

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

(Mark One)

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the Quarterly Period ended March 31, 2023
Or

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
(State or other jurisdiction of
incorporation or organization)

98-0533350
(I.R.S. Employer
Identification No.)

**Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda
(441) 298-3300**

(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	Trading Symbol(s)	Name of each exchange on which registered
Common shares, par value \$0.01 per share	G	New York Stock Exchange

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 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 Exchange Act).

Yes No

As of May 4, 2023, there were 184,151,153 common shares, par value \$0.01 per share, of the registrant issued and outstanding.

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PART I - FINANCIAL INFORMATION

Item 1. Unaudited Consolidated Financial Statements

GENPACT LIMITED AND ITS SUBSIDIARIES
Consolidated Balance Sheets
(Unaudited)
(In thousands, except per share data and share count)

Assets	Notes	As of December 31, 2022	As of March 31, 2023
Current assets			
Cash and cash equivalents		\$ 646,765	\$ 552,281
Accounts receivable, net of allowance for credit losses of \$20,442 and \$23,203 as of December 31, 2022 and March 31, 2023, respectively	4	994,755	1,005,394
Prepaid expenses and other current assets	7	137,972	175,882
Total current assets		\$ 1,779,492	\$ 1,733,557
Property, plant and equipment, net	9	180,758	179,255
Operating lease right-of-use assets		198,366	188,024
Deferred tax assets	23	135,483	130,902
Intangible assets, net	10	89,715	80,044
Goodwill	10	1,684,196	1,687,486
Contract cost assets	20	216,670	202,546
Other assets, net of allowance for credit losses of \$3,198 and \$3,198 as of December 31, 2022 and March 31, 2023, respectively		304,134	304,031
Total assets		\$ 4,588,814	\$ 4,505,845
Liabilities and equity			
Current liabilities			
Short-term borrowings	11	\$ 151,000	\$ 180,000
Current portion of long-term debt	12	26,136	26,140
Accounts payable		35,809	22,713
Income taxes payable	23	45,306	64,094
Accrued expenses and other current liabilities	13	791,007	598,378
Operating leases liability		54,063	53,199
Total current liabilities		\$ 1,103,321	\$ 944,524
Long-term debt, less current portion	12	1,249,153	1,242,908
Operating leases liability		190,398	178,544
Deferred tax liabilities	23	4,176	4,486
Other liabilities	14	215,608	210,050
Total liabilities		\$ 2,762,656	\$ 2,580,512
Shareholders' equity			
Preferred shares, \$0.01 par value, 250,000,000 authorized, none issued		—	—
Common shares, \$0.01 par value, 500,000,000 authorized, 182,924,416 and 183,729,110 issued and outstanding as of December 31, 2022 and March 31, 2023, respectively		1,823	1,831
Additional paid-in capital		1,777,453	1,794,779
Retained earnings		780,007	830,846
Accumulated other comprehensive income (loss)		(733,125)	(702,123)
Total equity		\$ 1,826,158	\$ 1,925,333
Commitments and contingencies	24		
Total liabilities and equity		\$ 4,588,814	\$ 4,505,845

See accompanying notes to the Consolidated Financial Statements.

GENPACT LIMITED AND ITS SUBSIDIARIES
Consolidated Statements of Income
(Unaudited)
(In thousands, except per share data and share count)

	Notes	Three months ended March 31,	
		2022	2023
Net revenues	20	\$ 1,068,443	\$ 1,089,319
Cost of revenue		685,962	719,078
Gross profit		\$ 382,481	\$ 370,241
<i>Operating expenses:</i>			
Selling, general and administrative expenses		237,296	216,485
Amortization of acquired intangible assets	10	11,306	8,255
Other operating (income) expense, net	21	3	389
Income from operations		\$ 133,876	\$ 145,112
Foreign exchange gains (losses), net		4,303	(1,040)
Interest income (expense), net	22	(12,088)	(9,627)
Other income (expense), net		(409)	4,030
Income before income tax expense		\$ 125,682	\$ 138,475
Income tax expense	23	29,503	32,374
Net income		\$ 96,179	\$ 106,101
<i>Earnings per common share</i>			
Basic	18	\$ 0.52	\$ 0.58
Diluted		\$ 0.51	\$ 0.57
<i>Weighted average number of common shares used in computing earnings per common share</i>			
Basic	18	185,637,776	183,795,404
Diluted		189,558,404	187,586,277

See accompanying notes to the Consolidated Financial Statements.

GENPACT LIMITED AND ITS SUBSIDIARIES
Consolidated Statements of Comprehensive Income (Loss)
(Unaudited)
(In thousands)

	Three months ended March 31,			
	2022		2023	
Net income	\$	96,179	\$	106,101
Other comprehensive income:				
Currency translation adjustments		(27,429)		16,994
Net income (loss) on cash flow hedging derivatives, net of taxes (Note 6)		2,873		13,091
Retirement benefits, net of taxes		1,101		917
Other comprehensive income (loss)		(23,455)		31,002
Comprehensive income	\$	72,724	\$	137,103

See accompanying notes to the Consolidated Financial Statements.

GENPACT LIMITED AND ITS SUBSIDIARIES
Consolidated Statements of Equity
For the three months ended March 31, 2022
(Unaudited)
(In thousands, except share count)

	Common shares					Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Equity
	No. of Shares	Amount	Additional Paid-in Capital					
Balance as of January 1, 2022	185,336,357	\$ 1,847	\$ 1,717,165	\$ 732,474	\$ (554,353)	\$ 1,897,133		
Issuance of common shares under the employee stock purchase plan (Note 16)	87,646	1	3,299	—	—	3,300		
Net settlement on vesting of restricted share units (Note 16)	54,942	1	(1)	—	—	—		
Net settlement on vesting of performance units (Note 16)	1,224,003	12	(41,859)	—	—	(41,847)		
Stock repurchased and retired (Note 17)	(1,630,533)	(16)	—	(75,983)	—	(75,999)		
Expenses related to stock purchase (Note 17)	—	—	—	(33)	—	(33)		
Stock-based compensation expense (Note 16)	—	—	15,250	—	—	15,250		
Comprehensive income (loss):								
Net income (loss)	—	—	—	96,179	—	96,179		
Other comprehensive income (loss)	—	—	—	—	(23,455)	(23,455)		
Dividend (\$0.1250 per common share, Note 17)	—	—	—	(23,134)	—	(23,134)		
Balance as of March 31, 2022	185,072,415	\$ 1,845	\$ 1,693,854	\$ 729,503	\$ (577,808)	\$ 1,847,394		

See accompanying notes to the Consolidated Financial Statements.

GENPACT LIMITED AND ITS SUBSIDIARIES
Consolidated Statements of Equity
For the three months ended March 31, 2023
(Unaudited)
(In thousands, except share count)

	Common shares					Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Equity
	No. of Shares	Amount	Additional Paid-in Capital					
Balance as of January 1, 2023	182,924,416	\$ 1,823	\$ 1,777,453	\$ 780,007	\$ (733,125)	\$ 1,826,158		
Issuance of common shares on exercise of options (Note 16)	642,280	6	12,797	—	—	12,803		
Issuance of common shares under the employee stock purchase plan (Note 16)	72,645	1	3,120	—	—	3,121		
Net settlement on vesting of restricted share units (Note 16)	309,531	3	(7,286)	—	—	(7,283)		
Net settlement on vesting of performance units (Note 16)	410,843	4	(11,009)	—	—	(11,005)		
Stock repurchased and retired (Note 17)	(630,605)	(6)	—	(29,994)	—	(30,000)		
Expenses related to stock purchase (Note 17)	—	—	—	(13)	—	(13)		
Stock-based compensation expense (Note 16)	—	—	19,704	—	—	19,704		
Comprehensive income (loss):								
Net income (loss)	—	—	—	106,101	—	106,101		
Other comprehensive income (loss)	—	—	—	—	31,002	31,002		
Dividend (\$0.1375 per common share, Note 17)	—	—	—	(25,255)	—	(25,255)		
Balance as of March 31, 2023	183,729,110	\$ 1,831	\$ 1,794,779	\$ 830,846	\$ (702,123)	\$ 1,925,333		

See accompanying notes to the Consolidated Financial Statements.

GENPACT LIMITED AND ITS SUBSIDIARIES
Consolidated Statements of Cash Flows
(Unaudited)
(In thousands)

	Three months ended March 31,	
	2022	2023
Operating activities		
Net income	\$ 96,179	\$ 106,101
<i>Adjustments to reconcile net income to net cash used for operating activities:</i>		
Depreciation and amortization	24,847	18,757
Amortization of debt issuance costs	690	487
Amortization of acquired intangible assets	11,306	8,255
Loss on the sale of the business classified as held for sale (refer to Note 8)	—	802
Allowance for credit losses/(gains)	(463)	3,324
Unrealized gain on revaluation of foreign currency assets/liabilities	(4,599)	(2,994)
Stock-based compensation expense	15,250	19,704
Deferred tax expense	4,914	1,710
Others, net	19	454
<i>Change in operating assets and liabilities:</i>		
Increase in accounts receivable	(83,548)	(17,794)
Increase in prepaid expenses, other current assets, contract cost assets, operating lease right-of-use assets and other assets	(4,120)	(11,424)
Decrease in accounts payable	(2,010)	(13,261)
Decrease in accrued expenses, other current liabilities, operating leases liabilities and other liabilities	(179,186)	(167,217)
Increase in income taxes payable	6,440	19,032
Net cash used for operating activities	\$ (114,281)	\$ (34,064)
Investing activities		
Purchase of property, plant and equipment	(16,744)	(12,578)
Payment for internally generated intangible assets (including intangibles under development)	(1,065)	(828)
Proceeds from sale of property, plant and equipment	43	9
Payment for business acquisitions, net of cash acquired	—	(682)
Payment for divestiture of the business classified as held for sale	—	(19,510)
Net cash used for investing activities	\$ (17,766)	\$ (33,589)
Financing activities		
Repayment of finance lease obligations	(2,292)	(3,705)
Repayment of long-term debt	(8,500)	(6,625)
Proceeds from short-term borrowings	250,000	75,000
Repayment of short-term borrowings	—	(46,000)
Proceeds from issuance of common shares under stock-based compensation plans	3,300	15,924
Payment for net settlement of stock-based awards	(41,889)	(18,172)
Payment of earn-out consideration	—	(2,399)
Dividend paid	(23,134)	(25,255)
Payment for stock repurchased and retired (including expenses related to stock repurchase)	(76,032)	(30,013)
Net cash provided by/(used for) financing activities	\$ 101,453	\$ (41,245)
Effect of exchange rate changes	(7,104)	14,414
Net decrease in cash and cash equivalents	(30,594)	(108,898)
Cash and cash equivalents at the beginning of the period	899,458	646,765
Cash and cash equivalents at the end of the period	\$ 861,760	\$ 552,281
Supplementary information		
Cash paid during the period for interest	\$ 1,893	\$ 6,112
Cash paid during the period for income taxes, net of refund	\$ 28,580	\$ 23,001

See accompanying notes to the Consolidated Financial Statements.

GENPACT LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements
(Unaudited)
(In thousands, except per share data and share count)

1. Organization

The Company is a global professional services firm that drives digitally-led innovation and runs digitally-enabled intelligent operations for its clients, guided by its experience running thousands of processes for hundreds of Fortune Global 500 clients. The Company has over 119,100 employees serving clients in key industry verticals from more than 35 countries.

2. Summary of significant accounting policies

(a) Basis of preparation and principles of consolidation

The accompanying consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") and the rules and regulations of the Securities and Exchange Commission (the "SEC") for reporting on Form 10-Q. Accordingly, they do not include certain information and note disclosures required by generally accepted accounting principles for annual financial reporting and should be read in conjunction with the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022. The accompanying consolidated financial statements reflect all adjustments that management considers necessary for a fair presentation of the results of operations for these periods.

The accompanying financial statements have been prepared on a consolidated basis and reflect the financial statements of Genpact Limited, a Bermuda company, and all of its subsidiaries that are more than 50% owned and controlled. When the Company does not have a controlling interest in an entity but exerts significant influence over the entity, the Company applies the equity method of accounting. All intercompany transactions and balances are eliminated in consolidation.

(b) Use of estimates

The preparation of consolidated financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements. Significant items subject to such estimates and assumptions include the useful lives of property, plant and equipment, intangible assets and goodwill, revenue recognition, allowance for credit losses, valuation allowances for deferred tax assets, the valuation of derivative financial instruments, the measurement of lease liabilities and right-of-use ("ROU") assets, measurements of stock-based compensation, assets and obligations related to employee benefits, the nature and timing of the satisfaction of performance obligations, the standalone selling price of performance obligations, variable consideration, other obligations for revenue recognition, income tax uncertainties and other contingencies. Management believes that the estimates used in the preparation of the consolidated financial statements are reasonable, and management has made assumptions about the possible effects of the ongoing COVID-19 pandemic on critical and significant accounting estimates. Although these estimates and assumptions are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any changes in estimates are adjusted prospectively in the Company's consolidated financial statements.

(c) Business combinations, goodwill and other intangible assets

The Company accounts for its business combinations using the acquisition method of accounting in accordance with Accounting Standard Codification ("ASC") Topic 805, Business Combinations, by recognizing the identifiable tangible and intangible assets acquired and liabilities assumed, and any non-controlling interest in the acquired business, measured at their acquisition date fair values. Contingent consideration is included within the acquisition cost and is recognized at its fair value on the acquisition date. A liability resulting from contingent consideration is re-measured to fair value as of each reporting date until the contingency is resolved. Changes in fair value are recognized in earnings. All assets and liabilities of the acquired businesses, including goodwill, are assigned to reporting units. Acquisition-related costs are expensed as incurred under selling, general and administrative expenses.

GENPACT LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements
(Unaudited)
(In thousands, except per share data and share count)

2. Summary of significant accounting policies (Continued)

Goodwill represents the cost of acquired businesses in excess of the fair value of identifiable tangible and intangible net assets purchased. Goodwill is not amortized but is tested for impairment at least on an annual basis on December 31, based on a number of factors, including operating results, business plans and future cash flows. The Company performs 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 assessment of events or circumstances, the Company performs a 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, based on the quantitative impairment analysis, the carrying value of the goodwill of a reporting unit exceeds the fair value of such goodwill, an impairment loss is recognized in an amount equal to the excess. In addition, the Company performs a qualitative assessment of goodwill impairment between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. See Note 10 for information and related disclosures.

Intangible assets acquired individually or with a group of other assets or in a business combination and developed internally are carried at cost less accumulated amortization and accumulated impairment loss based on their estimated useful lives as follows:

Customer-related intangible assets	1 - 9 years
Marketing-related intangible assets	1 - 8 years
Technology-related intangible assets	2 - 10 years

Intangible assets are amortized over their estimated useful lives using a method of amortization that reflects the pattern in which the economic benefits of the intangible assets are consumed or otherwise realized.

In business combinations where the fair value of identifiable tangible and intangible net assets purchased exceeds the cost of the acquired business, the Company recognizes the resulting gain under "Other operating (income) expense, net" in the consolidated statements of income.

The Company also capitalizes certain software and technology-related development costs incurred in connection with developing or obtaining software or technology for sale/lease to customers when the initial design phase is completed and commercial and technological feasibility has been established. Any development cost incurred before technological feasibility is established is expensed as incurred as research and development costs. Technological feasibility is established upon completion of a detailed design program or, in its absence, completion of a working model. Capitalized software and technology costs include only (i) external direct costs of materials and services utilized in developing or obtaining software and technology and (ii) compensation and related benefits for employees who are directly associated with the project.

Costs incurred in connection with developing or obtaining software or technology for sale/lease to customers which are under development and not put to use are disclosed under "intangible assets under development." Advances paid towards the acquisition of intangible assets outstanding as of each balance sheet date are disclosed under "intangible assets under development."

Capitalized software and technology costs are included in intangible assets under technology-related intangible assets on the Company's balance sheet and are amortized on a straight-line basis when placed into service over the estimated useful lives of the software and technology.

The Company evaluates the remaining useful life of intangible assets that are being amortized at each reporting period wherever events and circumstances warrant a revision to the remaining period of amortization, and the remaining carrying amount of the intangible asset is amortized prospectively over that revised remaining useful life.

GENPACT LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements
(Unaudited)
(In thousands, except per share data and share count)

2. Summary of significant accounting policies (Continued)

(d) Financial instruments and concentration of credit risk

Financial instruments that potentially subject the Company to concentration of credit risk are reflected principally in cash and cash equivalents, derivative financial instruments and accounts receivable. The Company places its cash and cash equivalents and derivative financial instruments with corporations and banks with high investment grade ratings, limits the amount of credit exposure with any one corporation or bank and conducts ongoing evaluations of the creditworthiness of the corporations and banks with which it does business. To reduce its credit risk on accounts receivable, the Company conducts ongoing credit evaluations of its customers.

(e) Accounts receivable

Accounts receivable are recorded at the invoiced or to be invoiced amount and do not bear interest. Amounts collected on trade accounts receivable are included in net cash provided by operating activities in the consolidated statements of cash flows. The Company maintains an allowance for current expected credit losses inherent in its accounts receivable portfolio. In establishing the required allowance, management considers historical losses which are adjusted to current market conditions and a reasonable and supportable forecast. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote.

The Company uses revolving accounts receivable-based facilities in the normal course of business as part of managing its cash flows. The Company accounts for receivables sold under these facilities as a sale of financial assets pursuant to ASC 860 "Transfers and Servicing" and de-recognizes these receivables, as well as the related allowances, from its balance sheets. Generally, the fair value of accounts receivable sold approximates their book value due to their short-term nature, and any gains or losses on the sale of these receivables are recorded at the time of transfer and included under "interest income (expense), net" in the Company's consolidated statements of income.

(f) Revenue Recognition

The Company derives its revenue primarily from business process management services, including analytics, consulting and related digital solutions and information technology services, which are provided primarily on a time-and-material, transaction or fixed-price basis. The Company recognizes revenue upon the transfer of control of promised services to its customers in an amount that reflects the consideration the Company expects to receive in exchange for those services. Revenues from services rendered under time-and-materials and transaction-based contracts are recognized as the services are provided. The Company's fixed-price contracts include contracts for customization of applications, maintenance and support services. Revenues from these contracts are recognized ratably over the term of the agreement. The Company accrues for revenue and unbilled receivables for services rendered between the last billing date and the balance sheet date.

The Company's contracts with its customers also include incentive payments received for discrete benefits delivered or promised to be delivered to the customer or service level agreements that could result in credits or refunds to the customer. Revenues relating to such arrangements are accounted for as variable consideration when the amount of revenue to be recognized can be estimated to the extent that it is probable that a significant reversal of any incremental revenue will not occur.

The Company records deferred revenue attributable to certain process transition activities where such activities do not represent separate performance obligations. Revenues relating to such transition activities are classified under contract liabilities and subsequently recognized ratably over the period in which the related services are performed. Costs relating to such transition activities are fulfillment costs which are directly related to the contract and result in the generation or enhancement of resources. Such costs are expected to be recoverable under the contract and are therefore classified as contract cost assets and recognized ratably over the estimated expected period of benefit under cost of revenue.

GENPACT LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements
(Unaudited)
(In thousands, except per share data and share count)

2. Summary of significant accounting policies (Continued)

Revenues are reported net of value-added tax, business tax and applicable discounts and allowances. Reimbursements of out-of-pocket expenses received from customers have been included as part of revenues.

Revenue for performance obligations that are satisfied over time is recognized in accordance with the methods prescribed for measuring progress. The input (cost expended) method has been used to measure progress towards completion as there is a direct relationship between input and the satisfaction of a performance obligation. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current contract estimates.

The Company enters into multiple-element revenue arrangements in which a customer may purchase a combination of products or services. The Company determines whether each product or service promised to a customer is capable of being distinct, and is distinct in the context of the contract. If not, the promised products or services are combined and accounted for as a single performance obligation. In the event of a multiple-element revenue arrangement, the Company allocates the arrangement consideration to separately identifiable performance obligations based on their relative stand-alone selling prices.

Certain contracts may include offerings such as sale of licenses, which may be perpetual or subscription-based. Revenue from distinct perpetual licenses is recognized upfront at the point in time when the software is made available to the customer. Revenue from distinct, non-cancellable, subscription-based licenses is recognized at the point in time it is transferred to the customer. Revenue from any associated maintenance or ongoing support services is recognized ratably over the term of the contract. For a combined software license/services performance obligation, revenue is recognized over the period that the services are performed.

All incremental and direct costs incurred for acquiring contracts, such as certain sales commissions, are classified as contract cost assets. Such costs are amortized over the expected period of benefit and recorded under selling, general and administrative expenses.

Other upfront fees paid to customers are classified as contract assets. Such fees are amortized over the expected period of benefit and recorded as an adjustment to the transaction price and deducted from revenue.

Timing of revenue recognition may differ from the timing of invoicing. If a payment is received in respect of services prior to the delivery of services, the payment is recognized as an advance from the customer and classified as a contract liability. Contract assets and contract liabilities relating to the same customer contract are offset against each other and presented on a net basis in the consolidated financial statements.

Significant judgements

The Company often enters into contracts with its customers that include promises to transfer multiple products and services to the customer. Determining whether products and services are considered distinct performance obligations that should be accounted for separately rather than together may require significant judgement.

Judgement is also required to determine the standalone selling price for each distinct performance obligation. In instances where the standalone selling price is not directly observable, it is determined using information that may include market conditions and other observable inputs.

Customer contracts sometimes include incentive payments received for discrete benefits delivered to the customer or service level agreements that could result in credits or refunds to the customer. Such amounts are estimated at contract inception and are adjusted at the end of each reporting period as additional information becomes available only to the extent that it is probable that a significant reversal of any incremental revenue will not occur.

GENPACT LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements
(Unaudited)
(In thousands, except per share data and share count)

2. Summary of significant accounting policies (Continued)

(g) Leases

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease. The Company's assessment is based on whether: (1) the contract involves the use of a distinct identified asset, (2) the Company obtains the right to substantially all the economic benefit from the use of the asset throughout the term of the contract, and (3) the Company has the right to direct the use of the asset. At the inception of a lease, the consideration in the contract is allocated to each lease component based on its relative standalone price to determine the lease payments.

Leases are classified as either finance leases or operating leases. A lease is classified as a finance lease if any one of the following criteria are met: (1) the lease transfers ownership of the asset by the end of the lease term, (2) the lease contains an option to purchase the asset that is reasonably certain to be exercised, (3) the lease term is for a major part of the remaining useful life of the asset or (4) the present value of the lease payments equals or exceeds substantially all of the fair value of the asset. A lease is classified as an operating lease if it does not meet any one of the above criteria.

For all leases at the lease commencement date, a ROU asset and a lease liability are recognized. The lease liability represents the present value of the lease payments under the lease. Lease liabilities are initially measured at the present value of the lease payments not yet paid, discounted using the discount rate for the lease at the lease commencement. The lease liabilities are subsequently measured on an amortized cost basis. The lease liability is adjusted to reflect interest on the liability and the lease payments made during the period. Interest on the lease liability is determined as the amount that results in a constant periodic discount rate on the remaining balance of the liability.

The ROU asset represents the right to use the leased asset for the lease term. The ROU asset for each lease initially includes the amount of the initial measurement of the lease liability adjusted for any lease payments made to the lessor at or before the commencement date, accrued lease liabilities and any lease incentives received or any initial direct costs incurred by the Company.

The ROU asset of finance leases is subsequently measured at cost, less accumulated amortization and any accumulated impairment losses. The ROU asset of operating leases is subsequently measured from the carrying amount of the lease liability at the end of each reporting period, and is equal to the carrying amount of lease liabilities adjusted for (1) unamortized initial direct costs, (2) prepaid/(accrued) lease payments and (3) the unamortized balance of lease incentives received.

The carrying value of ROU assets is reviewed for impairment, similar to long-lived assets, whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable.

The Company has elected to not separate lease and non-lease components for all of its leases and to use the recognition exemptions for lease contracts that, at commencement date, have a lease term of 12 months or less and do not contain a purchase option ("short-term leases").

Significant judgements

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. Under certain of its leases, the Company has a renewal and termination option to lease assets for additional terms between one and ten years. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. The Company considers all relevant factors that create an economic incentive for it to exercise the renewal or termination option. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within the Company's control and affects its ability to exercise (or not to exercise) the option to renew or terminate.

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2. Summary of significant accounting policies (Continued)

The Company has applied an incremental borrowing rate for the purpose of computing lease liabilities based on the remaining lease term and the rates prevailing in the jurisdictions where leases were executed.

(h) Cost of revenue

Cost of revenue primarily consists of salaries and benefits (including stock-based compensation), recruitment, training and related costs of employees who are directly responsible for the performance of services for customers, their supervisors and certain support personnel who may be dedicated to a particular client or a set of processes. It also includes operational expenses, which consist of facilities maintenance expenses, travel and living expenses, rent, IT expenses, and consulting and certain other expenses. Consulting charges represent the cost of consultants and contract resources with specialized skills who are directly responsible for the performance of services for clients and travel and other billable costs related to the Company's clients. It also includes depreciation of property, plant and equipment, and amortization of intangible and ROU assets which are directly related to providing services that generate revenue.

(i) Selling, general and administrative expenses

Selling, general and administrative ("SG&A") expenses consist of expenses relating to salaries and benefits (including stock-based compensation) as well as costs related to recruitment, training and retention of senior management and other support personnel in enabling functions such as human resources, finance, legal, marketing, sales and sales support, and other support personnel. The operational costs component of SG&A expenses also includes travel and living costs for such personnel. SG&A expenses also include acquisition-related costs, legal and professional fees (which represent the costs of third party legal, tax, accounting and other advisors), investment in research and development, digital technology, advanced automation and robotics, and an allowance for credit losses. It also includes depreciation of property, plant and equipment, and amortization of intangibles and ROU assets other than those included in cost of revenue.

(j) Credit losses

An allowance for credit losses is recognized for all debt instruments other than those held at fair value through profit or loss. The Company pools its accounts receivable (other than deferred billings) based on similar risk characteristics in estimating expected credit losses. Credit losses for accounts receivable are based on the roll-rate method, and the Company recognizes a loss allowance based on lifetime expected credit losses at each reporting date. The Company has established a provision matrix based on historical credit loss experience, adjusted for forward-looking factors and the economic environment. The Company believes the most relevant forward-looking factors are economic environment, gross domestic product, inflation rates and unemployment rates for each of the countries in which the Company or its customers operate, and accordingly the Company adjusts historical loss rates based on expected changes in these factors. At every reporting date, observed historical default rates are updated to reflect changes in the Company's forward-looking estimates.

Credit losses for other financial assets and deferred billings are based on the discounted cash flow ("DCF") method. Under the DCF method, the allowance for credit losses reflects the difference between the contractual cash flows due in accordance with the contract and the present value of the cash flows expected to be collected. The expected cash flows are discounted at the effective interest rate of the financial asset. Such allowances are based on the credit losses expected to arise over the life of the asset which includes consideration of prepayments based on the Company's expectation as of the balance sheet date.

A financial asset is written off when it is deemed uncollectible and there is no reasonable expectation of recovering the contractual cash flows. Expected recoveries of amounts previously written off, not to exceed the aggregate amounts previously written off, are included in determining the allowance at each reporting period.

Credit losses are presented as a credit loss expense within "Selling, general and administrative expenses." Subsequent recoveries of amounts previously written off are credited against the same line item.

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2. Summary of significant accounting policies (Continued)

(k) Impairment of long-lived assets

Long-lived assets, including certain intangible assets, to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Such assets are required to be tested for impairment if the carrying amount of the assets is higher than the future undiscounted net cash flows expected to be generated by the assets. The impairment amount to be recognized is measured as the amount by which the carrying value of the assets exceeds their fair value. The Company determines fair value by using a discounted cash flow approach.

(l) Assets held for sale

A long-lived asset (or a disposal group for a long-lived asset comprising a group of assets and related liabilities) is classified as held for sale if it is highly probable that the asset will be recovered through sale rather than continuing use.

The Company records assets held for sale at the lower of its carrying value or fair value less costs to sell. The following criteria are used to determine if a business is held for sale: (i) management, having the authority to approve a sale, commits to a plan to sell; (ii) the business is available for immediate sale in its present condition; (iii) an active program to locate a buyer and a plan to sell the business have been initiated; (iv) the sale of the business is probable within one year; (v) the business is being actively marketed for sale at a reasonable price relative to its fair value; and (vi) it is unlikely that the plan to sell will be withdrawn or that significant changes to the plan will be made.

In determining the fair value of the assets less costs to sell, the Company considers factors including current sales prices for comparable assets, discounted cash flow projections, third party valuation and any indicative offers. The Company's assumptions about fair value require significant judgment because the current market is highly sensitive to changes in economic conditions. The Company estimates the fair values of assets held for sale based on current market conditions and assumptions made by management, which may differ from actual results and may result in impairments if market conditions deteriorate.

Any impairment loss on the initial classification and subsequent measurement is recognized as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognized) is recognized in the income statement.

When assets are classified as held for sale, the Company does not record any depreciation and amortization for the respective property, plant and equipment and intangibles.

(m) Reclassification

Certain reclassifications have been made in the consolidated financial statements of prior periods to conform to the classification used in the current period. The impact of such reclassifications on the consolidated financial statements is not material.

(n) Recently issued accounting pronouncements

The authoritative bodies release standards and guidance which are assessed by management for impact on the Company's consolidated financial statements.

The following recently released accounting standard has not yet been adopted by the Company:

In March 2023, the FASB issued ASU No. 2023-01, "Leases (Topic 842)". This ASU requires a lessee in a common-control lease arrangement to amortize leasehold improvements that it owns over the improvements' useful life to the common control group, regardless of the lease term, if the lessee continues to control the use of the underlying asset through a lease.

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2. Summary of significant accounting policies (Continued)

The ASU is effective for the Company for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2023. Early adoption is permitted. The Company is in the process of assessing the impact of this ASU on its consolidated results of operations, cash flows, financial position and disclosures.

3. Business acquisitions

(a) Hoodoo Digital, LLC

On December 31, 2021, the Company acquired 100% of the outstanding equity/limited liability company interests in Hoodoo Digital, LLC, a Utah limited liability company, for total purchase consideration of \$66,721. This amount represents cash consideration of \$64,439, net of cash acquired of \$2,283. The total purchase consideration paid by the Company to the sellers on the closing date was \$67,695, resulting in a recoverable of \$973 on the closing date, which was subsequently recovered. The Company made measurement period adjustments of \$1,688 related to taxes during the year ended December 31, 2022. The Company paid \$682 to the sellers in the first quarter of 2023, and no portion of the purchase consideration is outstanding as of March 31, 2023. This acquisition furthered the Company's strategy to fuse experience and process innovation to help clients drive end-to-end digital transformation. Hoodoo Digital's expertise with Adobe Experience Manager and other Adobe applications expanded the Company's existing capabilities to provide clients with an end-to-end solution that integrates digital content, e-commerce, data analytics, and marketing operations.

In connection with this acquisition, the Company recorded \$16,200 in customer-related intangibles and \$2,400 in marketing-related intangibles which have a weighted average amortization period of five years. Goodwill arising from the acquisition amounting to \$46,033 has been allocated using a relative fair value allocation method to each of the Company's reporting segments as follows: to the Financial Services segment in the amount of \$4,338, to the Consumer and Healthcare segment in the amount of \$7,321 and to the High Tech and Manufacturing segment in the amount of \$34,374.

Goodwill arising from this acquisition is deductible for income tax purposes. The goodwill represents primarily the acquired capabilities and other benefits expected to result from combining the acquired operations with the Company's existing operations.

Acquisition-related costs of \$1,177 have been included in selling, general and administrative expenses as incurred. In connection with the acquisition, the Company also acquired certain assets with a value of \$5,629 and assumed certain liabilities amounting to \$1,852. The agreement with the sellers provides a full indemnity to the Company for all pre-closing income and non-income tax liabilities up to a maximum of the purchase consideration, including interest and penalties thereon. The Company would not be financially or materially affected by any liabilities that may arise from such exposures.

Accordingly, the Company recognized an indemnification asset of \$278 based on the information that was available at the date of the acquisition, which is included in the assets taken over by the Company. The results of operations of the acquired business and the fair value of the acquired assets and assumed liabilities are included in the Company's consolidated financial statements with effect from the date of the acquisition.

