

Human Capital Management

We aim to provide a workplace that nurtures talent, inculcates responsibility and builds future leaders.



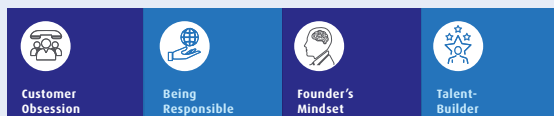


A Nurturing Work Culture at Bajaj Finserv Group

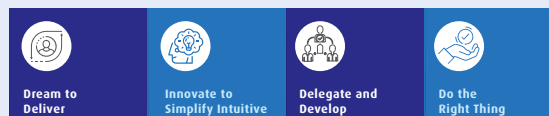
The BFS Group works to promote a workplace culture where innovation, agility and ownership thrive. We seek to create responsible leaders who build long-term profitable businesses while nurturing customer relationships. To cultivate an inclusive work culture that integrates employees' personal involvement and professional development, we promote a One BFS Leadership DNA. We have accordingly defined a set of leadership mindsets and behaviours that encapsulate the target culture, which will propel the Group towards a reimagined future in alignment with its purpose against the backdrop of a fast-developing nation.

We have identified four leadership mindsets and four leadership behaviours that together constitute the cultural DNA of the BFS Group. These leadership mindsets and behaviours combine to produce a culture that is highly customer-centric, agile, boldly entrepreneurial, audacious, and innovative.

Leadership Mindsets



Leadership Behaviours



The 4 leadership mindsets and the associated capabilities are detailed in the [CoEPC](#) adopted consistently across all the Group companies.

People Practices

People are our key assets. Group's people policies and processes have enabled us to attract and retain talent in an intensely competitive market. We have created a safe, thriving and inclusive workplace for our employees. We provide our employee's opportunities for professional development to realise their potential that drives superior performance. Our 'Do More, Earn More' philosophy presents an opportunity that rewards people for their performance and maximises performance-linked earning. Our workplace culture encourages collaboration, accountability, open communication, trust, integrity and responsibility, which builds stronger teams.

59,961

Permanent employees
as on 31 March 2022

~50%

Employees
below age of 30

6,400+

Undergraduates
employed

- ◆ As on 31 March 2022, the BFS Group has 59,961 permanent employees with diversified professional backgrounds, age brackets and so on, building a collaborative work culture and stronger teams. Our 6,090 women employees represent around 10% of the permanent workforce.
- ◆ Further, around 50% of our employees are under the age of 30 and only about 5% are above 45.
- ◆ The Group provides employment opportunities to more than 6,400 undergraduates.





Inclusive Workplace for Stronger Teams

Our people practices acknowledge and respect employees' uniqueness while enabling employees to feel valued. In an inclusive workplace with a strong orientation to learning and development, we provide learning opportunities aligned to employees' roles, levels and specific focus areas. The Group has made a shift to digital learning, and most of trainings for professional development are conducted by internally certified trainers and managers.

Our robust reward and recognition framework acknowledges employee achievement and contribution to business outcomes while delivering future leaders.

Our people practices may be broadly grouped under four categories viz.
i) fair, safe and transparent workplace;
ii) pay, rewards and benefits;
iii) talent development and retention;
and iv) ethics, compliance and grievance redressal.



Gender pay parity with median remuneration for FY2022 at ₹0.05 crore across the Group.

Fair, safe and transparent workplace

The BFS Group has mapped out an organisational strategy to create a workplace culture built on communication, trust and integrity. We have strived to create an open and safe workplace with policies and practices that are clear, transparent, and fair.

All business elements throughout the Group – business plans, compensation packages, computation of performance metrics, or compliance processes – demonstrate transparency. Management and employees are encouraged to communicate openly and effectively. The median remuneration for FY 2022 was 0.05 crore which ensured gender pay parity across the Group. Our commitment to employees is enshrined under the [Employee Charter \(Rights and Responsibilities\) and Human Rights statement \('Employee Charter'\)](#). The Employee Charter explicitly sets out what employees can reasonably expect from the Company while also stating the responsibility and work ethics expected from employees in the performance of their duties. This Charter also provides for equal opportunity and non-discriminatory practices. We prohibit forced child labour, bribery, and corruption. The Charter is available on the Company's website.



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The BFS Group walks the extra mile to develop a transparent, safe, healthful and inclusive workplace through some key practices.

