
Diversity and Inclusivity at Persistent

Objective	To formalize our approach towards internal and external diversity and inclusivity
Document ID	PPM_COC_POL_DIP_GBL_1.0
Release Date	Date of the approval by the Board
Effective Date	Jun 7, 2022
Approved By	Board of Directors
Owned By	People & Org Development (P&OD)

Purpose

Persistent Systems Limited and its affiliate entities are committed to fostering, cultivating, and preserving a culture of diversity and inclusion within the organization and in larger communities whom Persistent partners with. Human potential is at the core of Persistent's growth and success. Persistent's ability to nurture and empower its workforce is crucial for its longevity and tangible value creation for all stakeholders.

Definition

Diversity is a range of differences in the people of the organization; be it capabilities, thought processes, or talent. Respect and recognition for the individuality of people irrespective of nationality, gender, geography, ethnicity, sexual orientation, age, religion, disability, socioeconomic or marital status will help Persistent to achieve gender parity. Besides, our workforce should reflect the diverse consumers and communities we serve. As a global company, we work in countries with a broad array of laws and regulations. But regardless of where we operate, we take care to respect the diversity, talents, and abilities of all. We benefit greatly from the skills, experience, and commitment of the diverse range of people who work with us.

Objective

The Diversity & Inclusion policy applies to all employees, contractors, suppliers, and representatives acting on behalf of Persistent.

The Objectives of Persistent's Diversity and Inclusion policy are

- To be an equal opportunity employer and do not discriminate based on age, gender, nationality, religion, ethnicity, sexuality, disability, socioeconomic or marital status.
- To employ best practices related to Diversity and Inclusion initiatives benchmarked with global standards
- Providing an environment of equality and respect for all employees, vendors, and suppliers
- To Increase the number of women representatives on the Company's management committee and across all levels of the organization
- Ensuring fairness and avoiding unlawful discrimination in matters including remuneration, employment terms, and conditions, promotions, training, and development opportunities
- Prompt and fair dealing with complaints of harassment, bullying, or any kind of unlawful discrimination by employees, suppliers, vendors, and any other stakeholders
- To ensure fair treatment of all employees and have zero tolerance for discrimination
- To comply with all laws related to discrimination & equal opportunity
- To attract the best talent from diverse backgrounds

At Persistent, we stand committed to developing a high-performing, diverse and sustainable work environment. Persistent strongly believes that a diverse workforce with its unique capabilities, ideas, and experiences can bring innovation and creativity that lead to better products and services for Persistent

Systems and our Customers. The objective of this policy is to institutionalize inclusivity by articulating our approach toward building and nurturing a diverse workforce on one side and promoting it outside the walls of Persistent, among our suppliers and community on the other side.

Internal diversity and inclusivity will focus on creating a diverse workforce, encouraging employees from all segments to participate and collaborate in the organizational activities. Similarly, the focus externally would be to establish business relationships with small businesses that are owned by diverse suppliers such as minorities, females, veterans, persons with different abilities, etc. Through this, we would enable growth and success for these groups along with Persistent System's business. This document elaborates high-level approach and some ongoing programs. Operationally new programs, projects, and initiatives shall be created as and when the need arises and shall not be restricted to the few mentioned in this policy.

We shall strive towards achieving the set goals by setting clear expectations from our employees, embedding diversity and inclusion principles in all aspects of people management, providing a communication platform to report against discrimination, and conducting exclusive training programs for leadership.

Scope

1. Internal diversity and inclusion: Global workforce, across all delivery centers is in scope.
2. External diversity and inclusion: It shall cover all suppliers, whose products or services are utilized by various functions e.g. Admin, internal IT, HR, Marketing, Finance, etc. Additionally, suppliers of all relevant products and services in areas such as housekeeping, transportation, hardware, software, etc. are included.

Key Ingredients of Our Value System

Being 'Responsible' is one of our core values. The narrative we use for 'Responsible' is

"With our customer's and colleague's best interest at heart, we act responsibly and communicate with clarity. Our global practice demands respect and openness towards each other, the communities around us, and the global society at large. We take seriously the trust placed in us and work to earn it every day. We never make a promise that we cannot keep."