4. Accounts receivable, net of allowance for credit losses

The following table provides details of the Company's allowance for credit losses on accounts receivable:

	Year ended December 31, 2022	Three months ended March 31, 2023
Opening balance as of January 1	\$ 24,329	\$ 20,442
Additions (net), charged to income statement	2,096	3,324
Deductions/effect of exchange rate fluctuations	(5,983)	(563)
Closing balance	<u>\$ 20,442</u>	<u>\$ 23,203</u>

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4. Accounts receivable, net of allowance for credit losses (continued)

Accounts receivable were \$1,015,197 and \$1,028,597, and allowances for credit losses were \$20,442 and \$23,203, resulting in net accounts receivable balances of \$994,755 and \$1,005,394 as of December 31, 2022 and March 31, 2023, respectively. As of December 31, 2022 and March 31, 2023, the Company reclassified accounts receivable amounting to \$2,341 and \$0, respectively, as assets held for sale. See Note 8 for additional information.

In addition, deferred billings were \$64,735 and \$72,299 and allowances for credit losses on deferred billings were \$3,198 and \$3,198, resulting in net deferred billings balances of \$61,537 and \$69,101 as of December 31, 2022 and March 31, 2023, respectively.

During the three months ended March 31, 2022 and 2023, the Company recorded a release of \$439 and \$0, respectively, to the income statement on account of credit losses on deferred billings. Deferred billings, net of related allowances for credit losses, are included under "other assets" in the Company's consolidated balance sheet as of December 31, 2022 and March 31, 2023.

The Company has a revolving accounts receivable-based facility of \$100,000 permitting it to sell accounts receivable to banks on a non-recourse basis in the ordinary course of business. The aggregate maximum capacity utilized by the Company at any time during the period ended December 31, 2022 and March 31, 2023 was \$33,030 and \$42,906, respectively. The principal amount outstanding against this facility as of December 31, 2022 and March 31, 2023 was \$33,030 and \$42,906, respectively. The cost of factoring such accounts receivable during the three months ended March 31, 2022 and 2023 was \$35 and \$461, respectively. Gains or losses on the sales are recorded at the time of transfer of the accounts receivable and are included under "interest income (expense), net" in the Company's consolidated statements of income.

5. Fair value measurements

The Company measures certain financial assets and liabilities, including derivative instruments, at fair value on a recurring basis. The fair value measurements of these financial assets and liabilities were determined using the following inputs as of December 31, 2022 and March 31, 2023:

	As of December 31, 2022			
	Fair Value Measurements at Reporting Date Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Assets				
Derivative instruments (Note a, c)	\$ 21,687	\$ —	\$ 21,687	\$ —
Deferred compensation plan assets (Note a, e)	40,261	—	—	40,261
Total	\$ 61,948	\$ —	\$ 21,687	\$ 40,261
Liabilities				
Earn-out consideration (Note b, d)	\$ 2,517	\$ —	\$ —	\$ 2,517
Derivative instruments (Note b, c)	38,817	—	38,817	—
Deferred compensation plan liability (Note b, f)	39,654	—	—	39,654
Total	\$ 80,988	\$ —	\$ 38,817	\$ 42,171

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5. Fair value measurements (Continued)

	As of March 31, 2023			
	Fair Value Measurements at Reporting Date Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Assets				
Derivative instruments (Note a, c)	\$ 31,576	\$ —	\$ 31,576	\$ —
Deferred compensation plan assets (Note a, e)	44,745	—	—	44,745
Total	\$ 76,321	\$ —	\$ 31,576	\$ 44,745
Liabilities				
Earn-out consideration (Note b, d)	\$ —	\$ —	\$ —	\$ —
Derivative instruments (Note b, c)	15,323	—	15,323	—
Deferred compensation plan liability (Note b, f)	44,095	—	—	44,095
Total	\$ 59,418	\$ —	\$ 15,323	\$ 44,095

- (a) Derivative assets are included in “prepaid expenses and other current assets” and “other assets.” Deferred compensation plan assets are included in “other assets” in the consolidated balance sheets.
- (b) Included in “accrued expenses and other current liabilities” and “other liabilities” in the consolidated balance sheets.
- (c) The Company values its derivative instruments based on market observable inputs, including both forward and spot prices for the relevant currencies and interest rate indices for relevant interest rates. The quotes are taken from an independent market database.
- (d) The fair value of earn-out consideration, calculated as the present value of expected future payments to be made to the sellers of acquired businesses, was derived by estimating the future financial performance of the acquired businesses using the earn-out formula and performance targets specified in each purchase agreement and adjusting the result to reflect the Company’s estimate of the likelihood of achievement of such targets. Given the significance of the unobservable inputs, the valuations are classified in level 3 of the fair value hierarchy.
- (e) Deferred compensation plan assets consist of life insurance policies held under a Rabbi Trust. Assets held in the Rabbi Trust are valued based on the cash surrender value of the insurance contract, which is determined based on the fair value of the underlying assets included in the insurance portfolio and are therefore classified within level 3 of the fair value hierarchy.
- (f) The fair value of the deferred compensation plan liability is derived based on the fair value of the underlying assets in the insurance policies and is therefore classified within level 3 of the fair value hierarchy.

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5. Fair value measurements (Continued)

The following table provides a roll-forward of the fair value of earn-out consideration categorized as level 3 in the fair value hierarchy for the three months ended March 31, 2022 and 2023:

	Three months ended March 31,	
	2022	2023
Opening balance	\$ 5,406	\$ 2,517
Payments made on earn-out consideration	—	(2,399)
Change in fair value of earn-out consideration (Note a)	\$ —	\$ (118)
Closing balance	\$ 5,406	\$ —

(a) Changes in the fair value of earn-out consideration are reported in “other operating (income) expense, net” in the consolidated statements of income.

The following table provides a roll-forward of the fair value of deferred compensation plan assets categorized as level 3 in the fair value hierarchy for the three months ended March 31, 2022 and 2023:

	Three months ended March 31,	
	2022	2023
Opening balance	\$ 38,584	\$ 40,261
Additions (net of redemption)	7,088	2,098
Change in fair value of deferred compensation plan assets (Note a)	(2,352)	2,386
Closing balance	\$ 43,320	\$ 44,745

(a) Changes in the fair value of plan assets are reported in “other income (expense), net” in the consolidated statements of income.

The following table provides a roll-forward of the fair value of deferred compensation liabilities categorized as level 3 in the fair value hierarchy for the three months ended March 31, 2022 and 2023:

	Three months ended March 31,	
	2022	2023
Opening balance	\$ 38,007	\$ 39,654
Additions (net of redemption)	6,913	2,098
Change in fair value of deferred compensation plan liabilities (Note a)	(2,366)	2,343
Closing balance	\$ 42,554	\$ 44,095

(a) Changes in the fair value of deferred compensation plan liabilities are reported in “selling, general and administrative expenses” in the consolidated statements of income.

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6. Derivative financial instruments

The Company is exposed to the risk of rate fluctuations on its foreign currency assets and liabilities and on foreign currency denominated forecasted cash flows and interest rates. The Company has established risk management policies, including the use of derivative financial instruments to hedge foreign currency assets and liabilities, foreign currency denominated forecasted cash flows and interest rate risk. These derivative financial instruments consist of deliverable and non-deliverable forward foreign exchange contracts, treasury rate locks and interest rate swaps. The Company enters into these contracts with counterparties that are banks or other financial institutions, and the Company considers the risk of non-performance by such counterparties not to be material. The forward foreign exchange contracts and interest rate swaps mature during a period of up to 45 months and the forecasted transactions are expected to occur during the same period.

The following table presents the aggregate notional principal amounts of outstanding derivative financial instruments together with the related balance sheet exposure:

	Notional principal amounts (Note a)		Balance sheet exposure asset (liability) (Note b)	
	As of December 31, 2022	As of March 31, 2023	As of December 31, 2022	As of March 31, 2023
Foreign exchange forward contracts denominated in:				
United States Dollars (sell) Indian Rupees (buy)	\$ 1,587,500	\$ 1,489,500	\$ (25,581)	\$ (1,524)
United States Dollars (sell) Mexican Peso (buy)	24,000	29,250	1,079	3,194
United States Dollars (sell) Philippines Peso (buy)	79,200	78,900	(828)	1,220
Euro (sell) United States Dollars (buy)	182,163	173,384	480	(1,793)
Singapore Dollars (buy) United States Dollars (sell)	50,956	50,956	166	763
Euro (sell) Romanian Leu (buy)	51,115	39,254	848	1,312
Japanese Yen (sell) Chinese Renminbi (buy)	8,185	27,385	(327)	248
United States Dollars (sell) Chinese Renminbi (buy)	41,000	31,500	605	473
Pound Sterling (sell) United States Dollars (buy)	32,594	26,342	1,113	581
United States Dollars (sell) Hungarian Forint (buy)	12,000	15,000	828	1,980
Australian Dollars (sell) Indian Rupees (buy)	87,513	85,495	(452)	2,458
United States Dollars (Sell) Polish Zloty (buy)	24,000	21,000	1,372	1,416
Japanese Yen (sell) United States Dollars (buy)	10,000	10,000	(1,134)	(202)
Israeli Shekel (sell) United States Dollars (buy)	3,000	3,000	3	164
South African Rand (sell) United States Dollars (buy)	21,000	21,000	(1,652)	1,177
United States Dollars (Sell) Brazilian Real (buy)	—	4,000	—	38
United States Dollars (Sell) Costa Rica Colon (buy)	—	4,000	—	69
Interest rate swaps (floating to fixed)	432,248	425,276	6,350	4,679
			\$ (17,130)	\$ 16,253

(a) Notional amounts are key elements of derivative financial instrument agreements but do not represent the amount exchanged by counterparties and do not measure the Company's exposure to credit, foreign exchange, interest rate or market risks. However, the amounts exchanged are based on the notional amounts and other provisions of the underlying derivative financial instrument agreements. Notional amounts are denominated in U.S. dollars.

(b) Balance sheet exposure is denominated in U.S. dollars and denotes the mark-to-market impact of the derivative financial instruments on the reporting date.

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6. Derivative financial instruments (Continued)

FASB guidance on derivatives and hedging requires companies to recognize all derivative instruments as either assets or liabilities at fair value in the balance sheet. In accordance with the FASB guidance on derivatives and hedging, the Company designates foreign exchange forward contracts, interest rate swaps and treasury rate locks as cash flow hedges. Foreign exchange forward contracts are entered into to cover the effects of future exchange rate variability on forecasted revenues and purchases of services, and interest rate swaps and treasury rate locks are entered into to cover interest rate fluctuation risk. In addition to this program, the Company uses derivative instruments that are not accounted for as hedges under the FASB guidance in order to hedge foreign exchange risks related to balance sheet items, such as receivables and intercompany borrowings, that are denominated in currencies other than the Company's underlying functional currency.

The fair value of the Company's derivative instruments and their location in the Company's financial statements are summarized in the table below:

	Cash flow hedges		Non-designated	
	As of December 31, 2022	As of March 31, 2023	As of December 31, 2022	As of March 31, 2023
Assets				
Prepaid expenses and other current assets	\$ 17,531	\$ 20,041	\$ 2,151	\$ 8,476
Other assets	\$ 2,005	\$ 3,059	\$ —	\$ —
Liabilities				
Accrued expenses and other current liabilities	\$ 23,662	\$ 12,157	\$ 11,495	\$ 1,110
Other liabilities	\$ 3,660	\$ 2,056	\$ —	\$ —

Cash flow hedges

For derivative instruments that are designated and qualify as cash flow hedges, the effective portion of the gain (loss) on the derivative instrument is reported as a component of other comprehensive income (loss) and reclassified into earnings in the same period or periods during which the hedged transaction is recognized in the consolidated statements of income. Gains (losses) on the derivatives, representing either hedge ineffectiveness or hedge components excluded from the assessment of effectiveness, are recognized in earnings as incurred.

The Company executed a treasury rate lock agreement for \$350,000 in connection with future interest payments to be made on its senior notes issued by Genpact Luxembourg S.à r.l. ("Genpact Luxembourg") and Genpact USA, Inc. ("Genpact USA"), both wholly-owned subsidiaries of the Company, in March 2021 (the "2021 Senior Notes"), and the treasury rate lock was designated as a cash flow hedge. The treasury rate lock agreement was terminated on March 23, 2021 and a deferred gain was recorded in accumulated other comprehensive income and is being amortized to interest expense over the life of the 2021 Senior Notes. The remaining gain to be amortized related to the treasury rate lock agreement as of March 31, 2023 was \$490.

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6. Derivative financial instruments (Continued)

In connection with cash flow hedges, the gains (losses) recorded as a component of other comprehensive income (loss) ("OCI"), and the related tax effects are summarized below:

	Three months ended March 31,					
	2022			2023		
	Before tax Amount	Tax (Expense) or Benefit	Net of tax Amount	Before tax Amount	Tax (Expense) or Benefit	Net of tax Amount
Opening balance	\$ 17,468	\$ (3,404)	\$ 14,064	\$ (7,255)	\$ 1,543	\$ (5,712)
Net gains (losses) reclassified into statement of income on completion of hedged transactions	648	(151)	497	2,191	(538)	1,653
Changes in fair value of effective portion of outstanding derivatives, net	4,239	(869)	3,370	18,824	(4,079)	14,744
Gain (loss) on cash flow hedging derivatives, net	3,591	(718)	2,873	16,633	(3,541)	13,091
Closing balance	\$ 21,059	\$ (4,122)	\$ 16,937	\$ 9,378	\$ (1,998)	\$ 7,379

The gains or losses recognized in other comprehensive income (loss) and their effects on financial performance are summarized below:

	Amount of Gain (Loss) recognized in OCI on Derivatives (Effective Portion)		Location of Gain (Loss) reclassified from OCI into Statement of Income (Effective Portion)	Amount of Gain (Loss) reclassified from OCI into Statement of Income (Effective Portion)	
	Three months ended March 31,			Three months ended March 31,	
	2022	2023		2022	2023
Derivatives in Cash Flow Hedging Relationships					
Forward foreign exchange contracts	\$ (2,592)	\$ 17,375	Revenue	\$ 296	\$ 635
Interest rate swaps	\$ 6,831	\$ 1,449	Cost of revenue	1,654	(1,413)
			Selling, general and administrative expenses	551	(191)
			Interest expense	(1,853)	3,160
	\$ 4,239	\$ 18,824		\$ 648	\$ 2,191

There were no gains (losses) recognized in the statement of income on the ineffective portion of derivatives and excluded from effectiveness testing for the three months ended March 31, 2022 and 2023, respectively.

Non-designated Hedges

	Location of Gain (Loss) recognized in Statement of Income on Derivatives	Amount of Gain (Loss) recognized in Statement of Income on Derivatives	
		Three months ended March 31,	
		2022	2023
Derivatives not designated as hedging instruments			
Forward foreign exchange contracts (Note a)	Foreign exchange gains (losses), net	\$ (3,522)	\$ 7,851
		\$ (3,522)	\$ 7,851

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6. Derivative financial instruments (Continued)

- (a) These forward foreign exchange contracts were entered into to hedge fluctuations in foreign exchange rates for recognized balance sheet items such as receivables and intercompany borrowings, and were not originally designated as hedges under FASB guidance on derivatives and hedging. Realized gains (losses) and changes in the fair value of these derivatives are recorded in foreign exchange gains (losses), net in the consolidated statements of income.

7. Prepaid expenses and other current assets

Prepaid expenses and other current assets consist of the following:

	As of December 31, 2022	As of March 31, 2023
Advance income and non-income taxes	\$ 38,382	\$ 52,873
Contract asset (Note 20)	11,613	10,773
Prepaid expenses	39,952	46,307
Derivative instruments	19,682	28,517
Employee advances	3,299	3,394
Deposits	5,372	3,330
Advances to suppliers	953	749
Others	18,719	29,939
Total	\$ 137,972	\$ 175,882

As of December 31, 2022 and March 31, 2023, the Company reclassified certain prepaid expenses and other current assets amounting to \$901 and \$0, respectively, as assets held for sale. See Note 8 for additional information.

8. Assets and liabilities held for sale

During the year ended December 31, 2022, the Company took actions to realign its portfolio to focus on services it believes have the greatest opportunities for growth, and deprioritized assets that no longer fit with its long-term strategy. Pursuant to a plan approved by management in the second quarter of 2022, the Company identified and divested a business (the "Business") that was part of the Company's Consumer and Healthcare segment.

The transaction to divest the Business included the sale of 100% of the issued and outstanding shares of capital stock of an entity pursuant to a stock purchase agreement, which was completed in December 2022. It also included the sale of certain assets and liabilities pursuant to an asset purchase agreement signed during the fourth quarter of 2022. The sale of such assets was completed in February 2023.

Pursuant to the stock purchase agreement related to the sale of the Business, the Company is entitled to a potential earn-out of up to \$10,600, contingent upon the Business signing contracts with certain clients and invoicing them during 2023. The Company has determined that the likelihood of achieving these events is uncertain, and accordingly, the Company has opted to record the earn-out if and when the consideration is determined to be realizable.

Pursuant to the asset purchase agreement related to the sale of the Business which was signed in 2022, the Company now holds 1.5% fixed rate unsecured loan notes amounting to \$18,001 issued by the purchasers. These notes and interest thereon become receivable by the Company upon a future share sale, disposal or listing by the buyer group or early voluntary repayment of these notes at the discretion of the buyer group. The Company deems the likelihood of recovery of principal and interest on these notes to be remote and not in the control of the Company. Accordingly, the Company did not record a value for these notes. The Company's obligation to transfer \$18,001 to the purchasers in exchange for these notes was satisfied in February 2023 upon the closing of the transaction.

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8. Assets and liabilities held for sale (Continued)

During the first quarter of 2023, the Company completed the sale of the Business which resulted in the net payout of \$2,091, and a loss of \$802 on the sale of the business classified as held for sale in addition to an impairment charge of \$32,575 recorded in the year ended December 31, 2022. No such loss was recorded in the first quarter of 2022. The loss on the sale of business classified as held for sale has been recorded in "other operating (income) expense, net" in the Company's consolidated statement of income. See Note 21 for additional information.

9. Property, plant and equipment, net

The following table provides the gross and net amount of property, plant and equipment:

	As of December 31, 2022	As of March 31, 2023
Property, plant and equipment, gross	\$ 766,365	\$ 770,830
Less: Accumulated depreciation and amortization	(585,607)	(591,575)
Property, plant and equipment, net	\$ 180,758	\$ 179,255

Depreciation expense on property, plant and equipment for the three months ended March 31, 2022 and 2023 was \$14,530 and \$12,717, respectively. Computer software amortization for the three months ended March 31, 2022 and 2023 was \$1,317 and \$689, respectively.

10. Goodwill and intangible assets

The following table presents the changes in goodwill for the year ended December 31, 2022 and the three months ended March 31, 2023:

	For the year ended December 31, 2022	For the three months ended March 31, 2023
Opening balance	1,731,027	1,684,196
Impact of measurement period adjustments	1,817	—
Classified as held for sale	(1,625)	—
Effect of exchange rate fluctuations	(47,023)	3,290
Closing balance	1,684,196	1,687,486

The following table presents the changes in goodwill by reporting unit for the year ended December 31, 2022:

	Financial Services	Consumer and Healthcare	High Tech and Manufacturing	Total
Opening balance	421,257	611,120	698,650	1,731,027
Impact of measurement period adjustments	171	289	1,357	1,817
Classified as held for sale	—	(1,625)	—	(1,625)
Effect of exchange rate fluctuations	(12,692)	(16,877)	(17,454)	(47,023)
Closing balance	408,736	592,907	682,553	1,684,196

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10. Goodwill and intangible assets (Continued)

The following table presents the changes in goodwill by reporting unit for the three months ended March 31, 2023:

	Financial Services	Consumer and Healthcare	High Tech and Manufacturing	Total
Opening balance	408,736	592,907	682,553	1,684,196
Effect of exchange rate fluctuations	864	1,171	1,255	3,290
Closing balance	409,600	594,078	683,808	1,687,486

As of December 31, 2022 and March 31, 2023, the Company reclassified goodwill (before impairment) amounting to \$1,625 and \$0, respectively, attributable to its Consumer and Healthcare segment as assets held for sale. See Note 8 for additional information.

The total amount of goodwill deductible for tax purposes was \$291,377 and \$284,288 as of December 31, 2022 and March 31, 2023, respectively.

The Company's intangible assets are as follows:

	As of December 31, 2022			As of March 31, 2023		
	Gross carrying amount	Accumulated amortization & Impairment	Net	Gross carrying amount	Accumulated amortization & Impairment	Net
Customer-related intangible assets	\$ 473,997	\$ 411,706	\$ 62,291	\$ 474,994	\$ 419,169	\$ 55,825
Marketing-related intangible assets	97,831	83,253	14,578	97,878	84,641	13,237
Technology-related intangible assets	126,406	113,560	12,846	127,101	116,119	10,982
	\$ 698,234	\$ 608,519	\$ 89,715	\$ 699,973	\$ 619,929	\$ 80,044

As of December 31, 2022 and March 31, 2023, the Company reclassified certain intangible assets with a gross carrying value of \$40,538 and \$0, respectively, and accumulated amortization of \$16,989 and \$0, respectively, to assets held for sale. See Note 8 for additional information.

Amortization expenses for intangible assets acquired as part of a business combination and disclosed in the consolidated statements of income under amortization of acquired intangible assets for the three months ended March 31, 2022 and 2023 were \$11,306 and \$8,255, respectively.

Amortization expenses for internally-developed and other intangible assets disclosed in the consolidated statements of income under cost of revenue and selling, general and administrative expenses for the three months ended March 31, 2022 and 2023 were \$5,276 and \$2,251, respectively.

During the three months ended March 31, 2022 and 2023, the Company tested the recoverability of intangibles, including those under development, goodwill and property, plant and equipment, including those held for sale (see Note 8 for additional information), as a result of changes in the Company's investment strategy and market trends. Based on the results of its testing, the Company concluded that it is not more likely than not that the fair values of any of such assets are less than their carrying amounts. Accordingly, no impairment loss was recorded in the three months ended March 31, 2022 and 2023.

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11. Short-term borrowings

The Company has the following borrowing facilities:

- a. Fund-based and non-fund-based credit facilities with banks, which are available for operational requirements in the form of overdrafts, letters of credit, guarantees and short-term loans. As of December 31, 2022 and March 31, 2023, the limits available were \$22,882 and \$22,891, respectively, of which \$5,392 and \$8,169, respectively, was utilized, constituting non-funded drawdown.
- b. A fund-based and non-fund based revolving credit facility of \$650,000, which the Company obtained by entering into an amended and restated credit agreement (the "2022 Credit Agreement") with Genpact USA, Inc., a wholly-owned subsidiary of the Company ("Genpact USA"), Genpact Global Holdings (Bermuda) Limited ("GGH") and Genpact Luxembourg S.a.r.l., a wholly-owned subsidiary of the Company ("Genpact Luxembourg", and together with Genpact USA and GGH, the "Borrowers"), as borrowers, Wells Fargo Bank, National Association ("Wells Fargo"), as administrative agent, swingline lender and issuing bank, and the lenders and other parties thereto on December 13, 2022. The term loan and revolving credit facility under the 2022 Credit Agreement expire on December 13, 2027.
- c. Borrowings under the 2022 Credit Agreement bear interest at a rate equal to, at the election of the Company, either Adjusted Term SOFR (which is the rate per annum equal to (a) Term SOFR (the forward-looking secured overnight financing rate) plus (b) a Term SOFR Adjustment of 0.10% per annum, but in no case lower than 0.0%) plus an applicable margin equal to 1.375% per annum or a base rate plus an applicable margin equal to 0.375% per annum. The unutilized amount on the revolving credit facility under the 2022 Credit Agreement bore a commitment fee of 0.20% as of December 31, 2022 and March 31, 2023. As of December 31, 2022 and March 31, 2023, a total of \$153,658 and \$182,658, respectively, was utilized, of which \$151,000 and \$180,000, respectively, constituted funded drawdown and \$2,658 and \$2,658, respectively, constituted non-funded drawdown. The 2022 Credit Agreement contains certain customary covenants, including a maximum leverage covenant and a minimum interest coverage ratio. During the period ended December 31, 2022 and March 31, 2023, the Company was in compliance with the financial covenants of the 2022 Credit Agreement.

12. Long-term debt

In December 2022, the Company amended its existing credit facility under its amended and restated credit agreement entered into in August 2018 (the "2018 Credit Agreement"), which was comprised of a \$680,000 term loan and a \$500,000 revolving credit facility, and entered into the 2022 Credit Agreement, which is comprised of a \$530,000 term loan and a \$650,000 revolving credit facility. The 2022 Credit Agreement, which is guaranteed by the Company and certain of its subsidiaries, replaces the 2018 Credit Agreement. The obligations under the 2022 Credit Agreement are unsecured.

The outstanding balance of the term loan under the 2018 Credit Agreement as of the date of the 2022 Credit Agreement was \$527,000. The revolving credit facility and the term loan have a term of five years and expire on December 13, 2027. The 2022 Credit Agreement did not result in a substantial modification of \$290,870 of the outstanding term loan under the 2018 Credit Agreement. Further, as a result of the 2022 Credit Agreement, the Company extinguished \$236,130 of funding arrangements for the outstanding term loan under the 2018 Credit Agreement and obtained funding from new lenders of \$239,130, resulting in outstanding principal of \$530,000 of the term loan under the 2022 Credit Agreement.

In connection with the 2022 Credit Agreement, the Company expensed \$126, representing partial acceleration of the amortization of the existing unamortized debt issuance costs and an additional fee paid to the Company's lenders related to the term loan. The overall borrowing capacity under the revolving credit facility increased from \$500,000 under the 2018 Credit Agreement to \$650,000 under the 2022 Credit Agreement. In connection with the 2022 Credit Agreement, the Company expensed \$93 relating to existing unamortized debt issuance cost. The remaining unamortized costs and an additional third-party fee paid in connection with the 2022 Credit Agreement will be amortized over the term of the amended facility.

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12. Long-term debt (Continued)

Borrowings under the 2022 Credit Agreement bear interest at a rate equal to, at the election of the Company, either Adjusted Term SOFR (which is the rate per annum equal to (a) Term SOFR (the forward-looking secured overnight financing rate) plus (b) a Term SOFR Adjustment of 0.10% per annum, but in no case lower than 0.00%) plus an applicable margin equal to 1.375% per annum or a base rate plus an applicable margin equal to 0.375% per annum, in each case subject to adjustment based on the Borrowers' debt ratings provided by Standard & Poor's Rating Services and Moody's Investors Service, Inc. (the "Debt Ratings"). The revolving credit commitments under the 2022 Credit Agreement are subject to a commitment fee equal to 0.20% per annum, subject to adjustment based on the Debt Ratings. The commitment fee accrues on the actual daily amount by which the aggregate revolving commitments exceed the sum of outstanding revolving loans and letter of credit obligations.

The 2022 Credit Agreement restricts certain payments, including dividend payments, if there is an event of default under the 2022 Credit Agreement or if the Company is not, or after making the payment would not be, in compliance with certain financial covenants contained in the 2022 Credit Agreement. These covenants require the Company to maintain a net debt to EBITDA leverage ratio of less than 3x and an interest coverage ratio of more than 3x. During the period ended March 31, 2023, the Company was in compliance with the terms of the 2022 Credit Agreement, including all of the financial covenants therein. The Company's retained earnings are not subject to any restrictions on availability to make dividend payments to shareholders, subject to compliance with the financial covenants described above that are contained in the 2022 Credit Agreement.

As of December 31, 2022 and March 31, 2023, the amount outstanding under the Company's term loan, net of debt amortization expense of \$1,622 and \$1,530, was \$528,378 and \$521,845, respectively.

Indebtedness under the 2022 Credit Agreement is unsecured. The amount outstanding on the term loan as of March 31, 2023 requires quarterly payments of \$6,625, and the balance of the loan is due and payable upon the maturity of the term loan on December 13, 2027.

The maturity profile of the term loan outstanding as of March 31, 2023, net of debt amortization expense, is as follows:

Year ended	Amount
2023	19,603
2024	26,153
2025	26,173
2026	26,192
2027	423,724
Total	\$ 521,845

Genpact Luxembourg issued \$400,000 aggregate principal amount of 3.375% senior notes in November 2019 (the "2019 Senior Notes"). The 2019 Senior Notes are fully guaranteed by the Company. The total debt issuance cost of \$2,937 incurred in connection with the 2019 Senior Notes offering is being amortized over the life of the 2019 Senior Notes as an additional interest expense. As of December 31, 2022 and March 31, 2023, the amount outstanding under the 2019 Senior Notes, net of debt amortization expense of \$1,119 and \$975, was \$398,881 and \$399,025, respectively, which is payable on December 1, 2024.

In March 2021, Genpact Luxembourg and Genpact USA co-issued \$350,000 aggregate principal amount of 1.750% senior notes (the "2021 Senior Notes," and together with the 2019 Senior Notes, the "Senior Notes"). The 2021 Senior Notes are fully guaranteed by the Company. The total debt issuance cost of \$3,032 incurred in connection with the 2021 Senior Notes is being amortized over the life of the 2021 Senior Notes as additional interest expense. As of December 31, 2022 and March 31, 2023, the amount outstanding under the 2021 Senior Notes, net of debt amortization expense of \$1,970 and \$1,822, respectively, was \$348,030 and \$348,178, respectively, which is payable on April 10, 2026.

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12. Long-term debt (Continued)

The Company pays interest on (i) the 2019 Senior Notes semi-annually in arrears on June 1 and December 1 of each year, and (ii) the 2021 Senior Notes semi-annually in arrears on April 10 and October 10 of each year, ending on the maturity dates of December 1, 2024 and April 10, 2026, respectively. The Company, at its option, may redeem the Senior Notes at any time in whole or in part, at a redemption price equal to (i) 100% of the principal amount of the notes redeemed, together with accrued and unpaid interest on the redeemed amount, and (ii) if the notes are redeemed prior to, in the case of the 2019 Senior Notes, November 1, 2024, and in the case of the 2021 Senior Notes, March 10, 2026, a specified "make-whole" premium. The Senior Notes are subject to certain customary covenants, including limitations on the ability of the Company and certain of its subsidiaries to incur debt secured by liens, engage in certain sale and leaseback transactions and consolidate, merge, convey or transfer their assets substantially as an entirety. During the period ended March 31, 2023, the Company and its applicable subsidiaries were in compliance with the covenants. Upon certain change of control transactions, the applicable issuer or issuers will be required to make an offer to repurchase the Senior Notes at a price equal to 101% of the aggregate principal amount of the Senior Notes, plus accrued and unpaid interest. The interest rate payable on the Senior Notes is subject to adjustment if the credit rating of the Senior Notes is downgraded, up to a maximum increase of 2.0%.

A summary of the Company's long-term debt is as follows:

	As of December 31, 2022	As of March 31, 2023
Credit facility, net of amortization expenses	\$ 528,378	\$ 521,845
3.375% 2019 Senior Notes, net of debt amortization expenses	398,881	399,025
1.750% 2021 Senior Notes, net of debt amortization expenses	348,030	348,178
Total	\$ 1,275,289	\$ 1,269,048
Current portion	26,136	26,140
Non-current portion	1,249,153	1,242,908
Total	\$ 1,275,289	\$ 1,269,048

13. Accrued expenses and other current liabilities

Accrued expenses and other current liabilities consist of the following:

	As of December 31, 2022	As of March 31, 2023
Accrued expenses	\$ 126,680	\$ 129,224
Accrued employee cost	293,934	132,602
Earn-out consideration	2,517	—
Statutory liabilities	82,912	95,555
Retirement benefits	1,725	1,787
Compensated absences	25,101	29,113
Derivative instruments	35,157	13,267
Contract liabilities (Note 20)	160,625	147,260
Finance leases liability	15,585	13,527
Other liabilities	46,771	36,043
	\$ 791,007	\$ 598,378

As of December 31, 2022 and March 31, 2023, the Company reclassified certain accrued expenses and other current liabilities amounting to \$1,147 and \$0, respectively, to liabilities held for sale. See Note 8 for additional information.

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14. Other liabilities

Other liabilities consist of the following:

	As of December 31, 2022	As of March 31, 2023
Accrued employee cost	\$ 14,120	\$ 13,168
Retirement benefits	10,694	10,594
Compensated absences	43,474	45,843
Derivative instruments	3,660	2,056
Contract liabilities (Note 20)	56,157	52,138
Finance leases liability	11,802	9,503
Others	75,701	76,748
	<u>\$ 215,608</u>	<u>\$ 210,050</u>

As of December 31, 2022 and March 31, 2023, the Company reclassified certain other liabilities amounting to \$141 and \$0, respectively, to liabilities held for sale. See Note 8 for additional information.

15. Employee benefit plans

The Company has employee benefit plans in the form of certain statutory and other programs covering its employees.

Defined benefit plans

In accordance with Indian law, the Company maintains a defined benefit retirement plan covering substantially all of its Indian employees. In accordance with Mexican law, the Company provides termination benefits to all of its Mexican employees. In addition, certain of the Company's subsidiaries in the Philippines, Israel and Japan sponsor defined benefit retirement programs.

