	46	Senior Vice President, General Counsel and Corporate Secretary

N.V. Tyagarajan has served as our President and Chief Executive Officer since June 2011. From February 2009 to June 2011, he was our Chief Operating Officer. From February 2005 to February 2009, he was our Executive Vice President and Head of Sales, Marketing and Business Development. From October 2002 to January 2005, he was Senior Vice President, Quality and Global Operations, for GE's Commercial Equipment Finance division. Between 1999 and 2002, he served as our Chief Executive Officer.

Edward Fitzpatrick has served as our Chief Financial Officer since July 2014. Prior to joining Genpact, he spent 13 years at Motorola Solutions Inc. and its predecessor company Motorola Inc., most recently serving as executive vice president and Chief Financial Officer. Prior to Motorola, he worked at General Instrument Corporation, which was acquired by Motorola Inc., and Price Waterhouse, LLP. Mr. Fitzpatrick also currently serves as a director of CBOE, Inc.

Patrick Cogy has served as our Senior Vice President of Infrastructure, Manufacturing and Services since September 2011 and has also been responsible for our High Tech business since January 2017. From 2005 to August 2011, he was the Chief Executive Officer of Genpact Europe. Prior to this, he spent 15 years working for GE in the Healthcare business and in the GE Europe corporate headquarters, in France, the United States and Belgium.

Balkrishan Kalra has served as our Senior Vice President, Consumer Goods, Retail and Life Sciences since 2008 and has also been responsible for our Healthcare business since 2016. Prior to this, he held various roles at Genpact since joining us in 1999.

Ahmed Mazhari has served as our Senior Vice President and Chief Growth Officer since September 2016. In this role, he is currently responsible for our global sales and marketing functions, partnerships and alliances, transitions, digital solutioning and robotic process automation. From 2013 to 2016, he served as our Head of Global Sales and Client Relationships. Prior to this, he held various roles at Genpact, including European business leader and sales leader for Europe. Mr. Mazhari joined us in 1997.

Piyush Mehta has served as our Senior Vice President, Chief Human Resources Officer since March 2005. He has worked for us since 2001, initially as Vice President of Human Resources.

Darren Saumur became our Senior Vice President, Global Operating Officer in April 2018. Prior to joining Genpact, he was an executive vice president responsible for the services business at Infor from 2014 to 2018. From 2005 to 2014, he worked at SAP where he ran SAP's global consulting businesses. Mr. Saumur began his career at Ernst & Young, where he worked from 1991 to 2005.

Heather White became our Senior Vice President, General Counsel and Corporate Secretary in April 2018. Ms. White has been with Genpact since 2005, and served most recently as our Senior Vice President and Deputy General Counsel. Prior to joining Genpact, she was a corporate attorney in the New York and London offices of Paul, Weiss, Rifkind, Wharton & Garrison LLP.

Item 1A. Risk Factors

Risks Related to our Business

Our success largely depends on our ability to achieve our business strategies, and our results of operations and financial condition may suffer if we are unable to continually develop and successfully execute our strategies.

Our future growth, profitability and cash flows largely depend upon our ability to continually develop and successfully execute our business strategies. While we have confidence that our strategic plans reflect opportunities that are appropriate and achievable, the execution of our strategy may not result in long-term growth in revenue or profitability due to a number of factors, including incorrect assumptions, global or local economic conditions, competition, changes in the industries in which we operate, sub-optimal resource allocation or any of the other risks described in this “Risk Factors” section. In pursuit of our growth strategy, we may also invest significant time and resources into new product or service offerings, and these offerings may fail to yield sufficient return to cover our investments in them. The failure to continually develop and execute optimally on our business strategies could have a material adverse effect on our business, financial condition and results of operations.

Our results of operations could be adversely affected by economic and political conditions and the effects of these conditions on our clients’ businesses and levels of business activity.

Global macroeconomic conditions affect our clients’ businesses and the markets they serve. Volatile, negative or uncertain economic conditions in our significant markets have in the past undermined and could in the future undermine business confidence in our significant markets or in other markets, which are increasingly interdependent, and cause our clients to reduce or defer their spending on new initiatives, or may result in clients reducing, delaying or eliminating spending under existing contracts with us, which would negatively affect our business. Growth in the markets we serve could be at a slow rate, or could stagnate or contract, in each case, for an extended period of time. Differing economic conditions and patterns of economic growth and contraction in the geographical regions in which we operate and the industries we serve have affected and may in the future affect demand for our services.

A material portion of our revenues and profitability is derived from our clients in North America and Europe. Weak demand in these markets could have a material adverse effect on our results of operations. Additionally, major political events, including the United Kingdom’s planned withdrawal from the European Union scheduled to occur on March 29, 2019 (“Brexit”), create uncertainty for businesses that operate in these markets. As the United Kingdom and EU continue to negotiate the terms of the United Kingdom’s withdrawal, there remains uncertainty on topics that are relevant to our operations in the United Kingdom, such as privacy regulations, trade agreements, immigration laws and employment laws. We face uncertainty in our operations as to the impact of Brexit on, among other things, the free movement of our employees between the United Kingdom and EU member states and the movement of data between the United Kingdom and EU member states. Furthermore, a significant portion of our revenues from clients in the United Kingdom is generated in British pounds. As a result, we are exposed to the risk that revenues from clients based in the United Kingdom will be affected by adverse movements in foreign currency exchange rates. Additionally, uncertainty as to the future trade terms between the United Kingdom and the EU could negatively impact our clients who are based or have operations in the United Kingdom or the EU, including clients in the financial services sector, and as a consequence could adversely impact our financial condition and results of operations. We are currently examining the various possible impacts Brexit may have on our business and operating model in an effort to develop solutions to address any of the potential outcomes of the negotiations. Any of these factors, or the possibility of a less orderly Brexit that adversely affects global economic conditions and the stability of global financial markets, could have a material adverse effect on our business, financial condition and results of operations.

Ongoing economic volatility and uncertainty and changing demand patterns affect our business in a number of other ways, including making it more difficult to accurately forecast client demand and effectively build our revenue and resource plans. Economic volatility and uncertainty is particularly challenging because it may take some time for the effects and changes in demand patterns resulting from

these and other factors to manifest themselves in our business and results of operations. Changing demand patterns from economic volatility and uncertainty could have a significant negative impact on our results of operations.

Our business depends on generating and maintaining ongoing, profitable client demand for our services and solutions, including through the adaptation and expansion of our services and solutions in response to ongoing changes in technology and offerings, and a significant reduction in such demand or an inability to respond to the evolving technological environment could materially affect our results of operations.

Our revenue and profitability depend on the demand for our services and solutions with favorable margins, which could be negatively affected by numerous factors, many of which are beyond our control and unrelated to our work product. Our success depends, in part, on our ability to continue to develop and implement services and solutions that anticipate and respond to rapid and continuing changes in technology and offerings to serve the evolving needs of our clients. Examples of areas of significant change include digital- and cloud-related offerings, which are continually evolving as developments such as AI, automation, Internet of Things and as-a-service solutions are commercialized. Technological developments such as these may materially affect the cost and use of technology by our clients and, in the case of as-a-service solutions, could affect the nature of how we generate revenue. Some of these technologies, such as cloud-based services, AI and automation, and others that may emerge, have reduced and replaced some of our historical services and solutions and may continue to do so in the future. This has caused, and may in the future cause, clients to delay spending under existing contracts and engagements and to delay entering into new contracts while they evaluate new technologies. Such delays can negatively impact our results of operations if the pace and level of spending on new technologies is not sufficient to make up any shortfall.

Developments in the industries we serve, which may be rapid, also could shift demand to new services and solutions. If, as a result of new technologies or changes in the industries we serve, our clients demand new services and solutions, we may be less competitive in these new areas or need to make significant investment to meet that demand. Our growth strategy focuses on responding to these types of developments by driving innovation that will enable us to expand our business into new growth areas. If we do not sufficiently invest in new technology and adapt to industry developments, or evolve and expand our business at sufficient speed and scale, or if we do not make the right strategic investments to respond to these developments and successfully drive innovation, our services and solutions, our results of operations, and our ability to develop and maintain a competitive advantage and to execute on our growth strategy could be negatively affected.

Companies in the industries we serve sometimes seek to achieve economies of scale and other synergies by combining with or acquiring other companies. If one of our current clients merges or consolidates with a company that relies on another provider for the services and solutions we offer, we may lose work from that client or lose the opportunity to gain additional work if we are not successful in generating new opportunities from the merger or consolidation.

Future legislation or executive action in the United States and other jurisdictions could significantly affect the ability or willingness of our clients and prospective clients to utilize our services.

In the United States, federal and state measures aimed at limiting or restricting offshore outsourcing have been occasionally proposed and enacted. In addition, public figures in the United States, including the current President, members of his administration and other elected officials, continue to suggest that U.S. businesses be subjected to tax or other adverse consequences for outsourcing, with incentives for returning outsourced operations to the United States, although it is not known what specific measures might be proposed or how they would be implemented and enforced, or whether emerging or enacted tax reform or other near-term Congressional action will affect companies' outsourcing practices. There can be no assurance that pending or future legislation or executive action in the United States that would significantly adversely affect our business, results of operations, and financial condition will not be enacted.

Legislation enacted in certain European jurisdictions and any future legislation in Europe, Japan or any other country in which we have clients restricting the performance of business process services from an offshore location or imposing burdens on companies that outsource data processing functions could also have a material adverse effect on our business, results of operations and financial condition. For example, evolving EU cloud computing standards and regulations and proposed taxes on outsourced data center activities or new EU and Japanese regulations on international transfers of personal data may limit or restrict our operations, or make them more costly. Moreover, legislation enacted in the United Kingdom and by many EU countries, provides that if a company outsources all or part of its business to a service provider or changes its current service provider, the affected employees of the company or of the previous service provider are entitled to become employees of the new service provider, generally on the same terms and conditions as their original employment. In addition, dismissals of employees who were employed by the company or the previous service provider immediately prior to that outsourcing, if the dismissals resulted solely or principally from the outsourcing, are automatically considered unfair dismissals that entitle such employees to compensation. As a result, in order to avoid unfair dismissal claims we may have to offer, and become liable for, voluntary redundancy payments to the employees of our clients in the United Kingdom and other EU countries who have adopted similar laws who transfer business to us. Additionally, the United Kingdom's decision to leave the EU has introduced uncertainty into trade relations and could result in increased costs, delays, and regulatory complexity in our business involving the United Kingdom.

