



**Human Capital  
Management  
FY 2025-26**



# Human Capital Management

Our human capital management strategy is structured around defined pillars and aligned with the Company’s ESG goals. Progress against clearly defined KPIs is regularly monitored, reported and reviewed by the Board-level Stakeholders’ Relationship and ESG Committee (SR and ESG).

## Talent Attraction and Retention

### GRI 401-1

We build high-performing teams by recruiting talent aligned with our core organisational culture and values. Our recruitment process employs diverse sourcing channels and rigorous evaluation approaches to ensure that new hires are culturally aligned, uphold the Company’s values and support its long-term strategic vision.

|                                                                               |                    |                        |                                        |                                                   |
|-------------------------------------------------------------------------------|--------------------|------------------------|----------------------------------------|---------------------------------------------------|
| <b>27,502</b>                                                                 | <b>10,309</b>      | <b>13.01%</b>          | <b>15.91%</b>                          | <b>63%</b>                                        |
| Total Employees<br>Permanent employees (24,601)<br>Contract employees (2,901) | New Employee Hires | Employee Turnover Rate | Leadership positions filled internally | Position below-leadership roles filled internally |

The total workforce comprises Full Time Employees (FTE), contractual staff and consultants, all of whom are classified as employees; no individuals are categorised as workers. Accordingly, disclosures applicable to the “workers” category are reported as Not Applicable.

## Hiring and Recruitment

### Our Hiring Philosophy

We follow a people-centric hiring philosophy that emphasizes inclusive, stable and regular employment to support employee well-being and long-term engagement. Recruitment is streamlined through a combination of automation, data-driven insights and employee referrals, enabling efficient and consistent talent acquisition. The hiring strategy is anchored in five core pillars - People-Centric Approach, Skill Development, Technology-Driven Recruitment, Employee Referrals & Engagement and Diversity & Inclusion ensuring a balanced, inclusive and future-ready workforce aligned with organisational values and goals.

### Key aspects of hiring strategy

|                                                                                                           |                                                                                                |                                                                                                 |                                                                                      |                                                                                                 |
|-----------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
|                        |             |              |   |            |
| <b>People-Centric Approach</b>                                                                            | <b>Skill Development</b>                                                                       | <b>Technology-Driven Recruitment</b>                                                            | <b>Employee Referrals &amp; Engagement</b>                                           | <b>Diversity &amp; Inclusion</b>                                                                |
| Personalized communication and flexible hiring practices to align with candidates’ values and aspirations | Proactively addressing talent shortages by attracting and retaining top industry professionals | Leveraging automation, digital tools and data analytics to enhance efficiency and effectiveness | Encouraging internal referrals and continuously improving processes through feedback | Committed to building a workforce that reflects diverse backgrounds, perspectives and expertise |

## Talent Strategy

At Persistent Systems, our talent pipeline strategy is designed to build a strong and sustainable supply of skilled professionals who can meet both our immediate and future business needs. We leverage advanced workforce planning, continuously analysing internal movements, skill gaps and market trends to forecast hiring needs accurately and ensure the right talent is available at the right time. Through our internal job marketplace and data-driven insights, we proactively address evolving project demands and maintain our competitive advantage in the technology sector.

### Strategic workforce planning

Advanced workforce planning processes analyse internal mobility, skill gaps and external market trends to forecast short- and long-term hiring needs

### Data-driven talent management

Internal job marketplace and workforce analytics enable proactive redeployment, skills alignment and demand-based hiring

### Internal mobility & progression

Promotion-linked programmes (Avenger, Falcon, Propeller, Anchor) support structured career progression across technical and project management tracks

### Leadership pipeline & succession

Targeted mentoring programmes (JARVIS, Pinnacle) develop senior professionals and strengthen leadership bench strength

### Early-career talent pipeline

Structured graduate recruitment, internship and apprenticeship programmes support entry-level talent development and long-term workforce sustainability

### University partnerships

Long-term collaborations with universities provide access to emerging talent and structured transition from education to employment