Net defined benefit plan costs for the three months ended March 31, 2022 and 2023 include the following components:

	Three months ended March 31,	
	2022	2023
Service costs	\$ 3,683	\$ 3,760
Interest costs	1,478	1,736
Amortization of actuarial loss	339	167
Expected return on plan assets	(1,536)	(1,261)
Net defined benefit plan costs	<u>\$ 3,964</u>	<u>\$ 4,402</u>

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15. Employee benefit plans (Continued)

Defined contribution plans

During the three months ended March 31, 2022 and 2023, the Company contributed the following amounts to defined contribution plans in various jurisdictions:

	Three months ended March 31,			
	2022		2023	
India	\$	10,740	\$	11,151
U.S.		6,415		5,457
U.K.		6,137		5,960
China		6,793		6,851
Other regions		4,775		5,261
Total	\$	34,860	\$	34,680

Deferred compensation plan

On July 1, 2018, Genpact LLC, a wholly-owned subsidiary of the Company, adopted an executive deferred compensation plan (the "Plan"). The Plan provides a select group of U.S.-based members of Company management with the opportunity to defer from 1% to 80% of their base salary and from 1% to 100% of their qualifying bonus compensation (or such other minimums or maximums as determined by the Plan administrator from time to time) pursuant to the terms of the Plan. Participant deferrals are 100% vested at all times. The Plan also allows for discretionary supplemental employer contributions by the Company, in its sole discretion, which will be subject to a two-year vesting schedule (50% vesting on the one-year anniversary of approval of the contribution and 50% vesting on the second year anniversary of approval of the contribution) or such other vesting schedule as determined by the Company. However, no such contribution has been made by the Company to date.

The Plan also provides an option for participants to elect to receive deferred compensation and earnings thereon on either fixed date(s) no earlier than 2 years following the applicable Plan year (or end of the applicable performance period for performance-based bonus compensation) or following a separation from service, in each case either in a lump sum or in annual installments over a term of up to 15 years. Participants can elect to change or re-defer their rights to receive the deferred compensation until the 10th anniversary following their separation from service, subject to fulfillment of certain conditions. Each Plan participant's compensation deferrals are credited or debited with notional investment gains and losses equal to the performance of selected hypothetical investment funds offered under the Plan and elected by the participant.

The Company has investments in funds held in Company-owned life insurance policies which are held in a Rabbi Trust that are classified as trading securities. Management determines the appropriate classification of the securities at the time they are acquired and evaluates the appropriateness of such classifications at each balance sheet date.

The liability for the deferred compensation plan was \$39,654 and \$44,095 as of December 31, 2022 and March 31, 2023, respectively, and is included in "accrued expenses and other current liabilities" and "other liabilities" in the consolidated balance sheets.

In connection with the administration of the Plan, the Company has purchased Company-owned life insurance policies insuring the lives of certain employees. The cash surrender value of these policies was \$40,261 and \$44,745 as of December 31, 2022 and March 31, 2023, respectively. The cash surrender value of these insurance policies is included in "other assets" in the consolidated balance sheets.

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15. Employee benefit plans (Continued)

During the three months ended March 31, 2022 and 2023, the change in the fair value of Plan assets was \$(2,352) and \$2,386, respectively, which is included in “other income (expense), net,” in the consolidated statements of income. During the three months ended March 31, 2022 and 2023, the change in the fair value of deferred compensation liabilities was \$(2,366) and \$2,343, respectively, which is included in “selling, general and administrative expenses.”

16. Stock-based compensation

The Company has issued options under the Genpact Limited 2007 Omnibus Incentive Compensation Plan (the “2007 Omnibus Plan”) and the Genpact Limited 2017 Omnibus Incentive Compensation Plan (the “2017 Omnibus Plan”) to eligible persons, including employees, directors and certain other persons associated with the Company.

Under the 2007 Omnibus Plan, shares underlying options forfeited, expired, terminated or cancelled under any of the Company’s predecessor plans were added to the number of shares otherwise available for grant under the 2007 Omnibus Plan. The 2007 Omnibus Plan was amended and restated on April 11, 2012 to increase the number of common shares authorized for issuance by 5,593,200 shares to 15,000,000 shares. Further, during the year ended December 31, 2012, the number of common shares authorized for issuance under the 2007 Omnibus Plan was increased by 8,858,823 shares as a result of a one-time adjustment to outstanding unvested share awards in connection with a special dividend payment.

On May 9, 2017, the Company’s shareholders approved the adoption of the 2017 Omnibus Plan, pursuant to which 15,000,000 Company common shares are available for issuance. The 2017 Omnibus Plan was amended and restated on April 5, 2019 and April 5, 2022 to increase the number of common shares authorized for issuance by 8,000,000 shares to 23,000,000 shares and by 3,500,000 shares to 26,500,000 shares, respectively. No grants may be made under the 2007 Omnibus Plan after the date of adoption of the 2017 Omnibus Plan. Grants that were outstanding under the 2007 Omnibus Plan as of the date of Company’s adoption of the 2017 Omnibus Plan remain subject to the terms of the 2007 Omnibus Plan.

Stock-based compensation costs relating to the foregoing plans during the three months ended March 31, 2022 and March 31, 2023 were \$14,759 and \$19,341, respectively. These costs have been allocated to “cost of revenue” and “selling, general and administrative expenses.”

Stock options

All options granted under the 2007 and 2017 Omnibus Plans are exercisable into common shares of the Company, have a contractual period of ten years and vest over three to five years unless specified otherwise in the applicable award agreement. The Company recognizes compensation cost over the vesting period of the option.

Compensation cost is determined at the date of grant by estimating the fair value of an option using the Black-Scholes option-pricing model.

The following table shows the significant assumptions used in determining the fair value of options granted in the three months ended March 31, 2022. No options were granted in the three months ended March 31, 2023.

The Company granted options covering 475,695 common shares in the three months ended March 31, 2022.

	Three months ended March 31, 2022
Dividend yield	0.96 %
Expected life (in months)	84
Risk-free rate of interest	1.71 %
Volatility	26.29 %

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16. Stock-based compensation (Continued)

A summary of stock option activity during the three months ended March 31, 2023 is set out below:

	Three Months Ended March 31, 2023			
	Shares arising out of options	Weighted average exercise price	Weighted average remaining contractual life (years)	Aggregate intrinsic value
Outstanding as of January 1, 2023	7,748,114	33.27	5.6	—
Granted	—	—	—	—
Forfeited	(319,646)	41.06	—	—
Expired	—	—	—	—
Exercised	(642,280)	19.94	—	16,882
Outstanding as of March 31, 2023	6,786,188	34.17	5.7	85,463
Vested as of March 31, 2023 and expected to vest thereafter (Note a)	6,418,998	33.58	5.7	84,183
Vested and exercisable as of March 31, 2023	2,785,379	28.04	4.0	50,636
Weighted average grant date fair value of grants during the period	—			

(a) Options expected to vest reflect an estimated forfeiture rate.

As of March 31, 2023, the total remaining unrecognized stock-based compensation cost for options expected to vest amounted to \$15,573, which will be recognized over the weighted average remaining requisite vesting period of 2.8 years.

Restricted share units

The Company has granted restricted share units (“RSUs”) under the 2007 and 2017 Omnibus Plans. Each RSU represents the right to receive one common share. The fair value of each RSU is the market price of one common share of the Company on the date of the grant. The RSUs granted to date have graded vesting schedules of three months to four years. The compensation expense is recognized on a straight-line basis over the vesting term. A summary of RSU activity during the three months ended March 31, 2023 is set out below:

	Three Months Ended March 31, 2023	
	Number of Restricted Share Units	Weighted Average Grant Date Fair Value
Outstanding as of January 1, 2023	579,622	42.97
Granted	857,354	43.69
Vested (Note a)	(225,979)	40.49
Forfeited	(37,254)	42.28
Outstanding as of March 31, 2023	1,173,743	44.00
Expected to vest (Note b)	1,023,390	

(a) 225,979 RSUs vested during the three months ended March 31, 2023 in respect of which 149,158 shares (net of minimum statutory tax withholding) were issued during the three months ended March 31, 2023.

(b) The number of RSUs expected to vest reflects the application of an estimated forfeiture rate.

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16. Stock-based compensation (Continued)

199,297 RSUs vested in the year ended December 31, 2022, in respect of which 120,858 shares were issued during the three months ended March 31, 2023 after withholding shares to the extent of minimum statutory withholding taxes.

39,633 RSUs vested in the year ended December 31, 2021, in respect of which 39,515 shares were issued during the three months ended March 31, 2023 after withholding shares to the extent of minimum statutory withholding taxes.

As of March 31, 2023, the total remaining unrecognized stock-based compensation cost related to RSUs amounted to \$39,942, which will be recognized over the weighted average remaining requisite vesting period of 2.6 years.

Performance units

The Company also grants stock awards in the form of performance units ("PUs") and has granted PUs under both the 2007 and 2017 Omnibus Plans.

Each PU represents the right to receive one common share at a future date based on the Company's performance against specified targets. PUs granted to date have vesting schedules of approximately six months to three years. PUs granted under the plans are subject to cliff vesting. The compensation expense for such awards is recognized on a straight-line basis over the vesting terms.

For PUs granted prior to 2023, the fair value of each PU is the market price of one common share of the Company on the date of grant and assumes that performance targets will be achieved. For PUs that have a performance period of one year, the Company's estimate of the number of shares to be issued is adjusted upward or downward based upon the probability of achievement of the performance targets. The ultimate number of shares issued and the related compensation cost recognized is based on a comparison of the final performance metrics to the specified targets.

For the PUs granted in 2023, the Company made certain amendments to the vesting conditions. For PUs granted in 2023, the performance period increased to three years from one year for PUs granted prior to 2023. Further, the number of PUs granted in 2023 that will ultimately vest will be modified, subject to certain conditions and limitations, based on the Company's total shareholder return ("TSR") relative to the TSR of the companies included as of January 1, 2023 in the S&P 400 Midcap Index (the "Peer Group") over the three-year performance period for the 2023 PUs.

The grant date fair value for PUs granted in 2023 is determined using a Monte Carlo simulation model. This model simulates a range of possible future stock prices and estimates the probabilities of the potential payouts. This model also incorporates the following assumptions:

- The historical volatility for the companies in the Peer Group was measured using the most recent three-year period.
- The risk-free interest rate is based on the U.S. Treasury rate assumption commensurate with the three-year performance period.
- For determining the TSR of the Company and the companies in the Peer Group, dividends will be assumed to have been reinvested in the stock of the issuing entities on a continuous basis.
- The correlation coefficients used to model the way in which each entity tends to move in relation to each other are based upon the price data used to calculate historical volatility.

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16. Stock-based compensation (Continued)

The fair value of each 2023 PU granted to employees was estimated on the date of grant using the following valuation assumptions:

	Three months ended March 31, 2023
Dividend yield	1.28 %
Expected life (years)	2.8
Risk-free rate for expected life	3.81 %
Volatility for expected life	24.71 %

A summary of PU activity during the three months ended March 31, 2023 is set out below:

	Three Months Ended March 31, 2023		
	Number of Performance Units	Weighted Average Grant Date Fair Value	Maximum Shares Eligible to Receive
Outstanding as of January 1, 2023	3,570,951	44.07	3,570,951
Granted	960,181	44.20	2,304,434
Vested (Note a)	(645,308)	42.52	(645,308)
Forfeited	(145,972)	43.61	(145,972)
Adjustment upon final determination of level of performance goal achievement (Note b)	96,668	44.50	96,668
Outstanding as of March 31, 2023	3,836,520	44.39	5,180,773
Expected to vest (Note c)	3,356,908		

- (a) 645,308 PUs vested during the three months ended March 31, 2023, in respect of which 410,843 shares (net of minimum statutory tax withholding) were issued during the three months ended March 31, 2023.
- (b) Represents an adjustment made in March 2023 to the number of shares subject to the PUs granted in 2022 upon certification of the level of achievement of the performance targets underlying such awards.
- (c) The number of PUs expected to vest reflects the application of an estimated forfeiture rate.

As of March 31, 2023, the total remaining unrecognized stock-based compensation cost related to PUs amounted to \$88,750, which will be recognized over the weighted average remaining requisite vesting period of 2.0 years.

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16. Stock-based compensation (Continued)

Employee Stock Purchase Plan (ESPP)

On May 1, 2008, the Company adopted the Genpact Limited U.S. Employee Stock Purchase Plan and the Genpact Limited International Employee Stock Purchase Plan (together, the "ESPP"). In April 2018, these plans were amended and restated, and their terms were extended to August 31, 2028.

The ESPP allows eligible employees to purchase the Company's common shares through payroll deductions at 90% of the closing price of the Company's common shares on the last business day of each purchase interval. The dollar amount of common shares purchased under the ESPP may not exceed 15% of the participating employee's base salary, subject to a cap of \$25 per employee per calendar year. With effect from September 1, 2009, the offering periods commence on the first business day in March, June, September and December of each year and end on the last business day of the subsequent May, August, November and February. 4,200,000 common shares have been reserved for issuance in the aggregate over the term of the ESPP.

During the three months ended March 31, 2022 and 2023, 87,646 and 72,645 common shares, respectively, were issued under the ESPP.

The ESPP is considered compensatory under the FASB guidance on Compensation-Stock Compensation.

The compensation expense for the ESPP is recognized in accordance with the FASB guidance on Compensation-Stock Compensation. The compensation expense for the ESPP during the three months ended March 31, 2022 and 2023 was \$491 and \$363, respectively, and has been allocated to cost of revenue and selling, general and administrative expenses.

17. Capital stock

Share repurchases

The Board of Directors of the Company (the "Board") has authorized repurchases of up to \$2,250,000 under the Company's existing share repurchase program, including \$500,000 approved during the first quarter of 2023. Under the program, shares may be purchased in privately negotiated and/or open market transactions, including under plans complying with Rule 10b5-1 under the Securities Exchange Act of 1934, as amended.

During the three months ended March 31, 2022 and 2023, the Company repurchased 1,630,533 and 630,605 of its common shares, respectively, on the open market at a weighted average price of \$46.61 and \$47.57 per share, respectively, for an aggregate cash amount of \$75,999 and \$30,000, respectively. All repurchased shares have been retired.

The Company records repurchases of its common shares on the settlement date of each transaction. Shares purchased and retired are deducted to the extent of their par value from common stock and from retained earnings for the excess over par value. Direct costs incurred to acquire the shares are included in the total cost of the shares purchased. For the three months ended March 31, 2022 and 2023, retained earnings were reduced by the direct costs related to share repurchases of \$33 and \$13, respectively.

\$594,924 remained available for share repurchases under the Company's existing share repurchase program as of March 31, 2023. This repurchase program does not obligate the Company to acquire any specific number of shares and does not specify an expiration date.

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17. Capital stock (Continued)

Dividend

On February 10, 2022, the Company announced that its Board had approved a 16% increase in its quarterly cash dividend to \$0.125 per share, up from \$0.1075 per share in 2021, representing an annual dividend of \$0.50 per common share, up from \$0.43 per share in 2021, payable to holders of the Company's common shares. On March 23, 2022, the Company paid a dividend of \$0.125 per share, amounting to \$23,134 in the aggregate, to shareholders of record as of March 10, 2022.

On February 9, 2023, the Company announced that its Board had approved a 10% increase in its quarterly cash dividend to \$0.1375 per share, up from \$0.125 per share in 2022, representing a planned annual dividend of \$0.55 per common share, up from \$0.50 per share in 2022, payable to holders of the Company's common shares. On March 24, 2023, the Company paid a dividend of \$0.1375 per share, amounting to \$25,255 in the aggregate, to shareholders of record as of March 10, 2023.

18. Earnings per share

The Company calculates earnings per share in accordance with FASB guidance on earnings per share. Basic and diluted earnings per common share give effect to the change in the number of Company common shares outstanding. The calculation of basic earnings per common share is determined by dividing net income available to common shareholders by the weighted average number of common shares outstanding during the respective periods. The potentially dilutive shares, consisting of outstanding options on common shares, restricted share units, common shares to be issued under the ESPP and performance units, have been included in the computation of diluted net earnings per share and the number of weighted average shares outstanding, except where the result would be anti-dilutive.

The number of shares subject to stock awards outstanding but not included in the computation of diluted earnings per common share because their effect was anti-dilutive is 2,738,799 and 1,860,417 for the three months ended March 31, 2022 and 2023, respectively.

	Three months ended March 31,	
	2022	2023
Net income	\$ 96,179	\$ 106,101
Weighted average number of common shares used in computing basic earnings per common share	185,637,776	183,795,404
Dilutive effect of stock-based awards	3,920,628	3,790,873
Weighted average number of common shares used in computing dilutive earnings per common share	189,558,404	187,586,277
Earnings per common share		
Basic	\$ 0.52	\$ 0.58
Diluted	\$ 0.51	\$ 0.57

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19. Segment reporting

The Company manages various types of business process and information technology services in an integrated manner for clients in various industries and geographic locations. The Company's operating segments are significant strategic business units that align its products and services with how it manages its business, approaches key markets and interacts with its clients.

During the second quarter of 2022, the Company renamed its three reportable segments. Beginning in the second quarter of 2022, the Company's: (1) Banking, Capital Markets and Insurance segment was renamed the Financial Services segment; (2) Consumer Goods, Retail, Life Sciences and Healthcare segment was renamed the Consumer and Healthcare segment; and (3) High Tech, Manufacturing and Services segment was renamed the High Tech and Manufacturing segment.

The Company's Chief Executive Officer, who has been identified as the Chief Operating Decision Maker ("CODM"), reviews operating segment revenue, which is a GAAP measure, and adjusted income from operations ("AOI"), which is a non-GAAP measure. The Company does not allocate, and therefore the CODM does not evaluate, stock-based compensation expenses, amortization and impairment of acquired intangible assets, foreign exchange gain/(losses) (other than those included in income from operations), interest income/(expense), restructuring expenses, acquisition related expenses, any losses or gains from businesses held for sale, including impairment charges, other income/(expense), or income taxes by segment. The Company's operating assets and liabilities pertain to multiple segments. The Company manages assets and liabilities on a total company basis, not by operating segment, and therefore asset and liabilities information and capital expenditures by operating segment are not presented to the CODM and are not reviewed by the CODM.

The CODM continues to review operating segment revenue, which is a GAAP measure, and adjusted income from operations, which is a non-GAAP measure.

Revenues and adjusted income from operations for each of the Company's segments for the three months ended March 31, 2022 were as follows:

	Net revenues			AOI
	Data-Tech-AI	Digital operations	Total	
Financial Services	119,709	154,693	274,402	26,450
Consumer and Healthcare	180,634	220,986	401,620	55,305
High Tech and Manufacturing	166,403	226,018	392,421	70,095
Net revenues	466,746	601,697	1,068,443	
Others#				8,169
Total AOI				160,019
Stock-based compensation				(15,250)
Amortization and impairment of acquired intangible assets (other than included above)				(11,302)
Foreign exchange gains (losses), net				4,303
Interest income (expense), net				(12,088)
Income tax expense				(29,503)
Net income				96,179

With effect from January 1, 2023, the Company has modified the items that are allocated to the Company's reportable segments for the purpose of evaluating segment performance, and the Company now allocates by segment certain foreign exchange gains/(losses) (to the extent included in income from operations) and unallocated resource costs. Segment results after such allocation are reviewed by the CODM to evaluate segment performance. Prior to January 1, 2023, the CODM evaluated the performance of reportable segment revenue and adjusted income from operations after excluding these items, which were previously included under "Others." Accordingly, the Company has recast the segment revenue and adjusted income from operations of its reportable segments for the three months ended March 31, 2022 to present comparable segment information.

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19. Segment reporting (Continued)

Adjusted income from operations for "Others" primarily represents the impact of certain under or over-absorption of overhead, and allowance for credit losses, which are not allocated to the Company's segments for management's internal reporting purposes.

Revenues and adjusted income from operations for each of the Company's segments for the three months ended March 31, 2023 were as follows:

	Net revenues			AOI
	Data-Tech-AI	Digital operations	Total	
Financial Services	127,243	171,244	298,487	45,577
Consumer and Healthcare	177,832	207,785	385,617	56,331
High Tech and Manufacturing	180,158	225,057	405,215	64,291
Net revenues	485,233	604,086	1,089,319	
Business held for sale (refer to Note (a) below and Note 8)			(490)	1,201
Net revenues (excluding business held for sale - refer to Note (a) below and Note 8)			1,088,829	
Others*				11,592
Total AOI				178,992
Stock-based compensation				(19,704)
Amortization and impairment of acquired intangible assets (other than included above)				(8,143)
Foreign exchange gains (losses), net				(1,040)
Interest income (expense), net				(9,627)
Operating loss from the business classified as held for sale (refer to Note (a) below and Note 8)				(1,201)
Loss on the sale of business classified as held for sale (refer to Note (a) below and Note 8)				(802)
Income tax expense				(32,374)
Net income				106,101

(a) During the second quarter of 2022, the Company's management approved a plan to divest a business that comprised part of the Company's Consumer and Healthcare segment. The revenues and associated operating losses attributable to this business, including a loss on the sale of business recorded in the quarter ended March 31, 2023, have been excluded from the computation of adjusted operating income margin with effect from April 1, 2022, as management believes that excluding these items provides useful information about the Company's financial performance and underlying business trends.

*With effect from January 1, 2023, the Company has modified the items that are allocated to the Company's reportable segments for the purpose of evaluating segment performance, and the Company now allocates by segment certain foreign exchange gains/(losses) (to the extent included in income from operations) and unallocated resource costs. Segment results after such allocation are reviewed by the CODM to evaluate segment performance. Prior to January 1, 2023, the CODM evaluated the performance of reportable segment revenue and adjusted income from operations after excluding these items, which were previously included under "Others." Adjusted income from operations for "Others" primarily represents the impact of certain under or over-absorption of overhead, and allowance for credit losses, which are not allocated to the Company's segments for management's internal reporting purposes.

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20. Net revenues

Disaggregation of revenue

In the following table, the Company's revenue is disaggregated by the nature of services provided:

	Three months ended March 31,	
	2022	2023
Data-Tech-AI	\$ 466,746	\$ 485,233
Digital Operations	601,697	604,086
Net revenues	\$ 1,068,443	\$ 1,089,319

All three of the Company's segments include revenue from both Data-Tech-AI and Digital Operations. See Note 19 for additional information.

During the second quarter of 2022, the Company's management modified the manner in which it disaggregates revenue for reporting and internal tracking purposes, and the Company now reports revenue disaggregated by the nature of services provided to the client, namely either Data-Tech-AI or Digital Operations. Prior to the second quarter of 2022, the Company disaggregated its revenue as revenue from the General Electric Company (GE) or revenue from Global Clients (other than GE).

Contract balances

Accounts receivable include amounts for services that the Company has performed but for which payment has not been received. The Company typically follows a 30-day billing cycle and, as such, at any point in time may have accrued up to 30 days of revenues that have not been billed. The Company has determined that in instances where the timing of revenue recognition differs from the timing of invoicing, the related contracts generally do not include a significant financing component. Refer to Note 4 for details on the Company's accounts receivable and allowance for credit losses.

The following table shows the details of the Company's contract balances:

	As of December 31, 2022		As of March 31, 2023	
Contract assets (Note a)	\$	18,347	\$	16,127
Contract liabilities (Note b)				
Deferred transition revenue	\$	128,726	\$	118,110
Advance from customers	\$	88,056	\$	81,288

(a) Included in "prepaid expenses and other current assets" and "other assets" in the consolidated balance sheet.

(b) Included in "accrued expenses and other current liabilities" and "other liabilities" in the consolidated balance sheet.

As of December 31, 2022 and March 31, 2023, the Company reclassified certain contract assets amounting to \$2,168 and \$0, respectively, and contract liabilities amounting to \$649 and \$0, respectively, as assets and liabilities held for sale. See Note 8 for additional information.

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20. Net revenues (Continued)

Contract assets represent the contract acquisition fees or other upfront fees paid to a customer. Such costs are amortized over the expected period of benefit and recorded as an adjustment to the transaction price and deducted from revenue. The Company's assessment did not indicate any significant impairment losses on its contract assets for the periods presented.

Contract liabilities include that portion of revenue for which payments have been received in advance from customers. The Company also defers revenues attributable to certain process transition activities for which costs have been capitalized by the Company as contract fulfillment costs. Consideration received from customers, if any, relating to such transition activities is also included as part of contract liabilities. The contract liabilities are included within "Accrued expenses and other current liabilities" and "Other liabilities" in the unaudited consolidated balance sheets. The revenues are recognized as (or when) the performance obligation is fulfilled under the contract with the customer.

Changes in the Company's contract asset and liability balances during the three months ended March 31, 2022 and 2023 were a result of normal business activity and not materially impacted by any other factors.

The amount of revenue recognized during the three months ended March 31, 2022 and 2023 that was included in the Company's contract liabilities balance at the beginning of the period was \$46,625 and \$71,504, respectively.

The following table includes estimated revenue expected to be recognized in the future related to remaining performance obligations as of March 31, 2023:

Particulars	Total	Less than 1 year	1-3 years	3-5 years	After 5 years
Transaction price allocated to remaining performance obligations	\$ 199,398	\$ 147,260	\$ 42,666	\$ 8,951	\$ 521

The following table provides details of the Company's contract cost assets:

Particulars	Three months ended March 31,			
	2022		2023	
	Sales incentive programs	Transition activities	Sales incentive programs	Transition activities
Opening balance	\$ 32,296	\$ 206,498	\$ 34,805	\$ 181,865
Closing balance	30,833	203,939	36,231	166,315
Amortization	6,340	20,538	7,074	23,980

As of December 31, 2022 and March 31, 2023, the Company reclassified certain contract cost assets amounting to \$1,247 and \$0, respectively, to assets held for sale. See Note 8 for additional information.

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21. Other operating (income) expense, net

	Three months ended March 31,	
	2022	2023
Loss on the sale of business classified as held for sale (refer to Note 8)	—	802
Other operating (income) expense	3	(413)
Other operating (income) expense, net	\$ 3	\$ 389

22. Interest income (expense), net

	Three months ended March 31,	
	2022	2023
Interest income	\$ 1,918	\$ 4,926
Interest expense	(14,006)	(14,553)
Interest income (expense), net	\$ (12,088)	\$ (9,627)

23. Income taxes

The Company determines its tax provision for interim periods using an estimate of its annual effective tax rate adjusted for discrete items, if any, that are taken into account in the relevant period. Each quarter, the Company updates its estimate of the annual effective tax rate, and if its estimated tax rate changes, the Company makes a cumulative adjustment.

The following table summarizes activities related to the Company's unrecognized tax benefits for uncertain tax positions for the three months ended March 31, 2023:

	Three months ended March 31, 2023	
Opening balance at January 1	\$	25,430
Increase related to prior year tax positions, including recorded in acquisition accounting		187
Decrease related to prior year tax positions due to lapse of applicable statute of limitation		(65)
Decrease related to settlements with taxing authorities		(170)
Effect of exchange rate changes		86
Closing balance at March 31	\$	25,468

As of December 31, 2022 and March 31, 2023, the Company had unrecognized tax benefits amounting to \$25,430 and \$25,468, respectively, which, if recognized, would impact the Company's effective tax rate.

As of December 31, 2022 and March 31, 2023, the Company had accrued \$2,871 and \$2,995, respectively, in interest and \$374 and \$376, respectively, for penalties relating to unrecognized tax benefits.

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23. Income taxes (Continued)

During the year ended December 31, 2022 and the three months ended March 31, 2023, the Company recognized approximately \$(2,583) and \$34, respectively, in interest related to income taxes.

24. Commitments and contingencies

Capital commitments

As of December 31, 2022 and March 31, 2023, the Company has committed to spend \$17,972 and \$14,170, respectively, under agreements to purchase property, plant and equipment. This amount is net of capital advances paid in respect of these purchases.

Bank guarantees

The Company has outstanding bank guarantees and letters of credit amounting to \$8,050 and \$10,827 as of December 31, 2022 and March 31, 2023, respectively. Bank guarantees are generally provided to government agencies and excise and customs authorities for the purpose of maintaining a bonded warehouse. These guarantees may be revoked if the government agencies suffer any losses or damages through the breach of any of the covenants contained in the agreements governing such guarantees.

Other commitments

Certain units of the Company's Indian subsidiaries are established as Software Technology Parks of India units or Special Economic Zone ("SEZ") units under the relevant regulations issued by the Government of India. These units are exempt from customs and other duties on imported and indigenous capital goods, stores and spares. SEZ units are also exempt from the Goods and Services Tax ("GST") that was introduced in India in 2017. The Company has undertaken to pay taxes and duties, if any, in respect of capital goods, stores, spares and services consumed duty-free, in the event that certain terms and conditions are not fulfilled.

Contingency

(a) In February 2019, there was a judicial pronouncement in India with respect to defined contribution benefit payments interpreting certain statutory defined contribution obligations of employees and employers. It is not currently clear whether the interpretation set out in the pronouncement has retrospective application. If applied retrospectively, the interpretation would result in an increase in contributions payable by the Company for past periods for certain of its India-based employees. There are numerous interpretative challenges concerning the retrospective application of the judgment. Due to such challenges and a lack of interpretive guidance and based on legal advice the Company has obtained on the matter, it is currently impracticable to reliably estimate the timing and amount of any payments the Company may be required to make. Accordingly, the Company plans to obtain further clarity and will evaluate the amount of a potential provision, if any.

(b) The Indian taxing authorities ("ITA") have initiated proceedings to examine the availability of a tax exemption claimed by the Company in respect of exports of services and related refunds under the Indian Goods and Services Tax ("GST") regime and the previous service tax regime. In the second quarter of 2020, the ITA began to challenge or reject the Company's Indian GST and service tax refunds in certain Indian states. In total, refunds of \$28,325 have been denied or challenged by the ITA. Additional refunds may be denied. The Company had requested these refunds pursuant to the tax exemption available for exports under the previous service tax regime as well as the current GST regime in respect of services performed by the Company in India for affiliates and clients outside of India. In denying the refunds, the ITA have taken the position that the services provided are local services, which interpretation, if correct, would make the service tax and GST exemption on exports unavailable to the Company in respect of such services. Additional potentially material challenges and assessments may result from ongoing proceedings related to service tax recovery. The Government of India has issued an administrative circular which supports the Company's position. Further, in the fourth quarter of 2022, the Punjab and Haryana High Court ruled in favor of the Company in respect of this issue. The ITA may appeal the High Court's ruling before the Supreme Court of India. During the first quarter of 2023, the Company's appeals relating to refund rejections of \$23,035 were decided in the Company's favor by a tax appellate authority, which has ordered the ITA to process the Company's GST refunds pursuant to the High Court's earlier ruling. The Company continues to believe that the denial of the refunds claimed pursuant to the service tax and GST exemption is incorrect and that the risk that the liability will materialize is remote. Accordingly, no reserve has been provided as of March 31, 2023.

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24. Commitments and contingencies (Continued)

(c) The ITA have issued assessment orders to certain subsidiaries of the Company seeking to assess income tax on certain transactions that occurred in 2013 and 2015. The Company has received demands for potential tax claims related to these orders in an aggregate amount of \$210,413, including interest through the date of the orders. This amount excludes penalties or interest accrued since the date of the orders. The Company is pursuing appeals before the relevant appellate authorities in respect of these orders. The Income Tax Appellate Tribunal of India (the "Tribunal") has accepted the legal arguments made by the Company and ruled in favor of the Company in relation to a demand of \$99,849 and the corresponding assessment order has been cancelled. The ITA may appeal the Tribunal's ruling before a higher court. Similarly, in respect of the transaction undertaken in 2015, the ITA has attempted to revise a previously closed assessment. During 2022, the Tribunal ruled in favor of the Company denying the ITA's ability to revise the assessment, and the ITA have recently appealed this ruling before the Delhi High Court. In January 2023, notwithstanding the Tribunal's decision in the Company's favor, the tax authorities issued a revised assessment order to the Company, and in March 2023, this assessment order was struck down by the Tribunal. The ITA may appeal this most recent decision of the Tribunal before the Delhi High Court. Based on the foregoing, the Company believes that it is more likely than not that the Company's position will ultimately prevail in respect of these transactions. Accordingly, no reserve has been provided as of March 31, 2023.

(d) In September 2020, the Indian Parliament approved new labor codes including the Code on Social Security, 2020 (the "Code"), which will impact the Company's contributions to its defined benefit plans for employees based in India. The Code has not yet been made effective and the rules for different states are in the process of being framed. The Company will evaluate the impact of the Code on the Company in its financial statements for the period in which the Code becomes effective and the related rules are published.

