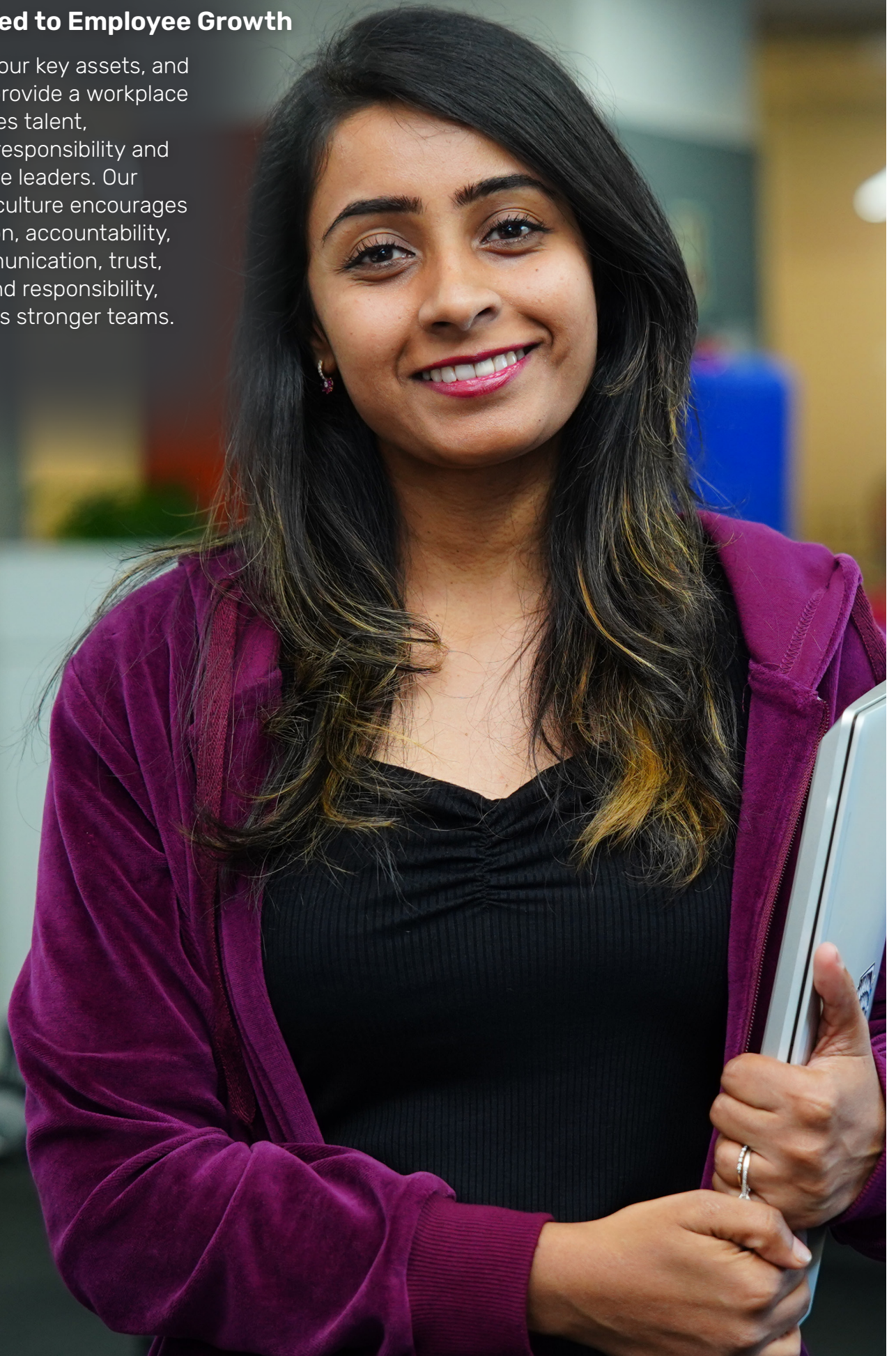


Human Capital Management

Committed to Employee Growth

People are our key assets, and we aim to provide a workplace that nurtures talent, inculcates responsibility and builds future leaders. Our workplace culture encourages collaboration, accountability, open communication, trust, integrity, and responsibility, which builds stronger teams.