Our global operations expose us to numerous and sometimes conflicting legal and regulatory requirements, and violations of these laws and regulations could harm our business.

We are subject to, or subject to contractual requirements to comply with or facilitate our clients' compliance with, numerous, and sometimes conflicting, legal regimes on matters such as anticorruption, import/export controls, trade restrictions, taxation, immigration, internal and disclosure control obligations, securities regulation, anti-competition, data privacy and protection, wage-and-hour standards, and employment and labor relations. Our clients' business operations are also subject to numerous regulations, and our clients may require that we perform our services in compliance with regulations applicable to them or in a manner that will enable them to comply with such regulations.

The global nature of our operations increases the difficulty of compliance. Compliance with diverse legal requirements is costly, time-consuming and requires significant resources. Violations of one or more of these regulations in the conduct of our business could result in significant fines, criminal sanctions against us and/or our employees, prohibitions on doing business, breach of contract damages and harm to our reputation. Due to the varying degrees of development of the legal systems of the countries in which we operate, local laws may not be well developed or provide sufficiently clear guidance and may be insufficient to protect our rights.

In particular, our collection, use, disclosure, and retention of personal health-related and other information is subject to an array of privacy, data security, and data breach notification laws and regulations that change frequently, are inconsistent across the jurisdictions in which we do business, and impose significant compliance costs. Changes in these laws and regulations and inconsistencies in the standards that apply to our business in different jurisdictions may impose significant compliance costs, reduce the efficiency of our operations, and expose us to enforcement risks. In the EU, a new, comprehensive General Data Protection Regulation, or the GDPR, went into effect in May 2018. It supersedes EU member states' national protection laws and imposes privacy and data security compliance obligations and increased penalties for noncompliance. In particular, the GDPR has introduced numerous privacy-related changes for companies operating in the EU, including greater control for data subjects, increased data portability for EU consumers, data breach notification requirements and increased fines. GDPR enforcement has begun, and companies have faced fines for violations of certain provisions. Fines can reach as high as 4% of a company's annual total revenue, potentially including the revenue of a company's international affiliates. Additionally, foreign governments outside of the EU are also taking steps to fortify their data privacy laws and regulations. For example, some countries in Latin America and Asia are considering GDPR-like data protection laws, and Canada implemented a new

mandatory breach reporting and recordkeeping regime in November 2018. Evolving laws and regulations in India protecting the use of personal information could also impact our engagements with clients, vendors and employees

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in India. As privacy laws and regulations around the world continue to evolve, these changes could adversely affect our business operations, websites and mobile applications that are accessed by residents in the applicable countries.

In addition, in many parts of the world, including countries in which we operate and/or seek to expand, common practices in the local business community might not conform to international business standards and could violate anticorruption laws or regulations, including the U.S. Foreign Corrupt Practices Act and the UK Bribery Act 2010. Our employees, subcontractors, agents, joint venture partners, the companies we acquire and their employees, subcontractors and agents, and other third parties with which we associate, could take actions that violate policies or procedures designed to promote legal and regulatory compliance or applicable anticorruption laws or regulations. Violations of these laws or regulations by us, our employees or any of these third parties could subject us to criminal or civil enforcement actions (whether or not we participated or knew about the actions leading to the violations), including fines or penalties, disgorgement of profits and suspension or disqualification from work, any of which could materially adversely affect our business, including our results of operations and our reputation.

We could be liable to our clients or others for damages, subject to criminal liability, fines or penalties, and our reputation could be damaged, if our information systems are breached or confidential or sensitive client or employee data is compromised.

We are often required to collect, process and store proprietary, personally identifying or other sensitive or confidential client data in the operation of our business or in connection with the services we provide under our contracts, including, for example, names, address, social security numbers, personal health information, credit card account numbers, payment history records, and checking and savings account numbers. In addition, we collect and store data regarding our employees and contractors. As a result, we are subject to numerous data protection and privacy laws and regulations designed to protect this information in the countries in which we operate as well as the countries of residence of the persons whose data we process. Data may be accessed or modified improperly as a result of theft, error or malfeasance by our employees, contractors or other third parties, and others may attempt to fraudulently induce our employees, clients or other third parties into disclosing sensitive information such as user names, passwords or other information in order to gain access to our data or IT systems or our clients', contractors' or other third parties' data or IT systems. If any person, including any of our current or former employees or contractors, negligently disregards or intentionally breaches our or our clients' established controls with respect to sensitive data or if we do not adapt to changes in data protection legislation, we could be subject to significant litigation, monetary damages, regulatory enforcement actions, fines and/or criminal prosecution in one or more jurisdictions.

In addition, the products, services and software that we provide to our clients may contain or introduce cybersecurity threats or vulnerabilities to our clients' information technology networks, intentionally or unintentionally. Our clients may maintain their own proprietary, sensitive, or confidential information that could be compromised in a cybersecurity attack, or their systems may be disabled or disrupted as a result of such an attack. Our clients, regulators, or other third parties may attempt to hold us liable, through contractual indemnification clauses or directly, for any such losses or damages resulting from such an attack.

The threat of incursion into our information systems and technology infrastructure has increased and evolved in recent years with the increasing number and sophistication of third parties who have hacked, attacked, disrupted or otherwise invaded information systems of other companies and have misappropriated or disclosed data. Because the techniques used to obtain unauthorized access, disable or degrade service, or sabotage systems change frequently or may be designed to remain dormant until a predetermined event and often are not recognized until launched against a target, we may be unable to anticipate these techniques or implement adequate preventative measures. The steps we have taken to protect our data security may be inadequate. If an actual or perceived breach of our security occurs, whether through breach of our computer systems, systems failure or otherwise, the market perception of the effectiveness of our security measures and our reputation could be harmed and we could lose existing or potential customers. Media or

other reports of perceived security vulnerabilities in our network

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security, even if nothing has actually been attempted or occurred, could also adversely impact our brand and reputation and materially affect our business.

In addition, we might not be able to prevent others from using our data and proprietary information to compete with us. Existing trade secret, copyright and trademark laws offer only limited protection. In addition, the laws of some foreign countries may not protect our data and proprietary information. For example, doing business in certain jurisdictions poses risks, including but not limited to theft of intellectual property and data and potentially different treatment of foreign owned intellectual property rights and data than that owned or developed in such jurisdictions. If we have to resort to legal proceedings to enforce our rights, the proceedings could be burdensome, protracted and expensive and could involve a high degree of risk and be unsuccessful.

Our clients, suppliers, subcontractors, and other third parties with whom we do business, including in particular cloud service providers and software vendors, generally face similar cybersecurity threats, and in some cases we must rely on the safeguards adopted by these parties. We may also be liable to our clients or others for damages caused by disclosure of confidential information or system failures. Many of our contracts do not limit our potential liability for breaches of confidentiality. We may also be subject to civil actions and criminal prosecution by governments or government agencies for breaches relating to such data. Our insurance coverage or indemnification protections for breaches or mismanagement of such data may not be adequate to cover all costs related to data loss, cybersecurity attacks, or disruptions resulting from such events, or they may not continue to be available on reasonable terms or in sufficient amounts to cover one or more large claims against us and our insurers may disclaim coverage as to any future claims. The impact of these cybersecurity attacks, data losses, and other security breaches cannot be predicted, but any such attack, loss or breach could disrupt our operations, or the operations of our clients, suppliers, subcontractors, or other third parties. Incidents of this type could require significant management attention and resources, could result in the loss of business, regulatory enforcement and financial liability, and could harm our reputation among our clients and the public, any of which could have a material adverse impact on our financial condition, results of operation, or liquidity.

While we have developed and implemented security measures and internal controls designed to prevent, detect and respond to cyber and other security threats and incidents, such measures cannot ensure security and may not be successful in preventing future security breaches. We are subject to regular incursion attempts from a variety of sources, and we have experienced data security incidents such as inadvertent or unauthorized disclosures of data, including as a result of phishing or malware, and other unauthorized access to or use of our systems or those of third parties. To date such incidents have not had a material impact on our operations or financial results; however, there is no assurance that such impacts will not be material in the future.

Tax matters may have an adverse effect on our operations, effective tax rate and financial condition.

We are subject to income taxes in the United States and in numerous foreign jurisdictions, notably in India where we have substantial operations. Our provision for income taxes, actual tax expense and cash tax liability could be adversely affected by a variety of factors including, but not limited to, lower income before taxes generated in countries with lower tax rates; higher income generated in countries with higher tax rates; changes in tax laws and regulations or in applicable income tax treaties; changes in accounting principles or interpretations thereof or in the valuation of deferred tax assets and liabilities; the possible disappearance or expiration of certain tax concessions that we have enjoyed in prior years; and adverse outcomes of tax examinations and pending tax-related litigation. Any of these factors could have a material adverse effect on our operations, effective tax rate and financial condition.

We are subject to examination of our income tax returns by the U.S. Internal Revenue Service and tax authorities around the world, notably in India where we have substantial operations, and there can be no assurance that negative outcomes from those examinations or any appeals therefrom will not adversely affect our provision for income taxes

and cash tax liability, which in turn could have a material adverse effect on our operations, effective tax rate and financial condition. For example, the Government of India has appealed a 2011 ruling by the Delhi High Court that Genpact India Private Limited (one of our subsidiaries) cannot be held to be a representative assessee of GE in connection with an assertion that GE

has tax liability in India by reason of a 2004 transfer of shares of our predecessor company. We believe that, if the Government of India is successful in its appeal, GE would be obligated to indemnify us for any resulting tax, though there can be no assurance as to the outcome of this matter.