### Continuous capability development

Talent strategy is periodically refined using workforce data, employee feedback and industry trends to maintain skills relevance

### Business criticality

Integrated internal and external talent pipelines support delivery capability, innovation, retention and long-term competitiveness in the technology sector



## Talent Pipeline Development Strategy

We prioritise a forward-thinking talent pipeline strategy to ensure a steady supply of skilled professionals, supporting both immediate and long-term business growth. By leveraging data-driven insights and industry trends, we proactively identify talent needs and cultivate a strong workforce that aligns with our evolving business objectives.

| Forecasting Hiring Needs                                                                                                                                                                                                        | Building Talent Pools                                                                                                                                                                                     | Measuring Effectiveness                                                                       | Continuous Improvement                                                                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Internal Insights: Continuous analysis of internal mobility, skill gaps and project requirements. External Trends: Monitoring industry shifts, competitor activity and emerging skill demands to anticipate future hiring needs | Internal Development: Upskilling employees through structured learning and career programmes. External Sourcing: Engaging with academic institutions and industry networks to build a diverse talent pool | Key metrics include Time to Hire, Direct Hiring Ratio and Talent Readiness for Business Needs | Persistent Systems refines its hiring strategy based on feedback, market trends and performance data, ensuring agility and alignment with growth objectives |

## Graduate Traineeship and Apprenticeship Initiatives

At Persistent Systems, we are committed to developing talent and enabling continuous skill enhancement through immersive, hands-on learning experiences. Our structured Programmes are designed to equip fresh graduates with industry-relevant exposure, ensuring they are well-prepared and job-ready.

| Apprenticeship Programme                                                                                                                | BE Projects                                                                                                                                       | Industrial Internship                                                                                          | Smart India Hackathon                                                                                                                              |
|-----------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| A blend of classroom learning and practical training designed for fresh graduates to equip them with essential skills for employability | A mentorship initiative supporting over 400 final-year engineering students annually, enhancing their technical capabilities and career readiness | A six-month internship programme for postgraduate students, offering real-world exposure and industry insights | A strategic partnership initiative enabling students to apply problem-solving and innovation skills through structured mentoring and participation |

## Training Cycle of an Apprentice

| Programme       | Levels                | Duration  | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Focus Area                                                                                        |
|-----------------|-----------------------|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| Pre-Onboarding  | Foundational Concepts | 40 hours  | To ensure that all learners reach the Beginner/Foundation level before onboarding, it is essential that they acquire the necessary foundational knowledge in advance. This ensures they possess the required core competencies and are sufficiently prepared to take on their responsibilities effectively.                                                                                                                                                                                                     | Bridging academia and corporate work culture                                                      |
|                 | Foundational Training | 200 hours | To maintain the quality and preparedness of incoming talent, all learners are required to achieve the Beginner/Foundation level of knowledge prior to onboarding. This mandate strongly prioritises hands-on practical training, ensuring that learners not only grasp theoretical concepts but can also apply them in real-world scenarios. Through this approach, all new team members are equipped with essential foundational competencies, enabling them to perform effectively from their very first day. | Strengthening core technical capabilities and workplace readiness                                 |
| Post-Onboarding | L&D Bootcamp          | 1 month   | The objective is to deliver a world-class training experience that is strategically aligned with business goals and structured to achieve the shortest path to deployability. The training framework predominantly focuses on practical, hands-on learning and provides exposure to real-world problem statements that go beyond academic theory. This methodology promotes readiness, relevance and rapid integration into operational roles, ensuring learners are prepared to add value from the outset.     | Technical skills, power skills, project tools and mindset training                                |
|                 | BU Bootcamp           | 1 month   | This phase is dedicated to equipping learners with niche, business-specific skills as identified by individual Business Units (BUs). Such targeted upskilling ensures alignment with evolving organisational requirements and accelerates the transition from training to meaningful contribution. By customizing learning paths based on BU needs, the organisation aims to develop a highly specialized and deployment-ready talent pool.                                                                     | Domain specific training to enhance project skills and acquisition of specialized advanced skills |

## Strategic Workforce Planning

Workforce planning is aligned to Persistent Systems growth strategy and to current and forecast client demand. Skill needs are forecast on a rolling basis; campus hiring and lateral recruitment are balanced against the reskilling capacity of internal talent pools delivered through Persistent University and the Persistent Digital Engineering Academy (PDEA 3.0). Hyperscaler and technology-ecosystem partnerships are maintained to keep certification pathways current and to track emerging-role demand.