- ◆ Recruitments and career advancement are based on merit
- ◆ BFS 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
- ◆ Training on safety protocols like safety, and evacuation processes are provided to employees. During FY2022, 1,636 fire audits and 786 fire drills were conducted
- ◆ To promote a healthy work-life balance, we offer all employees a generous leave policy and flexible office options enabling employees to spend quality time with their families while managing work responsibilities
- ◆ We regularly conduct employee surveys for open feedback, assess employees' views and take action as appropriate to co-create a preferred workplace



One Finserv – Employee Engagement Survey FY2022

It was conducted for continuous employee listening, action planning and for co-creating a preferred workplace. The employee survey had a **response rate of 93%** during the year. The survey was designed to obtain opinions from across the Group and to identify improvement opportunities in our systems and practices. Employee answers are treated with complete confidentiality and no access to anyone from the Group to any individual answers.





Pay, rewards and benefits

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

Other initiatives taken to enhance employee engagement are as follows:

- ◆ **Insurance:** We have insured our permanent employees under group term insurance, health insurance and accident insurance policies. Additionally, BAGIC provides unlimited health insurance cover for all its employees.
- ◆ **Leaves:** We have in place a generous package of earned leaves for employees. During the year, 195 employees availed maternity leave, while 1,363 employees took the benefit of paternity leave.
- ◆ **Performance:** Superlative employee performance is recognised and rewarded. More than 13,000 employees were recognised during the year.
- ◆ **Women's Safety:** The BFS Group of companies has put in place policies that support women colleagues' safety and performance, including cab facility, flexible working hours, especially post-maternity leave and preferential transfers.
- ◆ **Financial Assistance:** BFL Group has introduced 'I-Care', an employee participatory financial assistance programme for emergency situations. It encourages employees to enrol and contribute a small amount from their monthly salaries,

which is matched by the Company's contribution of an equal amount. More than 32,000 employees registered under this programme during the year and 158 employees received financial support of more than ₹ 8.26 crore. The Company makes an additional contribution when required.

- ◆ **Benefits:** The BFS Group also provides employees thoughtful benefits, including an option to receive the salary fortnightly or avail of an advance against salary to meet financial commitments. Across the Group, more than 1,300 employees availed benefits of fortnightly salary payment and more than 10,500 employees availed the benefit of advance salary in FY2022.

Talent Treasure

The BFS Group strives to inculcate a sense of ownership in its 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 the BFS Group 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 GLA focusses primarily on leadership and group talent capability building. It runs accelerated programmes aligned with BFS leadership mindsets, behaviours and identified key capabilities, apart from



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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.

These programmes run by the Company have been popular with employees.

- ◆ During the year, more than 58,000 employees with tracked training hours of 0.9 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. During the year, around 81% of the total women employees and 77% of total male employees participated in at least one of the functional / skill upgradation training
- ◆ In addition to various exhaustive awareness campaigns conducted during the year for fraud prevention, Cyber security and data privacy by the Group companies, more than 63,000 hours of training were provided to permanent employees. Refer to section < [Information Security, Cyber Security and Fraud Controls](#) > for more details on awareness campaigns
- ◆ Eligible employees are encouraged to pursue higher studies and enhance their technical skills
- ◆ The Group provides internal career growth and mobility opportunities to employees through



internal job posting mechanism and auto-promotions. More than 4,300 employees moved to new roles through these mechanisms and more than 10,000 employees got auto-promoted during the current year. Further, internal job postings on 'One Finserv Career' works as a one-stop destination to job opportunities across the BFS Group companies

- ◆ The BFS Group conducts group-wide programmes to identify and train young talent. These employees are trained in different roles with three companies over a period of 18-36 months, after which they take up the final role:
 - Group Young Leaders Programme – Talent from Premier B-Schools is groomed for Gen-man roles
 - 30 Under 30 – Aims to internally identify young talent under 30 who can be groomed for future capabilities
 - Group Finance Associate Program – grooms fresh Chartered Accountants for future roles.

- ◆ All eligible employees of BFS Group underwent quarterly / biannual / annual performance assessments conducted in a transparent manner and focussed on structured development conversations
- ◆ To support the digital transformation agenda of BFL, the need for tech talent was recognised and a young talent programme called Bajaj Young Technical Engineers (BYTE) was launched. A campus programme, BYTE aims to attract and build ground-up tech talent for the Company. In the current year, 260 new engineers have been offered to join BFL from seven chosen campuses. This programme will become a foundational frame for BFL with the objective to staff over 60% of the technical manpower requirements over the next few years

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- ◆ BFS Group companies organise various specialised programmes for upskilling and mentorship of its people. For example, BAGIC conduct 'Project Economy' – where cross-functional employee teams come together to work on a live business project and get recognised and rewarded based on the business outcome



Bajaj Finserv ATOM - CEO's Challenge

1,180 teams across 17 B-schools registered for ATOM – a competition for students to use scenario planning and design thinking creating a disruptive solution for the future. ATOM un-case study programme offers a chance to peek in the future and be ready today with tomorrow in mind. The idea is to predict the direction of the financial products and services sector for an open banking era and create solution for citizens of the future. ATOM – CEO's Challenge is the proposition created to engage talent on campuses to design and build futuristic solutions on CEOs agenda. It will provide an opportunity to engage with leaders of the organisation, understand context of problems and then come up with breakthrough ideas for the CEO.





Ethics, compliance and grievance redressal

Our corporate culture, based on trust and integrity, is reflected in our high level of compliance with regulations and employees' ethics. While the BFS Group is compliant with applicable labour laws and regulations, our 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, whistleblower 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
- ◆ BFS strictly follows a gender-neutral policy for [prevention of sexual harassment](#). During FY2022, fourteen complaints of sexual harassment were received, of which twelve have been appropriately resolved. The others are in various stages of resolution as on 31 March 2022
- ◆ All Group companies conducted training programmes for employees with more than 0.17 million logged hours, 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, etc.

Support for Employees During Pandemic

Each of the BFS Group companies worked hard to support employees and foster a sense of inclusion at work during the Covid-19 pandemic. We took various steps to prevent disease spread and support employees who contracted Covid-19. viz. (i) Convenient access to vaccination, (ii) migration from physical to digital training and conferences, (iii) curtailed travel, (iv) taking extensive precautionary measures like sanitisation of offices, availability of hand sanitisers and masks, (v) work from home facilities and introduced operations in multiple shifts to ensure lesser number of employees at the workplace – enabling social distancing.

Various other employee welfare initiatives were implemented by Group companies. These included:

- ◆ During the year, the Company offered convenient access to Covid-19 vaccination across various locations to more than 71,000 employees and around 18,000 family members of employees.
- ◆ Employees infected by Covid-19 were allowed additional leaves above their annual entitlement – More than 9,800 employees availed the extra leaves
- ◆ Antibody testing camps were conducted periodically for employees
- ◆ Dedicated 24*7 helplines were launched by every Group company to support employees and their families for Covid-19 testing and hospitalisation – More than employees and their family members were served through these helplines
- ◆ Some Group companies introduced a financial aid programme for employees who had contracted



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Covid-19 – in addition to medical insurance – to reduce the financial burden of treatment and isolation. Aid of ₹12.70 crore was availed by 2,810 employees

- ◆ Further, BFS and all its subsidiary companies adopted the 'Covid Impacted Family Assistance Programme', providing additional support in case of covid specific employee demise through medical expense reimbursement; monetary family assistance for 48 months; child education up to the age of 21 years; and employment opportunity for their spouse, if found suitable. During FY2022, more than 60 employee families were assisted through this programme
- ◆ To address queries about health and Covid-19, more than 24,000 free doctor consultations were provided and availed by employees and their dependents
- ◆ Counselling programmes were introduced for employees to connect with professional psychologists to discuss mental health and well-being matters – more than 4,500 employees availed of this service
- ◆ DIY health regimes were organised to help employees cope with remote working and maintain a good work-life balance. Health focussed initiatives included Health Coach Workshop on Parenthood, Well-being Webinar for Women and Children, and Virtual Fun Friday, which included physical fitness activities like Zumba, yoga etc.





Awards and Recognition

The successful milestones of the Company and its subsidiaries found appreciation in various prestigious awards during the year. Some of those are listed below:

- ◆ Bajaj Markets Recognised as the 'Dream Employer of the Year' at the Dream Companies to Work for Awards by The World HRD Congress 2022
- ◆ BALIC won Kincentric 'Best Employer Award' 2021
- ◆ BFL is recognised as Top 30 Great Places to Work in FY2022

Employee ESG Awareness

- ◆ Employee engagement in ESG is the most effective way to promote ways of sustainable business.
- ◆ Social media posts, use of intranet communication platforms for subject matter dialogues, device screen savers, display across office spaces, email flashes, etc. were some of the targeted mediums used for the ESG awareness

Group companies carried out campaigns during the year to create awareness amongst its employees on responsible and sustainable business conduct principles and to familiarise and engage them with the Group's ESG practices and initiatives.