In addition, the Government of India issued assessment orders to us in 2014, 2015 and 2016 seeking to assess tax on certain transactions that occurred in 2009, 2010 and 2013. We do not believe that the transactions should be subject to tax in India under applicable law, including due to the relief provided under the Mauritius-India treaty, and have accordingly filed appeals. Our appeal in respect of tax year 2010 has been resolved in our favor. We have received demands for potential tax claims resulting from assessments related to tax years 2009 and 2013 in an aggregate amount of \$158 million, including interest. To date, we have paid a total of \$23 million toward these demands to the Indian tax authority under protest, and may be required to pay the remainder of the demands pending resolution of the matter. There is no assurance that we will prevail in this matter or similar transactions, including where we have relied on the Mauritius-India treaty, and a final determination of tax in the amounts claimed could have a material adverse effect on our operations, effective tax rate and financial condition.

More generally, the Indian tax authorities may claim that Indian tax is owed with respect to certain of our transactions, such as our acquisitions (including our subsidiaries organized under Indian law or owning assets located in India), internal reorganizations and the sale of our shares in public offerings or otherwise by our existing significant shareholders, in which indirect transfers of Indian subsidiaries or assets are involved. Those authorities may seek to impose tax on us directly or as a withholding agent or representative assessee of the seller in these or other transactions.

Furthermore, there is growing pressure in many jurisdictions, including the United States, and from multinational organizations such as the Organization for Economic Cooperation and Development (OECD) and the EU to amend existing international tax rules in order to render them more responsive to current global business practices. For example, the OECD has published a package of measures for reform of the international tax rules as a product of its Base Erosion and Profit Shifting (BEPS) initiative, which was endorsed by the G20 finance ministers. Many of the initiatives in the BEPS package require amendments to the domestic tax legislation of various jurisdictions. Separately, the EU is asserting that a number of country-specific favorable tax regimes and rulings in certain member states may violate, or have violated, EU law, and may require rebates of some or all of the associated tax benefits to be paid by benefitted taxpayers in particular cases. In 2016, the EU adopted the Anti-Tax Avoidance Directive which requires EU member states to implement measures to prohibit tax avoidance practices beginning January 1, 2019.

In addition, in December 2017, the Tax Cuts and Jobs Act was passed by the U.S. Congress and signed into law by President Trump, bringing about far-ranging changes to the existing corporate tax system. This legislation establishes a territorial-style system for taxing foreign-source income of multinational corporations and, among other items and with varying effective dates, includes changes to U.S. federal tax rates, an additional minimum tax measured in part by “base erosion payments” involving certain members of affiliated groups, significant additional limitations on the deductibility of interest, the modification of constructive ownership rules used to determine the status of certain non-U.S. companies as “controlled foreign corporations,” and changes to the rules governing taxable and tax-free cross-border transfers of intangible property. Many of the provisions in this legislation are unclear or incomplete in their application. While this legislation has not so far had a material overall impact on our effective tax rate or business practices and operations, it is possible that our tax liability may materially increase in the future as a result of this legislation. Other legislative and regulatory proposals may also affect our tax position or our business practices and operations, depending on whether and in what form they may ultimately take effect. See Item 1A—“Risk Factors—Risks Related to our Business—Future legislation or executive action in the United States and other jurisdictions could significantly affect the ability or willingness of our clients and prospective clients to utilize our services.”

Although we monitor these developments, it is very difficult to assess to what extent recent changes and other proposals, if enacted, may be implemented in the United States and other jurisdictions in which we conduct our business or may impact the way in which we conduct our business or our effective tax rate due to their unpredictability and interdependency. As these and other tax laws and related regulations and practices change, those changes could have a material adverse effect on our operations, effective tax rate and financial condition.

If the transfer pricing arrangements we have among our subsidiaries are determined to be inappropriate, our tax liability may increase.

We have transfer pricing arrangements among our subsidiaries in relation to various aspects of our business, including operations, financing, marketing, sales and delivery functions. U.S. and Indian transfer pricing regulations, as well as regulations applicable in other countries in which we operate, require that any international transaction involving associated enterprises be on arm's-length terms. We consider the transactions among our subsidiaries to be substantially on arm's-length terms. If, however, a tax authority in any jurisdiction reviews any of our tax returns and determines that the transfer prices and terms we have applied are not appropriate, or that other income of our affiliates should be taxed in that jurisdiction, we may incur increased tax liability, including accrued interest and penalties, which would cause our tax expense to increase, possibly materially, thereby reducing our profitability and cash flows, which in turn could have a material adverse effect on our operations, effective tax rate and financial condition.

GE accounts for a significant portion of our revenues and any material loss of business from, or change in our relationship with, GE could have a material adverse effect on our business, results of operations and financial condition.

Historically, we have derived a significant portion of our revenues from GE. In 2016, 2017 and 2018, GE accounted for 13.9%, 9.8% and 8.9% of our revenues, respectively. In the past, GE has divested businesses we serve, including a significant portion of its GE Capital business. We expect that our services for GE will decline in the future if GE pursues further divestitures. We intend to continue to make efforts to procure contracts with respect to GE's divested businesses; however, there can be no assurance that we will be able to procure any such contracts or that such contracts would be on favorable terms. GE is not obligated to provide us with any exclusivity or opportunity to work on GE projects and GE is not required to purchase a minimum amount of services from us. In addition, GE has the right to terminate our services in whole or in part for any reason by providing us with a short period of advance notice. Any material loss of business from, or change in relationship with, GE could have a material adverse effect on our business, results of operations and financial condition. Further, our revenues from GE may be more volatile in the future and this volatility could have a material adverse effect on our business and results of operations. See Item 7—"Management's Discussion and Analysis of Financial Condition and Results of Operations—Overview—Net Revenues" for further information regarding our relationship with GE.

We expect that our business with GE will continue to come from a variety of GE's businesses and that, in general, GE's decisions to use our services will continue to be made by a number of people within GE. Therefore, although some decisions may be made centrally at GE, we expect that the total level of business we receive will continue to depend on the decisions of the various operating managers of such businesses. Finally, there can be no assurance that GE will not establish its own business unit to provide English-language business process services from low-wage countries or otherwise compete with us. Any of the foregoing events could have a material adverse effect on our business, results of operations and financial condition.

Our revenues are highly dependent on clients located in the United States and Europe, as well as on clients that operate in certain industries. If events or conditions occur which adversely affect the economic health of the United States or Europe, demand in the United States or Europe or in certain industries for the type of services we provide, or the rate of growth in the industries in which our clients operate, our business, results of operations and financial condition may be materially and adversely affected.

In 2018, more than 65% of our revenues were derived from clients based in North America and more than 15% of our revenues were derived from clients based in Europe. Additionally, in 2018, more than 35% of our revenues were derived from clients in the financial services industry, which includes insurance.

A number of factors could adversely affect our ability to do business in the United States or Europe, which could in turn have a material adverse effect on our business, results of operations and financial condition. For example, the United Kingdom's negotiations with the EU over Brexit and ongoing

uncertainty within the UK Government and Parliament sustains the possibility of the United Kingdom leaving the EU on March 29, 2019 without a withdrawal agreement and associated transition period in place, which is likely to cause significant market and economic disruption.

Brexit has created, and continues to create, political and economic uncertainty about the future relationship between the United Kingdom and the EU and as to whether any other European countries may similarly seek to exit the EU. We have operations in the United Kingdom and a number of countries in the EU and our global operations serve clients with operations in these regions, and as a result our business, financial condition and results of operations may be impacted by such uncertainty and by the terms of the United Kingdom's pending withdrawal from the EU.

Furthermore, any deterioration in economic activity in the United States or Europe could adversely affect demand for our services, thus reducing our revenue. Increased regulation, changes in existing regulation or increased government intervention in the industries in which our clients operate may adversely affect growth in such industries and therefore have an adverse impact on our revenues.

We may face difficulties in providing end-to-end business solutions or delivering complex, large or unique projects for our clients that could cause clients to discontinue their work with us, which in turn could harm our business and our reputation.

We continue to expand the nature and scope of our engagements, including by incorporating digital solutions that use social, mobility, big data and cloud-based technologies. Our ability to effectively offer a wide range of business solutions depends on our ability to attract existing or new clients to new service offerings, and the market for our solutions is highly competitive. We cannot be certain that our new service offerings, particularly our digital offerings, will effectively meet client needs or that we will be able to attract clients to these service offerings. The complexity of our new service offerings, our inexperience in developing or implementing them, and significant competition in the markets for these services may affect our ability to market these services successfully. In addition, the breadth of our existing service offerings continues to result in larger and more complex projects with our clients, which have risks associated with their scope and complexities. Our failure to deliver services that meet the requirements specified by our clients could result in termination of client contracts, and we could be liable to our clients for significant penalties or damages or suffer reputational harm. Larger projects may involve multiple engagements or stages, and there is a risk that a client may choose not to retain us for additional stages or may cancel or delay additional planned engagements. These terminations, cancellations or delays may result from factors that have little or nothing to do with the quality of our services, such as the business or financial condition of our clients or the economy generally. Such cancellations or delays make it difficult to plan for project resource requirements and inaccuracies in such resource planning and allocation may have a negative impact on our profitability.

From time to time we also enter into agreements that include unique service level delivery requirements or novel pricing arrangements with which we have no experience and that may be unique in the industry. These projects can include performance targets that become more rigorous over the term of the contracts and service delivery components that are partially subjective by design, and we may be unable achieve such targets or to satisfy our clients' expectations in delivering such services. Our failure to deliver such engagements to our clients' expectations could result in termination of client contracts, and we could be liable to our clients for penalties or damages or suffer reputational harm. We may also discover that we have not priced such engagements appropriately, which could adversely affect our profitability and results of operations.