This demonstrates our commitment to diversity and inclusion at large. It is ingrained in everything we do. We believe that diversity and inclusivity help us get varied perspectives and diverse ideas, which, in turn, help us 'See beyond. Rise above'; our brand promise to our customers, employees, and partners. We have been practicing diversity at various levels for the past several years, even in the absence of any formal policy statement being in place. The driving force behind these initiatives is to promote diversity among employees, create an inclusive environment in the organization for all employees to participate, and bring in their point of view to make Persistent a better place for all stakeholders, including our customers.

Persistent diversity is practiced on many dimensions such as Gender, Age, Ethnicity, Cast & Race, Tenure, Physical abilities, Education, Geographical location, Family background, etc.

Our Approach to internal diversity

At Persistent our focus on diversity and inclusivity covers the following

- **Diversity in the Executive Leadership**

Diversity starts at our Board level. The Founder and Chairman of Persistent Systems, India is of Indian origin. Our Board has ethnic, geographical, gender, and educational diversity. More than 50% of our board members are independent i.e. they do not have direct execution responsibility and are non-employee, with a diverse background ranging from a Padma Shree award (one of the top national-level awards in India) winner Academician to individuals who have had a distinguished career in Manufacturing, Banking, and Technology sector.

Similarly, our Executive management team has ethnic, geographical, and educational diversity.

- **Diversity in Mid management**

This group of mid-management leaders has diverse backgrounds in ethnicity, geographical location, education, and gender.

More than 40% of our global centers are headed by women leaders. There is no reserved quota for any specific group, however, we consciously assess our diversity in Mid management and take a conscious effort to promote it through various initiatives.

- **Overall Diversity in the Organization**

Our global workforce is reasonably diverse. As a result of our conscious efforts and growth, over the years diversity has improved on many dimensions. As of July 2021, diversity on a few dimensions was as below –

Age Diversity: About 18% of staff is Gen Z, 66% of staff are Millennials, about 14% are Gen X, and about 2% are Baby Boomers.	Gender Diversity: About 32% of our global staff is Women
Geographical Diversity: About 87% of our global staff is India based. About 9% is in the Americas and the remaining 4% in other European regions.	Educational Diversity: 65% of our staff have done Graduation, 30% have done post-graduation.

- **Our Diversity focus beyond the walls of the organization**

The social environment around us is equally important. We have continued the effort to nurture diversity around us beyond the walls of the organization.

Operational Practices

Diversity and Inclusivity are practiced in Persistent through many initiatives. Each initiative has a specific objective. These initiatives allow us to cover all segments of the global workforce

1. **Recruitment:** We are an equal opportunity employer. Our recruitment practices ensure that there is no discrimination. Our compensation benchmarks are aligned to job roles. It helps us to ensure that there is no disparity as we recruit employees with diverse backgrounds. We periodically calibrate the impact of our recruitment on the organizational diversity to make any tactical changes needed if any.

Every year we onboard fresh graduates from colleges and universities. Over 40% of our fresh intake is women.

2. **Prerna:** This is a forum of Women employees of Persistent, run by Women employees with strong executive management support. Forum activities revolve around
 - **Career** – Identifying ways to help women employees develop their careers at Persistent, increase women's participation in leadership roles. The program focuses on engagement with other women leaders within and outside persistent (role model), peer learning, focused developmental goals and mentoring.

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- **Health** – Programs to help women employees build awareness and habits to take care of their health.
 - **Organizational policies** – Periodic review and improvements on employee-related policies with women-related needs and challenges as a backdrop.
3. **Persistent University:** A learning platform that facilitates the readiness of our diverse workforce. It offers a variety of training programs to support our diversity initiatives. Some are listed below. New programs are defined as we identify new needs of our diverse
 - Women leadership program a classroom-based training
 - The certificate program in leadership for Women a Global Next University online program
 - DISHA is a peer learning platform for women employee
 - Gender sensitization for managers to help them equip manage diversity among their teams
 - Cultural sensitization for our global workforce
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 4. **Changemakers and Policy Council:** An initiative offers an opportunity for the employee to go beyond their stated role, and be part of larger initiatives in the organization. Employees from various segments participate in these forums and bring in different Points of View to the table. This has been helping drive inclusivity.
 5. **Girls scholarship program:** Through our CSR initiative we support girls who desire to pursue their graduation in the engineering field on their merit but may miss an opportunity due to financial inability. Persistent employees actively participate in the initiative and provide mentoring support to these girl students during their graduation.
 6. **Social Development:** As part of our corporate social responsibility, we help many women from underprivileged and minority backgrounds to acquire skills that will help them get a job.