25. Subsequent events

Dividend

On May 4, 2023, the Company announced that its Board of Directors has declared a dividend for the first quarter of 2023 of \$0.1375 per common share, which is payable on June 26, 2023 to shareholders of record as of the close of business on June 9, 2023. The declaration of any future dividends will be at the discretion of the Board of Directors and subject to Bermuda and other applicable laws.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis is meant to provide material information relevant to an assessment of the financial condition and results of operations of our Company, including an evaluation of the amounts and uncertainties of cash flows from operations and from outside sources, so as to allow investors to better view our Company from management's perspective. The following discussion should be read in conjunction with our consolidated financial statements and the related notes that appear elsewhere in this Quarterly Report on Form 10-Q and in our Annual Report on Form 10-K for the year ended December 31, 2022 and with the information under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2022. In addition to historical information, this discussion includes forward-looking statements and information that involves risks, uncertainties and assumptions, including but not limited to those listed below and under "Risk Factors" in this Quarterly Report on Form 10-Q and our Annual Report on Form 10-K for the year ended December 31, 2022.

Special Note Regarding Forward-Looking Statements

We have made statements in this Quarterly Report on Form 10-Q (the "Quarterly Report") in, among other sections, Part I, Item 2—"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," "will," "would" 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 in Part II, Item 1A—"Risk Factors" in this Quarterly Report on Form 10-Q and Part I, Item 1A—"Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2022. Many of the risks, uncertainties and other factors identified below have been, and may continue to be, amplified by the COVID-19 pandemic.

Forward-looking statements we may make 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, and heightened economic uncertainty and geopolitical tensions;
- expected spending by existing and prospective clients on the types of services we provide;
- 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 effectively price our services and maintain our pricing and employee and asset utilization rates;

- increases in wages in locations where we have operations;
- our ability to hire and retain enough qualified employees to support our operations;
- general inflationary pressures and our ability to share increased costs with our clients;
- our ability to develop and successfully execute our business 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;
- telecommunications or technology disruptions or breaches, natural or other disasters, or medical epidemics or pandemics, including the COVID-19 pandemic;
- deterioration in the global economic environment and its impact on our clients, including the bankruptcy of our clients;
- 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 tax policy changes in India, and our ability to effectively execute our tax planning strategies;
- technological innovation, including AI technology and future uses of generative AI and large language models, and our ability to invest in new technologies and adapt to industry developments at sufficient speed and scale;
- 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 and high tech industries;
- the ongoing conflict between Russia and Ukraine, including any escalation in the conflict, and future actions that may be taken by the United States and other countries in response;
- our ability to successfully consummate or integrate strategic acquisitions or execute divestitures;
- our ability to attract and retain clients and to develop and maintain client relationships on attractive terms;
- our ability to service our defined contribution and benefit plan payment obligations;
- clarification as to the possible retrospective application of a judicial pronouncement in India regarding our defined contribution and benefit plan payment obligations;
- our relationship with the General Electric Company, or GE, and our ability to maintain relationships with former GE businesses;
- financing terms, including the Secured Overnight Financing Rate ("SOFR") 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;
- our ability to successfully implement our new enterprise resource planning system;
- our ability to grow our business and effectively manage growth and international operations while maintaining effective internal controls;
- 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;
- our ability to retain senior management;

- the selling cycle for our client relationships;
- legislation in the United States or elsewhere that restricts or adversely affects demand for our services offshore;
- increasing competition in our industry;
- our ability to protect our intellectual property and the intellectual property of others;
- regulatory, legislative and judicial developments, including the withdrawal of governmental fiscal incentives;
- the international nature of our business;
- 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 Form 10-K, Form 10-Q and Form 8-K reports to the Securities and Exchange Commission (the “SEC”).

Macroeconomic environment

Our results of operations are affected by economic conditions, including macroeconomic conditions, the overall inflationary environment and levels of business confidence. In the first quarter of 2023, there was significant economic and geopolitical uncertainty in many markets around the world, including with respect to wage inflation, the possibility of slowing global economic growth and increased volatility in foreign currency exchange rates, which impacted and may continue to impact our business.

The ongoing conflict between Russia and Ukraine and actions taken by the United States and other countries in response thereto, including the imposition of sanctions, have contributed to supply chain disruption and inflation, regional instability and geopolitical tensions. While we do not have any operations in Russia or Ukraine, it is difficult to anticipate the future impacts of any of the foregoing on our business or our clients’ businesses. To date, we do not believe Russia’s ongoing military action in Ukraine and governmental actions in response thereto have had a material impact on our business, financial position or operations, but we continue to monitor the situation closely.

The COVID-19 pandemic also continues to impact the global economy and the markets in which we operate. In the first quarter of 2023, the pandemic did not have a significant impact on our results. We will continue to assess the impact of the COVID-19 pandemic on the Company and respond accordingly. Our past results may not be indicative of our future performance, and our financial results in future periods, including but not limited to net revenues, income from operations, income from operations margin, net income, earnings per share, and cash flow from operations may differ materially from historical trends.

For additional information about the risks we face in relation to the COVID-19 pandemic and Russia’s invasion of Ukraine, see Part I, Item 1A—“Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2022.

Overview

We are 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 over 119,100 employees serving clients in key industry verticals from more than 35 countries. Our registered office is located at Canon’s Court, 22 Victoria Street, Hamilton HM 12, Bermuda.

In the quarter ended March 31, 2023, we recorded net revenues of \$1,089.3 million, of which \$485.2 million, or 44.5%, was from Data-Tech-AI services, with the remaining 604.1 million, or 55.5%, from Digital Operations services.

Certain Acquisitions

On December 31, 2021, we acquired 100% of the outstanding equity/limited liability company interests in Hoodoo Digital, LLC, a Utah limited liability company, for total purchase consideration of \$66.7 million. This amount represents cash consideration of \$64.4 million, net of cash acquired of \$2.3 million. This acquisition furthered our strategy to fuse experience and process innovation to help clients drive end-to-end digital transformation. Hoodoo's expertise with Adobe Experience Manager and other Adobe applications complements our existing end-to-end client solution that seamlessly integrates digital content, e-commerce, data analytics, and marketing operations. Goodwill arising from the acquisition amounting to \$46.0 million has been allocated among our three reporting units as follows: Financial Services in the amount of \$4.3 million, Consumer and Healthcare in the amount of \$7.3 million and High Tech and Manufacturing in the amount of \$34.4 million, using a relative fair value allocation method. Goodwill arising from this acquisition is deductible for income tax purposes and represents primarily the acquired capabilities and other benefits expected to result from combining the acquired operations with our existing operations.

Critical Accounting Policies and Estimates

For a description of our critical accounting policies and estimates, see Note 2—"Summary of significant accounting policies" under Part I, Item 1—"Unaudited Consolidated Financial Statements" above, as well as Part II, Item 7—"Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates" and Note 2—"Summary of significant accounting policies" under Part IV, Item 15—"Exhibits and Financial Statement Schedules" in our Annual Report on Form 10-K for the year ended December 31, 2022. There have been no material changes to our critical accounting policies and estimates during the three months ended March 31, 2023 from those described in our Annual Report on Form 10-K for the year ended December 31, 2022.

Due to rounding, the numbers presented in the tables included in this "Item 2—Management's Discussion and Analysis of Financial Condition and Results of Operations" may not add up precisely to the totals provided.

Results of Operations

The following table sets forth certain data from our consolidated statements of income for the three months ended March 31, 2022 and 2023.

	Three months ended		Percentage Change
	March 31,		Increase/(Decrease)
	2022	2023	Three months ended March 31, 2023 vs. 2022
	(dollars in millions)		
Data-Tech-AI	\$ 466.7	\$ 485.2	4.0 %
Digital Operations	601.7	604.1	0.4 %
Net revenues	\$ 1,068.4	\$ 1,089.3	2.0 %
Cost of revenue	686.0	719.1	4.8 %
Gross profit	382.5	370.2	(3.2) %
Gross profit margin	35.8 %	34.0 %	
Operating expenses			
Selling, general and administrative expenses	237.3	216.5	(8.8) %
Amortization of acquired intangible assets	11.3	8.3	(27.0) %
Other operating (income) expense, net	0.0	0.4	NM*
Income from operations	133.9	145.1	8.4 %
Income from operations as a percentage of net revenues	12.5 %	13.3 %	
Foreign exchange gains (losses), net	4.3	(1.0)	(124.2) %
Interest income (expense), net	(12.1)	(9.6)	(20.4) %
Other income (expense), net	(0.4)	4.0	(1085.3) %
Income before income tax expense	125.7	138.5	10.2 %
Income tax expense	29.5	32.4	9.7 %
Net income	\$ 96.2	\$ 106.1	10.3 %
Net income as a percentage of net revenues	9.0 %	9.7 %	

*Not Meaningful

Three Months Ended March 31, 2023 Compared to the Three Months Ended March 31, 2022

Net revenues. Our net revenues were \$1,089.3 million in the first quarter of 2023, up \$20.9 million, or 2.0%, from \$1,068.4 million in the first quarter of 2022. The growth in our net revenues was primarily driven by ongoing demand for our Data-Tech-AI services, as well as continued steady performance in our Digital Operations services.

Adjusted for foreign exchange, primarily the impact of changes in the values of the Japanese yen, Australian dollar, euro, Indian rupee and U.K. pound sterling against the U.S. dollar, our net revenues grew 3.8% in the first quarter of 2023 compared to the first quarter of 2022 on a constant currency¹ basis. We provide information about our revenue growth on a constant currency¹ basis so that our revenue may be viewed without the impact of foreign currency exchange rate fluctuations, thereby facilitating period-to-period comparisons of our business performance. Total net revenues on a constant currency¹ basis are calculated by restating current-period activity using the prior fiscal period's foreign currency exchange rates and adjusted for hedging gains/losses.

Our average headcount increased by 4.8% to approximately 119,000 in the first quarter of 2023 from approximately 113,500 in the first quarter of 2022.

	Three months ended March 31,		Percentage Change Increase/(Decrease) 2023 vs. 2022
	2022	2023	
	(dollars in millions)		
Data-Tech-AI	\$ 466.7	\$ 485.2	4.0 %
Digital Operations	601.7	604.1	0.4 %
Net revenues	\$ 1,068.4	\$ 1,089.3	2.0 %

Net revenues from Data-Tech-AI services in the first quarter of 2023 were \$485.2 million, up \$18.5 million, or 4.0%, from \$466.7 million in the first quarter of 2022. This increase was largely driven by continued growth in our cloud-based data and analytics solutions across our focus areas of supply chain management, sales and commercial, and risk management in the first quarter of 2023 compared to the first quarter of 2022.

Net revenues from Digital Operations services in the first quarter of 2023 were \$604.1 million, up \$2.4 million, or 0.4%, from \$601.7 million in the first quarter of 2022, primarily due to deal ramp-ups from existing contracts and recent wins.

Revenues by segment were as follows:

	Three months ended March 31,		Percentage Change Increase/(Decrease) 2023 vs. 2022
	2022	2023	
	(dollars in millions)		
Financial Services	\$ 274.4	\$ 298.5	8.8 %
Consumer and Healthcare	401.6	385.6	(4.0) %
High Tech and Manufacturing	392.4	405.2	3.3 %
Net revenue	1,068.4	1,089.3	2.0 %
Business held for sale	—	(0.5)	(100.0) %
Net revenues (excluding business held for sale)	\$ 1,068.4	\$ 1,088.8	1.9 %

¹ Revenue growth on a constant currency basis is a non-GAAP measure and is calculated by restating current-period activity using the prior fiscal period's foreign currency exchange rates adjusted for hedging gains/losses in such period.

Net revenues from our Financial Services segment increased by 8.8% in the first quarter of 2023 compared to the first quarter of 2022, largely due to continued strong demand from both traditional banks and other financial services clients for our risk management services, which leverage data and analytics. Net revenues from our Consumer and Healthcare segment decreased by 4.0% in the first quarter of 2023 compared to the first quarter of 2022, largely driven by lengthening large deal cycles, lower Data-Tech-AI services revenue and the impact of our recent divestiture of the business that was previously classified as held for sale. Net revenues from our High Tech and Manufacturing segment increased by 3.3% in the first quarter of 2023 compared to the first quarter of 2022, largely driven by new deal ramp-ups, partially offset by a change in the deal scope for a large client. Net revenues from "Business held for sale" in the table above represents revenues from the business classified as held for sale with effect from April 1, 2022 as part of a series of actions we took in 2022 to focus our business on emerging solutions where we see the greatest opportunities for growth and to deprioritize assets that no longer fit with our long-term strategy. For additional information, see Note 8—"Assets and liabilities held for sale" under Part I, Item 1—"Unaudited Consolidated Financial Statements" above.

With effect from January 1, 2023, we have modified the items that are allocated to the Company's reportable segments for the purpose of evaluating segment performance, and we now allocate by segment certain foreign exchange gains/(losses) (to the extent included in income from operations) and unallocated resource costs. Segment results after such allocation are reviewed by the Chief Operating Decision Maker ("CODM") to evaluate segment performance. Prior to January 1, 2023, the CODM evaluated the performance of reportable segment revenue after excluding these items, which were previously included under "Others." Accordingly, we have recast the segment revenue of our reportable segments for the three months ended March 31, 2022 to present comparable segment information. For additional information, see Note 19—"Segment reporting" under Part I, Item 1—"Unaudited Consolidated Financial Statements" above.

Cost of revenue. Cost of revenue was \$719.1 million in the first quarter of 2023, up \$33.1 million, or 4.8%, from \$686.0 million in the first quarter of 2022. The increase in cost of revenue in the first quarter of 2023 compared to the first quarter of 2022 was primarily due to (i) an increase in our operational headcount to support revenue growth, (ii) higher talent replacement costs as well as wage inflation, (iii) higher travel related expenses, and (iv) a higher than normal severance expense recorded in the first quarter of 2023. This increase was partially offset by a decrease in consulting expense, and depreciation and amortization expense in the first quarter of 2023 compared to the first quarter of 2022.

Gross margin. Our gross margin decreased from 35.8% in the first quarter of 2022 to 34.0% in the first quarter of 2023. The decrease in gross margin was primarily due to higher talent replacement costs, higher wage inflation, higher travel related expenses, and a higher severance expense recorded in the first quarter of 2023. This increase in costs was partially offset by lower depreciation and amortization expense, higher gains on foreign currency exchange and increased productivity due to improved utilization of our Data-Tech-AI resources in the first quarter of 2023 compared to the first quarter of 2022.

Selling, general and administrative (SG&A) expenses. SG&A expenses as a percentage of total net revenues decreased from 22.2% in the first quarter of 2022 to 19.9% in the first quarter of 2023. SG&A expenses were \$216.5 million in the first quarter of 2023, down \$20.8 million, or (8.8)%, from \$237.3 million in the first quarter of 2022. The decrease in SG&A expenses was primarily due to the timing of our sales and marketing and research and development investments, which we expect to ramp up during the remainder of 2023, as well as general operating leverage in the first quarter of 2023 compared to the first quarter of 2022, partially offset by an increase in travel related expenses.

Amortization of acquired intangibles. Amortization of acquired intangibles was \$8.3 million in the first quarter of 2023, down \$3.1 million, or 27.0%, from \$11.3 million in the first quarter of 2022. This decrease was primarily due to the completion of useful lives of intangibles acquired in prior periods.

Other operating (income) expense, net. Other operating expense (net of income) was \$0.4 million in the first quarter of 2023, compared to other operating income (net of expense) of \$0.0 million in the first quarter of 2022. The change in other operating income/expense was primarily due to the loss of \$0.8 million incurred on the sale of the business in the first quarter of 2023 previously classified as held for sale, while no such loss was recorded in the first quarter of 2022. For additional information, see Note 8—"Assets and liabilities held for sale" under Part I, Item 1—"Unaudited Consolidated Financial Statements" above.

Income from operations. As a result of the foregoing factors, income from operations as a percentage of total net revenues increased from 12.5% in the first quarter of 2022 to 13.3% in the first quarter of 2023. Income from operations increased by \$11.2 million from \$133.9 million in the first quarter of 2022 to \$145.1 million in the first quarter of 2023, primarily due to lower SG&A expenses and lower amortization of acquired intangible assets, partially offset by higher cost of revenue in the first quarter of 2023 compared to the first quarter of 2022.

Foreign exchange gains (losses), net. We recorded a net foreign exchange loss of \$1.0 million in the first quarter of 2023 compared to the net foreign exchange gain of \$4.3 million in the first quarter of 2022.

The loss in the first quarter of 2023 resulted primarily from the appreciation of the Costa Rican colon against the U.S. dollar. The gain in the first quarter of 2022 resulted primarily from the depreciation of the Indian rupee against the U.S. dollar.

Interest income (expense), net. Our interest expense (net of interest income) was \$9.6 million in the first quarter of 2023, down \$2.5 million from \$12.1 million in the first quarter of 2022, primarily due to a \$3.0 million increase in interest income, partially offset by a \$0.5 million increase in interest expense. Our interest income increased from \$1.9 million in the first quarter of 2022 to \$4.9 million in the first quarter of 2023 primarily due to higher interest rates in the first quarter of 2023 compared to the first quarter of 2022. The increase in interest expense was largely due to (i) a higher drawdown of our revolving credit facility and a higher average benchmark-based rate on our revolving credit facility and term loan, partially offset by higher gains on interest rate swaps in the first quarter of 2023 compared to the first quarter of 2022, which we discuss in the section titled “Liquidity and Capital Resources—Financial Condition” below, and (ii) higher interest expense related to receivables sold under our revolving accounts receivable-based facilities in the first quarter of 2023. This increase in interest expense was partially offset by the impact of the repayment in the second quarter of 2022 of our \$350 million aggregate principal amount of 3.70% senior notes, which were issued in March 2017. The weighted average rate of interest on our debt, including the net impact of interest rate swaps, increased from 2.9% in the first quarter of 2022 to 3.3% in the first quarter of 2023.

Other income (expense), net. Our other income (net of expense) was \$4.0 million in the first quarter of 2023 compared to other expense (net of income) of \$0.4 million in the first quarter of 2022. This change was primarily due to gains on changes in the fair value of assets in our deferred compensation plan in the first quarter of 2023 compared to losses on changes in the fair value of assets in our deferred compensation plan in the first quarter of 2022.

Income tax expense. Our income tax expense was \$32.4 million in the first quarter of 2023, up from \$29.5 million in the first quarter of 2022, due to higher pre-tax income, representing an effective tax rate (“ETR”) of 23.4% in the first quarter of 2023, largely consistent with the first quarter of 2022.

Net income. As a result of the foregoing factors, net income as a percentage of total net revenues was 9.7% in the first quarter of 2023, up from 9.0% in the first quarter of 2022. Net income increased from \$96.2 million in the first quarter of 2022 to \$106.1 million in the first quarter of 2023, primarily due to higher income from operations and higher interest income in the first quarter of 2023 compared to the first quarter of 2022. The increase in net income is offset by a net foreign exchange loss in the first quarter of 2023 compared to a net foreign exchange gain in the first quarter of 2022.

Adjusted income from operations. Adjusted income from operations (“AOI”) increased by \$19.0 million from \$160.0 million in the first quarter of 2022 to \$179.0 million in the first quarter of 2023. Our AOI margin increased from 15.0% in the first quarter of 2022 to 16.4% in the first quarter of 2023, largely due to the timing of our sales and marketing and research and development investments, which we expect to ramp up during the remainder of 2023, as well as general operating leverage in the first quarter of 2023. AOI and associated AOI margin for the first quarter of 2022 also included the loss from the business designated as held for sale that was sold in the first quarter of 2023, while such loss was excluded from our AOI margin in the first quarter of 2023.

AOI is a non-GAAP measure and is not based on any comprehensive set of accounting rules or principles and should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP, and may be different from non-GAAP financial measures used by other companies. We believe that presenting AOI together with our reported results can provide useful supplemental information to our investors and management regarding financial and business trends relating to our financial condition and results of operations. A limitation of using AOI versus net income calculated in accordance with GAAP is that AOI excludes certain recurring costs and certain other charges, namely stock-based compensation and amortization of acquired intangibles. We compensate for this limitation by providing specific information on the GAAP amounts excluded from AOI.

We calculate AOI as net income, excluding (i) stock-based compensation, (ii) amortization and impairment of acquired intangible assets, (iii) acquisition-related expenses excluded in the period in which an acquisition is consummated, (iv) foreign exchange (gains)/losses, (v) any loss or gain from businesses held for sale, including impairment charges, (vi) restructuring expenses, (vii) interest (income) expense, and (viii) income tax expense, as we believe that our results after taking into account these adjustments more accurately reflect our ongoing operations. For additional information, see Note 19—“Segment reporting” under Part I, Item 1—“Unaudited Consolidated Financial Statements” above.

During the second quarter of 2022, management approved a plan to divest a business that was a part of our Consumer and Healthcare segment, which divestiture was completed in the first quarter of 2023. As a result, we classified the assets and liabilities of this business as held for sale and have recorded net revenues and an operating loss of \$0.5 million and \$1.2 million, respectively, for the first quarter of 2023.

We also recorded a loss of \$0.8 million in the first quarter of 2023 on the sale of the business previously classified as held for sale. The operating loss and loss on the sale of the business previously classified as held for sale were excluded from AOI in the first quarter of 2023. There were no corresponding losses in the first quarter of 2022, as this business was not designated as held for sale during such period. For additional information, see Note 8—“Assets and liabilities held for sale” and Note 19—“Segment reporting” under Part I, Item 1—“Unaudited Consolidated Financial Statements” above.

The following table shows the reconciliation of AOI to net income, the most directly comparable GAAP measure, for the three months ended March 31, 2022 and 2023:

	Three months ended March 31,	
	2022	2023
	(dollars in millions)	
Net income	\$ 96.2	\$ 106.1
Foreign exchange (gains) losses, net	(4.3)	1.0
Interest (income) expense, net	12.1	9.6
Income tax expense	29.5	32.4
Stock-based compensation	15.3	19.7
Amortization and impairment of acquired intangible assets	11.3	8.1
Operating loss from the business classified as held for sale	—	1.2
Loss on the sale of business classified as held for sale	—	0.8
Adjusted income from operations	\$ 160.0	\$ 179.0

The following table sets forth our AOI by segment for the three months ended March 31, 2022 and 2023:

	Three months ended March 31,		Percentage Change Increase/(Decrease)
	2022	2023	2023 vs. 2022
	(dollars in millions)		
Financial Services	\$ 26.5	\$ 45.6	72.2 %
Consumer and Healthcare	55.3	56.3	1.9 %
High Tech and Manufacturing	70.1	64.3	(8.3) %
Others	8.2	11.6	41.9 %
Operating loss from the business classified as held for sale	—	1.2	100.0 %
Adjusted income from operations	\$ 160.0	\$ 179.0	11.9 %

AOI of our Financial Services segment increased to \$45.6 million in the first quarter of 2023 from \$26.5 million in the first quarter of 2022, primarily due to higher revenues, improved efficiency and an additional benefit from the allocation of foreign currency gains. Additionally, in the first quarter of 2022 we made certain investments in additional resources for new deals. AOI of our Consumer and Healthcare segment increased to \$56.3 million in the first quarter of 2023 from \$55.3 million in the first quarter of 2022, largely due to the exclusion from the segment AOI of the operating loss from the business classified as held for sale in the first quarter of 2023, compared to the inclusion of such loss in the segment AOI in the first quarter of 2022 and an additional benefit from the allocation of foreign currency gains, partially offset by wage inflation and higher talent replacement costs. AOI of our High Tech and Manufacturing segment decreased to \$64.3 million in the first quarter of 2023 from \$70.1 million in the first quarter of 2022, primarily driven by lower growth in revenue from digital operations services and investments made in certain client deals, partially offset by higher revenues, improved efficiency and an additional benefit from the allocation of foreign currency gains. With effect from January 1, 2023, we modified the items that are allocated to the Company's reportable segments for the purpose of evaluating segment performance, and we now allocate by segment certain foreign exchange gains/(losses) (to the extent included in income from operations) and unallocated resource costs. Segment results after such allocation are reviewed by the CODM to evaluate segment performance.

Prior to January 1, 2023, the CODM evaluated the performance of reportable segment adjusted income from operations after excluding these items, which were previously included under "Others." Accordingly, we have recast the segment adjusted income from operations of our reportable segments for the three months ended March 31, 2022 to present comparable segment information. AOI for "Others" in the table above primarily represents the impact of certain under or over-absorption of overhead, and allowance for credit losses, which are not allocated to our segments for management's internal reporting purposes. See Note 19—"Segment reporting" and Note 8—"Assets and liabilities held for sale" under Part I, Item 1—"Unaudited Consolidated Financial Statements" above.

Liquidity and Capital Resources

Overview

Information about our financial position as of December 31, 2022 and March 31, 2023 is presented below:

	As of December 31, 2022	As of March 31, 2023	Percentage Change Increase/(Decrease)
	(dollars in millions)		2023 vs. 2022
Cash and cash equivalents	\$ 646.8	\$ 552.3	(14.6)%
Short-term borrowings	151.0	180.0	19.2 %
Long-term debt due within one year	26.1	26.1	— %
Long-term debt other than the current portion	1,249.2	1,242.9	(0.5)%
Genpact Limited total shareholders' equity	\$ 1,826.2	\$ 1,925.3	5.4 %

*Not Meaningful

Financial Condition

We have historically financed our operations and our expansion, including acquisitions, with cash from operations and borrowing facilities.

On February 10, 2022, our board of directors approved a 16% increase in our quarterly cash dividend to \$0.125 per share, up from \$0.1075 per share in 2021, representing an annual dividend of \$0.50 per common share, up from \$0.43 per share in 2021, payable to holders of our common shares. On March 23, 2022, we paid a dividend of \$0.125 per share, amounting to \$23.1 million in the aggregate, to shareholders of record as of March 10, 2022.

On February 9, 2023, our board of directors approved a 10% increase in our quarterly cash dividend to \$0.1375 per share, up from \$0.125 per share in 2022, representing a planned annual dividend of \$0.55 per common share, up from \$0.50 per common share in 2022, payable to holders of our common shares. On March 24, 2023, we paid a dividend of \$0.1375 per share, amounting to \$25.3 million in the aggregate, to shareholders of record as of March 10, 2023.

As of March 31, 2023, \$549.6 million of our \$552.3 million in cash and cash equivalents was held by our foreign (non-Bermuda) subsidiaries. \$4.3 million of this cash was held by foreign subsidiaries for which we expect to incur and have accrued a deferred tax liability on the repatriation of \$9.5 million of retained earnings. \$545.3 million of the cash and cash equivalents is held by foreign subsidiaries in jurisdictions where no tax is expected to be imposed upon repatriation of retained earnings or is being indefinitely reinvested.

The total authorization under our existing share repurchase program is \$2,250.0 million, of which \$594.9 million remained available as of March 31, 2023. Since our share repurchase program was initially authorized in 2015, we have repurchased 52,794,887 of our common shares at an average price of \$31.35 per share, for an aggregate purchase price of \$1,655.1 million.

During the three months ended March 31, 2023, we repurchased 630,605 of our common shares on the open market at a weighted average price of \$47.57 per share for an aggregate cash amount of \$30.0 million. During the three months ended March 31, 2022, we repurchased 1,630,533 of our common shares on the open market at a weighted average price of \$46.61 per share for an aggregate cash amount of \$76.0 million. All repurchased shares have been retired.

For additional information, see Note 17—"Capital stock" under Part I, Item 1—"Unaudited Consolidated Financial Statements" above.

We expect that for the next twelve months and for the foreseeable future our cash from operations, cash reserves and debt capacity will be sufficient to finance our operations, our growth and expansion plans, dividend payments and additional share repurchases we may make under our share repurchase program. In addition, we may raise additional funds through public or private debt or equity financing. Our working capital needs are primarily to finance our payroll and other administrative and information technology expenses in advance of the receipt of accounts receivable. Our primary capital requirements include opening new delivery centers, expanding existing operations to support our growth, financing acquisitions and enhancing capabilities, including building certain digital solutions.

Cash flows from operating, investing and financing activities, as reflected in our consolidated statements of cash flows, are summarized in the following table:

	Three months ended March 31,		Percentage
	2022	2023	Change Increase/(Decrease) 2023 vs. 2022
	(dollars in millions)		
Net cash provided by/(used for):			
Operating activities	\$ (114.3)	\$ (34.1)	(70.2) %
Investing activities	(17.8)	(33.6)	89.1 %
Financing activities	101.5	(41.2)	(140.7) %
Net increase/(decrease) in cash and cash equivalents	\$ (30.6)	\$ (108.9)	255.9 %

Cash flows used for operating activities. Net cash used by operating activities was \$34.1 million in the three months ended March 31, 2023 compared to \$114.3 million in the three months ended March 31, 2022. The decrease in cash used for operating activities was primarily due to (i) a \$9.9 million increase in net income in the three months ended March 31, 2023 compared to the three months ended March 31, 2022 and (ii) a \$71.8 million decrease in operating assets and liabilities driven by lower investments in accounts receivable in the three months ended March 31, 2023 compared to the three months ended March 31, 2022, lower tax and vendor related payments, partially offset by advance payments of statutory employee-related contributions in India in the three months ended March 31, 2023 compared to the three months ended March 31, 2022. This decrease in cash used for operating activities was partially offset by a \$1.5 million reduction in non-cash expense in the three months ended March 31, 2023 compared to the three months ended March 31, 2022.

Cash flows used for investing activities. Our net cash used for investing activities was \$33.6 million in the three months ended March 31, 2023 compared to \$17.8 million in the three months ended March 31, 2022. Cash used for the business previously classified as held for sale was \$19.5 million and cash used for business combinations was \$0.7 million in the three months ended March 31, 2023, while we made no corresponding payments in 2022. Cash used for payments (net of sales proceeds) for the purchase of property, plant and equipment and acquired/internally generated intangible assets was \$4.4 million lower in the three months ended March 31, 2023 than in the three months ended March 31, 2022.

Cash flows provided by/used for financing activities. Our net cash used for financing activities was \$41.2 million in the three months ended March 31, 2023 compared to cash generated from financing activities of \$101.5 million in the three months ended March 31, 2022. This change was primarily due to (i) the lower proceeds from borrowings (net of repayment), amounting to \$22.4 million in the three months ended March 31, 2023 compared to \$241.5 million in the three months ended March 31, 2022, (ii) higher dividend payments, amounting to \$25.3 million in the three months ended March 31, 2023 compared to \$23.1 million in the three months ended March 31, 2022, (iii) a payment of earn-out consideration amounting to \$2.4 million in the three months ended March 31, 2023 with no corresponding payment in the three months ended March 31, 2022, (iv) a decrease in payments for the net settlement of stock-based awards, amounting to \$18.2 million in the three months ended March 31, 2023 compared to \$41.9 million in the three months ended March 31, 2022, (v) lower payments for stock purchased and retired (including payments of expenses related to stock repurchase activity), amounting to \$30.0 million in the three months ended March 31, 2023 compared to \$76.0 million in the three months ended March 31, 2022, and (vi) an increase in proceeds from the issuance of common shares under our stock-based compensation plans, amounting to \$15.9 million in the three months ended March 31, 2023 compared to \$3.3 million in the three months ended March 31, 2022.

Financing Arrangements

In December 2022, we entered into an amended and restated credit agreement (the "2022 Credit Agreement") with Genpact USA, Inc. ("Genpact USA"), Genpact Global Holdings (Bermuda) Limited ("GGH") and Genpact Luxembourg S.à r.l. ("Genpact Luxembourg", and together with Genpact USA and GGH, the "Borrowers"), as borrowers, Wells Fargo Bank, National Association ("Wells Fargo"), as administrative agent, swingline lender and issuing bank, and the lenders and other parties thereto, which consists of a \$530.0 million term loan and a \$650.0 million revolving credit facility. An additional third-party fee paid in connection with the 2022 Credit Agreement is being amortized over the term of the term loan and revolving credit facility, which expire on December 13, 2027. In connection with our entry into the 2022 Credit Agreement, we terminated our existing credit facility under our amended and restated credit agreement entered into in August 2018 (the "2018 Credit Agreement") with the Borrowers, as borrowers, Wells Fargo, as administrative agent, and the lenders and other financial institutions party thereto, which was comprised of a \$680.0 million term loan and a \$500.0 million revolving credit facility. The 2022 Credit Agreement replaces the 2018 Credit Agreement.

The 2022 Credit Agreement is guaranteed by us and certain of our subsidiaries. The obligations under the 2022 Credit Agreement are unsecured.