Our partnerships, alliances and relationships with third-party suppliers and contractors and other third parties with whom we do business expose us to a variety of risks that could have a material adverse effect on our business.

Our partnerships and alliances and our relationships with a variety of third parties, including suppliers, contractors and others, expose us to a variety of risks that could have a material adverse effect on our business, and we may not be successful in mitigating such risks. Our operations depend on our ability to anticipate our needs for products and services, as well as our suppliers' ability to deliver sufficient quantities and quality of products and services at reasonable prices and in time for us to meet

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commitments for the delivery of our own services. In addition, we must adequately address quality issues associated with our services, including with respect to any third-party components to our services. Any performance failure on the part of our partners or the third parties with whom we do business could delay our performance of client deliverables, which could deprive us of potential revenue. Additionally, our partners, third-party suppliers and contractors and other third parties with whom we do business may not be able to comply with current good business practices or applicable laws or regulatory requirements. Our failure, or the failure of such third parties, to comply with applicable laws and regulations could result in sanctions being imposed on us, including fines, injunctions, civil penalties and criminal prosecutions, any of which could significantly and adversely affect our business.

We may have limited control over the amount and timing of resources that our partners and third parties with whom we do business dedicate to their arrangements with us. Our ability to generate revenues from these arrangements will depend on our partners' or other third parties' desire and ability to successfully perform the functions assigned to them in these arrangements. Further, certain of our suppliers, partners and other contractors may decide to discontinue conducting business with us.

In addition, we are a party to a number of license agreements with third parties and expect to enter into additional licenses in the future. Our existing licenses impose, and we expect that future licenses will impose, various obligations and restrictions on us. If we fail to comply with these obligations and restrictions, the licensor may have the right to terminate the license, in which event we might not be able to market any product or service that is covered by these agreements, which could materially adversely affect our business. Termination of these license agreements or reduction or elimination of our licensed rights may result in our having to negotiate new or reinstated licenses with less favorable terms, or cause us to lose rights in important intellectual property or technology.

Any of the foregoing may prevent us from working with our partners or third parties with whom we do business and could subject us to losses, affect our ability to bring products and services to market, cause us to fail to satisfy our client obligations and harm our reputation.

We may fail to attract and retain enough qualified employees to support our operations.

Our industry relies on large numbers of skilled employees and our success depends on our ability to attract, train and retain a sufficient number of qualified employees. Historically, high employee attrition has been common in our industry. See Item 1—"Business—Our people." In 2018, our attrition rate for all employees who were employed for a day or more was approximately 28%. We cannot assure you that we will be able to reduce our level of attrition or even maintain our attrition rate at the 2018 level. If our attrition rate increases, our operating efficiency and productivity may decrease.

Competition for qualified employees, particularly in India and China, remains high and we expect such competition to continue. We compete for employees not only with other companies in our industry but also with companies in other industries, such as software services, engineering services and financial services companies. In many locations in which we operate, there is a limited pool of employees who have the skills and training needed to do our work. If our business continues to grow, the number of people we will need to hire will increase. We will also need to increase our hiring if we are not able to maintain our attrition rate through innovative recruiting and retention policies. Significant competition for employees could have an adverse effect on our ability to expand our business and service our clients, as well as cause us to incur greater personnel expenses and training costs.

Wage increases in the countries in which we have operations may prevent us from sustaining our competitive advantage and may reduce our profit margin.

Salaries and related benefits of our employees are our most significant costs. Most of our employees are based in India and other countries in which wage levels have historically been significantly lower than wage levels in the United States and Western Europe for comparably skilled professionals, which has been one of our competitive advantages. However, wage levels for comparably skilled employees in most of the countries in which we operate have increased and further increases are expected at a faster rate than in the United States and Western Europe because of, among other reasons, faster economic growth, increased competition for skilled employees and increased demand for business process services. We will

lose this competitive advantage to the extent that we are not able to control or share wage increases with our clients. Sharing wage increases may cause our clients to be less willing to utilize our services. In addition, wage increases may reduce our margins. We will attempt to control such costs by our efforts to add capacity in locations where we consider wage levels of skilled personnel to be satisfactory, but we may not be successful in doing so. We may need to increase our wage levels significantly and rapidly in order to attract the quantity and quality of employees that are necessary for us to remain competitive, which may have a material adverse effect on our business, results of operations and financial condition. In addition, a recent judicial decision in India that we are still evaluating could increase the amount we will be required to pay to or for the benefit of our employees in India. Further, if this decision is implemented with retrospective application, the amount of the payments that we are required to make at that time to or for the benefit of our employees could be substantial and could have a material adverse effect on our business, results of operations and financial condition. We have also increased, and expect to further increase, the number of employees we have in the United States from the levels than we have had historically, and this could have a negative effect on our profit margin.

Currency exchange rate fluctuations in various currencies in which we do business, especially the Indian rupee, the euro and the U.S. dollar, could have a material adverse effect on our business, results of operations and financial condition.

Most of our revenues are denominated in U.S. dollars, with the remaining amounts largely in euros, UK pounds sterling, the Australian dollar, the Japanese yen and the Indian rupee. Most of our expenses are incurred and paid in Indian rupees, with the remaining amounts largely in U.S. dollars, Chinese renminbi, Romanian lei, euros, UK pounds sterling, Philippine pesos, Japanese yen, Polish zloty, Mexican pesos, Guatemalan quetzals and the Australian dollar. As we expand our operations to new countries, we will incur expenses in other currencies. We report our financial results in U.S. dollars. The exchange rates between the Indian rupee, the euro and other currencies in which we incur costs or receive revenues, on the one hand, and the U.S. dollar, on the other hand, have changed substantially in recent years and may fluctuate substantially in the future. See Item 7A—“Quantitative and Qualitative Disclosures about Market Risk.”

Our results of operations could be adversely affected over time by certain movements in exchange rates, particularly if the Indian rupee or other currencies in which we incur expenses appreciate against the U.S. dollar or if the currencies in which we receive revenues, such as the euro, depreciate against the U.S. dollar. Although we take steps to hedge a substantial portion of our Indian rupee-U.S. dollar, Mexican peso-U.S. dollar, Philippines peso-U.S. dollar, euro-U.S. dollar, euro- Romanian leu, pound sterling-U.S. dollar, Australian dollar-U.S. dollar and our Chinese renminbi-Japanese yen foreign currency exposures, there is no assurance that our hedging strategy will be successful or that the hedging markets will have sufficient liquidity or depth for us to implement our strategy in a cost effective manner. In addition, in some countries such as India and China, we are subject to legal restrictions on hedging activities, as well as convertibility of currencies, which could limit our ability to use cash generated in one country in another country and could limit our ability to hedge our exposures. Finally, our hedging policies only provide near term protection from exchange rate fluctuations. If the Indian rupee or other currencies in which we incur expenses appreciate against the U.S. dollar, we may have to consider additional means of maintaining profitability, including by increasing pricing, which may or may not be achievable. See also Item 7—“Management’s Discussion and Analysis of Financial Condition and Results of Operations—Overview—Foreign exchange gains (losses), net.”

Restrictions on entry visas may affect our ability to compete for and provide services to clients, which could have a material adverse effect on our business and financial results.

A portion of our business depends on the ability of our employees to obtain the necessary visas and entry permits to do business in the countries where our clients and, in some cases, our delivery centers, are located. In recent years, in response to terrorist attacks, global unrest and political rhetoric, immigration authorities generally, and those in the

United States in particular, have increased the level of scrutiny in granting visas. If further terrorist attacks occur, global unrest intensifies, or political rhetoric continues, then obtaining visas for our personnel may become even more difficult. Local immigration laws

may also require us to meet certain other legal requirements as a condition to obtaining or maintaining entry visas. Countries where our clients may be located, including the United States, may through legislation or regulation restrict the number of visas or entry permits available. In general, immigration laws are subject to legislative change and varying standards of application and enforcement due to political forces, economic conditions, terrorist attacks or other events. In addition, there is currently uncertainty with respect to immigration laws and standards in the United States due to legislation introduced in Congress and policy changes suggested and adopted by the current U.S. President and members of his administration. Current U.S. efforts to reduce the number of first-time and renewal H-1B and H-4 visas could result in fewer employees eligible to work for us in the United States under those programs, as could executive actions that prohibit citizens of designated countries from emigrating to and/or working in the United States. It is not currently known what, if any, other such visa restrictions might be proposed or how they would be implemented or enforced.

Our senior leadership team is critical to our continued success and the loss of such personnel could harm our business.

Our future success substantially depends on the continued service and performance of the members of our senior leadership team. These personnel possess business and technical capabilities that are difficult to replace. In particular, our Chief Executive Officer and other members of our senior leadership team have been involved in our business since its commencement under GE. Our employment agreement with our Chief Executive Officer does not obligate him to work for us for any specified period. If we lose key members of our senior leadership team, we may not be able to effectively manage our current operations or meet ongoing and future business challenges, and this may have a material adverse effect on our business, results of operations and financial condition.

We may be unable to service our debt or obtain additional financing on competitive terms.

On August 9, 2018, we entered into an amended and restated five-year credit agreement with certain financial institutions as lenders which replaced our prior credit facility. The amended and restated credit agreement provides for a \$680 million term credit facility and a \$500 million revolving credit facility, each of which may be increased subject to certain conditions. The credit agreement obligations are unsecured, and guaranteed by certain subsidiaries. As of December 31, 2018, the total amount due under the credit facility, including the amount utilized under the revolving facility, was \$958 million. The credit agreement contains covenants that require maintenance of certain financial ratios, including consolidated leverage and interest coverage ratios, and also, under certain conditions, restrict our ability to incur additional indebtedness, create liens, make certain investments, pay dividends or make certain other restricted payments, repurchase common shares, undertake certain liquidations, mergers, consolidations and acquisitions and dispose of certain assets or subsidiaries, among other things. If we breach any of these restrictions and do not obtain a waiver from the lenders, subject to applicable cure periods the outstanding indebtedness (and any other indebtedness with cross-default provisions) could be declared immediately due and payable, which could adversely affect our liquidity and financial condition.