Some of our diversity and inclusivity initiatives go beyond the organizational boundary and touch the lives of society around us.

- **Bring Her Back to Tech:** Many women employees take a career break. After being out of professional work for a year or two they find it very difficult to come back into the professional world and pursue their career. This initiative helps such women, not just our employees, to learn new skills and practice those, to be able to start their careers after a break.
- **DeASRA:** Persistent founder created this not-for-profit organization (www.deasra.in) to promote entrepreneurship. So far it has helped over 50,000 individuals from diverse backgrounds to start their own small, minority businesses.

Organizational and Governance Structure

Chief People Office is the Executive sponsor of all diversity and inclusivity initiatives in the organization.

Each Diversity and Inclusivity initiative is run by a self-governing team's set-up for that purpose. Employees representatives from various segments participate in these initiatives. Executive and mid-management representatives are part of working councils associated with various initiatives. Respective working committees meet periodically to review the progress of their initiatives.

All employees at Persistent Systems shall be responsible to treat all peers, colleagues, and collaborators with dignity and respect. All employees must exhibit conduct that reflects inclusion during work- and work-

related events or functions that are company-sponsored or participative within or outside the organization

Any employee if found to have exhibited any inappropriate, discriminatory, or derogatory conduct, remark, or behavior against others may be subject to strict disciplinary action.

Employees who believe they have been subjected to any kind of discrimination that conflicts with the company's diversity and inclusivity policy and initiatives should inform at the earliest and seek assistance from a supervisor or an HR representative.

Supplier Diversity at Persistent

To us, supplier diversity means proactive identification and engagement of suppliers who fall in any of the following areas

- Women-owned businesses
- Minority-owned businesses
- Disabled-owned businesses
- Veteran-owned business
- Small and Medium businesses (SMEs)

At Persistent we are committed to supplier diversity. It is an integral part of our sourcing process. All other parameters such as quality of service, the commitment of suppliers to abide by our corporate governance, ethics, and code of conduct policies and practices being the same, we would prefer diverse suppliers over others.

This is not a quota system. We are an equal opportunity business. Through this approach, we are helping diverse suppliers build their capabilities, be confident, take pride in what they do, and most importantly 'See beyond. Rise above'.

Our Approach to supplier diversity

Our journey of formalizing our supplier diversity program would have the following important milestones.

Stage 1: Documenting organizational commitment through the formal policy statement

Through this document, we have taken this first important step. All functions within the organization that buy products and services from outside have committed to abide by this policy

Stage 2: Creating a baseline

Though we have been consciously open and have always considered promoting supplier diversity, in the absence of a formally documented policy and an approach, we have not been tracking our diverse supplier spending formally. We plan to establish a baseline of our diverse supplier spending.

Stage 3: Defining goals

Based on the baseline created during stage 2, we will define a supplier diversity goal.

Stage 4: Operationalize the policy

Operationalizing the policy will be the business as usual (BAU) stage

Note: As we formalize our supplier diversity, geography-specific concerns might emerge. The majority of our supplier spend is in India. India is a land of diversity. There are no established practices to differentiate organizations on various diversity parameters such as minority, women, PWD, etc.

Contact for Queries

For any additional questions related to this policy, please reach out to the Global HR team at policies@persistent.com

Review of the Policy

The policy will be reviewed on an Annual Basis by the owners of this policy viz; People & Org Development.

Governance Structure

This policy and its stakeholders will be governed by the Stakeholders Relationship Committee of the Board. The People & Org Development will consult the above Committee for proposed changes if any in its periodical review.