At Bajaj Finserv companies, we are committed to attracting, engaging, and retaining the right talent, as they contribute to delivering superior business performance. This, in turn, provides an opportunity for them to maximize performance linked earning. We are focused on creating a thriving, safe and inclusive workplace for our employees, while keeping them engaged and providing opportunities for professional and personal development and growth.

Our People

As on March 31, 2023, Bajaj Finserv companies had 73,340 full-time employees with diversified educational and professional backgrounds and age brackets. Around 43% of our employees are under the age of thirty and average age of employees at Bajaj Finserv companies is around 31 years. Bajaj Finserv companies added more than 30,000 employees in FY2023 of which more than 5,000 were undergraduates. Around 67% of the employees, as on March 31, 2023, are employed in areas other than the top ten cities by population*. Bajaj Finserv companies also have 24 specially-abled employees. This diversity of the employee base helps build stronger teams with the right culture.

Our Culture

The culture at Bajaj Finserv flows from our heritage and ethos and is reflected in the way we go about our work. We have explicitly spelt out our DNA in the Bajaj Finserv Leadership Mindsets and Behaviors, which is detailed in our Code of Ethics and Personal Conduct, presenting the way we conduct ourselves and our businesses. We are committed to our stakeholders in following our DNA (“be responsible” and “do the right thing”) in all our actions as we grow and expand our businesses.

We stand as an organization that symbolizes trust, integrity, transparency, excellence and commitment to our stakeholders and the larger society. To enable us to achieve our purpose of building a ‘One Bajaj Finserv’ Leadership DNA, a set of leadership mindsets and behaviours have been formulated. We have identified four leadership mindsets and four leadership behaviours that together constitute the cultural DNA of Bajaj Finserv companies. These leadership mindsets and behaviours combine to produce a culture that is highly customer-centric, agile, boldly entrepreneurial, audacious, and innovative.

Bajaj Finserv companies’ DNA

Leadership Mindsets

- Founder’s Mindset
- Customer Obsession
- Talent Builder
- Being Responsible

Leadership Behaviours

- Dream to Deliver
- Innovate to Simplify
- Delegate & Develop
- Do the Right Thing

*Top 10 cities by population identified as per Census 2011



“ We recognise that workplace well-being is not only a key lever for an organisation’s performance but also has a direct impact on the society that we are part of. We are therefore constantly looking at how we can positively influence employee wellness and workplace culture. Our interventions across companies are aimed at ensuring a fair, safe and engaged workplace for employees.”



Anish Amin

President - Group Risk, Assurance & Human Resources, Bajaj Finserv Ltd.

Our People Strategies

We are committed to the creation of an inclusive workplace for our employees and take steps to ensure that these commitments are embedded in our policies and practices. We always seek to provide opportunities to our employees to learn, grow and develop professionally.

Our people strategies are crafted under following categories viz

- i) Fair, safe, and transparent workplace
- ii) Wellbeing and engagement
- iii) Diversity and Inclusion
- iv) Pay, rewards and benefits
- v) Talent development and retention; and
- vi) Ethics and compliance.

Fair, Safe, and Transparent Workplace

Bajaj Finserv companies continuously work towards building a culture in the organization, which is fair, open, diverse, and transparent, where employees can openly share their views. Bajaj Finserv transparently communicates its policies and practices, such as company plans, compensation approach, performance metrics, performance pay grids and calculation, career enhancements, compliance, and other processes. Some of our practices along with the practices of our subsidiaries wherever applicable, under this umbrella are as follows:

- Bajaj Finserv companies’ commitment to employees is enshrined in respective material company’s ‘Employee Charter – Human Rights Statement,’ which sets out what employees can expect from the Company (Employee Rights), and the responsibilities and qualities that are expected from them while performing their duties (Employee Responsibilities). It also lays down the principles of equal opportunity and non-discrimination, anti-corruption and bribery, prohibition of forced and child labour, transparency, safe, healthy, and harassment-free workplace, amongst others. We prohibit forced child labour,



Employees are a critical part in our journey to being a socially and environmentally responsible company. As we deploy technology to promote eco-friendly practices, we empower our employees to make a difference to the world around them. Our performance management policies for career progression and initiatives for employee safety, upskilling and training, help unlock their full potential, build a stronger organisation and a more resilient society.”



Anupam Sirbhaiya

Chief Human Resources and Administration Officer, Bajaj Finance Ltd.

bribery, and corruption. The Charter is available on the Company’s website.

- Bajaj Finserv and its subsidiaries are an equal employment opportunity provider to all eligible individuals and does not discriminate based on age, sex, colour, caste, disability, marital status, ethnic origin, race, religion, sexual orientation, disease (viz. HIV/ Aids), etc.
- Bajaj Finserv believes in equal pay for equal work and there is no discrimination against employees on any grounds. Employees are provided with competitive remuneration and benefits and a conducive work environment in exchange for their efforts and contributions. Median remuneration for FY2023 at ₹0.06 crore, both for male and female permanent employees, demonstrates gender pay parity across the Group.
- The Bajaj Finserv and its subsidiaries have adopted a transparent system of rewarding performance and meritocracy-based recruitment and career advancement.
- Employees’ wellbeing and work life balance is critical which the Bajaj Finserv identifies and addresses with its policies to be able to provide systems and processes which try to assist employees achieving in this balance. A few policies for example: generous leave policy, an option of flexible office timings, etc enable employees to spend quality time with their families and leisure while managing work.
- The training on safety protocols like safety and evacuation drills are provided to employees. During the year, 806 fire audits and 826 drills were conducted. Further, more than 34,000 employees underwent training on health and safety during the year.
- We regularly conduct employee surveys for open feedback, assess employees’ views and function as appropriate to co-create a preferred workplace.



Engaging Bajaj Finserv’s team at a celebration of a milestone achieved

Wellbeing and Engagement

Employee wellbeing and adoption of sustainable practices across the group are a collective effort and cannot be achieved alone as an individual or an organisation. Keeping this principle in mind, various initiatives were taken to create awareness amongst employees on wellbeing, responsible and sustainable business conduct principles and to familiarize and engage them with the ESG practices and initiatives. Some of the initiatives in this regard were:

- Campaigns such as “#YourProactiveWayOfLife,” “#PureLife” “#Energize”
- Activities such as Stepathon, Plankathon, Half Marathon
- Webinars and workshops on mental wellbeing, Good Parenting, Paternity and Maternity etc
- Health app designed for employees as a comprehensive solution for health risk analysis
- Unlimited 24X7 teleconsultation etc.

Employee volunteering is another way of employee engagement and creating awareness. In this regard, some of the initiatives during the year were:

- Shoe painting and distribution to the underprivileged at selected office locations, with Pune School for Blind.
- Bajaj Finance conducted an ESG survey for employees and top thirty winners were awarded with cash prizes.

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BAJAJ FINSERV

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- Weekend employee volunteering in areas like personality & skill development, music classes were initiated for visually impaired students.
- Daan Utsav was conducted across 5 corporate offices and 146 locations at branches – inclusive of Rural and Urban locations supporting close to 90+ NGOs pan India, under the four themes viz 'Nanhe Kadam' (Child welfare) , 'Anna Daan'- (Food for the needy), 'Give to make a lifestyle' (offer other aid in the form of clothes, books and other domestic essentials) and 'Wish tree' (fulfilling other needs as guided by the NGO partner selected for this initiative).
- Bajaj Finserv's subsidiaries celebrated the theme of International Women's Day, #Equity, with all our women colleagues through multiple activities.

Diversity & Inclusion

In alignment with the Bajaj Finserv Leadership Behaviour of 'Do the right thing,' there is a group-wide focus on Diversity and Inclusion (D&I). This is part of Bajaj Finserv's efforts to enhance its contribution to the larger society through inclusiveness and inclusive development. The focus areas for gender D&I initiatives were identified based on a structured diagnostic study conducted with an objective to ensure sustained focus and progress on gender diversity & inclusion leading to enhanced employee experience. While Bajaj Finserv supports the various dimensions of diversity and inclusion, the current emphasis is on gender related diversity and inclusion.

The following are the key pillars of gender diversity & inclusion efforts

- Governance - Framework
- Hiring & Development – Talent Acquisition, Accelerated Capability Building
- Engagement & Inclusion – Diversity & Inclusion Workshops

Governance

Guide the implementation of Diversity and Inclusion initiatives and to monitor progress, company and group level Diversity and Inclusion councils have been created. The D&I Council is a critical driver in fostering real organizational change. The D&I Council would help in establishing a dedicated focus on diversity and inclusion priorities and managing the D&I program, actively involved in overseeing and assessing the effectiveness of the D&I function and introducing reform when needed.

Hiring & Development

Each of the Bajaj Finserv companies has a focus on driving gender diversity in hiring. Bajaj Finserv has also made special efforts such as conducting a job fair that focused on women candidates to increase gender diversity, fast tracking the development of women leaders and strengthening the women talent pipeline for senior leadership roles, Infinity – The Accelerated Capability Building Program for Emerging Women Leaders has been launched. The program focuses on Bajaj Finserv's leadership mindsets and on

“ As an inclusive and gender-neutral workplace, D&I is one of the key focus areas. The D&I Strategy strives to focus on (a) building an inclusive workplace for all with no disparity in compensation, career opportunities & other benefits, (b) strategic hiring of women across various roles & (c) well-crafted learning interventions to groom women for leadership positions. The fact that our gender diversity ratio has improved over FY2022 and we have been able to onboard more women than last year, bears testimony to the unwavering commitment to our D & I agenda and enables us to become an employer of choice. ”



Santanu Banerjee

Chief Human Resources and Administration Officer, Bajaj Allianz Life Insurance Company Limited

the capabilities required for dealing with the special challenges faced by emerging women leaders.

This programme includes the following components

- Six days of instructor-led learning delivered through two in-person workshops of three days each
- Six executive coaching sessions per participant
- Interactions with senior leaders from the industry
- Action learning and anytime learning

Engagement & Inclusion

Enhance gender sensitization and to promote more inclusive behaviour, gender diversity and inclusion workshop has been designed and the roll out is in progress across Bajaj Finserv and its companies. Similarly, frameworks for facilitating mentoring of women employees and for establishing women's networks or support groups are being explored. Bajaj Finserv has also initiated best practice benchmarking from gender diversity and inclusion perspective. This will help the Bajaj Finserv companies to relook at people policies from the diversity and inclusion perspective.

The outcomes of D&S initiatives for FY2023 are as under:

- For FY2023, the group level gender diversity for permanent employees has increased from 10.42% (March 31, 2022) to 11.41% (March 31, 2023)
- Similarly, the group level gender diversity in hiring has increased from 13.69 % (FY2022) to 16.34% (FY2023).

Pay, Rewards, and Benefits

Bajaj Finserv's philosophy is to reward people for their performance and contribution, which is anchored on metricised work deliverables and directly reflect in earning potential. Accordingly, performance pays, rewards and recognition and benefit plans have been created. The remuneration of employees consists of fixed pay, short-term performance pays (monthly/quarterly/annual) and long-term incentive plans (including stock options). These benefits beyond a fixed compensation package encourage performance and work delivery.

Some of the other illustrative initiatives taken are:

- **Insurance:** We have insured our permanent employees under group term insurance, health insurance and accident insurance policies.
- **Women's Safety:** Bajaj Finserv companies have put in place policies that support women colleagues' safety and performance, including cab facility, flexible working hours, especially post-parental leave and preferential transfers.
- **Leaves:** We have in place a generous package of earned leaves for employees.
- **Financial Assistance:** Bajaj Finserv companies have financial assistance programs for supporting employees during emergency situations. For example, Bajaj Finance has an employee participatory financial assistance programme called 'I-Care.' It encourages employees to enrol and contribute a small amount from their monthly salaries, which is matched by Bajaj Finance contributing an equal amount. In FY2023, over 39,000 employees registered under this programme and 187 employees received financial support of over ₹8.5 crore.
- **Rewards:** To recognize extraordinary efforts of employees, each of our companies have their own rewards program where employees are recognized, which in certain instances also includes additional cash reward.

Talent Development and Retention

Bajaj Finserv companies strive to inculcate a sense of ownership in employees that has helped to build and maintain a talent pipeline. In selecting between a 'develop versus hire' talent model, we place a larger emphasis on developing talent through capability building.

Employees at Bajaj Finserv and its companies are the architects of their career progression. They own their development with guidance and support from immediate managers and the organisation. Besides, in-house capability building initiatives sustain high performance and enable the Company to retain and manage talent effectively.

Capability building is led by the Group Learning Academy (GLA) and the Learning and Development teams in the various companies. Various workshops and skill upgradation programmes to build capabilities has served to enable business growth and excellence. The

“ We are committed to creating a culture of continuous learning where everyone can thrive. Built on the foundation of dynamic skill framework and stitched with the fabric of social learning, our learning architecture harmoniously integrates with the overall business strategy.



Our philosophy of democratization and personalization of learning, empowers our employees to unleash their potential, propelling their journey of professional and personal growth, thus unlocking limitless possibilities. ”

Vikramjeet Singh

Chief Human Resources and Administration Officer, Bajaj Allianz General Insurance Company Limited

GLA focusses primarily on leadership and group talent capability building. It runs accelerated programmes aligned with Bajaj Finserv leadership mindsets, behaviours and identified key capabilities, apart from providing anytime learning sources.

The Learning and Development teams focus on company-specific capability building. Additionally, multiple functional academies from different domains drive specific capability building and skills.

- During the year, more than 55,000 employees with tracked training hours of 0.53 million hours participated in at least one of the development programmes, viz. functional, managerial and leadership skill enhancement programmes, helping them in upskilling / multi-skilling.
- Around 79% of the total women employees and 81% of total male employees participated in at least one of the functional / skill upgradation training during FY2023.
- Eligible employees are encouraged to pursue higher studies and enhance their technical skills.
- Bajaj Finserv companies provide internal career growth and mobility opportunities to employees through an internal job posting mechanism. In addition to internal movements within the respective companies, 'One Finserv Career' works as a one stop destination to job opportunities across the Bajaj Finserv and its companies. More than 6,000 employees moved to new roles within the companies and more than 130 employees moved to different companies within the group.
- Bajaj Finserv companies' employees undergo quarterly, biannual, and annual performance assessments, as applicable to their roles, which are conducted in a transparent manner and focused on structured development conversations.
- Bajaj Finserv conducts group-wide programmes to identify and train young talent. These employees are trained in distinct roles with three companies over a period of 18-36 months, after which they start the final role:

- a. Group Young Leaders Programme – Talent from Premier B-Schools is groomed for Gen-man roles
- b. 30 Under 30 – Aims to internally identify young talent under thirty who can be groomed for future capabilities
- c. Group Finance Associate Program – grooms fresh Chartered Accountants for future roles.
- To support the digital transformation agenda of Bajaj Finance, the need for tech talent was recognized and a young talent, ‘Bajaj Young Technical Engineers’ (BYTE) programme was launched. BYTE is a campus recruitment programme that aims to attract and build ground-up tech talent for the company. In the fiscal under review, 507 new engineers were invited to join Bajaj Finance from seven chosen campuses. BYTE has become a foundational frame for the Company, with the objective to hire over 650 technical recruits over the next few years.

Ethics, Compliance, and Grievance Redressal

Our corporate culture, based on trust and integrity, is reflected in our prominent level of compliance with regulations and employees’ ethics. While Bajaj Finserv and its companies are compliant with applicable labour laws and regulations, its employees are not part of any employee association.

Our commitment to our people has led to the creation of a formal grievance redressal system available to all employees across Group companies, including

joint ventures. Employees may anonymously raise their concerns, in confidence, without fear of reprisal or retribution. Our redressal mechanism involves a fair investigation of the complaint in accordance with the explicit guidelines provided by the CoEPC and Employees’ Charter, besides Disciplinary Action Committee reviews, whistle-blower, and vigil mechanism policies. The Disciplinary Action Committee delivers the decision without prejudice, as it enjoys Board oversight across Group companies. Group companies also maintain an independent helpline for employees to report their concerns.

During the year, no company in the Group received any complaint related to forced or voluntary child labour, discrimination at workplace, health and safety concerns or grievances related to wages, working conditions or human rights related issues.

Bajaj Finserv companies strictly follow a gender-neutral policy for prevention of sexual harassment. During FY2023, fourteen complaints of sexual harassment were received, of which thirteen have been appropriately resolved and balance one pending case as on March 31, 2023 was in process of resolution as per respective Company’s policy.

All Group companies conducted training programmes for employees, covering topics like acceptable behaviour, human rights, anti-corruption and bribery, anti-money laundering and facilitation payments, fraud prevention, insider trading, prevention of sexual harassment, fraud prevention, cyber security, data privacy and others etc.