On March 27, 2017, we issued \$350.0 million aggregate principal amount of 3.70% senior notes in a private offering. On July 24, 2018, an exchange offer was completed and all outstanding unregistered notes were exchanged for freely tradable notes registered under the Securities Act of 1933, as amended. As of December 31, 2018, the amount outstanding under the notes, net of debt amortization expense of \$1.7 million, was \$348.3 million, which is payable on April 1, 2022 when the notes mature. We are required to pay interest on the notes semi-annually in arrears on April 1 and October 1 of each year, ending on the maturity date. The notes are subject to certain customary covenants, including limitations on our ability to incur debt secured by liens, engage in certain sale and leaseback transactions and consolidate, merge, convey or transfer our assets. Upon certain change of control transactions, we would be required to make an offer to repurchase the notes at a price equal to 101% of the aggregate principal amount of such notes, plus accrued and unpaid interest. The interest rate payable on the notes is subject to adjustment if the credit rating of the notes is downgraded up to a maximum increase of 2.0%. We may redeem the registered notes at

any time in whole or in part, at a redemption price equal to 100% of the principal amount of the notes redeemed, together with accrued and unpaid interest or, if the notes are redeemed

prior to March 1, 2022, a specified “make-whole” premium. The notes are our senior unsecured obligations and rank equally with all our other senior unsecured indebtedness outstanding from time to time.

Our indebtedness and related debt service obligations can have negative consequences, requiring us to dedicate significant cash flow from operations to the payment of principal and interest on our debt, which reduces the funds we have available for other purposes such as acquisitions and capital investment; limiting our ability to obtain additional financing and limiting our ability to undertake strategic acquisitions; increasing our vulnerability to adverse economic and industry conditions, including by reducing our flexibility in planning for or reacting to changes in our business and market conditions; and exposing us to interest rate risk since a portion of our debt obligations are at variable rates. We may incur more debt in the future, and there can be no assurance that our cost of funding will not substantially increase.

Central banks around the world, including the Federal Reserve, have commissioned working groups with the goal of finding suitable replacements for LIBOR. The U.K. Financial Conduct Authority, which regulates LIBOR, has announced that it has commitments from panel banks to continue to contribute to LIBOR through the end of 2021. Accordingly, there is considerable uncertainty regarding the publication of such rates beyond 2021. The full impact of such reforms and actions, together with any transition away from LIBOR, including the potential or actual discontinuance of LIBOR publication, remains unclear. These changes may have an adverse impact on us since we have LIBOR-based debt obligations.

We often face a long selling cycle to secure a new contract as well as long implementation periods that require significant resource commitments, which result in a long lead time before we receive revenues from new relationships.

We often face a long selling cycle to secure a new contract. If we are successful in obtaining an engagement, that is generally followed by a long implementation period in which the services are planned in detail and we demonstrate to a client that we can successfully integrate our processes and resources with their operations. During this time a contract is also negotiated and agreed. There is then a long ramping up period in order to commence providing the services. We typically incur significant business development expenses during the selling cycle. We may not succeed in winning a new client’s business, in which case we receive no revenues and may receive no reimbursement for such expenses. Even if we succeed in developing a relationship with a potential new client and begin to plan the services in detail, a potential client may choose a competitor or decide to retain the work in-house prior to the time a final contract is signed. If we enter into a contract with a client, we will typically receive no revenues until implementation actually begins. Our clients may also experience delays in obtaining internal approvals or delays associated with technology or system implementations, thereby further lengthening the implementation cycle. We generally hire new employees to provide services to a new client once a contract is signed. We may face significant difficulties in hiring such employees and incur significant costs associated with these hires before we receive corresponding revenues. If we are not successful in obtaining contractual commitments after the selling cycle, in maintaining contractual commitments after the implementation cycle or in maintaining or reducing the duration of unprofitable initial periods in our contracts, it may have a material adverse effect on our business, results of operations and financial condition.

Our profitability will suffer if we are not able to price appropriately, maintain asset utilization levels and control our costs.

Our profitability is largely a function of the efficiency with which we utilize our assets, and in particular our people and delivery centers, and the pricing that we are able to obtain for our services. Our utilization rates are affected by a number of factors, including our ability to transition employees from completed projects to new assignments, hire and assimilate new employees, forecast demand for our services and thereby maintain an appropriate headcount in each of our geographies and workforce and manage attrition, and our need to devote time and resources to training, professional development and other typically non-chargeable activities. The prices we are able to charge for our services are affected by a number of factors, including our clients' perceptions of our ability to add value through our services, competition, introduction of new services or products by us or our competitors, our ability to accurately

estimate, attain and sustain revenues from client engagements, margins and cash flows over increasingly longer contract periods and general economic and political conditions. Therefore, if we are unable to price appropriately or manage our asset utilization levels, there could be a material adverse effect on our business, results of operations and financial condition. Our profitability is also a function of our ability to control our costs and improve our efficiency. As we increase the number of our employees and grow our business, we may not be able to manage the significantly larger and more geographically diverse workforce that may result and our profitability may not improve. New taxes may also be imposed on our services such as sales taxes or service taxes which could affect our competitiveness as well as our profitability. Additionally, we may fail to appropriately estimate our costs in agreeing to provide new or novel services with unique pricing arrangements or service delivery requirements.

Our results of operations and share price could be adversely affected if we are unable to maintain effective internal controls.

The accuracy of our financial reporting is dependent on the effectiveness of our internal controls. We are required to provide a report from management to our shareholders on our internal control over financial reporting that includes an assessment of the effectiveness of these controls. Internal control over financial reporting has inherent limitations, including human error, sample-based testing, the possibility that controls could be circumvented or become inadequate because of changed conditions, and fraud. Because of these inherent limitations, internal control over financial reporting might not prevent or detect all misstatements or fraud. If we cannot maintain and execute adequate internal control over financial reporting or implement required new or improved controls that provide reasonable assurance of the reliability of the financial reporting and preparation of our financial statements for external use, we could suffer harm to our reputation, fail to meet our public reporting requirements on a timely basis, be unable to properly report on our business and our results of operations, or be required to restate our financial statements, and our results of operations, the market price of our common shares and our ability to obtain new business could be materially adversely affected.

We make estimates and assumptions in connection with the preparation of our consolidated financial statements, and any changes to those estimates and assumptions could adversely affect our financial results.

Our financial statements have been prepared in accordance with U.S. generally accepted accounting principles. The application of generally accepted accounting principles requires us to make estimates and assumptions about certain items and future events that affect our reported financial condition, and our accompanying disclosure with respect to, among other things, revenue recognition and income taxes. We base our estimates on historical experience, contractual commitments and on various other assumptions that we believe to be reasonable under the circumstances and at the time they are made. These estimates and assumptions involve the use of judgment and are subject to significant uncertainties, some of which are beyond our control. If our estimates, or the assumptions underlying such estimates, are not correct, actual results may differ materially from our estimates, and we may need to, among other things, adjust revenues or accrue additional charges that could adversely affect our results of operations.

Our operating results may experience significant fluctuations.

Our operating results may fluctuate significantly from period to period. The long selling cycle for many of our services as well as the time required to complete the implementation phases of new contracts makes it difficult to accurately predict the timing of revenues from new clients or new SOWs as well as our costs. In addition, our future revenues, operating margins and profitability may fluctuate as a result of: lower demand for our services; lower win rates versus our competition; changes in pricing in response to client demands and competitive pressures; changes to the financial condition of our clients; employee wage levels and utilization rates; changes in foreign exchange rates, including the Indian rupee versus the U.S. dollar and the euro versus the U.S. dollar; the timing of collection of accounts receivable; enactment of new taxes; changes in domestic and international income tax rates and regulations;

and changes to levels and types of share-based compensation awards and assumptions used to determine the fair value of such awards. As a result of these factors, it is possible that in some future periods, our revenues and

operating results may be significantly below the expectations of public market analysts and investors. In such an event, the price of our common shares would likely be materially and adversely affected.

We enter into long-term contracts and fixed price contracts with our clients. Our failure to price these contracts correctly may negatively affect our profitability.

The pricing of our services is usually included in SOWs entered into with our clients, many of which are for terms of two to five years. In certain cases, we have committed to pricing over this period with only limited sharing of risk regarding inflation and currency exchange rates. In addition, we are obligated under some of our contracts to deliver productivity benefits to our clients. If we fail to estimate accurately future wage inflation rates, currency exchange rates or our costs, or if we fail to accurately estimate the productivity benefits we can achieve under a contract, it could have a material adverse effect on our business, results of operations and financial condition.

A portion of our SOWs are currently billed on a fixed price basis rather than on a time and materials basis. We may increase the number of fixed price contracts we perform in the future. Any failure to accurately estimate the resources or time required to complete a fixed price engagement or to maintain the required quality levels or any unexpected increase in the cost to us of employees, office space or technology could expose us to risks associated with cost overruns and could have a material adverse effect on our business, results of operations and financial conditions.

We may be subject to claims and lawsuits for substantial damages by our clients arising out of disruptions to their businesses or our inadequate performance of services.

We depend in large part on our relationships with clients and our reputation for high-quality services to generate revenue and secure future engagements. Most of our service contracts with clients contain service level and performance requirements, including requirements relating to the quality of our services. Failure to consistently meet service requirements of a client or errors made by our employees in the course of delivering services to our clients could disrupt the client's business and result in a reduction in our revenues, clients terminating their business relationships with us and/or a claim for damages against us. Additionally, we could incur liability if a process we manage for a client were to result in internal control failures or impair our client's ability to comply with its own internal control requirements. We are also subject to actual and potential claims, lawsuits, investigations and proceedings outside of errors and omissions claims.