**Graduate Recruitment and Apprenticeship Pipeline:** Graduate intake is on-boarded through structured programmes delivered by Persistent University and PDEA 3.0, covering foundational engineering, cloud / data / AI skills, professional effectiveness and domain awareness. Delivery blends self-paced content with instructor-led labs, mentoring and project shadowing. Learning paths are aligned to client demand to support deployment readiness and hyperscaler / partner certifications form part of the readiness model.

### People Analytics and Strategic Workforce Planning

We see this as an opportunity as part of our workforce planning, we create an Annual Talent Plan (ATP) that is an integral part of our strategic approach, developed at the beginning of each financial year.

- Translate business growth projections into structured workforce demand through an Annual Talent Plan (ATP)
- Align workforce supply with business needs across headcount, skills, locations and structure
- Ensure L&D investments address current and future capability requirements
- Enable periodic, data-driven refinement of workforce plans based on revenue and demand changes
- Optimise the hiring mix (lateral, fresher, large-team hiring) based on demand, cost and fulfilment capacity
- Proactively manage bench, reskilling and redeployment risks to support utilisation and delivery continuity

### Outcome of Strategic Workforce Planning

- Improved economic utilisation
- Higher fulfilment rates within defined billing cycles
- Enhanced workforce agility through proactive reskilling and redeployment
- Reduced turnaround time (TAT) for staffing through improved hiring efficiency
- Better cost control and delivery readiness, supporting operational resilience and growth



## People Analytics

We have implemented an integrated people analytics framework to support data-driven decision-making across the employee lifecycle. This enables improved workforce visibility, objectivity in people processes and proactive management of performance, engagement and retention outcomes. Workforce analytics are used to anticipate future talent requirements, identify critical skill gaps, optimise resource allocation and support succession planning for key roles.

### Performance and Productivity Insights

We use people analytics to track employee performance beyond traditional manager reviews through a comprehensive Performance and Human Management System (PHMS) dashboard. The dashboard provides visibility to relevant stakeholders on average performance scores across the organisation, performance distribution by grades and business units, quarter-on-quarter and year-on-year comparisons, changes in employee performance over time and assessor scoring patterns. These insights help identify performance trends, ensure consistency in assessments and support informed decision-making alongside manager feedback.

### Strategic Workforce Planning

Workforce analytics are applied to forecast future talent requirements, assess capacity and align workforce deployment with business strategy and growth priorities.

#### Identifying Current Workforce Skills Gaps

Skills data and workforce insights are analysed to identify capability gaps and inform targeted reskilling, upskilling and talent development initiatives.

#### Recruiting and Hiring

Analytics support evaluation of hiring channels, talent supply-demand trends and candidate pipeline effectiveness to improve hiring outcomes and efficiency. Identifying flight risks to improve retention

Employee data is analysed to identify attrition trends and flight-risk indicators, enabling proactive retention and engagement actions.

#### Competitive Intelligence

External market and benchmark data are used alongside internal workforce analytics to assess talent competitiveness and compensation positioning.