The outstanding balance of the term loan under the 2018 Credit Agreement as of the date of the 2022 Credit Agreement was \$527.0 million. The term loan and the revolving credit facility under the 2022 Credit Agreement have a term of five years and expire on December 13, 2027. The 2022 Credit Agreement did not result in a substantial modification of \$290.9 million of the outstanding term loan under the 2018 Credit Agreement. As a result of the 2022 Credit Agreement, we extinguished \$236.1 million of funding arrangements for the outstanding term loan under the 2018 Credit Agreement and obtained funding from new lenders of \$239.1 million, resulting in outstanding principal of \$530.0 million of the term loan under the 2022 Credit Agreement. In connection with the 2022 Credit Agreement, we expensed \$0.1 million, representing partial acceleration of the amortization of the existing unamortized debt issuance costs and an additional fee paid to our lenders related to the term loan under the 2022 Credit Agreement. The overall borrowing capacity under the revolving credit facility under the 2022 Credit Agreement is \$650.0 million, an increase from \$500.0 million under the 2018 Credit Agreement. In connection with the 2022 Credit Agreement, we expensed \$0.1 million relating to existing unamortized debt issuance cost. The remaining unamortized costs and an additional third-party fee paid in connection with the 2022 Credit Agreement will be amortized over the term of the facility, which will expire on December 13, 2027.

Borrowings under the 2022 Credit Agreement bear interest at a rate equal to, at our election, either Adjusted Term SOFR (which is the rate per annum equal to (a) Term SOFR (the forward-looking secured overnight financing rate) plus (b) a Term SOFR Adjustment of 0.10% per annum, but in no case lower than 0.00%) plus an applicable margin equal to 1.375% per annum or a base rate plus an applicable margin equal to 0.375% per annum, in each case subject to adjustment based on the Borrowers' debt ratings provided by Standard & Poor's Rating Services and Moody's Investors Service, Inc. from time to time (the "Debt Ratings"). The revolving credit commitments under the 2022 Credit Agreement are subject to a commitment fee equal to 0.20% per annum, subject to adjustment based on the Debt Ratings. The commitment fee accrues on the actual daily amount by which the aggregate revolving commitments exceed the sum of outstanding revolving loans and letter of credit obligations.

The 2022 Credit Agreement restricts certain payments, including dividend payments, if there is an event of default under the 2022 Credit Agreement or if we are not, or after making the payment would not be, in compliance with certain financial covenants contained in the 2022 Credit Agreement. These covenants require us to maintain a net debt to EBITDA leverage ratio of less than 3x and an interest coverage ratio of more than 3x. During the period ended March 31, 2023, we were in compliance with the terms of the 2022 Credit Agreement, including all of the financial covenants therein. Our retained earnings are not subject to any restrictions on availability to make dividend payments to shareholders, subject to compliance with the financial covenants described above that are contained in the 2022 Credit Agreement.

As of December 31, 2022 and March 31, 2023, our outstanding term loan, net of debt amortization expense of \$1.6 million and \$1.5 million, respectively, was \$528.4 million and \$521.8 million, respectively. We also have fund-based and non-fund based credit facilities with banks, which are available for operational requirements in the form of overdrafts, letters of credit, guarantees and short-term loans. As of December 31, 2022 and March 31, 2023, the limits available under such facilities were \$22.9 million and \$22.9 million, respectively, of which \$5.4 million and \$8.2 million, respectively, was utilized, constituting non-funded drawdown. As of December 31, 2022 and March 31, 2023, a total of \$153.7 million and \$182.7 million, respectively, of our revolving credit facility was utilized, of which \$151.0 million and \$180.0 million, respectively, constituted funded drawdown and \$2.7 million and \$2.7 million, respectively, constituted non-funded drawdown. Our outstanding term loan and revolving credit facility expire on December 13, 2027.

We manage a portion of our interest rate risk related to floating rate indebtedness by entering into interest rate swaps under which we receive floating rate payments based on the greater of Term SOFR and the floor rate under our

term loan and make payments based on a fixed rate. As of March 31, 2023, we were party to interest rate swaps covering a total notional amount of \$425 million. Under these swap agreements, the rate that we pay to banks in exchange for Term SOFR ranges between 0.15% and 2.58%.

Genpact Luxembourg issued \$400 million aggregate principal amount of 3.375% senior notes in November 2019 (the "2019 Senior Notes"). The 2019 Senior Notes are fully guaranteed by the Company and Genpact USA, Inc. The total debt issuance cost of \$2.9 million incurred in connection with the 2019 Senior Notes offering is being amortized over the life of the notes as additional interest expense. As of December 31, 2022 and March 31, 2023, the amount outstanding under the 2019 Senior Notes, net of debt amortization expense of \$1.1 million and \$1.0 million, was \$398.9 million and \$399.0 million, respectively, which is payable on December 1, 2024.

Genpact Luxembourg and Genpact USA, both wholly-owned subsidiaries of the Company, co-issued \$350 million aggregate principal amount of 1.750% senior notes in March 2021 (the "2021 Senior Notes"). The 2021 Senior Notes are fully guaranteed by the Company. The total debt issuance cost of \$3.0 million incurred in connection with the 2021 Senior Notes offering is being amortized over the life of the notes as additional interest expense. As of December 31, 2022 and March 31, 2023, the amount outstanding under the 2021 Senior Notes, net of debt amortization expense of \$2.0 million and \$1.8 million, respectively, was \$348.0 million and \$348.2 million, respectively, which is payable on April 10, 2026.

We pay interest on (i) the 2019 Senior Notes semi-annually in arrears on June 1 and December 1 of each year, and (ii) the 2021 Senior Notes semi-annually in arrears on April 10 and October 10 of each year, ending on the maturity dates of December 1, 2024 and April 10, 2026, respectively.

For additional information, see Notes 11 and 12—"Short-term borrowings" and "Long-term debt" under Part I, Item 1—"Unaudited Consolidated Financial Statements" above.

We use a revolving accounts receivable-based facility for managing our cash flows. As part of this arrangement, accounts receivable sold under this facility are de-recognized upon sale along with the related allowances, if any. As of December 31, 2022 and March 31, 2023, we have a revolving accounts receivable-based facility of \$100.0 million permitting us to sell accounts receivable to banks on a non-recourse basis in the ordinary course of business. The aggregate maximum capacity utilized at any time during the period ended December 31, 2022 and March 31, 2023 was \$33.0 million and \$42.9 million, respectively. The principal amount outstanding against this facility as of December 31, 2022 and March 31, 2023 was \$33 million and \$42.9 million, respectively. The cost of factoring accounts receivable sold under this facility during the three months ended March 31, 2022 and 2023 was \$0.0 million and \$0.5 million, respectively.

Off-Balance Sheet Arrangements

Our off-balance sheet arrangements consist of foreign exchange contracts. For additional information, see Part I, Item 1A—"Risk Factors"—"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" in our Annual Report on Form 10-K for the year ended December 31, 2022, and Note 6—"Derivative financial instruments" under Part I, Item 1—"Unaudited Consolidated Financial Statements" above.

Other Liquidity and Capital Resources Information

As of December 31, 2022 and March 31, 2023, we have purchase commitments, net of capital advances, of \$18.0 million and \$14.2 million, respectively, to be paid in respect of such purchases over the next year. For additional information, see Note 24—"Commitments and contingencies" under Part I, Item 1—"Unaudited Consolidated Financial Statements" above and Part II, Item 7—"Management's Discussion and Analysis of Financial Condition and Results of Operations"—"Other Liquidity and Capital Resources Information" in our Annual Report on Form 10-K for the year ended December 31, 2022.

As of December 31, 2022 and March 31, 2023, we have operating and finance lease commitments of \$330.1 million and \$309.0 million, respectively, to be paid over the lease terms. For additional information, see Part II, Item 7—"Management's Discussion and Analysis of Financial Condition and Results of Operations"—"Other Liquidity and Capital Resources Information" in our Annual Report on Form 10-K for the year ended December 31, 2022.

Supplemental Guarantor Financial Information

As discussed in Note 12, "Long-term debt," under Part I, Item 1—"Unaudited Consolidated Financial Statements" above, Genpact Luxembourg issued the 2019 Senior Notes, and Genpact Luxembourg and Genpact USA co-issued the 2021 Senior Notes. As of March 31, 2023, the outstanding balance for the 2019 Senior Notes and the 2021 Senior Notes (collectively, the "Senior Notes") was \$399.0 million and \$348.2 million, respectively. Each series of Senior Notes is fully and unconditionally guaranteed by the Company. The 2019 Senior Notes are fully and unconditionally guaranteed by Genpact USA. Our other subsidiaries do not guarantee the Senior Notes (such subsidiaries are referred to as the "non-Guarantors").

The Company (with respect to both series of Senior Notes) and Genpact USA (with respect to the 2019 Senior Notes) have fully and unconditionally guaranteed (i) that the payment of the principal, premium, if any, and interest on the Senior Notes shall be promptly paid in full when due, whether at stated maturity of the Senior Notes, by acceleration, redemption or otherwise, and that the payment of interest on the overdue principal and interest on the Senior Notes, if any, if lawful, and all other obligations of the applicable issuer or issuers of the Senior Notes, respectively, to the holders of the Senior Notes or the trustee under the Senior Notes shall be promptly paid in full or performed, and (ii) in case of any extension of time of payment or renewal of any Senior Notes or any of such other obligations, that the same shall be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. With respect to the 2019 Senior Notes, failing payment by Genpact Luxembourg when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Company and Genpact USA shall be obligated to pay the same immediately. With respect to the 2021 Senior Notes, failing payment by Genpact Luxembourg or Genpact USA when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Company shall be obligated to pay the same immediately. The Company and Genpact USA have agreed that the guarantees described above are guarantees of payment of the Senior Notes and not guarantees of collection.

The following tables present summarized financial information for Genpact Luxembourg, Genpact USA and the Company (collectively, the "Debt Issuers and Guarantors") on a combined basis after elimination of (i) intercompany transactions and balances among the Debt Issuers and Guarantors and (ii) equity in earnings from and investments in the non-Guarantors.

Summarized Statements of Income	Year ended	Three months ended
	December 31, 2022	March 31, 2023
	(dollars in millions)	
Net revenues	\$ 141.3	\$ 43.1
Gross profit	141.3	43.1
Net income	72.3	22.9

Below is a summary of transactions with non-Guarantors included in the summarized statement of income above:

	Year ended	Three months ended
	December 31, 2022	March 31, 2023
	(dollars in millions)	
Royalty income	\$ —	\$ —
Revenue from services	141.3	43.1
Interest income (expense), net	36.9	12.0
Other income /(expense), net	25.2	(1.9)

Summarized Balance Sheets	Year ended December 31, 2022		Three months ended March 31, 2023	
	(dollars in millions)			
Assets				
Current assets	\$	2,181.4	\$	2,303.5
Non-current assets		178.3		216.3
Liabilities				
Current liabilities	\$	3,639.6	\$	3,758.4
Non-current liabilities		1,749.2		1,743.1

Below is a summary of the balances with non-Guarantors included in the summarized balance sheets above:

	Year ended December 31, 2022		Three months ended March 31, 2023	
	(dollars in millions)			
Assets				
Current assets				
Accounts receivable, net	\$	62.1	\$	39.9
Loans receivable		1,420.3		1,555.4
Investment in debentures/bonds		193.3		194.6
Others		453.1		477.9
Non-current assets				
Investment in debentures/bonds	\$	—	\$	—
Others		79.5		42.5
Liabilities				
Current liabilities				
Loans payable	\$	2,805.8	\$	2,787.6
Others		620.2		739.1
Non-Current liabilities				
Loans payable	\$	500.0	\$	500.0

The Senior Notes and the related guarantees rank pari passu in right of payment with all senior and unsecured debt of the Debt Issuers and Guarantors and rank senior in right of payment to all of the Debt Issuers' and Guarantors' future subordinated debt. The Senior Notes are effectively subordinated to all of the Debt Issuers' and Guarantors' existing and future secured debt to the extent of the value of the assets securing such debt. The Senior Notes are structurally subordinated to all of the existing and future debt and other liabilities of the Guarantors subsidiaries (other than the Issuer), including the liabilities of certain subsidiaries pursuant to our senior credit facility. The non-Guarantors are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay any amounts due under the Senior Notes or to make the funds available to pay those amounts, whether by dividend, distribution, loan or other payment. If the Debt Issuers and Guarantors have any right to receive any assets of any of the non-Guarantors upon the insolvency, liquidation, reorganization, dissolution or other winding-up of any non-Guarantor, all of that non-Guarantor's creditors (including trade creditors) would be entitled to payment in full out of that non-Guarantor's assets before the holders of the Senior Notes would be entitled to any payment. Claims of holders of the Senior Notes are structurally subordinated to the liabilities of certain non-Guarantors pursuant to their liabilities under our senior credit facility.

Recent Accounting Pronouncements

For a description of recent accounting pronouncements, see Note 2(n)—“Recently issued accounting pronouncements” under Item 1—“Unaudited Consolidated Financial Statements” above and Part II, Item 7—“Management’s Discussion and Analysis of Financial Condition and Results of Operations”—“Critical Accounting Policies and Estimates” in our Annual Report on Form 10-K for the year ended December 31, 2022.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to interest rate risk arising from changes in interest rates on the floating rate indebtedness under our term loan and revolving credit facility and the Senior Notes. Borrowings under our term loan and revolving credit facility bear interest at floating rates based on Term SOFR, but in no event less than the floor rate of 0.0% plus an applicable margin. The interest rate on our Senior Notes is subject to adjustment based on the ratings assigned to our debt by Moody’s Investors Service, Inc. and Standard & Poor’s Rating Services, Inc. from time to time. A decline in such ratings could result in an increase of up to 2% in the rate of interest on the Senior Notes. Accordingly, fluctuations in market interest rates or a decline in ratings may increase or decrease our interest expense which would, in turn, increase or decrease our net income and cash flow.

We manage a portion of our interest rate risk related to floating rate indebtedness by entering into interest rate swaps under which we receive floating rate payments based on the greater of SOFR and the floor rate under our term loan and make payments based on a fixed rate. As of March 31, 2023, we were party to interest rate swaps covering a total notional amount of \$425 million. Under these swap agreements, the rate that we pay to banks in exchange for Term SOFR ranges between 0.15% and 2.58%.

We executed a treasury rate lock agreement covering \$350 million in connection with future interest payments to be made on our 2021 Senior Notes, and the treasury rate lock agreement was designated as a cash flow hedge. The treasury rate lock agreement was terminated on March 23, 2021, and a deferred gain was recorded in accumulated other comprehensive income and is being amortized to interest expense over the life of the 2021 Senior Notes. The remaining gain to be amortized related to the treasury rate lock agreement as of March 31, 2023 was \$0.5 million.

For a discussion of our market risk associated with foreign currency risk, interest rate risk and credit risk, see Part II, Item 7A—“Quantitative and Qualitative Disclosures about Market Risk” in our Annual Report on Form 10-K for the year ended December 31, 2022.

Item 4. Controls and Procedures***Evaluation of Disclosure Controls and Procedures***

Disclosure controls and procedures are the Company's controls and other procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934 (the "Exchange Act") is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

As of the end of the period covered by this report, the Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer along with the Company's Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(b). Based upon that evaluation, the Company's Chief Executive Officer along with the Company's Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective in timely alerting them to material information relating to the Company (including its consolidated subsidiaries) required to be included in the Company's periodic SEC filings.

Changes in Internal Control over Financial Reporting

There were no changes in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarterly period ended March 31, 2023 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 1. 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 1A. Risk Factors

We have disclosed under the heading “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2022 the risk factors that materially affect our business, financial condition or results of operations. You should carefully consider the risk factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2022, the risk factors set forth below and the other information that appears elsewhere in our Annual Report on Form 10-K for the year ended December 31, 2022 and in this Quarterly Report on Form 10-Q. You should be aware that these risk factors and other information may not describe every risk facing our Company. Additional risks and uncertainties not currently known to us may also materially adversely affect our business, financial condition and/or results of operations.

Changes in our tax rates or tax provisions, adverse tax audits and other proceedings, or changes in tax laws or their interpretation or enforcement could have an adverse effect on our business, results of 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 tax liability could be adversely affected by a variety of factors, including 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 the interpretation or enforcement of such laws and regulations, changes in applicable income tax treaties, changes in accounting principles or interpretations thereof or in the valuation of deferred tax assets and liabilities, the elimination or expiration of certain tax concessions, exemptions or holidays that had reduced our tax liability, and adverse outcomes of tax examinations or tax-related litigation, including a determination by any tax authority that our transfer prices are not appropriate or that our intercompany transactions should be characterized differently than we have characterized them. Changes in tax laws, treaties or regulations impacting our business, and their interpretation and enforcement, have become more unpredictable in recent years and could result in unexpected and unfavorable outcomes. Additionally, changes in tax laws proposed by the Biden administration, if enacted, could negatively impact our effective tax rate. Any of these factors could have a material adverse effect on our business, results of 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. Tax authorities have disagreed in the past, and may in the future disagree, with our tax positions, and particularly in India are increasingly taking aggressive stances opposing the tax positions we take, including with respect to our intercompany transactions. Negative outcomes from those examinations or any appeals therefrom may adversely affect our provision for income taxes and tax liability, and the amounts we are ultimately required to pay could be materially different from the amounts we anticipated, which in turn could have a material adverse effect on our business, results of operations, effective tax rate and financial condition.

We are currently subject to several tax audits by the Indian tax authorities (“ITA”) related to intercompany transactions that occurred in 2009, 2013 and 2015. In each of 2014, 2016, 2019 and 2022, the ITA issued assessment orders seeking to impose tax on us in relation to such transactions. We have received demands for potential tax claims related to these orders in an aggregate amount of \$229 million (converted from Indian rupees and including interest through the date of the orders). We do not believe that any of the transactions giving rise to these demands were subject to tax in India under applicable law. To date, we have received favorable orders from appellate judicial authorities in India relating to \$120 million of the \$229 million demanded in the assessment orders, and we continue to defend against the remaining \$109 million in demands. Additionally, in the first quarter of 2023, the ITA issued an assessment order seeking to impose tax on us of \$865 million (converted from Indian rupees and including interest through the date of the order) in relation to a 2015 internal restructuring transaction involving our Indian subsidiaries. We believe this assessment is without merit and not enforceable under applicable law. In March 2023, the tax appellate authority in India struck down the 2023 assessment order because it was issued in violation of a prior judicial decision on the matter. The ITA may appeal this ruling.

We have appealed all of the outstanding orders from the ITA and have not provided a reserve for the related exposures, which would be material. Although we have received favorable orders as to certain of the ITA's demands, and have appealed others, we may ultimately not prevail in some or all of these matters. In the event we do not prevail in these matters, the total amounts owed in connection with these demands would be material and subject to additional interest accrued over the period since the demands were made, and the amount of this additional interest also would be material.

A final determination of tax in the amounts claimed by the ITA would likely have a material adverse effect on our business, results of operations, effective tax rate and financial condition. See Note 24—“Commitments and contingencies” to our consolidated financial statements under Part I, Item 1—“Unaudited Consolidated Financial Statements” for additional information relating to these matters.

Additionally, in 2012, the Government of India 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.

Effective July 1, 2017, a Goods and Services Tax (“GST”) was introduced in India, replacing an existing service tax regime and multiple similar indirect taxes. The implementation of the GST continues to evolve, with the Government of India introducing regular amendments and issuing clarifications. In the second quarter of 2020, the ITA began challenging certain of our GST and service tax refunds in certain Indian states. We had requested these refunds pursuant to the tax exemption available for exports under service tax and GST regimes in respect of services performed by us in India for affiliates and clients outside of India. The ITA have also initiated proceedings to examine the availability of the tax exemption claimed in respect of export of services under the service tax regime that preceded the current GST regime. In denying the refunds and initiating these proceedings, the ITA has taken the position that the services we provide are local services, which interpretation, if correct, would make the service tax and GST exemptions we have claimed on exports unavailable to us in respect of such services. We believe that the denial of the service tax and GST exemptions is incorrect, and we have filed appeals before relevant appellate authorities. The Government of India has issued a clarification which supports our position and in the fourth quarter of 2022, the Punjab and Haryana High Court ruled in our favor in respect of our appeal of the ITA’s refund denial related to one period. Our appeals of the refund rejections for some of the other periods have recently been decided with directions to follow the High Court’s order, while others are still pending at the administrative level, which we believe should also be decided on similar lines. Nonetheless, the ITA may appeal the order of the High Court to the Supreme Court of India and there can be no assurance that we will ultimately prevail in this matter. If it is finally determined that we do not qualify for the service tax and GST exemptions on the services we provide in India for clients located outside of India, we could be subject to additional tax on all of such services at a rate of 18%. The imposition of this additional tax on a significant percentage of the services we perform or have performed in India would likely have a material adverse effect on our profitability and cash flows and could also have a material adverse effect on our business, financial condition and results of operations.

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, or the 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, or the BEPS, initiative, which was endorsed by the G20 finance ministers. The new global tax framework is a two-pillar plan. The plan proposes the reallocation of global profits of large multinational companies to market jurisdictions, as well as the introduction of a global minimum tax. Many of the package’s proposed measures 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 benefited taxpayers in particular cases. The EU recently proposed and adopted Anti-Tax Avoidance Directives which require EU member states to implement measures to prohibit tax avoidance practices.

In addition, in December 2017, the Tax Cuts and Jobs Act (the “Tax Act”) became law in the U.S., bringing about far-ranging changes to the existing corporate tax system. The Tax Act requires complex computations not previously required. As regulations and guidance evolve with respect to the Tax Act, our results may differ from previous estimates and our tax liabilities may materially increase. See “Recent and future legislation and 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” below in this “Risk Factors” section.

The global tax environment is increasingly complex and uncertain. Although we monitor these developments, it is very difficult to assess to what extent changes and other proposals, if enacted, may be implemented in India, 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 business, results of operations, effective tax rate and financial condition.

Our business depends on generating and maintaining ongoing, profitable client demand for our services and solutions, 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, generative AI and large language model programs, 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 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 or discontinue 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. The future of generative AI and the uses of large language models and how they will impact our business and our industry and on what timeframe are not currently known and the impact of new technologies on our financial performance and operations could be material.

Additionally, in recent years, as a result of a number of factors, including changing client preferences, an increase in Data-Tech-AI services and economic pressures that can cause delays or reductions in client purchasing decisions, the percentage of our revenues from consulting and other short-cycle engagements has increased. The increased share of our revenues derived from these engagements makes business forecasting more complex given that they are for services that are more discretionary and non-recurring than our traditional services. Our contracts for consulting and other short-cycle engagements typically permit our clients to terminate the agreement with less notice than is required under our longer-term contracts for our Digital Operations services and without paying termination fees. Our failure to properly manage these shorter-cycle engagements could adversely affect our business, growth strategy and results of operations.

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, results of operations, and 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.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Unregistered Sales of Equity Securities

None.

Use of Proceeds

None.

Purchase of Equity Securities by the Issuer and Affiliated Purchasers

Share repurchase activity during the three months ended March 31, 2023 was as follows:

Period	Total Number of Shares Purchased	Weighted Average Price Paid per Share (\$)	Total Number of Shares Purchased as Part of Publicly Announced Plan or Program	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plan or Program (\$)
January 1-January 31, 2023	—	—	—	124,923,971
February 1-February 28, 2023	250,404	47.85	250,404	612,941,047
March 1-March 31, 2023	380,201	47.39	380,201	594,924,017
Total	630,605	47.57	630,605	

In February 2023, our board of directors authorized a \$500 million increase to our existing \$1.75 billion share repurchase program, first announced in February 2015, bringing the total authorization under our existing program to \$2.25 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 retired. For additional information, see Note 17—“Capital stock” under Part I, Item 1—“Unaudited Consolidated Financial Statements” above.

Item 6. Exhibits

Exhibit Number	Description
3.1	Memorandum of Association of the Registrant (incorporated by reference to Exhibit 3.1 to Amendment No. 2 of the Registrant's Registration Statement on Form S-1 (File No. 333-142875) filed with the SEC on July 16, 2007).
3.2	Bye-laws of the Registrant (incorporated by reference to Exhibit 3.3 to Amendment No. 4 of the Registrant's Registration Statement on Form S-1 (File No. 333-142875) filed with the SEC on August 1, 2007).
22.1	List of Issuers and Guarantor Subsidiaries (incorporated by reference to Exhibit 22.1 to the Registrant's Registration Statement on Form S-3ASR (File No. 333-265204) filed with the SEC on May 25, 2022).
10.1†*	Form of 2023 Restricted Share Unit Issuance Agreement for executive officers under the Genpact Limited 2017 Omnibus Incentive Compensation Plan.
10.2†*	Form of 2023 Performance Share Award Agreement for executive officers under the Genpact Limited 2017 Omnibus Incentive Compensation Plan.
31.1*	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	Inline XBRL Instance Document — the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed or furnished with this Quarterly Report on Form 10-Q.

† Indicates a management contract or compensatory plan, contract or arrangement in which any director or executive officer participates.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: May 10, 2023

GENPACT LIMITED

By: /s/ N.V. Tyagarajan
N.V. Tyagarajan
Chief Executive Officer

By: /s/ Michael Weiner
Michael Weiner
Chief Financial Officer

**GENPACT LIMITED
2017 OMNIBUS INCENTIVE COMPENSATION PLAN**

RESTRICTED SHARE UNIT ISSUANCE AGREEMENT

THIS RESTRICTED SHARE UNIT ISSUANCE AGREEMENT (the "Agreement"), dated as of _____ (the "Award Date"), is made by and between Genpact Limited, an exempted limited company organized under the laws of Bermuda (the "Company") and _____ ("Participant"). To the extent not defined herein, all capitalized terms in this Agreement shall have the meanings assigned to them in the Genpact Limited 2017 Omnibus Incentive Compensation Plan (the "Plan").

RECITALS:

WHEREAS, the Company has adopted the Plan for the purpose of promoting the interests of the Company and its shareholders by attracting and retaining exceptional directors, officers, employees and consultants and enabling such individuals to participate in the long-term growth and financial success of the Company.

WHEREAS, the Compensation Committee (the "Committee") has determined that it is in the best interests of the Company and its shareholders to grant to Participant restricted share units under the Plan as provided for herein.

NOW, THEREFORE, for and in consideration of the premises and covenants of the parties contained in this Agreement, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, for themselves, their successors and assigns, hereby agree as follows:

1. Grant of Restricted Share Units. The Company hereby awards to Participant, as of the Award Date, an award (the "Award") of restricted share units under the Plan. Each restricted share unit represents the right to receive one Common Share on the vesting date of that unit. The number of Common Shares subject to the awarded restricted share units, the applicable vesting schedule for the restricted share units and the underlying shares, the dates on which those vested shares shall be issued to Participant and the remaining terms and conditions governing the Award shall be as set forth in this Agreement.

Number of Shares

Subject to Award: _____ Common Shares (the "Shares")

Vesting

Commencement

Date:

Vesting Schedule: The Shares subject to the Award shall vest in three successive equal annual installments on January 10th, ____, ____, and ____ (each such vesting date, a "Vesting Date" and each such one-year vesting period, the "Vesting Period"), provided that Participant remains in employment or service with

the Company (or an Affiliate) through such Vesting Dates, except as provided in Section 3(b).

Issuance Dates: Each Share in which Participant vests in accordance with the foregoing Vesting Schedule, or under Section 3(b), shall be issued on the date (the "Issuance Date") on which that Share so vests or as soon thereafter as administratively practicable. The issuance of the Shares shall be subject to the Company's collection of any Applicable Taxes in accordance with the procedures set forth in Section 5 of this Agreement.

2. **Limited Transferability.** Prior to actual receipt of the Shares which vest and become issuable hereunder, Participant may not transfer any interest in the Award or the underlying Shares. Any Shares which vest hereunder but which otherwise remain unissued at the time of Participant's death may be transferred pursuant to the provisions of Participant's will or the laws of inheritance or to Participant's designated beneficiary or beneficiaries of this Award. Participant may make such a beneficiary designation at any time by filing the appropriate form with the Committee or its designee.

3. **Cessation of Employment.**

(a) Except as otherwise provided in this Section 3 or Participant's employment agreement, should Participant cease employment or service with the Company and its Affiliates for any reason prior to vesting in one or more Shares subject to this Award, then the Award shall be immediately canceled with respect to those unvested Shares. Participant shall thereupon cease to have any right or entitlement to receive any Shares under those canceled units.

(b) If Participant's employment or service with the Company and its Affiliates ceases by reason of Participant's death, Disability or Retirement prior to vesting in all of the Shares subject to this Award, then Participant shall, on the date of Participant's cessation of employment or service, vest in the number of Shares determined by multiplying (x) the number of Shares that would have vested on the next Vesting Date following such cessation had Participant remained in employment or service with the Company or an Affiliate through that Vesting Date and (y) a fraction, the numerator of which is the number of whole months that Participant was employed or in service during the Vesting Period in which Participant's cessation of employment or service occurs and the denominator of which is 12, rounded up to the closest whole month. For purposes of this Award, Retirement shall mean Participant's termination of employment or service with the Company and its Affiliates, other than for Cause, if Participant (i) is, at the time of such termination, age 60 or over and (ii) has completed at least 10 years of employment or service with the Company or an Affiliate at the time of such termination.

(c) For purposes of this Agreement, Participant's date of termination of employment shall mean the date on which Participant ceases active employment, and shall not be extended by any notice period, whether mandated or implied under local law during which Participant is not actually employed or providing services (e.g., garden leave or similar leave) or during or for which Participant receives pay in lieu of notice or severance pay. To the greatest extent permitted by applicable law, the Award shall not vest during any notice period, regardless of whether Participant continues active employment during such period, and the Award shall be

canceled on the date notice of termination is provided by Participant or the Company (or an Affiliate). The Company shall have the sole discretion to determine when Participant is no longer actively employed for purposes of this Agreement without reference to any other agreement, written or oral, including Participant's contract of employment, if applicable.

4. Change of Control.

(a) In the event a Change of Control occurs while this Award is outstanding, then all the Shares subject to this Award shall be converted into the right to receive for each such Share the same consideration per Common Share payable to the other holders of such Common Shares in consummation of the Change of Control, and such consideration, to the extent vested at the time of the Change of Control in accordance with the Vesting Schedule of this Agreement and the Plan, shall be subsequently distributed on the Issuance Date or (if applicable) pursuant to the issuance provisions of Section 2 above and Section 5 below.

(b) Notwithstanding subsection (a) above, if Participant's employment or service with the Company is terminated by the Company without Cause within 24 months following the Change of Control, then the Shares (or other consideration) subject to this Award, to the extent outstanding, shall become fully vested as of such termination of employment or service.

(c) Notwithstanding subsection (a) above, if Participant's employment or service with the Company ceases by reason of Participant's death, Disability or Retirement following the Change of Control, then the Shares (or other consideration) subject to this Award, to the extent outstanding, shall vest in accordance with Section 3(b).

(d) This Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate or sell or transfer all or any part of its business or assets.

(e) If this Award is not assumed, continued or substituted in connection with the Change of Control in accordance with the Plan, then the Shares issuable under this Award or other consideration payable with respect to such Shares in connection with the Change of Control shall be issued on the effective date of the Change of Control or as soon as administratively practicable thereafter, but in no event more than fifteen (15) business days after such effective date.

(f) Cause Definition. For purposes of this Agreement, "Cause" shall mean "Cause" as defined in any employment or consulting agreement between Participant and the Company or an Affiliate in effect at the time of termination or, in the absence of such an employment or consulting agreement: (A) any conviction by a court of, or entry of a pleading of guilty or *nolo contendere* by Participant with respect to, a felony or any lesser crime involving moral turpitude or a material element of which is fraud or dishonesty; (B) Participant's willful dishonesty of a substantial nature towards the Company and any of its Affiliates; (C) Participant's use of alcohol or drugs which materially interferes with the performance of his duties to the Company and/or its Affiliates or which materially compromises the integrity and reputation of Participant or the Company and/or its Affiliates; or (D) Participant's material, knowing and

intentional failure to comply with material applicable laws with respect to the execution of the Company's and its Affiliates' business operations.

5. Issuance of Shares; Applicable Taxes.

(a) On the Issuance Date or as soon thereafter as practicable, the Company shall issue to or on behalf of Participant a certificate (which may be in electronic form) for the number of Common Shares underlying the restricted share units which vest under the Award on such date, subject, however, to the Company's collection of any Applicable Taxes.

(b) Any Applicable Taxes required to be withheld with respect to the issuance of the Shares under this Agreement shall be paid through an automatic Share withholding procedure pursuant to which the Company will withhold, at the time of such issuance, a portion of the Shares with a Fair Market Value (measured as of the issuance date) equal to the amount of those taxes; provided, however, that the amount of any Shares so withheld shall not exceed the amount necessary to satisfy the Company's required withholding obligations using the minimum statutory withholding rates. Notwithstanding the foregoing, the Company may, in its sole discretion, require that such Applicable Taxes be paid through Participant's delivery of his or her separate check payable to the Company in the amount of such taxes.

(c) In no event will any fractional shares be issued.

(d) The holder of this Award shall not have any shareholder rights, including voting or dividend rights, with respect to the Shares subject to the Award until Participant becomes the record holder of those Shares following their actual issuance after the satisfaction of the Applicable Taxes.

6. Restrictive Covenants and Forfeiture.

(a) In consideration for the grant of the Award, Participant agrees to comply with the restrictive covenants set forth in Section 6(d) below (the "Restrictive Covenants").

(b) Participant acknowledges and agrees that any breach by Participant of the Restrictive Covenants will result in irreparable injury to the Company or its Affiliates, as the case may be, for which money damages could not adequately compensate such entity. Therefore, the Company or any of its Affiliates shall have the right (in addition to any other rights and remedies which it may have at law or in equity and in addition to the forfeiture requirements set forth in Section 6(c) below) to, as permitted by applicable law, seek to enforce this Section 6 and any of its provisions by injunction, specific performance, or other equitable relief, without bond and without prejudice to any other rights and remedies that the Company or any of its Affiliates may have for a breach, or threatened breach, of the Restrictive Covenants. Participant agrees that in any action in which the Company or any of its Affiliates seeks injunction, specific performance, or other equitable relief, Participant will not assert or contend that any of the provisions of this Section 6 are unreasonable or otherwise unenforceable. Participant consents to the sole and exclusive jurisdiction and venue in the federal and state courts located in New York City and waives any objection to the laying of venue of any such proceeding in any such court. Participant also irrevocably and unconditionally consents to the service of any process, pleadings, notices, or other papers.

(c) Participant acknowledges and agrees that, to the extent permitted by applicable law, in the event Participant breaches the Restrictive Covenants contained in this Section 6:

(i) The Company shall have the right to terminate this Award (and Participant shall thereupon cease to have any right or entitlement to receive any Shares under this Award) to the extent outstanding, and

(ii) The Company may in its discretion cancel any Shares issued hereunder underlying restricted share units that vested within twelve (12) months of Participant's breach of the Restrictive Covenants contained in this Section 6; provided, that if Participant has disposed of any such Shares received hereunder, then the Company may require Participant to pay to the Company, in cash, the fair market value of such Shares as of the date of disposition.

(d) Based on the understanding that Participant will be given access to valuable clients and confidential and proprietary information, Participant agrees that while an employee of the Company (or an Affiliate) and for a period of one (1) year from cessation of employment, Participant will not directly or indirectly:

(i) enter, engage in, participate in, or assist, either as an individual on his or her own or as a partner, joint venturer, employee, agent, consultant, officer, trustee, director, owner, part-owner, shareholder, or in any other capacity, in the primary country(ies) in which Participant performed services, directly or indirectly, any other business organization whose activities or products are competitive with any Company activity, product or service that Participant engaged in, participated in, or had confidential information about during Participant's last 12 months of employment with the Company; provided that if Participant is subject to separate non-competition restrictive covenants in an employment agreement or offer letter with the Company, then the non-competition covenants in this subsection (i) shall not apply to Participant, and the non-competition covenants set forth in Participant's employment agreement or offer letter will continue to apply to Participant;

(ii) either alone or in association with others, solicit, divert or take away, or attempt to divert or take away, the business or patronage of any of the actual or prospective clients, customers, accounts or business partners of the Company (or any Affiliate) with whom Participant had direct interaction with during Participant's employment with the Company (or any Affiliate); and

(iii) on Participant's own behalf or in the service or on behalf of others, solicit, recruit or attempt to persuade any person to terminate such person's employment with the Company or an Affiliate, whether or not such person is a full-time employee or whether or not such employment is pursuant to a written agreement or is at-will.

(e) In the event of Participant's breach or anticipatory breach of this Section 6, or Participant's claim in a declaratory judgment action that all or part of the covenants contained in this Section 6 are unenforceable, Participant and the Company agree that in addition to any other rights or remedies available to the Company under law, the Company shall be entitled to recover

from Participant all reasonable sums and costs, including attorneys' fees, incurred by the Company to defend or enforce this Section 6.

(f) The restrictive periods set forth in this Section 6 shall not expire and shall be tolled during any period in which Participant is in violation of the restrictive covenants contained in this Section 6, and therefore such restrictive periods shall be extended for a period equal to the duration(s) of Participant's violation.

Recognizing that the limitations in this Agreement permit Participant to continue Participant's chosen career in the same geographic area without any interruption while protecting the Company's legitimate business interests in its client and employee relationships, Participant agrees that the above restrictions are reasonable including the short length of time, the limitation as to identified clients and employees, and the specific area of business in which competition is limited as to those clients. Participant agrees that these limitations are reasonable given the highly competitive nature of the Company's business and are required for the Company's protection based upon numerous factors including the knowledge and information to which Participant will have access during Participant's employment with the Company. Participant's agreement to observe the restrictions set forth in this agreement is material consideration for Participant's employment with the Company as well as eligibility to receive grants in the Plan. Participant represents that his/her experience and capabilities are such that the restrictions contained in Section 6 above will not prevent Participant from obtaining employment or otherwise earning a living at the same general level of economic benefit as earned with the Company. Participant further agrees that, should a court determine that any provision, term or condition set forth in this Section 6 is invalid, the court may alter or modify any such provision, term or condition in a manner so as to protect the Company's legitimate business interests. For the avoidance of doubt, the Restrictive Covenants in this Section 6 are in addition to, and not in lieu of, and do not amend, modify, or supersede, any non-competition, non-solicitation, confidentiality, or similar restrictive covenants that run in favor of the Company or its Affiliates and by which Participant is bound.

Nothing in this Agreement shall preclude Participant from making passive investments of not more than one percent (1%) of a class of securities of any business enterprise registered under the Securities Exchange Act of 1934, as amended.

7. Sections 409A and 457A.

(a) It is the intention of the parties that the provisions of this Agreement shall, to the maximum extent permissible, comply with the requirements of the short-term deferral exceptions of Section 409A of the Code and the Treasury Regulations issued thereunder and Section 457A of the Code and any guidance with respect to Code Section 457A, including but not limited to Notice 2009-8. Accordingly, to the extent there is any ambiguity as to whether one or more provisions of this Agreement would otherwise contravene the requirements or limitations of Code Section 409A or of Code Section 457A applicable to such short-term deferral exceptions, then those provisions shall be interpreted and applied in a manner that does not result in a violation of the requirements or limitations of Code Section 409A and the Treasury Regulations thereunder and Code Section 457A and any guidance with respect to Code Section 457A, including but not limited to Notice 2009-8, that apply to such exceptions.

(b) Notwithstanding any provision to the contrary in this Agreement, to the extent this Award may be deemed to create a deferred compensation arrangement under Code Section 409A, then Shares or other amounts which become issuable or distributable under this Agreement by reason of Participant's cessation of continued employment or service shall actually be issued or distributed to Participant prior to the **earlier** of (i) the first day of the seventh (7th) month following the date of Participant's Separation from Service (as determined under Code Section 409A and Treasury Regulations thereunder) or (ii) the date of Participant's death, if Participant is deemed at the time of such Separation from Service to be a specified employee under Section 1.409A-1(i) of the Treasury Regulations issued under Code Section 409A, as determined by the Committee in accordance with consistent and uniform standards applied to all other Code Section 409A arrangements of the Company, and such delayed commencement is otherwise required in order to avoid a prohibited distribution under Code Section 409A(a)(2). The deferred Shares or other distributable amount shall be issued or distributed in a lump sum on the first day of the seventh (7th) month following the date of Participant's Separation from Service or, if earlier, the first day of the month immediately following the date the Company receives proof of Participant's death.

8. Compliance with Laws and Regulations. The issuance of Shares pursuant to the Award shall be subject to compliance by the Company and Participant with all applicable laws, rules and regulations and to such approvals by any regulatory or governmental agency as may be required. The Committee, in its sole discretion, may postpone the issuance or delivery of Shares as the Committee may consider appropriate and may require Participant to make such representations and furnish such information as it may consider appropriate in connection with the issuance or delivery of Shares in order to be in compliance with applicable laws, rules and regulations.

9. Successors and Assigns. Except to the extent otherwise provided in this Agreement, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and Participant and Participant's assigns, beneficiaries, executors, administrators, heirs and successors.

10. Notices. All notices, demands and other communications provided for or permitted hereunder shall be made in writing and shall be by registered or certified first-class mail, return receipt requested, telecopier, courier service or personal delivery:

if to the Company:

Genpact Limited
Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda
Attn: Secretary

with a copy to:

Genpact LLC

521 Fifth Avenue, 14th Floor
New York, NY 10175
Attn: Legal Department

if to Participant, at Participant's last known address on file with the Company.

All such notices, demands and other communications shall be deemed to have been duly given when delivered by hand, if personally delivered; when delivered by courier, if delivered by commercial courier service; five (5) business days after being deposited in the mail, postage prepaid, if mailed; and when receipt is mechanically acknowledged, if telecopied.

11. Construction. This Agreement and the Award evidenced hereby are made and granted pursuant to the Plan and are in all respects limited by and subject to the terms of the Plan. All decisions of the Committee with respect to any question or issue arising under the Plan or this Agreement shall be conclusive and binding on all persons having an interest in the Award.

12. Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of Texas without regard to principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction which could cause the application of the laws of any jurisdiction other than the State of Texas. Each Participant and the Company hereby waive, to the fullest extent permitted by applicable law, any right either of them may have to a trial by jury in respect to any litigation directly or indirectly arising out of, under or in connection with this Agreement or the Plan.

13. Employment at Will. Nothing in this Agreement or in the Plan shall confer upon Participant any right to remain in employment or service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company (or any Affiliate employing or retaining Participant) or of Participant, which rights are hereby expressly reserved by each, to terminate Participant's employment or service at any time for any reason, with or without cause, subject to compliance with applicable law and the terms of any employment agreement between Participant and the Company (or any Affiliate employing or retaining Participant).

14. Electronic Delivery. The Company may deliver any documents related to the Award, the Plan or future awards that may be granted under the Plan by electronic means. Such means of electronic delivery include, but do not necessarily include, the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the documents via e-mail or such other means of electronic delivery specified by the Company. Participant hereby acknowledges that Participant has read this provision and consents to the electronic delivery of the documents. Participant acknowledges that Participant may receive from the Company a paper copy of any documents delivered electronically at no cost to Participant by contacting the Company in writing or by telephone. Participant further acknowledges that Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, Participant understands that Participant must provide the Company with a paper copy of any documents if the attempted electronic delivery of such documents fails.

15. **Additional Terms for Non-U.S. Participants.** Notwithstanding anything to the contrary herein, Participants residing and/or working outside the United States shall be subject to the Additional Terms and Conditions for Non-U.S. Participants attached hereto as Addendum A and to any Country-Specific Terms and Conditions attached hereto as Addendum B. If Participant is a citizen or resident of a country (or is considered as such for local law purposes) other than the one in which Participant is currently residing or working or if Participant relocates to one of the countries included in the Country-Specific Terms and Conditions after the grant of the Award, the special terms and conditions for such country will apply to Participant to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Terms and Conditions for Non-U.S. Participants and the Country-Specific Terms and Conditions constitute part of this Agreement and are incorporated herein by reference.

16. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on Participant's participation in the Plan, on the Award and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

17. **Participant Acceptance.** Participant must accept the terms and conditions of this Agreement electronically no later than _____ by clicking the "Accept" (or similar wording) button on the award acceptance screen of your Plan account at www.ETRADE.com and following any other instructions you are prompted to follow in your Plan account. If Participant does not accept the terms as instructed, this Agreement will automatically, without further action of the Company or the Committee, terminate and the Award will be forfeited at midnight on _____. Acceptance of this Agreement constitutes Participant's consent to any action taken under the Plan and this Agreement and Participant's agreement to be bound by the terms and conditions of this Agreement including the Restrictive Covenants. In no event shall any Shares be issued (or other securities or property distributed) under this Agreement in the absence of timely acceptance.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

GENPACT LIMITED

Signature: /s/ Heather D. White

Title: SVP & Chief Legal Officer

PARTICIPANT

Signature: _____

ADDENDUM A TO THE RESTRICTED SHARE UNIT ISSUANCE AGREEMENT
TERMS AND CONDITIONS FOR NON-U.S. PARTICIPANTS

This Addendum includes additional terms and conditions that govern the Restricted Share Unit Award granted to Participant if Participant works or resides outside the United States.

Capitalized terms used but not defined herein are defined in the Plan or the Agreement and have the meanings set forth therein.

1. No Acquired Right. Participant acknowledges and agrees that:

(a) The Plan is established voluntarily by the Company, the grant of awards under the Plan is made at the discretion of the Committee and the Plan may be modified, amended, suspended or terminated by the Company at any time. All decisions with respect to future awards, if any, will be at the sole discretion of the Committee.

(b) This Award (and any similar awards the Company may in the future grant to Participant, even if such awards are made repeatedly or regularly, and regardless of their amount), and Shares acquired under the Plan (A) are wholly discretionary and occasional, are not a term or condition of employment and do not form part of a contract of employment, or any other working arrangement, between Participant and the Company or any Affiliate; (B) do not create any contractual entitlement to receive future awards or benefits in lieu thereof; and (C) do not form part of salary or remuneration for purposes of determining pension payments or any other purposes, including without limitation termination indemnities, severance, resignation, payment in lieu of notice, redundancy, end of service payments, bonuses, long-term service awards, pension or retirement benefits, welfare benefits or similar payments, except as otherwise required by the applicable law of any governmental entity to whose jurisdiction the award is subject.

(c) This Award and the Shares acquired under the Plan are not intended to replace any pension rights or compensation.

(d) Participant is voluntarily participating in the Plan.

(e) In the event that Participant's employer is not the Company, the grant of this Award and any similar awards the Company may grant in the future to Participant will not be interpreted to form an employment contract or relationship with the Company and, furthermore, the grant of this Award and any similar awards the Company may grant in the future to Participant will not be interpreted to form an employment contract with Participant's employer or any Affiliate.

(f) The future value of the underlying Shares is unknown and cannot be predicted with certainty. Neither the Company nor any Affiliate shall be liable for any foreign exchange rate fluctuation between Participant's local currency and the United States Dollar that may affect the value of the Award or the Shares.

(g) Other than as set out in this Agreement, Participant shall have no rights, claim or entitlement to compensation or damages as a result of Participant's cessation of employment for any reason whatsoever, whether or not later found to be invalid or in breach of contract or local labor law, insofar as these rights, claim or entitlement arise or may arise from Participant's ceasing to have rights under this Award as a result of such cessation or loss or diminution in value of the Award or any of the Shares issuable under this Award as a result of such cessation, and Participant irrevocably releases his or her employer, the Company and its Affiliates, as applicable, from any such rights, entitlement or claim that may arise. If, notwithstanding the foregoing, any such right or claim is found by a court of competent jurisdiction to have arisen, then, by signing this Agreement, Participant shall be deemed to have irrevocably waived his or her entitlement to pursue such rights or claim.

2. Data Protection (Jurisdictions other than European Union/European Economic Area/United Kingdom).

(a) In order to facilitate Participant's participation in the Plan and the administration of the Award, it will be necessary for contractual and legal purposes for the Company (or its Affiliates or payroll administrators) to collect, hold and process certain personal information and sensitive personal information about Participant (including, without limitation, Participant's name, home address, telephone number, date of birth, nationality, social insurance or other identification number and job title and details of the Award and other awards granted, canceled, exercised, vested, unvested or outstanding and Shares held by Participant). Participant consents explicitly, willingly, and unambiguously to the Company (or its Affiliates or payroll administrators) collecting, holding and processing Participant's personal data and transferring this data (in electronic or other form) by and among, as applicable, Participant's employer, the Company and its Affiliates and other third parties (collectively, the "Data Recipients") insofar as is reasonably necessary to implement, administer and manage the Plan and the Award. Participant authorizes the Data Recipients to receive, possess, use, retain and transfer the data for the purposes of implementing, administering and managing the Plan and the Award. Participant understands that the data will be transferred to E*TRADE, or such other broker or third party as may be selected by the Company in the future which is assisting the Company with the implementation, administration and management of the Plan. Participant understands that the Data Recipients may be located in the United States or elsewhere, and that the recipient's country may have a lower standard of data privacy laws and protections than Participant's country.

(b) The Data Recipients will treat Participant's personal data as private and confidential and will not disclose such data for purposes other than the management and administration of the Plan and the Award and will take reasonable measures to keep Participant's personal data private, confidential, accurate and current. Participant understands that the data will be held only as long as is necessary to implement, administer and manage his or her participation in the Plan.

(c) Participant understands that Participant may, at any time, make a request to view his or her personal data, require any necessary corrections to it or withdraw the consents herein in writing by contacting the Company and that these rights are subject

to legal restrictions but acknowledges that without the use of such data it may not be practicable for the Company to administer Participant's involvement in the Plan in a timely fashion or at all and this may be detrimental to Participant and may result in the possible exclusion of Participant from continued participation with respect to this Award or any future awards under the Plan.

3. Data Protection (European Union/European Economic Area/United Kingdom).

(a) In order to facilitate Participant's participation in the Plan and the administration of the Award, it will be necessary for contractual, legitimate interest and legal purposes for the Company (or its Affiliates or payroll administrators) to collect, hold and process certain personal data and, where required for legal purposes with Participant's freely given consent or for employment law purposes, any special category personal data about Participant. Such personal data includes, without limitation, Participant's name, home address, telephone number, date of birth, nationality, social insurance or other identification number and job title and details of the Award and other awards granted, canceled, exercised, vested, unvested or outstanding and Shares held by Participant. Participant hereby acknowledges and agrees to the Company (or its Affiliates or payroll administrators) collecting, holding and processing Participant's personal data and transferring this data (in electronic or other form) by and among, as applicable, Participant's employer, the Company and its Affiliates and other third parties (collectively, the "Data Recipients") insofar as is reasonably necessary to implement, administer and manage the Plan and the Award. Participant understands that the Data Recipients will receive, possess, use, retain and transfer the data for the purposes of implementing, administering and managing the Plan and the Award. Participant understands that the data will be transferred to E*TRADE, or such other broker or third party as may be selected by the Company in the future which is assisting the Company with the implementation, administration and management of the Plan. Participant understands that the Data Recipients may be located in the United States or elsewhere, and that the Data Recipient's country may have a different or lower standard of data privacy laws and protections than Participant's country.

(b) The Data Recipients will treat Participant's personal data as private and confidential and will not disclose such data for purposes other than the management and administration of the Plan and the Award and will take reasonable measures to keep Participant's personal data private, confidential, accurate and current. Participant understands that the data will be held only as long as is necessary to implement, administer and manage his or her participation in the Plan and for legal requirements thereafter. Participant shall notify the Company of any changes to his or her personal data.

(c) Participant understands that Participant may, at any time, exercise the rights granted to Participant by the Data Protection Laws and other applicable data protection laws including the right to make a request to access or be provided with a copy of his or her personal data, request additional information about the storage and processing of the data, request that the personal data is restricted or otherwise object to its processing by the Company, require any necessary corrections to it or withdraw any consents provided by Participant in writing by contacting the Company and that these rights are subject to legal

restrictions. Participant acknowledges that without the Company's use of such data it may not be practicable for the Company to administer Participant's involvement in the Plan in a timely fashion or at all and this may be detrimental to Participant and may result in the possible exclusion of Participant from continued participation with respect to this Award or any future awards under the Plan. Participant is referred to the privacy notice provided by the employing affiliate for further information about the processing of his or her personal data and rights under applicable data protection laws.

(d) For the purpose of this Section 3, "Data Protection Laws" means any law, enactment, regulation or order concerning the processing of personal data including the Data Protection Act 2018, the General Data Protection Regulation (Regulation (EU) 2016/679) (the "GDPR"), the GDPR as it forms part of retained EU law (as defined in the European Union (Withdrawal) Act 2018), the Privacy and Electronic Communications Regulations (EC Directive) Regulations 2003 ("PECR"), and any subordinate legislation or statutory codes of practice implemented in connection with the DPA, GDPR, PECR and any law that is intended to supplement, amend or replace the foregoing together with any other applicable law in any jurisdiction that regulates the collection, protection or processing of personal data as may come into effect from time to time.

4. Withholding; Responsibility for Taxes. This provision supplements Section 5(b) of the Agreement.

For tax purposes, Participant is deemed to have been issued the full number of Shares to which Participant is entitled to under the Award notwithstanding that a number of Shares are withheld for purposes of paying Applicable Taxes. To the extent that the number of Shares withheld to pay Applicable Taxes is not sufficient to cover the obligation for Applicable Taxes, Participant authorizes the Company and/or the Affiliate employing or retaining Participant, or their respective agents, at their discretion, to satisfy the obligations with respect to all Applicable Taxes by withholding from any wages or other cash compensation paid to Participant and/or Affiliate. Participant acknowledges that regardless of any action the Company (or any Affiliate employing or retaining Participant) takes with respect to any or all Applicable Taxes, the ultimate liability for all Applicable Taxes legally due by Participant is and remains Participant's responsibility and that the Company (and its Affiliates) (i) make no representations or undertakings regarding the treatment of any Applicable Taxes in connection with any aspect of the Award, including the grant, vesting or settlement of the Award, and the subsequent sale of any Shares acquired at settlement; and (ii) do not commit to structure the terms of the grant or any aspect of the Award to reduce or eliminate Participant's liability for Applicable Taxes. Further, if Participant is subject to taxation in more than one jurisdiction between the Award Date and the date of any relevant taxable or tax withholding event, as applicable, Participant acknowledges that the Company and/or Participant's employer (or former employer, as applicable) may be required to withhold or account for Applicable Taxes in more than one jurisdiction.

ADDENDUM B TO THE RESTRICTED SHARE UNIT ISSUANCE AGREEMENT

COUNTRY-SPECIFIC TERMS AND CONDITIONS

These Country-Specific Terms and Conditions include additional terms and conditions that govern the Restricted Share Unit Award granted to Participant under the Plan if Participant resides or works in one of the countries listed below. Capitalized terms used but not defined in these Country-Specific Terms and Conditions are defined in the Plan or the Agreement and have the meanings set forth therein.

AUSTRALIA

Securities Law. This offer is made under Division 1A of Part 7.12 of the Corporations Act, 2001 (Commonwealth).

General Advice. Any information or advice given by the Company or its Affiliates in relation to the grant of the Award under the Plan does not take account of the objectives, financial situation and needs of Participant. Participant should consider obtaining financial product advice that takes into account the objectives, financial situation and needs of Participant.

Data Privacy. Participant consents to the disclosure of Participant's data under Section 2 of Addendum A of the Agreement to Data Recipients (including persons located in the United States of America and elsewhere). Participant acknowledges that, by consenting to such disclosure, Australian Privacy Principle 8.1 will not apply to the disclosure and as a result the Data Recipients will not be accountable under the Privacy Act 1988 (Commonwealth) (the "Australian Privacy Act") and Participant may not be able to seek redress under the Australian Privacy Act in respect of this data.

CANADA

Section 3 of the Agreement is amended and restated in its entirety to read as follows:

"(a) Except as otherwise provided in this Section 3 or Participant's employment agreement, should Participant cease employment or service for any reason prior to vesting in one or more Shares subject to this Award, then the Award shall be immediately canceled, or cancelled at the end of the statutory notice period under the applicable employment standards legislation, if any, with respect to those unvested Shares as of the termination date. Participant shall thereupon cease to have any right or entitlement to receive any Shares under those canceled units. For purposes of this Agreement, Participant's date of termination of employment shall mean the date on which Participant ceases active employment, which term "active employment" shall include any period for which Participant is deemed to be actively employed for purposes of applicable employment standards legislation, and shall exclude any other period of non-working notice of termination or any period for pay in lieu of notice, severance pay or any other monies in relation to the cessation of employment that are paid or otherwise required by applicable law, regardless of whether the termination is with or without cause or with or without notice. For clarity, except as may be required by applicable employment standards legislation, the Award shall not be considered in determining a Participant's entitlement to termination pay, severance pay, pay in lieu of notice or other monies in relation to the cessation of employment, whether pursuant to common law,

contract or otherwise. The Company shall have the sole discretion to determine when Participant is no longer in active service for purposes of this Agreement, without reference to any other agreement, written or oral, including Participant's contract of employment.

(b) If Participant's employment or service with the Company and its Affiliates ceases by reason of Participant's death, Disability or Retirement prior to vesting in all of the Shares subject to this Award, then Participant shall, on the date of Participant's cessation of employment or service, vest in the number of Shares determined by multiplying (x) the number of Shares that would have vested on the next Vesting Date following such cessation had Participant continued in employment or service through that Vesting Date and (y) a fraction, the numerator of which is the number of whole months that Participant was employed or in service during the Vesting Period in which Participant's cessation of employment or service occurs and the denominator of which is 12, rounded up to the closest whole month. For purposes of this Award, Retirement shall mean Participant's termination of employment or service with the Company and its Affiliates, other than for Cause, if Participant (i) is, at the time of such termination, age 60 or over and (ii) has completed at least 10 years of employment or service with the Company or an Affiliate at the time of such termination." For Ontario resident Participants, Section 6(d)(i) of the Agreement is amended and restated in its entirety to read as follows:

"(i) If Participant is an executive as defined by s. 67.2(5) the Ontario *Employment Standards Act*, then they may not enter, engage in, participate in, or assist, either as an individual on his or her own or as a partner, joint venturer, employee, agent, consultant, officer, trustee, director, owner, part-owner, shareholder, or in any other capacity, in the primary country(ies) in which Participant performed services, directly or indirectly, any other business organization whose activities or products are competitive with any Company activity, product or service that Participant engaged in, participated in, or had confidential information about during Participant's last 12 months of employment with the Company; provided that if Participant is subject to separate non-competition restrictive covenants in an employment agreement or offer letter with the Company, then the non-competition covenants in this subsection (i) shall not apply to Participant, and the non-competition covenants set forth in Participant's employment agreement or offer letter will continue to apply to Participant;"

Award Payable Only in Shares. Notwithstanding any discretion in the Plan or anything to the contrary in this Agreement, the grant of the Award does not provide Participant any right to receive a cash payment and the Award may be settled only in Shares. Additionally, notwithstanding Section 5(b) of the Agreement, Participant may satisfy any Applicable Taxes obligations through alternate arrangements satisfactory to the Company prior to the arising of the Applicable Tax obligations, otherwise such Applicable Tax obligations shall be satisfied as set forth in Section 5(b).

Termination for Cause. For any Participant whose employment with the employer is terminated for Cause, the Participant shall be entitled to the minimum entitlements with respect to the Award under applicable law, including the Employment Standards Act.

Definition of Disability. The following provision supplements the definition of Disability in Section 2 of the Plan: For purposes of this Award, the definition of “Disability” shall be applied in compliance with applicable human rights legislation.

Prospectus Exemption. For the purposes of compliance with National Instrument 45-106 - Prospectus Exemptions, the prospectus requirement does not apply to a distribution by an issuer in a security of its own issue with an employee, executive officer, director or consultant of the issuer or a related entity of the issuer, provided the distribution is voluntary.

Resale Restrictions. Shares acquired under the Plan may be subject to certain restrictions on resale imposed by Canadian provincial securities laws. Notwithstanding any other provision of the Plan to the contrary, any transfer or resale of any Shares acquired by Participant pursuant to the Plan must be in accordance with the resale rules under Ontario Securities Commission Rule 72-503 Distributions Outside Canada (“72-503”) if Participant is a resident in the Province of Ontario and National Instrument 45-102 - Resale of Securities (“45-102”) if Participant is a resident in the Province of Nova Scotia.

In Ontario, the prospectus requirement does not apply to the first trade of Shares issued in connection with the Award provided the conditions set forth in section 2.8 of 72-503 are satisfied. In Nova Scotia, the prospectus requirement does not apply to the first trade of Shares issued in connection with the Award, provided the conditions set forth in section 2.14 of 45-102 are satisfied.

Participant should consult his or her legal advisor prior to any resale of Shares.

CHINA

Immediate Sale of Shares. Notwithstanding anything to the contrary in the Agreement or the Plan, in accordance with the requirements of the State Administration of Foreign Exchange (“SAFE”), the Shares issued following vesting of the Award must be sold immediately through the Company’s designated broker. Participant’s acceptance of the Award shall constitute Participant’s authorization to the brokerage firm to effect such sale. Such sale may be effected through block sales over a period of one or more trading days following the issuance of the Shares. Neither the brokerage firm nor the Company will guarantee the sale price for any such sale and Participant shall be solely responsible for fluctuations in the value of the Shares until sale. This Agreement shall be deemed to be a 10b5-1 plan under the Exchange Act. The net proceeds realized upon the sale of the Shares will be repatriated to China and such net proceeds (less any Applicable Taxes required to have been withheld in connection with the Award) shall be paid to Participant in local currency. Participant shall have no access to the sales proceeds until such distribution. The remittance, conversion and payment of the net proceeds shall be made in accordance with the procedures adopted by the Company in order to comply with SAFE regulations and accordingly, are subject to change from time to time.

COSTA RICA

No disclosure.

FINLAND

No disclosure.

FRANCE

Language Consent. The parties acknowledge that it is their express wish that this Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de cette convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.

Tax Information. The Award is not intended to qualify as a tax qualified award under French tax law.

GERMANY

No disclosure.

GUATEMALA

No disclosure.

HONG KONG

Securities Law Notification. Participant acknowledges and understands that the offer of the Award and any Shares to be issued under the Plan are not a public offering of securities under Hong Kong law and are available only to employees of the Company and its Affiliates.

Furthermore, Participant acknowledges that the contents of the Agreement, the Plan and other related and incidental communication materials (the "Documents") have not been prepared in accordance with and are not intended to constitute a "prospectus" for a public offering of securities under the applicable securities legislation in Hong Kong, and the Documents have not been reviewed by any regulatory authority in Hong Kong. Participant understands that the Documents are intended only for the personal use of each participant and may not be distributed to any other person. Furthermore, Participant acknowledges that Participant is advised to exercise caution in relation to his or her participation in the Plan. If Participant is in any doubt as to the contents of the Prospectus, the Agreement or the Plan, Participant shall obtain independent professional advice.

HUNGARY

No disclosure.

INDIA

Exchange Control Notification. Proceeds from the sale of Shares must be remitted to India within a designated period in accordance with applicable exchange control and other requirements. Participant should consult Participant's advisor with respect to such requirements.

ISRAEL

Additional Terms and Conditions. The Award is granted pursuant to the Genpact Appendix – Israel Taxpayers to the 2017 Omnibus Incentive Plan (the "Israel Appendix") and is subject to the terms and conditions stated in the Israel Appendix, the Plan and the Agreement, including this Addendum B. By accepting the Award, Participant acknowledges and agrees to be bound by the terms of the Israel Appendix. The Israel Appendix is incorporated herein by reference and references to the Plan shall include the Israel Appendix.

The Award is intended to qualify for the tax treatment as a 102 Capital Gains Track Grant under Section 102 of the Israeli Income Tax Ordinance (New Version) 1961 ("Section 102"). Participant hereby acknowledges and agrees as follows:

- (a) Participant understands the provisions of Section 102 and the applicable tax track of this grant.
- (b) Participant agrees to the terms and conditions of the trust agreement between the Company and the trustee (the "Trustee") designated by the Company to serve as the supervising trustee as approved by the Israeli Tax Authority (the "ITA") in accordance with the provisions of Section 102.
- (c) Participant understands that the Shares will be registered in the name of the Trustee for the benefit of Participant. Subject to the provisions of Section 102, Participant confirms that Participant shall not sell nor transfer the Award or the Shares from the Trustee until the end of the Required Holding Period. For purposes of the Award, "Required Holding Period" means the requisite period prescribed by Section 102 or such other period as may be required by the ITA, with respect to 102 Trustee Grants, during which Awards granted by the Company or Shares underlying such Awards must be held by the Trustee for the benefit of the person to whom it was granted.
- (e) If Participant sells or withdraws the Shares from the Trustee before the end of the Required Holding Period ("Violation"), either (A) Participant shall reimburse the Company within three (3) days of its demand for the employer portion of the payment by the Company to the National Insurance Institute plus linkage and interest in accordance with the law, as well as any other expense that the Company shall bear as a result of the said Violation or (B) Participant agrees that the Company may, in its sole discretion, deduct such amounts directly from any amounts to be paid to Participant as a result of his or her disposition of the Shares.
- (f) Participant understands that this grant is conditioned upon the receipt of all required approvals from the ITA.
- (g) All tax consequences under any applicable law which may arise from the grant of the Award, from the holding or sale of the Shares by or on behalf of Participant, shall be borne solely by Participant. Participant shall indemnify the Company and/or Affiliate and/or Trustee,

as the case may be, and hold them harmless, against and from any liability for any such tax or any penalty, interest or indexing.