Under our MSAs with our clients, our liability for breach of our obligations is generally limited to actual damages suffered by the client and is typically capped at the greater of an agreed amount or the fees paid or payable to us under the relevant agreement. These limitations and caps on liability may be unenforceable or otherwise may not protect us from liability for damages. In addition, certain liabilities, such as claims of third parties for which we may be required to indemnify our clients or liability for breaches of confidentiality, are generally not limited under those agreements. Our MSAs are governed by laws of multiple jurisdictions, therefore the interpretation of such provisions, and the availability of defenses to us, may vary, which may contribute to the uncertainty as to the scope of our potential liability. Although we have commercial general liability insurance coverage, the coverage may not continue to be available on acceptable terms or in sufficient amounts to cover one or more large claims and our insurers may disclaim coverage as to any future claims.

The successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have a material adverse effect on our reputation, business, results of operations and financial condition. It is also possible that future results of operations or cash flows for any particular quarterly or annual period

could be materially adversely affected by an unfavorable resolution of these matters. In addition, these matters divert management and personnel resources away from operating our business. Even if we do not experience significant monetary costs, there may be adverse publicity associated with these matters that could result in reputational harm, either to us directly or to the industries or geographies we operate in, that may materially adversely affect our business, client or employee relationships. Further, defending against these claims can involve potentially significant costs, including legal defense costs.

If we are unable to collect our receivables or unbilled services, our results of operations, financial condition and cash flows could be adversely affected.

Our business depends on our ability to successfully obtain payment from our clients of the amounts they owe us for work performed. We evaluate the financial condition of our clients and usually bill and collect on relatively short cycles. We have established allowances for losses of receivables and unbilled services. Actual losses on client balances could differ from those that we currently anticipate, and, as a result, we might need to adjust our allowances. We might not accurately assess the creditworthiness of our clients. Macroeconomic conditions could also result in financial difficulties for our clients, including bankruptcy and insolvency. Additionally, cyberattacks on any of our clients could disrupt their internal systems and capability to make payments. The occurrence of such events could cause clients to delay payments to us, request modifications to their payment arrangements that could increase our receivables balance, or default on their payment obligations to us. If we experience an increase in the time to bill and collect for our services, our cash flows could be adversely affected.

Some of our contracts contain provisions which, if triggered, could result in lower future revenues and have a material adverse effect on our business, results of operation and financial condition.

Some of our contracts allow a client, in certain limited circumstances, to request a benchmark study comparing our pricing and performance with that of an agreed list of other service providers for comparable services. Based on the results of the study and depending on the reasons for any unfavorable variance, we may be required to make improvements in the services we provide or to reduce the pricing for services on a prospective basis to be performed under the remaining term of the contract, which could have an adverse effect on our business, results of operations and financial condition.

Some of our contracts contain provisions that would require us to pay penalties to our clients and/or provide our clients with the right to terminate the contract if we do not meet pre-agreed service level requirements. Failure to meet these requirements could result in the payment of significant penalties by us to our clients which in turn could have a material adverse effect on our business, results of operations and financial condition.

A few of our MSAs provide that during the term of the MSA and under specified circumstances, we may not provide similar services to the competitors of our client. Some of our contracts also provide that, during the term of the contract and for a certain period thereafter ranging from six to 12 months, we may not provide similar services to certain or any of our client's competitors using the same personnel. These restrictions may hamper our ability to compete for and provide services to other clients in the same industry, which may inhibit growth and result in lower future revenues and profitability.

Some of our contracts with clients specify that if a change of control of our company occurs during the term of the contract, the client has the right to terminate the contract. These provisions may result in our contracts being terminated if there is such a change in control, resulting in a potential loss of revenues. In addition, these provisions may act as a deterrent to any attempt by a third party to acquire our company.

Some of our contracts with clients require that we bear the cost of any sales or withholding taxes or unreimbursed value-added taxes imposed on payments made under those contracts. While the imposition of these taxes is generally minimized under our contracts, changes in law or the interpretation thereof and changes in our internal structure may result in the imposition of these taxes and a reduction in our net revenues.

Our industry is highly competitive, and we may not be able to compete effectively.

Our industry is highly competitive, highly fragmented and subject to rapid change. We believe that the principal competitive factors in our markets are breadth and depth of process, technology and domain expertise, service quality, the ability to attract, train and retain qualified people, compliance rigor, global delivery capabilities, price and marketing and sales capabilities. We compete for business with a variety of companies, including large multinational firms that provide consulting, technology and/or business process services, off-shore business process service providers in low-cost locations like India, in-house

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captives of potential clients, software services companies that also provide business process services and accounting firms that also provide consulting or outsourcing services.

Some of our competitors have greater financial, marketing, technological or other resources and larger client bases than we do, and may expand their service offerings and compete more effectively for clients and employees than we do. Some of our competitors have more established reputations and client relationships in our markets than we do. In addition, some of our competitors who do not have global delivery capabilities may expand their delivery centers to the countries in which we are located which could result in increased competition for employees and could reduce our competitive advantage. There could also be new competitors that are more powerful as a result of strategic consolidation of smaller competitors or of companies that each provide different services or service different industries.

Increased competition may result in lower prices and volumes, higher costs for resources, especially people, and lower profitability. We may not be able to supply clients with services that they deem superior and at competitive prices and we may lose business to our competitors. Any inability to compete effectively would adversely affect our business, results of operations and financial condition.

Our business could be materially and adversely affected if we do not protect our intellectual property or if our services are found to infringe on the intellectual property of others.

Our success depends in part on certain methodologies, practices, tools and technical expertise we utilize in designing, developing, implementing and maintaining applications and other proprietary intellectual property rights. In order to protect our rights in these various intellectual properties, we rely upon a combination of nondisclosure and other contractual arrangements as well as patent, trade secret, copyright and trademark laws. We also generally enter into confidentiality agreements with our employees, consultants, clients and potential clients and limit access to and distribution of our proprietary information. India is a member of the Berne Convention, an international intellectual property treaty, and has agreed to recognize protections on intellectual property rights conferred under the laws of other foreign countries, including the laws of the United States. There can be no assurance that the laws, rules, regulations and treaties in effect in the United States, India and the other jurisdictions in which we operate and the contractual and other protective measures we take, are adequate to protect us from misappropriation or unauthorized use of our intellectual property, or that such laws will not change. We may not be able to detect unauthorized use and take appropriate steps to enforce our rights, and any such steps may not be successful. Infringement by others of our intellectual property, including the costs of enforcing our intellectual property rights, may have a material adverse effect on our business, results of operations and financial condition.

Although we believe that we are not infringing on the intellectual property rights of others, claims may nonetheless be successfully asserted against us in the future. The costs of defending any such claims could be significant, and any successful claim may require us to modify, discontinue or rename any of our services. Any such changes may have a material adverse effect on our business, results of operations and financial condition.

A substantial portion of our assets and operations are located in India and we are subject to regulatory, economic, social and political uncertainties in India.

We are subject to several risks associated with having a substantial portion of our assets and operations located in India.

We have benefited from many policies of the Government of India and the Indian state governments in the states in which we operate which are designed to promote foreign investment generally and the business process services industry in particular, including significant fiscal incentives, relaxation of regulatory restrictions, liberalized import

and export duties and preferential rules on foreign investment and repatriation. There is no assurance that such policies will continue. Various factors, such as changes in the central or state governments, could trigger significant changes in India's economic liberalization and deregulation policies and disrupt business and economic conditions in India generally and our business in particular.

In addition, our financial performance and the market price of our common shares may be adversely affected by general economic conditions and economic and fiscal policy in India, including changes in exchange rates and controls, interest rates and taxation policies, as well as social stability and political, economic or diplomatic developments affecting India in the future. In particular, India has experienced significant economic growth over the last several years, but faces major challenges in sustaining that growth in the years ahead. These challenges include the need for substantial infrastructure development and improving access to healthcare and education. Recent economic reform efforts have been disruptive and may increase the level of economic uncertainty in India. Our ability to recruit, train and retain qualified employees, develop and operate our delivery centers, and attract and retain clients could be adversely affected if India does not successfully meet these challenges.

Our delivery centers are at risk of damage from natural disasters and other disruptions.

Our delivery centers and our data and voice communications may be damaged or disrupted as a result of natural disasters such as earthquakes, floods, heavy rains, epidemics, tsunamis and cyclones, technical disruptions such as electricity or infrastructure breakdowns, including damage to telecommunications cables, computer glitches and electronic viruses or human-caused events such as protests, riots, labor unrest and cyberattacks. Such events may lead to the disruption of information systems and telecommunication services for sustained periods. They also may make it difficult or impossible for employees to reach our business locations. Damage or destruction that interrupts our provision of services could adversely affect our reputation, our relationships with our clients, our leadership team's ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace damaged equipment or delivery centers. We may also be liable to our clients for disruption in service resulting from such damage or destruction. While we currently have commercial liability insurance, our insurance coverage may not be sufficient. Furthermore, we may be unable to secure such insurance coverage at premiums acceptable to us in the future or at all. Prolonged disruption of our services would also entitle our clients to terminate their contracts with us. Any of the above factors may adversely affect our business, results of operations and financial condition.

We may face difficulties as we expand our operations into countries in which we have no prior operating experience.

We intend to continue to expand our global footprint in order to maintain an appropriate cost structure and meet our clients' delivery needs. This may involve expanding into countries other than those in which we currently operate. It may involve expanding into less developed countries, which may have less political, social or economic stability and less developed infrastructure and legal systems. As we expand our business into new countries we may encounter regulatory, personnel, technological and other difficulties that increase our expenses or delay our ability to start up our operations or become profitable in such countries. This may affect our relationships with our clients and could have an adverse effect on our business, results of operations and financial condition.

Terrorist attacks and other acts of violence involving any of the countries in which we or our clients have operations could adversely affect our operations and client confidence.