#### Organisational Network Analysis

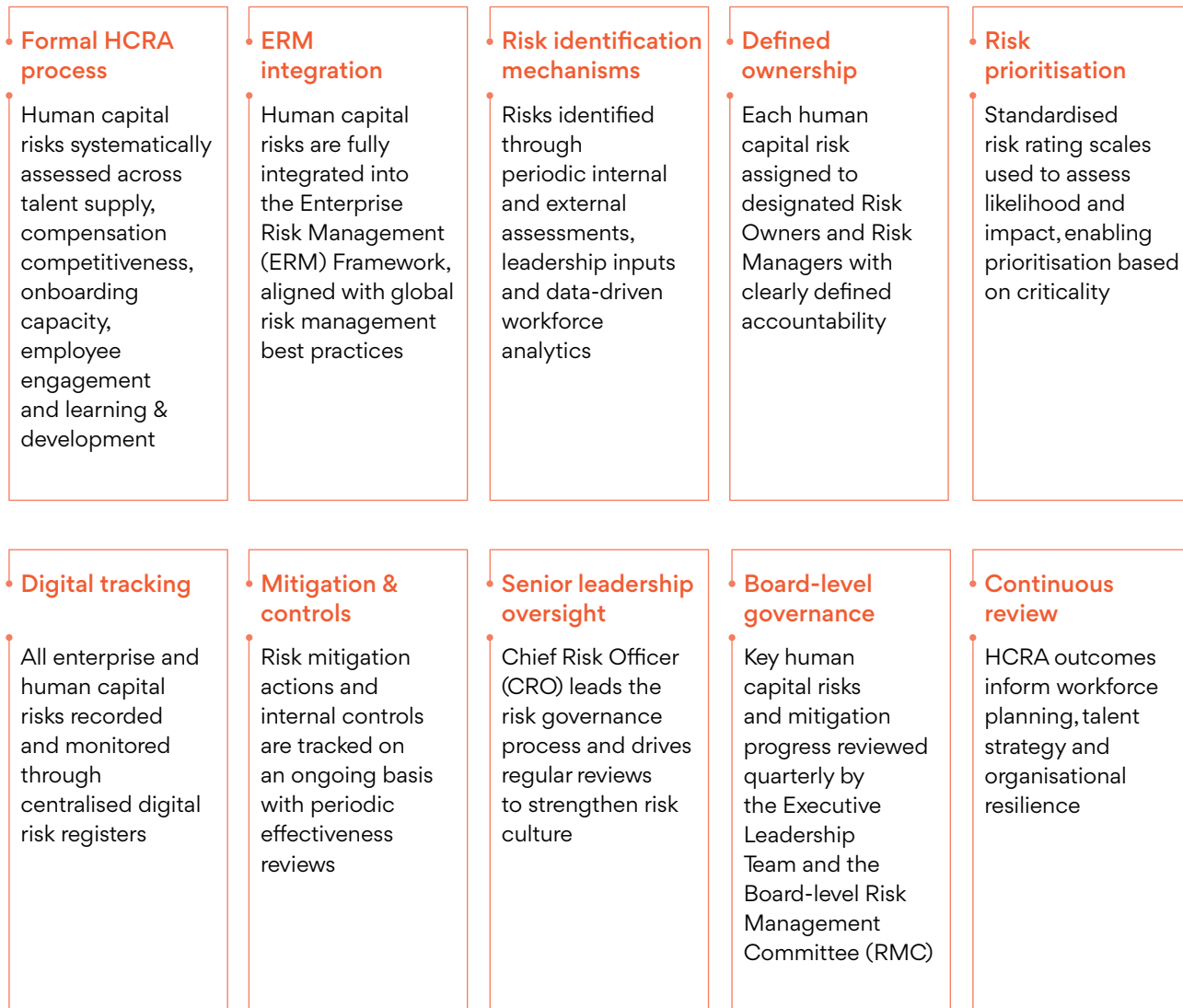
Workforce data is analysed to understand collaboration patterns, role dependencies and critical talent linkages, supporting succession and continuity planning.

#### Decision Support and Governance

Our integrated dashboards enable HR and business leaders to access consistent, reliable workforce insights. This strengthens evidence-based decision-making across talent planning, performance management and workforce governance, directly supporting business and people outcomes.

## Human Capital Risk Assessment (HCRA)

Human Capital Risk Assessment (HCRA) is a structured process to **identify, assess, prioritise and manage risks related to our workforce** that could affect business continuity, performance and long-term value creation.