ITALY

Plan Document Acknowledgment. In accepting the Award, Participant acknowledges that Participant has received a copy of the Plan and the Agreement and has reviewed the Plan and the Agreement in their entirety and fully understands and accepts all provisions of the Plan and the Agreement. Participant further acknowledges that Participant has read and specifically and expressly approves the following sections of the Agreement: Section 3 (Cessation of Employment), Section 4 (Change of Control), Section 5 (Issuance of Shares; Applicable Taxes), Section 6 (Restrictive Covenants and Forfeiture), Section 8 (Compliance with Laws and Regulations), Section 12 (Governing Law), Section 17 (Participant Acceptance), and Addendum A.

JAPAN

Securities Law Notification. Upon the Company offering the Award to receive Shares pursuant to the Plan, the Company hereby notifies Participant as follows:

- (i) The offering falls under offering to the small number of investors, which shall refer to the offering to the small number of investors under Article 23-13, paragraph 4 of the Financial Instruments and Exchange Act (Law No. 25 of 1948 as amended) and as such, no filing under Article 4, paragraph 1 of the act is being made in relations to the offering.
- (ii) The transfers of the Award is prohibited.

MALAYSIA

No disclosure.

MEXICO

Acknowledgement of the Agreement. By accepting the Award, Participant acknowledges that Participant has received a copy of the Plan and the Agreement, which Participant has reviewed. Participant further acknowledges that Participant accepts all the provisions of the Plan and the Agreement. Participant also acknowledges that he or she has read and specifically and expressly approves the terms and conditions set forth in Section 2 of Addendum A, which clearly includes the following:

- (1) Participant's participation in the Plan does not constitute an acquired right;
- (2) The Plan and Participant's participation in it are offered by the Company on a wholly discretionary and commercial basis;
- (3) Participant's participation in the Plan is voluntary;
- (4) The Company is not responsible for any decrease in the value of any Shares acquired at vesting of the Award; and

(5) This Plan is not to be deemed as an employment benefit granted by the employer, but rather a commercial one granted by the Company for which Participant does not render personal subordinated services.

Labor Law Policy and Acknowledgement. By accepting the Award, Participant acknowledges that the Company, with registered offices at Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda, is solely responsible for the administration of the Plan. Participant further acknowledges that his or her participation in the Plan, the grant of the Award and any acquisition of under the Plan do not constitute an employment relationship between Participant and the Company because Participant is participating in the Plan on a wholly commercial basis and Participant's sole employer is EDM S. de R.L. de C.V. located at Avenida Hermanos Escobar #7651; Colonia Partido Escobedo, Cd. Juarez; Chihuahua, C.P.; Estados Unidos Mexicanos; 32330; Mexico ("Genpact Mexico"). Based on the foregoing, Participant expressly acknowledges that the Plan and the benefits that Participant may derive from participation in the Plan do not establish any rights between Participant and Participant's employer, Genpact Mexico, and do not form part of the employment conditions and/or benefits provided by Genpact Mexico, and any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of Participant's employment. Additionally, Participant expressly acknowledges that in view of the nature of the Plan, any benefit that Participant may receive under the Plan, shall not be considered for salary consolidation purposes as such benefit is not compensation in exchange of Participant's work for the employer.

Participant further understands that Participant's participation in the Plan is the result of a unilateral and discretionary decision of the Company; therefore, the Company reserves the absolute right to amend and/or discontinue Participant's participation in the Plan at any time, without any liability to Participant.

Finally, Participant hereby declares that Participant does not reserve to Participant any action or right to bring any claim against the Company for any compensation or damages regarding any provision of the Plan or the benefits derived under the Plan, and that Participant therefore grants a full and broad release to the Company (including Genpact Mexico), branches, representation offices, shareholders, officers, agents or legal representatives, with respect to any claim that may arise.

Spanish Translation

Reconocimiento del Acuerdo. Al aceptar este Premio, el Participante reconoce que ha recibido una copia del Plan y del Acuerdo, que el Participante ha revisado. El Participante reconoce, además, que el Participante acepta todas las disposiciones del Plan y del Acuerdo. El Participante también reconoce que ha leído, reconoce y acepta de forma específica y expresamente aprueba los términos y condiciones establecidos en la cláusula 1 de Apendice A, que claramente dispone lo siguiente:

(1) La participación del Participante en el Plan no constituye un derecho adquirido;

(2) El Plan y la participación del Participante en el Plan se ofrecen por la Compañía en su totalidad sobre una base discrecional y comercial;

(3) La participación del Participante en el Plan es voluntaria;

(4) La Compañía no es responsables por la disminución en el valor de ninguna de las Acciones adquiridas en el ejercicio del Premio; y

(5) Este Plan no debe considerarse como una prestación laboral otorgada por el patrón, sino como un beneficio commercial otorgado por la Compañía, para la cual el Participante no desempeña servicio personal subordinado alguno.

Políticas bajo la Legislación Laboral y Aceptación. Al aceptar este Premio, el Participante reconoce que la Compañía, con oficinas registradas y ubicadas en Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda, es el único responsable de la administración del Plan. Además, el Participante acepta que su participación en el Plan, la concesión del Premio y cualquier adquisición de Acciones en el marco del Plan no constituyen una relación laboral entre el Participante y la Compañía en virtud de que el titular del derecho a este Premio está participando en el Plan en su totalidad sobre una base comercial y su único patrón es EDM S. de R.L. de C.V., ubicado en Avenida Hermanos Escobar #7651; Colonia Partido Escobedo, Cd. Juarez; Chihuahua, C.P.; Estados Unidos Mexicanos; 32330; Mexico ("Genpact Mexico"). Derivado de lo anterior, el Participante reconoce expresamente que el Plan y los beneficios que pudieran derivar a su favor de la participación en el Plan no establece ningún derecho entre el Participante y su patrón, Genpact Mexico, y que no forman parte de las condiciones de empleo y /o prestaciones previstas por Genpact Mexico, y cualquier modificación del Plan o la terminación del mismo no constituirá un cambio o deterioro de los términos y condiciones de empleo del Participante. Adicionalmente, el Participante expresamente reconoce que en virtud de la naturaleza del Plan, cualquier beneficio que el Participante pueda llegar a recibir bajo el Plan, no deberá ser considerado para efectos de integración salarial, toda vez que el mismo derivaría de una ganancia del mercado, no una remuneración a cambio de su trabajo para el patrón.

Además, el Participante comprende que su participación en el Plan es el resultado de una decisión discrecional y unilateral de la Compañía, por lo que dicha compañía se reserva el derecho absoluto a modificar y/o discontinuar la participación del Participante en el Plan en cualquier momento, sin responsabilidad alguna para con el titular del derecho a la Premio.

Finalmente, el Participante manifiesta que no se reserva acción o derecho alguno que ejercitar en contra de la Compañía, por cualquier compensación o daños y perjuicios en relación con cualquier disposición del Plan o de los beneficios derivados del mismo, y en consecuencia el Participante libera amplia y completamente de toda responsabilidad a la Compañía (incluyendo Genpact Mexico), sucursales, oficinas de representación, accionistas, administradores, agentes o representantes legales.

NETHERLANDS

Securities Law Notification. The grant of the Award under the Plan is not considered a public offer of securities which requires an approved prospectus within the meaning of article 5:2 of the Act on Financial Supervision.

PHILIPPINES

No disclosure.

POLAND

No disclosure.

ROMANIA

No disclosure.

SOUTH AFRICA

Securities Law Notification. The information contained herein is strictly private and confidential and for the attention of the addressee only. Any offer or invitation contained herein is open for acceptance by the addressee only and, as such, does not constitute an offer to the public as envisaged in Chapter 4 of the Companies Act, 2008.

Exchange Control Notification. Participant is responsible for compliance with applicable exchange control rules and regulations. Exchange control regulations change frequently and without notice. Participant should consult with Participant's personal advisor to ensure compliance with current regulations (including any requirement to place the Award on record with Participant's bank).

SWITZERLAND

Securities Law Notification. The Award is not intended to be publicly offered in or from Switzerland. Because the offer is considered a private offering, it is not subject to registration in Switzerland.

UNITED KINGDOM

Award Payable Only in Shares. Notwithstanding any discretion in the Plan or anything to the contrary in this Agreement, the grant of the Award does not provide Participant any right to receive a cash payment and the Award may be settled only in Shares.

Taxes. Participant indemnifies the Company and Participant's employer for any Applicable Taxes that may be payable with respect to the full number of Shares vested and issued (including those Shares that are deemed issued). To the extent any Shares are withheld by the Company in accordance with Section 5(b) of the Agreement, the Company shall pay over to Participant's employer sufficient moneys to satisfy Participant's liability under such indemnity. Any reference to the withholding of Applicable Taxes, including any obligation to withhold, shall be treated as including a reference to any amount of Applicable Taxes in respect of which the Company (or an Affiliate) is required to account to any tax authority.

As a condition to the issuance of Shares under this Award, Participant unconditionally and irrevocably agrees, if so required by the Company, to enter into a joint election within section 431

of (UK) Income Tax (Earnings and Pensions) Act 2003 (“ITEPA”) disapplying all restrictions in respect of the acquisition of “restricted securities” (as defined in Section 423 and 424 of ITEPA).

Termination of Service. Participant has no right to compensation or damages on account of any loss in respect of an Award under the Plan where the loss arises or is claimed to arise in whole or part from: (a) the termination of Participant’s office or employment; or (b) notice to terminate Participant’s office or employment. This exclusion of liability shall apply however termination of office or employment, or the giving of notice, is caused, and however compensation or damages are claimed. For the purpose of the Plan, the implied duty of trust and confidence is expressly excluded.

**GENPACT LIMITED
2017 OMNIBUS INCENTIVE COMPENSATION PLAN**

PERFORMANCE SHARE AWARD AGREEMENT

THIS PERFORMANCE SHARE AWARD AGREEMENT (the "Agreement"), dated as of _____ (the "Award Date"), is made by and between Genpact Limited, an exempted limited company organized under the laws of Bermuda (the "Company") and _____ ("Participant"). To the extent not defined herein, all capitalized terms in this Agreement shall have the meanings assigned to them in the Genpact Limited 2017 Omnibus Incentive Compensation Plan (the "Plan").

R E C I T A L S:

WHEREAS, the Company has adopted the Plan for the purpose of promoting the interests of the Company and its shareholders by attracting and retaining exceptional directors, officers, employees and consultants and enabling such individuals to participate in the long-term growth and financial success of the Company.

WHEREAS, the Compensation Committee (the "Committee") has determined that it is in the best interests of the Company and its shareholders to grant to Participant a performance share award under the Plan as provided for herein.

NOW, THEREFORE, for and in consideration of the premises and covenants of the parties contained in this Agreement, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, for themselves, their successors and assigns, hereby agree as follows:

1. Grant of Performance Shares Award. The Company hereby awards to Participant, as of the Award Date, a performance share award (the "Award") under the Plan entitling Participant to receive a number of Shares based on the extent, if any, to which the applicable vesting criteria are satisfied. The initial number of Shares that shall be used to determine Participant's rights pursuant to this Award is _____ (the "Target Performance Shares"). The number of Target Performance Shares shall be used solely to calculate the number of Shares that may be issued to Participant under this Agreement. The number of Target Performance Shares shall be subject to adjustment as set forth in the Plan. The number of Shares issuable under the Award may be subject to reduction as set forth in Section 3.

2. Vesting Requirements.

(a) Vesting Requirements. The Shares subject to the Award shall initially be unvested and shall vest only in accordance with the performance and/or service vesting provisions of this Section 2 or the special vesting acceleration provisions of Section 4.

(b) Performance Vesting. Except as provided herein, the number of Shares to which Participant may become entitled under this Agreement shall be calculated as set forth in Section 3 and Appendix A, subject to Participant's completion of the applicable service vesting

provisions set forth below. In no event may the number of Shares to which Participant is entitled exceed two hundred forty percent (240%) of the Target Performance Shares.

(c) Service Vesting. The actual number of Shares in which Participant shall vest shall be determined as follows:

(i) If Participant remains in continued employment or service with the Company or an Affiliate from the Award Date through _____ (the "Service Period"), Participant shall vest, at the end of the Service Period, in the number of Shares determined under Appendix A.

(ii) If Participant's employment or service with the Company and its Affiliates ceases by reason of Participant's death or Disability prior to the completion of the Service Period, Participant shall vest as of such termination in a number of Shares determined by multiplying (A) the Target Performance Shares by (B) a fraction, the numerator of which is the number of whole months of Participant's employment or service in the Performance Period prior to Participant's termination (rounded up to the closest whole month, but not to exceed thirty-six (36)) and the denominator of which is thirty-six (36).

(iii) If Participant's employment or service with the Company and its Affiliates ceases by reason of Participant's Retirement prior to completion of the Service Period, Participant shall vest at the end of the Service Period in a number of Shares determined by multiplying: (A) the number of Shares to which Participant would have been entitled had Participant remained in employment or service with the Company or Affiliate through the end of the Service Period by (B) a fraction, the numerator of which is the number of whole months that Participant was employed or in service during the Performance Period prior to Participant's termination (rounded up to the closest whole month, but not to exceed thirty-six (36)) and the denominator of which is thirty-six (36). For purposes of this Award, Retirement shall mean Participant's termination of employment or service with the Company and its Affiliates, other than for Cause, if Participant (i) is, at the time of such termination, age 60 or over and (ii) has completed at least 10 years of employment or service with the Company or an Affiliate at the time of such termination. Notwithstanding the foregoing, if there is a Change of Control during the Service Period, Section 4(a)(iii) shall apply instead of this subsection (iii).

(iv) Should Participant cease continued employment or service with the Company and its Affiliates for any other reason prior to the end of the Service Period, the Award shall be immediately canceled and Participant shall thereupon cease to have any right or entitlement to receive any Shares under the Award.

(v) For purposes of this Agreement, Participant's date of termination of employment shall mean the date on which Participant ceases active employment, and shall not be extended by any notice period, whether mandated or implied under local law during which Participant is not actually employed or providing services (e.g., garden leave or similar leave) or during or for which Participant receives pay in lieu of notice or severance pay. To the greatest extent permitted by applicable law, the Award shall not vest during any notice period, regardless of whether Participant continues active employment during such period, and the Award shall be canceled on the date notice of termination is provided by Participant or the Company (or an Affiliate). The Company shall have the sole discretion to determine when Participant is no

longer actively employed for purposes of this Agreement without reference to any other agreement, written or oral, including Participant's contract of employment, if applicable.

3. Performance Goals.

(a) Committee Determination. Following the end of the Performance Period, the Committee shall determine whether and the extent to which the Performance Goals have been achieved and shall determine the number of Shares, if any, issuable to Participant with respect to the level of achievement of the Performance Goals based on completion of the service vesting requirement. The Committee's determinations with respect to the achievement of the Performance Goals shall be based on the Company's audited financial statements, subject to any adjustments made by the Committee in accordance with Section 3(b) below.

(b) Committee Discretion to Reduce or Eliminate Award. Notwithstanding satisfaction, achievement or completion of the Performance Goals (or any adjustments thereto as provided below), the number of Shares issuable hereunder may be reduced or eliminated by the Committee on the basis of such further considerations as the Committee in its sole discretion shall determine.

(c) Modification of Performance Goals. The Committee shall have the right to adjust or modify the calculation of the Performance Goals as permitted under the Plan.

4. Change of Control. In the event a Change of Control occurs while this Award is outstanding, then all the Shares subject to this Award shall be converted into the right to receive for each such Share the same consideration per Common Share payable to the other holders of such Common Shares in consummation of the Change of Control. In such an event, the number of Shares issuable under this Award and the date of issuance of the Shares shall be determined as set forth in this Section 4, notwithstanding any provisions of this Agreement or the Plan to the contrary. Following a Change of Control, Participant shall not have any right to receive any Shares under this Award in excess of the number of Shares determined under this Section 4.

(a) Number of Shares.

(i) In the event the Change of Control occurs prior to completion of the Performance Period and Participant remains in continued employment or service with the Company or an Affiliate through the effective date of that Change of Control, then this Award shall be converted into a right to receive a number of Shares equal to the Target Performance Shares, subject to the Service requirements set forth in subsection (ii) below. In the event the Change of Control occurs after the completion of the Performance Period and before the end of the Service Period, and Participant remains in continued employment or service with the Company or an Affiliate through the effective date of that Change of Control, then this Award shall be converted into a right to receive a number of Shares determined in accordance with Sections 2(b) and 3, subject to the Service requirements set forth in subsection (ii) below.

(ii) If this Award is assumed, continued or substituted in connection with the Change of Control in accordance with the Plan, then provided Participant remains in continued employment or service with the Company or an Affiliate through the completion of the Service Period, Participant shall be entitled to the Shares issuable under Section 4(a)(i) or

other consideration payable in connection with the Change of Control, which shall be issued after the end of the Service Period, as set forth in Section 5(a). If Participant's continued employment or service terminates prior to completion of the Service Period, then except as otherwise provided in Sections 4(a)(iii) and (iv), the Award shall be immediately canceled upon such termination and Participant shall thereupon cease to have any right or entitlement to receive any Shares or other consideration under the Award.

(iii) If this Award is assumed, continued or substituted in connection with the Change of Control in accordance with the Plan, and Participant's employment or service with the Company and its Affiliates terminates subsequently during the Service Period by reason of death, Disability or Retirement, Participant shall be entitled to receive a number of Shares determined by multiplying (A) the number of Shares to which Participant would be entitled in accordance with Section 4(a)(i) had Participant's employment or service not terminated by (B) a fraction, the numerator of which is the number of months of service in the Performance Period prior to the termination (rounded up to the closest whole month, but not to exceed thirty-six (36)) and the denominator of which is thirty-six (36). Such Shares (or other consideration issuable under this Award) shall be issued immediately upon such termination or as soon as practicable thereafter, but not later than the fifteenth (15th) day of the third (3rd) calendar month following the year of such termination, provided that, in the case of such a termination due to Retirement, if Participant's Retirement is not within twenty-four (24) months following a Change of Control, or if otherwise required under Section 409A of the Code, such Shares (or other consideration issuable under this Award) shall be issued at the earliest time as permitted under Section 409A of the Code.

(iv) Notwithstanding anything to the contrary, in the event of Participant's Involuntary Termination (other than due to death, Disability or Retirement) that occurs during the Service Period and within twenty-four (24) months following a Change of Control in connection with which this Award is assumed, continued or substituted, Participant shall immediately vest in the Shares (as determined in accordance with Section 4(a)(i) above) or other consideration payable in connection with such assumption, continuation or substitution issuable under this Award and such Shares or other consideration shall be issued immediately upon such Involuntary Termination or as soon as practicable thereafter, but in no event more than fifteen (15) business days after such Involuntary Termination.

(v) If this Award is not assumed, continued or substituted in connection with the Change of Control in accordance with the Plan, then the Shares issuable under this Award (as determined pursuant to Section 4(a)(i)) or other consideration payable with respect to such Shares in connection with the Change of Control shall be issued on the effective date of the Change of Control or as soon as administratively practicable thereafter, but in no event more than fifteen (15) business days after such effective date.

(b) Applicable Taxes. Each issuance of Shares shall be subject to the Company's collection of any Applicable Taxes, as set forth in Section 5(b).

(c) Definitions. For purposes of this Agreement, the following definitions shall apply:

(i) "Involuntary Termination" shall mean the termination of Participant's continued employment or service with the Company and its Affiliates which occurs by reason of such individual's involuntary dismissal or discharge by the Company (or Affiliate) for reasons other than Cause.

(ii) "Cause" shall mean "Cause" as defined in any employment or consulting agreement between Participant and the Company or an Affiliate in effect at the time of termination or, in the absence of such an employment or consulting agreement: (A) any conviction by a court of, or entry of a pleading of guilty or *nolo contendere* by Participant with respect to, a felony or any lesser crime involving moral turpitude or a material element of which is fraud or dishonesty; (B) Participant's willful dishonesty of a substantial nature towards the Company and any of its Affiliates; (C) Participant's use of alcohol or drugs which materially interferes with the performance of his duties to the Company and/or its Affiliates or which materially compromises the integrity and reputation of Participant or the Company and/or its Affiliates; or (D) Participant's material, knowing and intentional failure to comply with material applicable laws with respect to the execution of the Company's and its Affiliates' business operations.

5. Issuance of Shares; Applicable Taxes.

(a) Except as otherwise provided under Section 4, the Company shall issue the Shares to which Participant becomes entitled as soon as practicable following completion of the Service Period but in no event later than the fifteenth (15th) day of the third (3rd) calendar month following the end of the Service Period, subject to the Company's collection of any Applicable Taxes; provided, however, that any Shares to which Participant becomes entitled under Section 2(c)(ii) shall be issued no later than the fifteenth (15th) day of the third (3rd) calendar month following the year of Participant's termination.

(b) Any Applicable Taxes required to be withheld with respect to the issuance of the Shares under this Agreement shall be paid through an automatic Share withholding procedure pursuant to which the Company will withhold, at the time of such issuance, a portion of the Shares with a Fair Market Value (measured as of the issuance date) equal to the amount of those taxes; provided, however, that the amount of any Shares so withheld shall not exceed the amount necessary to satisfy the Company's required withholding obligations using the minimum statutory withholding rates. Notwithstanding the foregoing, the Company may, in its sole discretion, require that such Applicable Taxes be paid through Participant's delivery of his or her separate check payable to the Company in the amount of such taxes.

(c) In no event will any fractional shares be issued.

(d) The holder of this Award shall not have any shareholder rights, including voting or dividend rights, with respect to the Shares subject to the Award until Participant becomes the record holder of those Shares following their actual issuance after the satisfaction of the Applicable Taxes.

6. Restrictive Covenants and Forfeiture.

(a) In consideration for the grant of the Award, Participant agrees to comply with the restrictive covenants set forth in Section 6(d) below (the “Restrictive Covenants”).

(b) Participant acknowledges and agrees that any breach by Participant of the Restrictive Covenants will result in irreparable injury to the Company or its Affiliates, as the case may be, for which money damages could not adequately compensate such entity. Therefore, the Company or any of its Affiliates shall have the right (in addition to any other rights and remedies which it may have at law or in equity and in addition to the forfeiture requirements set forth in Section 6(c) below) to, as permitted by applicable law, seek to enforce this Section 6 and any of its provisions by injunction, specific performance, or other equitable relief, without bond and without prejudice to any other rights and remedies that the Company or any of its Affiliates may have for a breach, or threatened breach, of the Restrictive Covenants. Participant agrees that in any action in which the Company or any of its Affiliates seeks injunction, specific performance, or other equitable relief, Participant will not assert or contend that any of the provisions of this Section 6 are unreasonable or otherwise unenforceable. Participant consents to the sole and exclusive jurisdiction and venue in the federal and state courts located in New York City and waives any objection to the laying of venue of any such proceeding in any such court. Participant also irrevocably and unconditionally consents to the service of any process, pleadings, notices, or other papers.

(c) Participant acknowledges and agrees that, to the extent permitted by applicable law, in the event Participant breaches the Restrictive Covenants contained in this Section 6:

(i) The Company shall have the right to terminate this Award (and Participant shall thereupon cease to have any right or entitlement to receive any Shares under this Award) to the extent outstanding, and

(ii) The Company may in its discretion cancel any Shares issued pursuant to this Award that vested within twelve (12) months of Participant’s breach of the Restrictive Covenants contained in this Section 6; provided, that if Participant has disposed of any such Shares received hereunder, then the Company may require Participant to pay to the Company, in cash, the fair market value of such Shares as of the date of disposition.

(d) Based on the understanding that Participant will be given access to valuable clients and confidential and proprietary information, Participant agrees that while an employee of the Company (or an Affiliate) and for a period of one (1) year from cessation of employment, Participant will not directly or indirectly:

(i) enter, engage in, participate in, or assist, either as an individual on his or her own or as a partner, joint venturer, employee, agent, consultant, officer, trustee, director, owner, part-owner, shareholder, or in any other capacity, in the primary country(ies) in which Participant performed services, directly or indirectly, any other business organization whose activities or products are competitive with any Company activity, product or service that Participant engaged in, participated in, or had confidential information about during Participant’s last 12 months of employment with the Company; provided that if Participant is subject to separate non-competition restrictive covenants in an employment agreement or offer letter with the Company, then the non-competition covenants in this subsection (i) shall not apply to

Participant, and the non-competition covenants set forth in Participant's employment agreement or offer letter will continue to apply to Participant;

(ii) either alone or in association with others, solicit, divert or take away, or attempt to divert or take away, the business or patronage of any of the actual or prospective clients, customers, accounts or business partners of the Company (or any Affiliate) with whom Participant had direct interaction with during Participant's employment with the Company (or any Affiliate); and

(iii) on Participant's own behalf or in the service or on behalf of others, solicit, recruit or attempt to persuade any person to terminate such person's employment with the Company or an Affiliate, whether or not such person is a full-time employee or whether or not such employment is pursuant to a written agreement or is at-will.

(e) In the event of Participant's breach or anticipatory breach of this Section 6, or Participant's claim in a declaratory judgment action that all or part of the covenants contained in this Section 6 are unenforceable, Participant and the Company agree that in addition to any other rights or remedies available to the Company under law, the Company shall be entitled to recover from Participant all reasonable sums and costs, including attorneys' fees, incurred by the Company to defend or enforce this Section 6.

(f) The restrictive periods set forth in this Section 6 shall not expire and shall be tolled during any period in which Participant is in violation of the restrictive covenants contained in this Section 6, and therefore such restrictive periods shall be extended for a period equal to the duration(s) of Participant's violation.

Recognizing that the limitations in this Agreement permit Participant to continue Participant's chosen career in the same geographic area without any interruption while protecting the Company's legitimate business interests in its client and employee relationships, Participant agrees that the above restrictions are reasonable including the short length of time, the limitation as to identified clients and employees, and the specific area of business in which competition is limited as to those clients. Participant agrees that these limitations are reasonable given the highly competitive nature of the Company's business and are required for the Company's protection based upon numerous factors including the knowledge and information to which Participant will have access during Participant's employment with the Company. Participant's agreement to observe the restrictions set forth in this agreement is material consideration for Participant's employment with the Company as well as eligibility to receive grants in the Plan. Participant represents that his/her experience and capabilities are such that the restrictions contained in Section 6 above will not prevent Participant from obtaining employment or otherwise earning a living at the same general level of economic benefit as earned with the Company. Participant further agrees that, should a court determine that any provision, term or condition set forth in this Section 6 is invalid, the court may alter or modify any such provision, term or condition in a manner so as to protect the Company's legitimate business interests. For the avoidance of doubt, the Restrictive Covenants in this Section 6 are in addition to, and not in lieu of, and do not amend, modify, or supersede, any non-competition, non-solicitation, confidentiality, or similar restrictive covenants that run in favor of the Company or its Affiliates and by which Participant is bound.

Nothing in this Agreement shall preclude Participant from making passive investments of not more than one percent (1%) of a class of securities of any business enterprise registered under the Securities Exchange Act of 1934, as amended.

7. Limited Transferability. Prior to actual receipt of the Shares which vest and become issuable hereunder, Participant may not transfer any interest in the Award or the underlying Shares. Any Shares which vest hereunder but which otherwise remain unissued at the time of Participant's death may be transferred pursuant to the provisions of Participant's will or the laws of inheritance or to Participant's designated beneficiary or beneficiaries of this Award. Participant may make such a beneficiary designation at any time by filing the appropriate form with the Committee or its designee.

8. Clawback. The Company shall have the right to terminate this Award (and Participant shall thereupon cease to have any right or entitlement to receive any Shares under this Award) to the extent outstanding and to cancel any Shares issued hereunder in the event of any of the following:

(i) If a Participant resident in the United States or India has breached any restrictive covenant (whether non-solicitation, non-competition, non-disparagement or confidentiality) under any agreement between Participant and the Company or an Affiliate during employment or during one (1) year period following termination of Participant's employment or service with the Company or an Affiliate;

(ii) If the Company is required to prepare an accounting restatement for any part of the Performance Period due to material noncompliance with financial reporting requirements under the federal securities laws which the Committee determines is the result of fraud, negligence, or intentional or gross misconduct by Participant;

(iii) In the circumstances and manner provided in any clawback or compensation recovery policy that may be adopted or implemented by the Company and in effect from time to time on or after the Award Date; and/or

(iv) If the Committee determines that Participant committed an act or omission while an employee or other service provider of the Company (or Affiliate) that was not discovered by the Company (or any Affiliate) until after the termination of Participant's employment or service that would, if Participant were an active employee or other service provider of the Company (or Affiliate) at the time such act or omission is discovered, be reason for termination of Participant's employment or service for Cause.

For purposes of this Section 8, clause (i) above shall only apply to Shares that have not yet vested or that vested within twelve (12) months of the date of such breach.

The Company's rights to cancel the Award and any Shares issued hereunder pursuant to this Section 8 shall be in addition to the Company's rights under Section 6 of this Agreement.

9. Sections 409A and 457A.

(a) It is the intention of the parties that the provisions of this Agreement shall, to the maximum extent permissible, comply with the requirements of the short-term deferral

exceptions of Section 409A of the Code and the Treasury Regulations issued thereunder and Section 457A of the Code and any guidance with respect to Code Section 457A, including but not limited to Notice 2009-8. Accordingly, to the extent there is any ambiguity as to whether one or more provisions of this Agreement would otherwise contravene the requirements or limitations of Code Section 409A or of Code Section 457A applicable to such short-term deferral exceptions, then those provisions shall be interpreted and applied in a manner that does not result in a violation of the requirements or limitations of Code Section 409A and the Treasury Regulations thereunder and Code Section 457A and any guidance with respect to Code Section 457A, including but not limited to Notice 2009-8, that apply to such exceptions.

(b) Notwithstanding any provision to the contrary in this Agreement, to the extent this Award may be deemed to create a deferred compensation arrangement under Code Section 409A, then Shares or other amounts which become issuable or distributable under this Agreement by reason of Participant's cessation of continued employment or service shall actually be issued or distributed to Participant prior to the *earlier* of (i) the first day of the seventh (7th) month following the date of Participant's Separation from Service (as determined under Code Section 409A and Treasury Regulations thereunder) or (ii) the date of Participant's death, if Participant is deemed at the time of such Separation from Service to be a specified employee under Section 1.409A-1(i) of the Treasury Regulations issued under Code Section 409A, as determined by the Committee in accordance with consistent and uniform standards applied to all other Code Section 409A arrangements of the Company, and such delayed commencement is otherwise required in order to avoid a prohibited distribution under Code Section 409A(a)(2). The deferred Shares or other distributable amount shall be issued or distributed in a lump sum on the first day of the seventh (7th) month following the date of Participant's Separation from Service or, if earlier, the first day of the month immediately following the date the Company receives proof of Participant's death.

10. Compliance with Laws and Regulations. The issuance of Shares pursuant to the Award shall be subject to compliance by the Company and Participant with all applicable laws, rules and regulations and to such approvals by any regulatory or governmental agency as may be required. The Committee, in its sole discretion, may postpone the issuance or delivery of Shares as the Committee may consider appropriate and may require Participant to make such representations and furnish such information as it may consider appropriate in connection with the issuance or delivery of Shares in order to be in compliance with applicable laws, rules and regulations.

11. Successors and Assigns. Except to the extent otherwise provided in this Agreement, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and Participant and Participant's assigns, beneficiaries, executors, administrators, heirs and successors.

12. Notices. All notices, demands and other communications provided for or permitted hereunder shall be made in writing and shall be by registered or certified first-class mail, return receipt requested, telecopier, courier service or personal delivery:

if to the Company:

Genpact Limited

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda
Attn: Secretary

with a copy to:

Genpact LLC
521 Fifth Avenue, 14th Floor
New York, NY 10175
Attn: Legal Department

if to Participant, at Participant's last known address on file with the Company.

All such notices, demands and other communications shall be deemed to have been duly given when delivered by hand, if personally delivered; when delivered by courier, if delivered by commercial courier service; five (5) business days after being deposited in the mail, postage prepaid, if mailed; and when receipt is mechanically acknowledged, if telecopied.

13. Construction. This Agreement and the Award evidenced hereby are made and granted pursuant to the Plan and are in all respects limited by and subject to the terms of the Plan. All decisions of the Committee with respect to any question or issue arising under the Plan or this Agreement shall be conclusive and binding on all persons having an interest in the Award.

14. Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of Texas without regard to principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction which could cause the application of the laws of any jurisdiction other than the State of Texas. Each Participant and the Company hereby waive, to the fullest extent permitted by applicable law, any right either of them may have to a trial by jury in respect to any litigation directly or indirectly arising out of, under or in connection with this Agreement or the Plan.

15. Employment at Will. Nothing in this Agreement or in the Plan shall confer upon Participant any right to remain in employment or service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company (or any Affiliate employing or retaining Participant) or of Participant, which rights are hereby expressly reserved by each, to terminate Participant's employment or service at any time for any reason, with or without cause, subject to compliance with applicable law and the terms of any employment agreement between Participant and the Company (or any Affiliate employing or retaining Participant).

16. Electronic Delivery. The Company may deliver any documents related to the Award, the Plan or future awards that may be granted under the Plan by electronic means. Such means of electronic delivery include, but do not necessarily include, the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the documents via e-mail or such other means of electronic delivery specified by the Company. Participant hereby acknowledges that Participant has read this provision and consents

to the electronic delivery of the documents. Participant acknowledges that Participant may receive from the Company a paper copy of any documents delivered electronically at no cost to Participant by contacting the Company in writing or by telephone. Participant further acknowledges that Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, Participant understands that Participant must provide the Company with a paper copy of any documents if the attempted electronic delivery of such documents fails.

17. Additional Terms for Non-U.S. Participants. Notwithstanding anything to the contrary herein, Participants residing and/or working outside the United States shall be subject to the Additional Terms and Conditions for Non-U.S. Participants attached hereto as Addendum A and to any Country-Specific Terms and Conditions attached hereto as Addendum B. If Participant is a citizen or resident of a country (or is considered as such for local law purposes) other than the one in which Participant is currently residing or working or if Participant relocates to one of the countries included in the Country-Specific Terms and Conditions after the grant of the Award, the special terms and conditions for such country will apply to Participant to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Terms and Conditions for Non-U.S. Participants and the Country-Specific Terms and Conditions constitute part of this Agreement and are incorporated herein by reference.

18. Imposition of Other Requirements. The Company reserves the right to impose other requirements on Participant's participation in the Plan, on the Award and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

19. Participant Acceptance. Participant must accept the terms and conditions of this Agreement electronically no later than _____ by clicking the "Accept" (or similar wording) button on the award acceptance screen of your Plan account at www.ETRADE.com and following any other instructions you are prompted to follow in your Plan account. If Participant does not accept the terms as instructed, this Agreement will automatically, without further action of the Company or the Committee, terminate and the Award will be forfeited at midnight on _____. Acceptance of this Agreement constitutes Participant's consent to any action taken under the Plan and this Agreement and Participant's agreement to be bound by the terms and conditions of this Agreement including the Restrictive Covenants. In no event shall any Shares be issued (or other securities or property distributed) under this Agreement in the absence of timely acceptance.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

GENPACT LIMITED

Signature: /s/ Heather D. White

Title: SVP & Chief Legal Officer

PARTICIPANT

Signature: _____

ADDENDUM A TO THE PERFORMANCE SHARE AWARD AGREEMENT

TERMS AND CONDITIONS FOR NON-U.S. PARTICIPANTS

This Addendum includes additional terms and conditions that govern the Performance Share Award granted to Participant if Participant works or resides outside the United States.

Capitalized terms used but not defined herein are defined in the Plan or the Agreement and have the meanings set forth therein.

1. No Acquired Right. Participant acknowledges and agrees that:

(a) The Plan is established voluntarily by the Company, the grant of awards under the Plan is made at the discretion of the Committee and the Plan may be modified, amended, suspended or terminated by the Company at any time. All decisions with respect to future awards, if any, will be at the sole discretion of the Committee.

(b) This Award (and any similar awards the Company may in the future grant to Participant, even if such awards are made repeatedly or regularly, and regardless of their amount), and Shares acquired under the Plan (A) are wholly discretionary and occasional, are not a term or condition of employment and do not form part of a contract of employment, or any other working arrangement, between Participant and the Company or any Affiliate; (B) do not create any contractual entitlement to receive future awards or benefits in lieu thereof; and (C) do not form part of salary or remuneration for purposes of determining pension payments or any other purposes, including without limitation termination indemnities, severance, resignation, payment in lieu of notice, redundancy, end of service payments, bonuses, long-term service awards, pension or retirement benefits, welfare benefits or similar payments, except as otherwise required by the applicable law of any governmental entity to whose jurisdiction the award is subject.

(c) This Award and the Shares acquired under the Plan are not intended to replace any pension rights or compensation.

(d) Participant is voluntarily participating in the Plan.

(e) In the event that Participant's employer is not the Company, the grant of this Award and any similar awards the Company may grant in the future to Participant will not be interpreted to form an employment contract or relationship with the Company and, furthermore, the grant of this Award and any similar awards the Company may grant in the future to Participant will not be interpreted to form an employment contract with Participant's employer or any Affiliate.

(f) The future value of the underlying Shares is unknown and cannot be predicted with certainty. Neither the Company nor any Affiliate shall be liable for any foreign exchange rate fluctuation between Participant's local currency and the United States Dollar that may affect the value of the Award or the Shares.

(g) Other than as set out in this Agreement, Participant shall have no rights, claim or entitlement to compensation or damages as a result of Participant's cessation of employment for any reason whatsoever, whether or not later found to be invalid or in breach of contract or local labor law, insofar as these rights, claim or entitlement arise or may arise from Participant's ceasing to have rights under this Award as a result of such cessation or loss or diminution in value of the Award or any of the Shares issuable under this Award as a result of such cessation, and Participant irrevocably releases his or her employer, the Company and its Affiliates, as applicable, from any such rights, entitlement or claim that may arise. If, notwithstanding the foregoing, any such right or claim is found by a court of competent jurisdiction to have arisen, then, by signing this Agreement, Participant shall be deemed to have irrevocably waived his or her entitlement to pursue such rights or claim.

2. Data Protection (Jurisdictions other than European Union/European Economic Area/United Kingdom).

(a) In order to facilitate Participant's participation in the Plan and the administration of the Award, it will be necessary for contractual and legal purposes for the Company (or its Affiliates or payroll administrators) to collect, hold and process certain personal information and sensitive personal information about Participant (including, without limitation, Participant's name, home address, telephone number, date of birth, nationality, social insurance or other identification number and job title and details of the Award and other awards granted, canceled, exercised, vested, unvested or outstanding and Shares held by Participant). Participant consents explicitly, willingly, and unambiguously to the Company (or its Affiliates or payroll administrators) collecting, holding and processing Participant's personal data and transferring this data (in electronic or other form) by and among, as applicable, Participant's employer, the Company and its Affiliates and other third parties (collectively, the "Data Recipients") insofar as is reasonably necessary to implement, administer and manage the Plan and the Award. Participant authorizes the Data Recipients to receive, possess, use, retain and transfer the data for the purposes of implementing, administering and managing the Plan and the Award. Participant understands that the data will be transferred to E*TRADE, or such other broker or third party as may be selected by the Company in the future which is assisting the Company with the implementation, administration and management of the Plan. Participant understands that the Data Recipients may be located in the United States or elsewhere, and that the recipient's country may have a lower standard of data privacy laws and protections than Participant's country.

(b) The Data Recipients will treat Participant's personal data as private and confidential and will not disclose such data for purposes other than the management and administration of the Plan and the Award and will take reasonable measures to keep Participant's personal data private, confidential, accurate and current. Participant understands that the data will be held only as long as is necessary to implement, administer and manage his or her participation in the Plan.

(c) Participant understands that Participant may, at any time, make a request to view his or her personal data, require any necessary corrections to it or withdraw the consents herein in writing by contacting the Company and that these rights are subject to legal restrictions but acknowledges that without the use of such data it may

not be practicable for the Company to administer Participant's involvement in the Plan in a timely fashion or at all and this may be detrimental to Participant and may result in the possible exclusion of Participant from continued participation with respect to this Award or any future awards under the Plan.

3. Data Protection (European Union/European Economic Area/United Kingdom).

(a) In order to facilitate Participant's participation in the Plan and the administration of the Award, it will be necessary for contractual, legitimate interest and legal purposes for the Company (or its Affiliates or payroll administrators) to collect, hold and process certain personal data and, where required for legal purposes with Participant's freely given consent or for employment law purposes, any special category personal data about Participant. Such personal data includes, without limitation, Participant's name, home address, telephone number, date of birth, nationality, social insurance or other identification number and job title and details of the Award and other awards granted, canceled, exercised, vested, unvested or outstanding and Shares held by Participant. Participant hereby acknowledges and agrees to the Company (or its Affiliates or payroll administrators) collecting, holding and processing Participant's personal data and transferring this data (in electronic or other form) by and among, as applicable, Participant's employer, the Company and its Affiliates and other third parties (collectively, the "Data Recipients") insofar as is reasonably necessary to implement, administer and manage the Plan and the Award. Participant understands that the Data Recipients will receive, possess, use, retain and transfer the data for the purposes of implementing, administering and managing the Plan and the Award. Participant understands that the data will be transferred to E*TRADE, or such other broker or third party as may be selected by the Company in the future which is assisting the Company with the implementation, administration and management of the Plan. Participant understands that the Data Recipients may be located in the United States or elsewhere, and that the Data Recipient's country may have a different or lower standard of data privacy laws and protections than Participant's country.

(b) The Data Recipients will treat Participant's personal data as private and confidential and will not disclose such data for purposes other than the management and administration of the Plan and the Award and will take reasonable measures to keep Participant's personal data private, confidential, accurate and current. Participant understands that the data will be held only as long as is necessary to implement, administer and manage his or her participation in the Plan and for legal requirements thereafter. Participant shall notify the Company of any changes to his or her personal data.

(c) Participant understands that Participant may, at any time, exercise the rights granted to Participant by the Data Protection Laws and other applicable data protection laws including the right to make a request to access or be provided with a copy of his or her personal data, request additional information about the storage and processing of the data, request that the personal data is restricted or otherwise object to its processing by the Company, require any necessary corrections to it or withdraw any consents provided by Participant in writing by contacting the Company and that these rights are subject to legal restrictions. Participant acknowledges that without the Company's use of such data it may not be practicable for the Company to administer

Participant's involvement in the Plan in a timely fashion or at all and this may be detrimental to Participant and may result in the possible exclusion of Participant from continued participation with respect to this Award or any future awards under the Plan. Participant is referred to the privacy notice provided by the employing affiliate for further information about the processing of his or her personal data and rights under applicable data protection laws.

(d) For the purpose of this Section 3, "Data Protection Laws" means any law, enactment, regulation or order concerning the processing of personal data including the Data Protection Act 2018, the General Data Protection Regulation (Regulation (EU) 2016/679) (the "GDPR"), the GDPR as it forms part of retained EU law (as defined in the European Union (Withdrawal) Act 2018), the Privacy and Electronic Communications Regulations (EC Directive) Regulations 2003 ("PECR"), and any subordinate legislation or statutory codes of practice implemented in connection with the DPA, GDPR, PECR and any law that is intended to supplement, amend or replace the foregoing together with any other applicable law in any jurisdiction that regulates the collection, protection or processing of personal data as may come into effect from time to time.

4. Withholding; Responsibility for Taxes. This provision supplements Section 5(b) of the Agreement.

For tax purposes, Participant is deemed to have been issued the full number of Shares to which Participant is entitled to under the Award notwithstanding that a number of Shares are withheld for purposes of paying Applicable Taxes. To the extent that the number of Shares withheld to pay Applicable Taxes is not sufficient to cover the obligation for Applicable Taxes, Participant authorizes the Company and/or the Affiliate employing or retaining Participant, or their respective agents, at their discretion, to satisfy the obligations with respect to all Applicable Taxes by withholding from any wages or other cash compensation paid to Participant and/or Affiliate. Participant acknowledges that regardless of any action the Company (or any Affiliate employing or retaining Participant) takes with respect to any or all Applicable Taxes, the ultimate liability for all Applicable Taxes legally due by Participant is and remains Participant's responsibility and that the Company (and its Affiliates) (i) make no representations or undertakings regarding the treatment of any Applicable Taxes in connection with any aspect of the Award, including the grant, vesting or settlement of the Award, and the subsequent sale of any Shares acquired at settlement; and (ii) do not commit to structure the terms of the grant or any aspect of the Award to reduce or eliminate Participant's liability for Applicable Taxes. Further, if Participant is subject to taxation in more than one jurisdiction between the Award Date and the date of any relevant taxable or tax withholding event, as applicable, Participant acknowledges that the Company and/or Participant's employer (or former employer, as applicable) may be required to withhold or account for Applicable Taxes in more than one jurisdiction.

ADDENDUM B TO THE PERFORMANCE SHARE AWARD AGREEMENT

COUNTRY-SPECIFIC TERMS AND CONDITIONS

These Country-Specific Terms and Conditions include additional terms and conditions that govern the Performance Share Award granted to Participant under the Plan if Participant resides or works in one of the countries listed below. Capitalized terms used but not defined in these Country-Specific Terms and Conditions are defined in the Plan or the Agreement and have the meanings set forth therein.

AUSTRALIA

Securities Law. This offer is made under Division 1A of Part 7.12 of the Corporations Act, 2001 (Commonwealth).

General Advice. Any information or advice given by the Company or its Affiliates in relation to the grant of the Award under the Plan does not take account of the objectives, financial situation and needs of Participant. Participant should consider obtaining financial product advice that takes into account the objectives, financial situation and needs of Participant.

Data Privacy. Participant consents to the disclosure of Participant's data under Section 2 of Addendum A of the Agreement to Data Recipients (including persons located in the United States of America and elsewhere). Participant acknowledges that, by consenting to such disclosure, Australian Privacy Principle 8.1 will not apply to the disclosure and as a result the Data Recipients will not be accountable under the Privacy Act 1988 (Commonwealth) (the "Australian Privacy Act") and Participant may not be able to seek redress under the Australian Privacy Act in respect of this data.

CANADA

Section 2(c)(iv) of the Agreement is amended and restated in its entirety to read as follows:

"(iv) Should Participant cease continued employment or service for any reason with the Company and its Affiliates prior to the end of the Service Period, the Award shall be immediately canceled, or cancelled at the end of the statutory notice period under the applicable employment standards legislation, if any, and Participant shall thereupon cease to have any right or entitlement to receive any Shares under the Award."

Section 2(c)(v) of the Agreement is amended and restated in its entirety to read as follows:

"For purposes of this Agreement, Participant's date of termination of employment shall mean the date on which Participant ceases active employment, which term "active employment" shall include any period for which Participant is deemed to be actively employed for purposes of applicable employment standards legislation, and shall exclude any other period of non-working notice of termination or any period for pay in lieu of notice, severance pay or any other monies in relation to the cessation of employment that are paid or otherwise required by applicable law, regardless of whether the termination is with or without cause or with or without notice. For clarity, except as may be required by applicable employment standards legislation, the Award shall not be considered in determining a Participant's entitlement to termination pay, severance pay, pay in lieu of notice or other monies in relation to the cessation of employment, whether pursuant to common law, contract or otherwise. The Company shall have the sole discretion to determine when Participant is no longer in active service for purposes of this

Agreement, without reference to any other agreement, written or oral, including Participant's contract of employment."

For Ontario resident Participants, Section 6(d)(i) of the Agreement is amended and restated in its entirety to read as follows:

"(i) If Participant is an executive as defined by s. 67.2(5) the Ontario *Employment Standards Act*, then they may not enter, engage in, participate in, or assist, either as an individual on his or her own or as a partner, joint venturer, employee, agent, consultant, officer, trustee, director, owner, part-owner, shareholder, or in any other capacity, in the primary country(ies) in which Participant performed services, directly or indirectly, any other business organization whose activities or products are competitive with any Company activity, product or service that Participant engaged in, participated in, or had confidential information about during Participant's last 12 months of employment with the Company; provided that if Participant is subject to separate non-competition restrictive covenants in an employment agreement or offer letter with the Company, then the non-competition covenants in this subsection (i) shall not apply to Participant, and the non-competition covenants set forth in Participant's employment agreement or offer letter will continue to apply to Participant;"

Award Payable Only in Shares. Notwithstanding any discretion in the Plan or anything to the contrary in this Agreement, the grant of the Award does not provide Participant any right to receive a cash payment and the Award may be settled only in Shares. Additionally, notwithstanding Section 5(b) of the Agreement, Participant may satisfy any Applicable Taxes obligations through alternate arrangements satisfactory to the Company prior to the arising of the Applicable Tax obligations, otherwise such Applicable Tax obligations shall be satisfied as set forth in Section 5(b).

Termination for Cause. For any Participant whose employment with the employer is terminated for Cause, the Participant shall be entitled to the minimum entitlements with respect to the Award under applicable law, including the Employment Standards Act.

Definition of Disability. The following provision supplements the definition of Disability in Section 2 of the Plan: For purposes of this Award, the definition of "Disability" shall be applied in compliance with applicable human rights legislation.

Prospectus Exemption. For the purposes of compliance with National Instrument 45-106 - Prospectus Exemptions, the prospectus requirement does not apply to a distribution by an issuer in a security of its own issue with an employee, executive officer, director or consultant of the issuer or a related entity of the issuer, provided the distribution is voluntary.

Resale Restrictions. Shares acquired under the Plan may be subject to certain restrictions on resale imposed by Canadian provincial securities laws. Notwithstanding any other provision of the Plan to the contrary, any transfer or resale of any Shares acquired by Participant pursuant to the Plan must be in accordance with the resale rules under Ontario Securities Commission Rule 72-503 Distributions Outside Canada ("72-503") if Participant is a resident in the Province of Ontario and National Instrument 45-102 - Resale of Securities ("45-102") if Participant is a resident in the Province of Nova Scotia.

In Ontario, the prospectus requirement does not apply to the first trade of Shares issued in connection with the Award provided the conditions set forth in section 2.8 of 72-503 are satisfied. In Nova Scotia,

the prospectus requirement does not apply to the first trade of Shares issued in connection with the Award, provided the conditions set forth in section 2.14 of 45-102 are satisfied. Participant should consult his or her legal advisor prior to any resale of Shares.

CHINA

Immediate Sale of Shares. Notwithstanding anything to the contrary in the Agreement or the Plan, in accordance with the requirements of the State Administration of Foreign Exchange (“SAFE”), the Shares issued following vesting of the Award must be sold immediately through the Company’s designated broker. Participant’s acceptance of the Award shall constitute Participant’s authorization to the brokerage firm to effect such sale. Such sale may be effected through block sales over a period of one or more trading days following the issuance of the Shares. Neither the brokerage firm nor the Company will guarantee the sale price for any such sale and Participant shall be solely responsible for fluctuations in the value of the Shares until sale. This Agreement shall be deemed to be a 10b5-1 plan under the Exchange Act. The net proceeds realized upon the sale of the Shares will be repatriated to China and such net proceeds (less any Applicable Taxes required to have been withheld in connection with the Award) shall be paid to Participant in local currency. Participant shall have no access to the sales proceeds until such distribution. The remittance, conversion and payment of the net proceeds shall be made in accordance with the procedures adopted by the Company in order to comply with SAFE regulations and accordingly, are subject to change from time to time.

COSTA RICA

No disclosure.

FINLAND

No disclosure.

FRANCE

Language Consent. The parties acknowledge that it is their express wish that this Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de cette convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.

Tax Information. The Award is not intended to qualify as a tax qualified award under French tax law.

GERMANY

No disclosure.

GUATEMALA

No disclosure.

HONG KONG

Securities Law Notification. Participant acknowledges and understands that the offer of the Award and any Shares to be issued under the Plan are not a public offering of securities under Hong Kong law and are available only to employees of the Company and its Affiliates.

Furthermore, Participant acknowledges that the contents of the Agreement, the Plan and other related and incidental communication materials (the “Documents”) have not been prepared in accordance with and are not intended to constitute a “prospectus” for a public offering of securities under the applicable securities legislation in Hong Kong, and the Documents have not been reviewed by any regulatory authority in Hong Kong. Participant understands that the Documents are intended only for the personal use of each participant and may not be distributed to any other person. Furthermore, Participant acknowledges that Participant is advised to exercise caution in relation to his or her participation in the Plan. If Participant is in any doubt as to the contents of the Prospectus, the Agreement or the Plan, Participant shall obtain independent professional advice.

HUNGARY

No disclosure.

INDIA

Exchange Control Notification. Proceeds from the sale of Shares must be remitted to India within a designated period in accordance with applicable exchange control and other requirements. Participant should consult Participant’s advisor with respect to such requirements.

ISRAEL

Additional Terms and Conditions. The Award is granted pursuant to the Genpact Appendix – Israel Taxpayers to the 2017 Omnibus Incentive Plan (the “Israel Appendix”) and is subject to the terms and conditions stated in the Israel Appendix, the Plan and the Agreement, including this Addendum B. By accepting the Award, Participant acknowledges and agrees to be bound by the terms of the Israel Appendix. The Israel Appendix is incorporated herein by reference and references to the Plan shall include the Israel Appendix. The Award is intended to qualify for the tax treatment as a 102 Capital Gains Track Grant under Section 102 of the Israeli Income Tax Ordinance (New Version) 1961 (“Section 102”). Participant hereby acknowledges and agrees as follows:

(a) Participant understands the provisions of Section 102 and the applicable tax track of this grant.

(b) Participant agrees to the terms and conditions of the trust agreement between the Company and the trustee (the “Trustee”) designated by the Company to serve as the supervising trustee as approved by the Israeli Tax Authority (the “ITA”) in accordance with the provisions of Section 102.

(c) Participant understands that the Shares will be registered in the name of the Trustee for the benefit of Participant. Subject to the provisions of Section 102, Participant confirms that Participant shall not sell nor transfer the Award or the Shares from the Trustee until the end of the Required Holding Period. For purposes of the Award, "Required Holding Period" means the requisite period prescribed by Section 102 or such other period as may be required by the ITA, with respect to 102 Trustee Grants, during which Awards granted by the Company or Shares underlying such Awards must be held by the Trustee for the benefit of the person to whom it was granted.

(e) If Participant sells or withdraws the Shares from the Trustee before the end of the Required Holding Period ("Violation"), either (A) Participant shall reimburse the Company within three (3) days of its demand for the employer portion of the payment by the Company to the National Insurance Institute plus linkage and interest in accordance with the law, as well as any other expense that the Company shall bear as a result of the said Violation or (B) Participant agrees that the Company may, in its sole discretion, deduct such amounts directly from any amounts to be paid to Participant as a result of his or her disposition of the Shares.

(f) Participant understands that this grant is conditioned upon the receipt of all required approvals from the ITA.

(g) All tax consequences under any applicable law which may arise from the grant of the Award, from the holding or sale of the Shares by or on behalf of Participant, shall be borne solely by Participant. Participant shall indemnify the Company and/or Affiliate and/or Trustee, as the case may be, and hold them harmless, against and from any liability for any such tax or any penalty, interest or indexing.

ITALY

Plan Document Acknowledgment. In accepting the Award, Participant acknowledges that Participant has received a copy of the Plan and the Agreement and has reviewed the Plan and the Agreement in their entirety and fully understands and accepts all provisions of the Plan and the Agreement. Participant further acknowledges that Participant has read and specifically and expressly approves the following sections of the Agreement: Section 2 (Vesting Requirements), Section 3 (Performance Goals), Section 4 (Change of Control), Section 5 (Issuance of Shares; Applicable Taxes), Section 6 (Restrictive Covenants and Forfeiture), Section 8 (Clawback), Section 10 (Compliance with Laws and Regulations), Section 14 (Governing Law), Section 19 (Participant Acceptance), and Addendum A.

JAPAN

Securities Law Notification. Upon the Company offering the Award to receive Shares pursuant to the Plan, the Company hereby notifies Participant as follows:

(i) The offering falls under offering to the small number of investors, which shall refer to the offering to the small number of investors under Article 23-13, paragraph 4 of the Financial Instruments and Exchange Act (Law No. 25 of 1948 as amended) and as such, no filing under Article 4, paragraph 1 of the act is being made in relations to the offering.

(ii) The transfers of the Award is prohibited.

MALAYSIA

No disclosure.

MEXICO

Acknowledgement of the Agreement. By accepting the Award, Participant acknowledges that Participant has received a copy of the Plan and the Agreement, which Participant has reviewed. Participant further acknowledges that Participant accepts all the provisions of the Plan and the Agreement. Participant also acknowledges that he or she has read and specifically and expressly approves the terms and conditions set forth in Section 2 of Addendum A, which clearly includes the following:

- (1) Participant's participation in the Plan does not constitute an acquired right;
- (2) The Plan and Participant's participation in it are offered by the Company on a wholly discretionary and commercial basis;
- (3) Participant's participation in the Plan is voluntary;
- (4) The Company is not responsible for any decrease in the value of any Shares acquired at vesting of the Award; and
- (5) This Plan is not to be deemed as an employment benefit granted by the employer, but rather a commercial one granted by the Company for which Participant does not render personal subordinated services.

Labor Law Policy and Acknowledgement. By accepting the Award, Participant acknowledges that the Company, with registered offices at Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda, is solely responsible for the administration of the Plan. Participant further acknowledges that his or her participation in the Plan, the grant of the Award and any acquisition of under the Plan do not constitute an employment relationship between Participant and the Company because Participant is participating in the Plan on a wholly commercial basis and Participant's sole employer is EDM S. de R.L. de C.V. located at Avenida Hermanos Escobar #7651; Colonia Partido Escobedo, Cd. Juarez; Chihuahua, C.P.; Estados Unidos Mexicanos; 32330; Mexico ("Genpact Mexico"). Based on the foregoing, Participant expressly acknowledges that the Plan and the benefits that Participant may derive from participation in the Plan do not establish any rights between Participant and Participant's employer, Genpact Mexico, and do not form part of the employment conditions and/or benefits provided by Genpact Mexico, and any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of Participant's employment. Additionally, Participant expressly acknowledges that in view of the nature of the Plan, any benefit that Participant may receive under the Plan, shall not be considered for salary consolidation purposes as such benefit is not compensation in exchange of Participant's work for the employer.

Participant further understands that Participant's participation in the Plan is the result of a unilateral and discretionary decision of the Company; therefore, the Company reserves the absolute right to amend and/or discontinue Participant's participation in the Plan at any time, without any liability to Participant.

Finally, Participant hereby declares that Participant does not reserve to Participant any action or right to bring any claim against the Company for any compensation or damages regarding any provision of the Plan or the benefits derived under the Plan, and that Participant therefore grants a full and broad release to the Company (including Genpact Mexico), branches, representation offices, shareholders, officers, agents or legal representatives, with respect to any claim that may arise.

Spanish Translation

Reconocimiento del Acuerdo. Al aceptar este Premio, el Participante reconoce que ha recibido una copia del Plan y del Acuerdo, que el Participante ha revisado. El Participante reconoce, además, que el Participante acepta todas las disposiciones del Plan y del Acuerdo. El Participante también reconoce que ha leído, reconoce y acepta de forma específica y expresamente aprueba los términos y condiciones establecidos en la cláusula 1 de Apéndice A, que claramente dispone lo siguiente:

- (1) La participación del Participante en el Plan no constituye un derecho adquirido;
- (2) El Plan y la participación del Participante en el Plan se ofrecen por la Compañía en su totalidad sobre una base discrecional y comercial;
- (3) La participación del Participante en el Plan es voluntaria;
- (4) La Compañía no es responsable por la disminución en el valor de ninguna de las Acciones adquiridas en el ejercicio del Premio; y
- (5) Este Plan no debe considerarse como una prestación laboral otorgada por el patrón, sino como un beneficio comercial otorgado por la Compañía, para la cual el Participante no desempeña servicio personal subordinado alguno.

Políticas bajo la Legislación Laboral y Aceptación. Al aceptar este Premio, el Participante reconoce que la Compañía, con oficinas registradas y ubicadas en Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda, es el único responsable de la administración del Plan. Además, el Participante acepta que su participación en el Plan, la concesión del Premio y cualquier adquisición de Acciones en el marco del Plan no constituyen una relación laboral entre el Participante y la Compañía en virtud de que el titular del derecho a este Premio está participando en el Plan en su totalidad sobre una base comercial y su único patrón es EDM S. de R.L. de C.V., ubicado en Avenida Hermanos Escobar #7651; Colonia Partido Escobedo, Cd. Juárez; Chihuahua, C.P.; Estados Unidos Mexicanos; 32330; Mexico ("Genpact Mexico"). Derivado de lo anterior, el Participante reconoce expresamente que el Plan y los beneficios que pudieran derivar a su favor de la participación en el Plan no establece ningún derecho entre el Participante y su patrón, Genpact Mexico, y que no forman parte de las condiciones de empleo y /o prestaciones previstas por Genpact Mexico, y cualquier modificación del Plan o la terminación del mismo no constituirá un cambio o deterioro de los términos y condiciones de empleo del Participante. Adicionalmente, el Participante expresamente reconoce que en virtud de la naturaleza del Plan, cualquier beneficio que el Participante pueda llegar a recibir bajo el Plan, no deberá ser considerado para efectos de integración salarial, toda vez que el mismo derivaría de una ganancia del mercado, no una remuneración a cambio de su trabajo para el patrón. Además, el Participante comprende que su participación en el Plan es el resultado de una decisión discrecional y unilateral de la Compañía, por lo que dicha compañía se reserva el derecho absoluto a

modificar y/o discontinuar la participación del Participante en el Plan en cualquier momento, sin responsabilidad alguna para con el titular del derecho a la Premio. Finalmente, el Participante manifiesta que no se reserva acción o derecho alguno que ejercitar en contra de la Compañía, por cualquier compensación o daños y perjuicios en relación con cualquier disposición del Plan o de los beneficios derivados del mismo, y en consecuencia el Participante libera amplia y completamente de toda responsabilidad a la Compañía (incluyendo Genpact Mexico), sucursales, oficinas de representación, accionistas, administradores, agentes o representantes legales.

NETHERLANDS

Securities Law Notification. The grant of the Award under the Plan is not considered a public offer of securities which requires an approved prospectus within the meaning of article 5:2 of the Act on Financial Supervision.

PHILIPPINES

No disclosure.

POLAND

No disclosure.

ROMANIA

No disclosure.

SOUTH AFRICA

Securities Law Notification. The information contained herein is strictly private and confidential and for the attention of the addressee only. Any offer or invitation contained herein is open for acceptance by the addressee only and, as such, does not constitute an offer to the public as envisaged in Chapter 4 of the Companies Act, 2008.

Exchange Control Notification. Participant is responsible for compliance with applicable exchange control rules and regulations. Exchange control regulations change frequently and without notice. Participant should consult with Participant's personal advisor to ensure compliance with current regulations (including any requirement to place the Award on record with Participant's bank).

SWITZERLAND

Securities Law Notification. The Award is not intended to be publicly offered in or from Switzerland. Because the offer is considered a private offering, it is not subject to registration in Switzerland.

UNITED KINGDOM

Award Payable Only in Shares. Notwithstanding any discretion in the Plan or anything to the contrary in this Agreement, the grant of the Award does not provide Participant any right to receive a cash payment and the Award may be settled only in Shares.

Taxes. Participant indemnifies the Company and Participant's employer for any Applicable Taxes that may be payable with respect to the full number of Shares vested and issued (including those Shares that are deemed issued). To the extent any Shares are withheld by the Company in accordance with Section 5(b) of the Agreement, the Company shall pay over to Participant's employer sufficient moneys to satisfy Participant's liability under such indemnity. Any reference to the withholding of Applicable Taxes, including any obligation to withhold, shall be treated as including a reference to any amount of Applicable Taxes in respect of which the Company (or an Affiliate) is required to account to any tax authority.

As a condition to the issuance of Shares under this Award, Participant unconditionally and irrevocably agrees, if so required by the Company, to enter into a joint election within section 431 of (UK) Income Tax (Earnings and Pensions) Act 2003 ("ITEPA") disapplying all restrictions in respect of the acquisition of "restricted securities" (as defined in Section 423 and 424 of ITEPA).

Termination of Service. Participant has no right to compensation or damages on account of any loss in respect of an Award under the Plan where the loss arises or is claimed to arise in whole or part from: (a) the termination of Participant's office or employment; or (b) notice to terminate Participant's office or employment. This exclusion of liability shall apply however termination of office or employment, or the giving of notice, is caused, and however compensation or damages are claimed. For the purpose of the Plan, the implied duty of trust and confidence is expressly excluded.

CHIEF EXECUTIVE OFFICER CERTIFICATION

I, N.V. Tyagarajan, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Genpact Limited for the period ended March 31, 2023, as filed with the Securities and Exchange Commission on the date hereof;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2023

/s/ N.V. Tyagarajan

N.V. Tyagarajan

Chief Executive Officer

CHIEF FINANCIAL OFFICER CERTIFICATION

I, Michael Weiner, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Genpact Limited for the period ended March 31, 2023, as filed with the Securities and Exchange Commission on the date hereof;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2023

/s/ Michael Weiner

Michael Weiner

Chief Financial Officer

Certification of the Chief Executive Officer
Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Genpact Limited (the "Company") on Form 10-Q for the period ended March 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, N.V. Tyagarajan, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 10, 2023

/s/ N.V. Tyagarajan

N.V. Tyagarajan

Chief Executive Officer

Certification of the Chief Financial Officer
Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Genpact Limited (the "Company") on Form 10-Q for the period ended March 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael Weiner, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 10, 2023

/s/ Michael Weiner

Michael Weiner

Chief Financial Officer