Terrorist attacks and other acts of violence or war may adversely affect worldwide financial markets and could potentially lead to economic recession, which could adversely affect our business, results of operations, financial condition and cash flows. These events could adversely affect our clients' levels of business activity and precipitate sudden significant changes in regional and global economic conditions and cycles. These events also pose significant risks to our people and to our delivery centers and operations around the world.

Southern Asia has, from time to time, experienced instances of civil unrest and hostilities among neighboring countries, including India and Pakistan. In recent years, military confrontations between India and Pakistan have occurred in the region of Kashmir and along the India/Pakistan border. There have also been incidents in and near

India, such as continued terrorist activity around the northern border of India, troop mobilizations along the India/Pakistan border and an aggravated geopolitical

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situation in the region. Such military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult. Resulting political tensions could create a greater perception that investments in companies with Indian operations involve a high degree of risk, and that there is a risk of disruption of services provided by companies with Indian operations, which could have a material adverse effect on our share price and/or the market for our services. Furthermore, if India were to become engaged in armed hostilities, particularly hostilities that were protracted or involved the threat or use of nuclear weapons, we might not be able to continue our operations. We generally do not have insurance for losses and interruptions caused by terrorist attacks, military conflicts and wars.

If more stringent labor laws become applicable to us or if our employees unionize, our profitability may be adversely affected.

India has stringent labor legislation that protects employee interests, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes financial obligations on employers upon retrenchment. Though we are exempt from some of these labor laws at present under exceptions in some states for providers of IT-enabled services, there can be no assurance that such laws will not become applicable to us in the future. If these labor laws become applicable to our employees, it may become difficult for us to maintain flexible human resource policies and attract and employ the numbers of sufficiently qualified candidates that we need or discharge employees, and our compensation expenses may increase significantly.

In addition, our employees may in the future form unions. If employees at any of our delivery centers become eligible for union membership, we may be required to raise wage levels or grant other benefits that could result in an increase in our compensation expenses, in which case our profitability may be adversely affected.

We may engage in strategic transactions that could create risks.

As part of our business strategy, we regularly review potential strategic transactions, including potential acquisitions, dispositions, consolidations, joint ventures or similar transactions, some of which may be material. Through the acquisitions we pursue, we may seek opportunities to add to or enhance the services we provide, to enter new industries or expand our client base, or to strengthen our global presence and scale of operations. We have completed numerous acquisitions since our inception. There can be no assurance that we will find suitable candidates in the future for strategic transactions at acceptable prices, have sufficient capital resources to accomplish our strategy, or be successful in entering into agreements for desired transactions.

Acquisitions, including completed acquisitions, also pose the risk that any business we acquire may lose clients or employees or could under-perform relative to expectations. We could also experience financial or other setbacks if transactions encounter unanticipated problems, including problems related to execution, integration or unknown liabilities. Although we conduct due diligence in connection with our acquisitions, there could be liabilities that we fail to discover, that we inadequately assess or that are not properly disclosed to us. Any material liabilities associated with our acquisitions could harm our business, results of operations and financial condition. Following the completion of an acquisition, we may have to rely on the seller to provide administrative and other support, including financial reporting and internal controls, to the acquired business for a period of time. There can be no assurance that the seller will do so in a manner that is acceptable to us.

Our principal shareholders exercise significant influence over us, and their interests in our business may be different from yours.

A significant percentage of our issued and outstanding common shares are currently beneficially owned by affiliates of Bain Capital. Following a recent offering in February 2019, Bain Capital (through its affiliates) beneficially owned

approximately 17% of our outstanding common shares as of February 15, 2019. Our shareholder agreement with Bain Capital and its co-investors provides that Bain Capital has the right to designate for nomination four directors to our board, so long as it maintains certain minimum

shareholding thresholds, and the shareholders party to the agreement have agreed to vote their shares for the election of such persons. The number of directors that Bain Capital is entitled to designate for nomination is reduced if its ownership of our common shares declines below certain levels and such right ceases if such ownership falls below 7.5% of our outstanding common shares, and also may be increased in certain circumstances. Following the February 2019 offering, given the size of its shareholding, the number of directors that Bain Capital is entitled to designate for nomination pursuant to our shareholder agreement was reduced to two.

These shareholders can exercise significant influence over our business policies and affairs and all matters requiring a shareholders' vote, including the composition of our board of directors, the adoption of amendments to our certificate of incorporation and bye-laws, the approval of mergers or sales of substantially all of our assets, our dividend policy and our capital structure and financing. This concentration of ownership also may delay, defer or even prevent a change in control of our company and may make some transactions more difficult or impossible without the support of these shareholders, even if such transactions are beneficial to other shareholders. The interests of these shareholders may conflict with your interests. Bain Capital currently holds interests in companies that compete with us and it may, from to time, make significant investments in companies that could compete with us. In addition, pursuant to our shareholder agreement and to the extent permitted by applicable law, our directors who are affiliated with Bain Capital are not required to present to us corporate opportunities (e.g., acquisitions or new potential clients) of which they become aware. So long as Bain Capital owns a significant amount of our equity it will be able to strongly influence our decisions.

We may become subject to taxation as a result of our incorporation in Bermuda or place of management, which would have a material adverse effect on our business, results of operations and financial condition.

We have received a written assurance from the Bermuda Minister of Finance under The Exempted Undertaking Tax Protection Act 1966 of Bermuda to the effect that if there is enacted in Bermuda any legislation imposing tax computed on profits or income, or computed on any capital asset, gain or appreciation, or any tax in the nature of estate duty or inheritance tax, then the imposition of any such tax shall not be applicable to us or to any of our operations or common shares, debentures or other obligations or securities until March 31, 2035, except insofar as such tax applies to persons ordinarily resident in Bermuda or is payable by us in respect of real property owned or leased by us in Bermuda. We cannot assure you that after such date we would not be subject to any such tax. If we were to become subject to taxation in Bermuda or any other jurisdiction as a result of our incorporation in Bermuda, it could have a material adverse effect on our business, results of operations and financial condition.

The introduction of economic substance requirements in Bermuda could adversely affect us.

Harmful tax practices have become the focus of increased scrutiny from the European Union. The Council of the European Union adopted a resolution on a code of conduct for business taxation directed at counteracting the effects of zero tax and preferential tax regimes around the world. In 2017, the Code of Conduct Group (Business Taxation) ("COCG") investigated the tax policies of both European Union member states and non-European Union member states, assessing tax transparency, fair taxation and the implementation of anti-base erosion and profit shifting measures.

Following assessment by the COCG, Bermuda was included in a list of jurisdictions which are required by the European Union to address concerns of the COCG relating to the demonstration of economic substance. On December 31, 2018, the Bermuda Government implemented legislation which brought certain substance requirements into force with effect from January 1, 2019 for newly-incorporated entities, and with effect from July 1, 2019 for currently existing entities. The introduction of the substance regime in Bermuda may present difficulties for us. There is not yet any guidance on what would constitute "adequate substance" under the newly-implemented legislation. The new substance requirements could be difficult to manage in a short timeframe for implementation and compliance and could have a material adverse effect on us or our operations.

We may not be able to realize the entire book value of goodwill and other intangible assets from acquisitions.

As of December 31, 2018, we had \$1,393.8 million of goodwill and \$177.1 million of intangible assets. We periodically assess these assets to determine if they are impaired and we monitor for impairment of goodwill relating to all acquisitions and our formation in 2004. Goodwill is not amortized but is tested for impairment at least on an annual basis as of December 31 of each year, based on a number of factors including macro-economic conditions, industry and market considerations, overall financial performance, business plans and expected future cash flows. Impairment testing of goodwill may also be performed between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of goodwill below its carrying amount. We perform an assessment of qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. Based on the results of the qualitative assessment, the Company performs the quantitative assessment of goodwill impairment if it determines that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If the book value of our goodwill and other intangible assets is impaired, any such impairment would be charged to earnings in the period of impairment. We cannot assure you that future impairment of goodwill and other intangible assets will not have a material adverse effect on our business, financial condition or results of operations.

Risks Related to our Shares

Future sales of our common shares could cause our share price to decline.

Sales of substantial amounts of common shares by our employees and other shareholders, or the possibility of such sales, may adversely affect the price of our common shares and impede our ability to raise capital through the issuance of equity securities. Following an offering in February 2019, Bain Capital (through its affiliates) and its co-investors beneficially owned approximately 20% of our outstanding common shares as of February 15, 2019. Subject to certain restrictions set forth in our shareholder agreement with Bain Capital and its co-investors, such shareholders are able to sell their common shares in the public market from time to time without registering them, subject to certain limitations on the timing, amount and method of those sales imposed by Rule 144 under the Securities Act of 1933, as amended.

Pursuant to our shareholder agreement, Bain Capital has the right, subject to certain conditions and with certain exceptions, to require us to file registration statements covering all of the common shares it owns or to include those common shares in registration statements that we may file for ourselves or for another holder of our common shares. Following their registration and sale under the applicable registration statement, those shares will become freely tradable. By exercising their registration rights and selling a large number of common shares, these holders could cause the price of our common shares to decline. In addition, the perception in the public markets that sales by them might occur could also adversely affect the market price of our common shares.

There can be no assurance that we will continue to declare and pay dividends on our common shares, and future determinations to pay dividends will be at the discretion of our board of directors.

Prior to 2017, we did not declare regular dividends. In February 2017, we announced the declaration of the first quarterly cash dividend on our common shares in the amount of \$0.06 per common share. In February 2018, we announced an increase in our quarterly cash dividend to \$0.075 per common share, and in February 2019 we announced an increase in our quarterly cash dividend to \$0.085 per share, representing a planned annual dividend of \$0.34 per share. Any determination to pay dividends to holders of our common shares in the future, including future payment of a regular quarterly cash dividend, will be at the discretion of our board of directors and will depend on many factors, including our financial condition, results of operations, general business conditions, statutory requirements under Bermuda law and any other factors our board of directors deems relevant. Our ability to pay dividends will also continue to be subject to restrictive covenants contained in credit facility agreements governing indebtedness we and our subsidiaries have incurred or may incur in the future. In addition, statutory requirements under Bermuda law could require us to defer making a dividend payment on a declared dividend date until such time as we can meet statutory requirements under Bermuda law. A reduction in, delay of, or elimination of our dividend payments could have a negative effect on our share price.