## Talent Retention Practices

### • Career Growth, Internal Fulfilment & Job Rotations

We prioritise internal talent through an enhanced fulfilment framework, with the iJobs platform and formal job rotation programmes enabling cross-functional and geographic mobility, improving deployment and employee satisfaction

### • Empowered Internal Talent Marketplace

The iJobs platform, supported by AI-powered matching tools and the FAS model, enables faster internal talent identification, reduces time-to-fill roles and strengthens retention through transparent career pathways

### • Learning, Upskilling & Development

A comprehensive learning ecosystem, including upskilling programmes, technical certifications, leadership development journeys and digital platforms, empowers employees to drive continuous, role-aligned development

### • Managerial Capability Building

Leadership development programmes focused on empathetic leadership, performance coaching and career conversations equip managers to support growth, effectively manage diverse teams and reinforce a people-first culture

## Internal Mobility and Promotion

Internal mobility and promotion are integral to Persistent Systems retention and talent development strategy. The Company prioritises filling positions internally wherever feasible, enabling employees to progress through structured career pathways across technical, managerial and leadership tracks. Internal mobility is supported through defined promotion-linked programmes, role-based progression frameworks and an internal job marketplace that provides visibility into growth opportunities across business units and geographies. Talent analytics are used to identify readiness for role transitions, succession coverage and redeployment opportunities, particularly during project ramp-downs or business shifts. Promotion decisions are linked to performance outcomes, competency assessments and development readiness, ensuring merit-based and

transparent advancement. This approach helps retain critical skills, strengthen leadership pipelines and reduce attrition risks by offering sustained career development opportunities within the organisation. Internal mobility is enabled through the iJobs internal marketplace, formal job-rotation programmes, AI-powered skill-to-role matching and the Skill-Led Fulfilment (SLF) framework. Eligible employees may apply for open positions across business units and geographies; managerial approvals follow defined service-tenure and performance-rating criteria.

## Succession Planning and Leadership Continuity

At Persistent Systems, we recognize that strong leadership is key to sustaining business growth and continuity. Our succession planning framework is designed to develop a robust leadership pipeline, ensuring that skilled professionals are prepared to take on critical roles as the organisation evolves. Through a structured succession programme, we identify high potential employees and equip them with the necessary skills and experiences to step into leadership positions. This involves a combination of leadership training, mentorship and targeted development initiatives.

A talent pool of future leaders is maintained, ensuring that we have capable individuals ready to transition into key roles. Where specialized expertise is required, our talent acquisition team also identifies and recruits top external candidates to complement internal leadership development. To drive this initiative, we have a dedicated leadership development team working in close coordination with senior executives, business leaders and HR partners, ensuring a strategic and future-ready approach to succession planning.

## About Persistent

Persistent Systems (BSE: 533179 and NSE: PERSISTENT) is a global services and solutions company delivering AI-led, platform-driven Digital Engineering and Enterprise Modernisation to businesses across industries. With over 27,500 employees located in 21 countries, the Company is committed to innovation and client success. Persistent offers a comprehensive suite of services, including software engineering, product development, data and analytics, CX transformation, cloud computing, and intelligent automation. The Company is part of the MSCI India Index and is included in key indices of the National Stock Exchange of India, including the Nifty Midcap 50, Nifty IT, and Nifty MidCap Liquid 15, as well as several on the BSE such as the S&P BSE 100 and S&P BSE SENSEX Next 50. Persistent is also a constituent of the Dow Jones Best-in-Class World Index. The Company has achieved carbon neutrality, reinforcing its commitment to sustainability and responsible business practices. Persistent has also been named one of America's Greatest Workplaces for Inclusion & Diversity 2025 by Newsweek and Plant A Insights Group. As a participant of the United Nations Global Compact, the Company is committed to aligning strategies and operations with universal principles on human rights, labor, environment, and anti-corruption, as well as take actions that advance societal goals. With 468% growth in brand value since 2020, Persistent is the fastest-growing IT services brand in 'Brand Finance India 100' 2025 Report.

[www.persistent.com](http://www.persistent.com)

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