We are organized under the laws of Bermuda, and Bermuda law differs from the laws in effect in the United States and may afford less protection to shareholders.

Our shareholders may have more difficulty protecting their interests than would shareholders of a corporation incorporated in a state of the United States. As a Bermuda company, we are governed by, in particular, the Companies Act. The Companies Act differs in some material respects from laws generally applicable to U.S. corporations and shareholders, including the provisions relating to interested directors, mergers, amalgamations, takeovers and indemnification of directors.

Generally, the duties of directors and officers of a Bermuda company are owed to the company only. Shareholders of Bermuda companies generally do not have the right to take action against directors or officers of the company except in limited circumstances. Directors of a Bermuda company must, in exercising their powers and performing their duties, act honestly and in good faith with a view to the best interests of the company, exercising the care and skill that a reasonably prudent person would exercise in comparable circumstances. Directors have a duty not to put themselves in a position in which their duties to the company and their personal interests may conflict and also are under a duty to disclose any personal interest in any material contract or arrangement with the company or any of its subsidiaries. If a director of a Bermuda company is found to have breached his or her duties to that company, he may be held personally liable to the company in respect of that breach of duty. A director may be liable jointly and severally with other directors if it is shown that the director knowingly engaged in fraud or dishonesty (with such unlimited liability as the courts shall direct). In cases not involving fraud or dishonesty, the liability of the director will be determined by the Supreme Court of Bermuda or other Bermuda court (with such liability as the Bermuda court thinks just) who may take into account the percentage of responsibility of the director for the matter in question, in light of the nature of the conduct of the director and the extent of the causal relationship between his or her conduct and the loss suffered.

In addition, our bye-laws contain a broad waiver by our shareholders of any claim or right of action, both individually and on our behalf, against any of our officers or directors. The waiver applies to any action taken by an officer or director, or the failure of an officer or director to take any action, in the performance of his or her duties, except with respect to any matter involving or arising out of any fraud or dishonesty on the part of the officer or director or to matters which would render it void pursuant to the Companies Act. This waiver limits the rights of shareholders to assert claims against our officers and directors unless the act or failure to act involves fraud or dishonesty. Therefore, our shareholders may have more difficulty protecting their interests than would shareholders of a corporation incorporated in a state within the United States.

The market price for our common shares has been and may continue to be volatile.

The market price for our common shares has been and may continue to be volatile and subject to price and volume fluctuations in response to market and other factors, some of which are beyond our control. Among the factors that could affect our stock price are:

- actual or anticipated fluctuations in our quarterly and annual operating results;
- changes in financial estimates by securities research analysts;
- changes in the economic performance or market valuations of other companies engaged in providing business process and information technology services;
- loss of one or more significant clients;
- addition or loss of executive officers or key employees;
- regulatory developments in our target markets affecting us, our clients or our competitors;
- announcements of technological developments;
- limited liquidity in our trading market;
- sales or expected sales of additional common shares, either by us or any of our shareholders, or purchases or expected purchases of common shares, including by us under existing or future share repurchase programs, which purchases are at the discretion of our board of directors and may not continue in the future;
- terrorist attacks or natural disasters or other such events impacting countries where we or our clients have operations; and
- actions or announcements by activist shareholders or others.

In addition, securities markets generally and from time to time experience significant price and volume fluctuations that are not related to the operating performance of particular companies. These market fluctuations may have a material adverse effect on the market price of our common shares.

You may be unable to effect service of process or enforce judgments obtained in the United States or Bermuda against us or our assets in the jurisdictions in which we or our executive officers operate.

We are incorporated and organized under the laws of Bermuda, and a significant portion of our assets are located outside the United States. It may not be possible to enforce court judgments obtained in the United States against us in Bermuda or in countries, other than the United States, where we have assets based on the civil liability or penal provisions of the federal or state securities laws of the United States. In addition, there is some doubt as to whether the courts of Bermuda and other countries would recognize or enforce judgments of United States courts obtained against us or our directors or officers based on the civil liability or penal provisions of the federal or state securities laws of the United States or would hear actions against us or those persons based on those laws. We have been advised by Appleby (Bermuda) Limited, our Bermuda counsel, that the United States and Bermuda do not currently have a treaty providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States based on civil liability, whether or not based solely on United States federal or state securities laws, would not automatically be enforceable in Bermuda. Similarly, those judgments may not be enforceable in countries, other than the United States, where we have assets.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

We have delivery centers in 17 countries. Our only material properties are our premises in India at Phase V, Gurgaon, which comprises approximately 212,531 square feet, and Uppal, Hyderabad which comprises approximately 449,286 square feet, both of which we own. We have a mixture of owned and leased properties and substantially all of our leased properties are leased under long-term leases with varying expiration dates. We believe that our properties and facilities are suitable and adequate for our present purposes and are well-maintained.

Item 3. Legal Proceedings

There are no legal proceedings pending against us that we believe are likely to have a material adverse effect on our business, results of operations and financial condition.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Stock Price Information and Stockholders

The principal market on which the Company's common shares are traded is the New York Stock Exchange under the symbol "G." As of January 31, 2019, there were 15 holders of record of our common shares.

The following graph and table compare the performance of an investment in our common shares (measured as the cumulative total shareholder return) with investments in the S&P 500 Index (capitalization weighted) and a peer group of companies for the period from January 1, 2014 to December 31, 2018. The selected peer group for the period presented is comprised of six companies that we believe are our closest reporting issuer competitors: Accenture plc, Cognizant Technology Solutions Corp., ExlService Holdings, Inc., Infosys Technologies Limited, Wipro Technologies Limited, and WNS (Holdings) Limited. The returns of the component entities of our peer group index are weighted according to the market capitalization of each company as of the beginning of each period for which a return is presented. The returns assume that \$100 was invested on December 31, 2013 and that all dividends were reinvested. The performance shown in the graph and table below is historical and should not be considered indicative of future price performance.

	3/31/14	6/30/14	9/30/14	12/31/14	3/31/15
Genpact	94.83	95.43	88.84	103.05	126.57
Peer Group	99.40	97.20	98.92	105.85	118.51
S&P 500	101.81	107.14	108.34	113.69	114.77
	6/30/15	9/30/15	12/31/15	3/31/16	6/30/16
Genpact	116.11	128.52	135.98	148.01	146.11
Peer Group	115.18	122.45	120.05	131.66	126.87
S&P 500	115.09	107.68	115.26	116.82	119.68
	9/30/16	12/31/16	3/31/17	6/30/17	9/30/17
Genpact	130.38	132.50	135.11	152.19	157.55
Peer Group	118.79	119.27	124.55	129.62	138.52
S&P 500	124.29	129.05	136.88	141.10	147.42

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	12/31/17	3/31/18	6/30/18	9/30/18	12/31/18
Genpact	174.26	176.05	159.62	169.31	149.70
Peer Group	149.16	155.19	162.33	167.81	146.03
S&P 500	157.22	156.03	161.38	173.83	150.33

This graph is not deemed to be “filed” with the SEC or subject to the liabilities of Section 18 of the Securities Exchange Act of 1934, and should not be deemed to be incorporated by reference into any of our prior or subsequent filings under the Securities Act of 1933 or the Securities Exchange Act of 1934.

Dividends

In February 2018, our board of directors approved a 25% increase in our quarterly cash dividend to \$0.075 per common share, representing a planned annual dividend of \$0.30 per common share. In 2018, dividends were declared in February, May, July and October and paid in March, June, September and December. In February 2019, our board of directors approved an approximately 13% increase in our quarterly cash dividend to \$0.085 per common share, representing a planned annual dividend of \$0.34 per common share for 2019. Any future dividends will be at the discretion of the board of directors and subject to Bermuda and other applicable laws.

Unregistered Sales of Equity Securities

None.

Purchase of Equity Securities by the Issuer and Affiliated Purchasers

Share repurchase activity during the three months ended December 31, 2018 was as follows:

Period	Total Number of Shares Purchased	Average Price Paid per Share (\$)	Approximate Dollar Value	
			Total Number of Shares Purchased as Part of Publicly Announced Plan or Program	of Shares that May Yet Be Purchased Under the Plan Program (\$)
October 1-October 31, 2018	—	—	—	327,997,960
November 1-November 30, 2018	806,310	29.71	806,310	304,041,985
December 1-December 31, 2018	—	—	—	304,041,985

In February 2017, our board of directors authorized a \$500 million increase to our existing \$750 million share repurchase program, first announced in February 2015, bringing the total authorization under our existing program to \$1.25 billion. This repurchase program does not obligate us to acquire any specific number of shares and does not specify an expiration date. All shares repurchased under the plan have been cancelled. See Note 19—“Capital stock” to our

consolidated financial statements under Part IV, Item 15—“Exhibits and Financial Statement Schedules” for additional information.

Item 6. Selected Financial Data

The table below presents selected historical financial data.

We prepare our consolidated financial statements in accordance with U.S. generally accepted accounting principles (U.S. GAAP). Financial data as of December 31, 2017 and 2018 and for the three-year period ended December 31, 2018 have been derived from our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K. Financial data as of December 31, 2014, 2015 and 2016 and for the years ended December 31, 2014 and 2015 have been derived from our audited consolidated financial statements not included in this Annual Report on Form 10-K.

You should read the selected financial data below together with the financial statements included herein and Item 7—“Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

Year ended December 31,
201~~4~~2015 2016 2017 2018
(dollars and share count in
millions, except per share
data)

Statement of income data: