



ANNAPURNA
— FINANCE —
GROWING TOGETHER



DIVERSITY, EQUITY & INCLUSION REPORT 2021-2022



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Foreward

An introduction to our gender diversity & inclusion, DEI initiatives, policies & need-based benefits for the employee to create a positive & friendly workplace for all.

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About Annapurna

Brief about company history, values, priorities, focus on DEI & commitment towards creating an inclusive environment.

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Annapurna Journey

Embracing continuous learning, adaptation, and a customer-centric mindset, the company can navigate the journey successfully and achieve sustained growth and impact.

4

Representation

The presence and inclusion of diverse individuals across various levels and departments within the organization.

5

Equal Pay& Gender Pay Parity

It involves ensuring that individuals, regardless of their gender, receive equal remuneration for allocated work and there is no gender-based wage gap within the organization.

6

Inclusive Culture

An environment that values and respects the diversity of its employees and promotes a sense of belongingness for all individuals, regardless of their backgrounds, identities, or abilities.

7

Policies & Benefits

The crucial tools for the organization that is used to promote inclusivity, diversity, and employee well-being.

8

Employee Engagement

The level of emotional commitment and dedication employees have towards their work, organization, and its goals.

9

Integrity

A fundamental aspect of building trust, credibility, and long-term relationships. It involves acting with honesty, transparency, and ethical conduct in all interactions with clients

10

Safe Workplace: Combating Harassment

An environment where any form of misconduct, such as harassment, discrimination, violence, or unethical behavior, is strictly prohibited and dealt with swiftly and decisively.

11

Way Forward

The proposed actions, strategies, or recommendations for the future are based on the analysis or information presented in the report.



Foreward



Annapurna is committed to creating a diverse, equitable, and inclusive workplace. We believe that a diverse workforce is a stronger one, and we are committed to creating an environment where all employees feel welcome, respected, and valued.

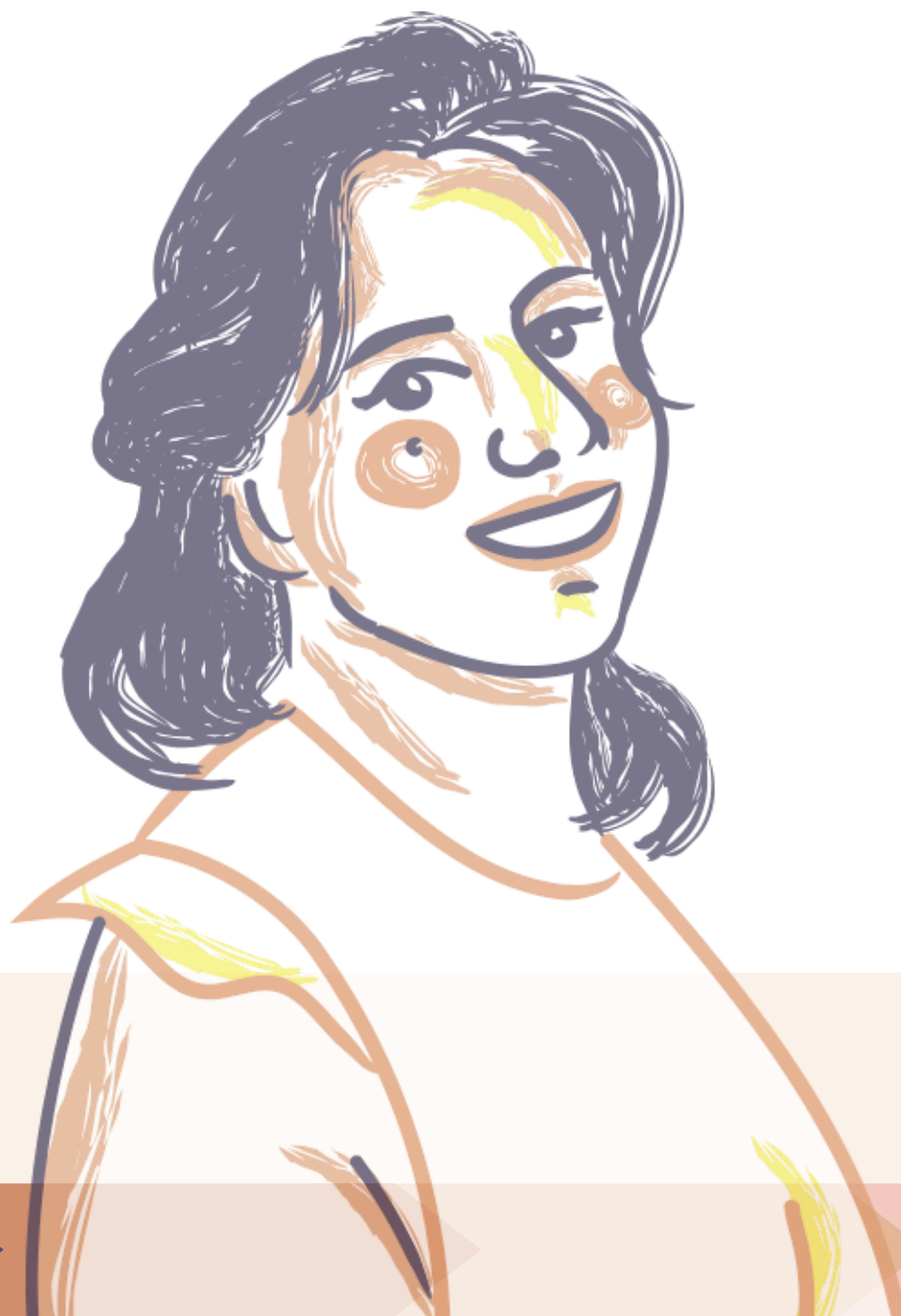
In this report, we will provide an overview of our diversity, equity, and inclusion (DEI) efforts. We will discuss our progress in the areas of hiring, retention, and promotion, as well as our policy intervention to create a more inclusive workplace culture. We will also discuss our goals for the future and how we plan to continue to make progress on our DEI journey.

We are committed to creating a workplace that is reflective of the diversity of our customers and communities. We believe that all employees should feel welcome, comfortable, and empowered enough to share their views & ideas and enjoy equal opportunity in their employee life cycle.

Our DEI statement



At Annapurna , our vision is to build a culture where every individual feels valued, respected, and empowered to contribute as per their unique talents and perspectives. We strive to create an environment that promotes fairness, eliminates biases, and provides equal opportunities for all employees to grow and thrive. We firmly believe that by embracing diversity and fostering inclusion, our commitment can drive meaningful change within our organization and beyond.





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About Annapurna

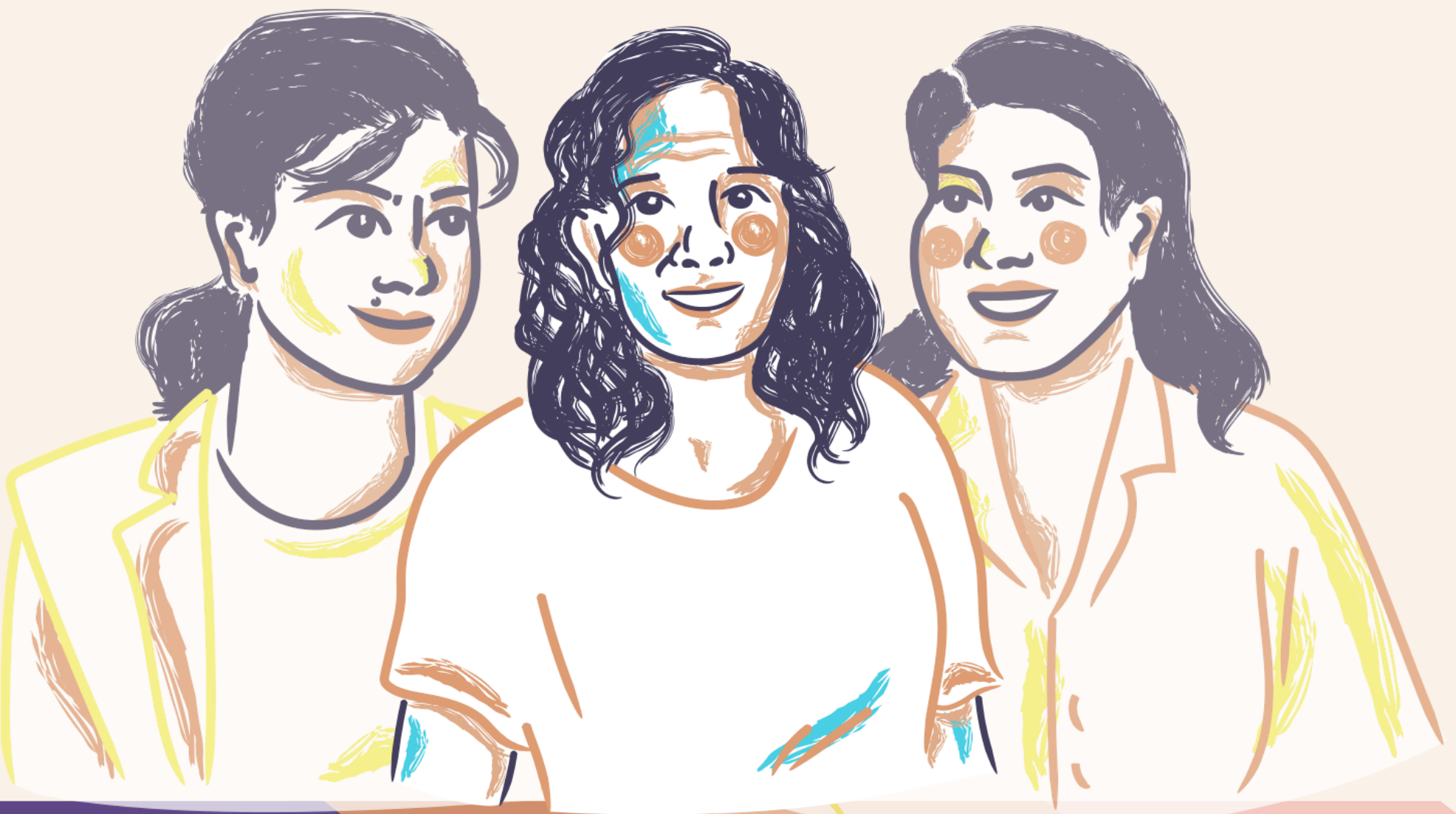
Annapurna Finance is one of the leading microfinance organizations, founded with the primary objective of empowering rural women through microcredit services pan India. Starting its journey from Odisha, Annapurna Finance is known as one of the fastest-growing NBFC-MFIs in the country. Its operation expanded to 21 states catering to more than 2.5 million happy clients, loved by more than 10,000 employees.

Annapurna Finance prioritizes gender diversity and inclusion, aiming to create a workplace that provides equal opportunities for women and men. The company has served policies and programs in place to support the professional growth and well-being of its employees.

Annapurna has focused on inclusion, diversity, and empowering employees and customers since its inception. To address the gender disparity and create a more conducive environment for female employees, the company has implemented a range of initiatives with a friendly and welcoming approach. Some of the noteworthy initiatives in this direction are gender sensitivity training for all, a dedicated female recruitment drive, collaboration with skill training centers that train a diverse range of individuals, a zero-tolerance policy against any workplace harassment and violence, diverse interview panels, no interest two wheeler loan for female employees and flexible posting options for female in need. Besides promoting talents and developing potential resources, Annapurna has multiple leadership development programs.

Annapurna has a flat organizational structure, which promotes open communication among the employees and management. The organization started the gender sensitivity journey to change the societal norms and impediments of gender inequality with feedback received from the employees. Based on it, policies are revised further. Women employees in Annapurna get opportunities that fit their life cycle needs. They get preferred postings before and after marriage, tours, vacations, family gatherings at branches, etc. Annapurna also promotes women employees in Leadership roles by designing customized mentorship programs.

Diversity and inclusion initiatives are overarching strategies implemented by companies to foster an inclusive environment for all employees, including women. By setting diversity goals, establishing metrics, and holding leadership accountable, Annapurna has created a culture that values diverse perspectives and experiences. This commitment to diversity and inclusion positively has impacted women's opportunities and advancement within the organization.





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Annapurna Journey

Key Diversity & Inclusion Milestone

**First Gender Need
Assessment survey
Development of Gender
Policy**



2017

2018



**Initiation of female-only
recruitment
First publication of bi-
annual newsletter '*The
Achievers*' to promote
female resources**

**Development of the first
gender sensitization
training module for all
employees**



2019

2020 & 2021



**Washroom renovation
drive at the branches**

**Formation of DEI Committee
Gender Diversity Policy Revision
Launch of Gender Leadership program
Organization of panel discussion on
'Enabling Inclusive Workplaces in MFI'
at Inclusive Finance India Summit**



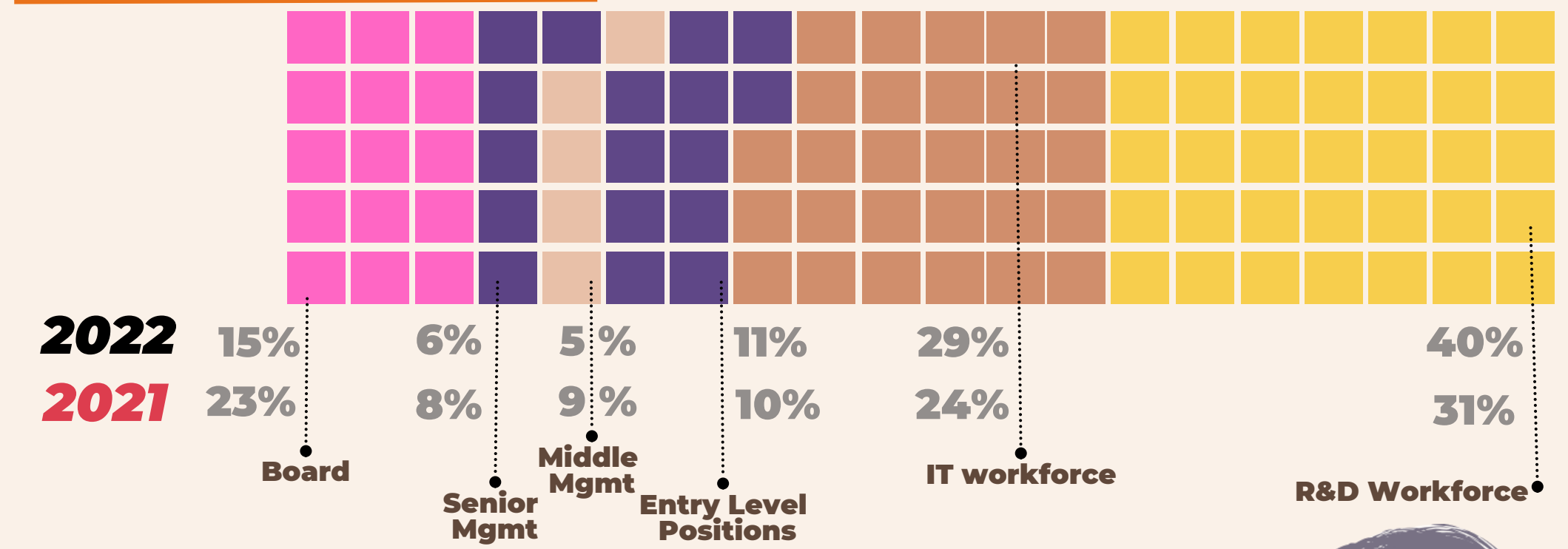
2022



Representation

● Representation matters across all level of the firm.

Women Workforce



We track the representation of women because we know that diversity helps us build better teams that obsess over and better represent our nationwide customer base.

10 % percentage of the company's total employee workforce are women. We have made [year-over-year progress](#), and we will continue to strive for better representation across our company.

Women Hires

The hiring of new staff plays an important role in furthering diversity, and employee turnover plays a key role in providing the opportunity for staff to progress across the Organisation. This contributes to ensuring diversity is supported at both professional and management levels. In terms of hiring, we have made a concerted effort to recruit and hire more diverse candidates. We have also implemented several initiatives to help us retain and promote diverse employees.



Average percentage of women who left the company



Average percentage of women among new hires



Annapurna is hiring more than they are losing.

2022: Women in Leadership

By promoting gender diversity at the leadership level, Annapurna has attracted and retained top female talent, creating an inclusive work environment. Women in leadership positions also serve as role models, inspiring and empowering other women to pursue their own leadership aspirations.



Among Top 10% Compensated employees



2022



Revenue generating roles

2022



Equal Pay & Gender Pay Parity

● **Everyone deserves an equal pay for equal work.**

Equal pay for women is not just a moral imperative, but also a strategic consideration for Annapurna. By ensuring equal pay, We promote fairness, foster a positive work culture, and build trust among employees. Equal pay practices also help us attract and retain top female talents, tapping into a diverse and skilled workforce.



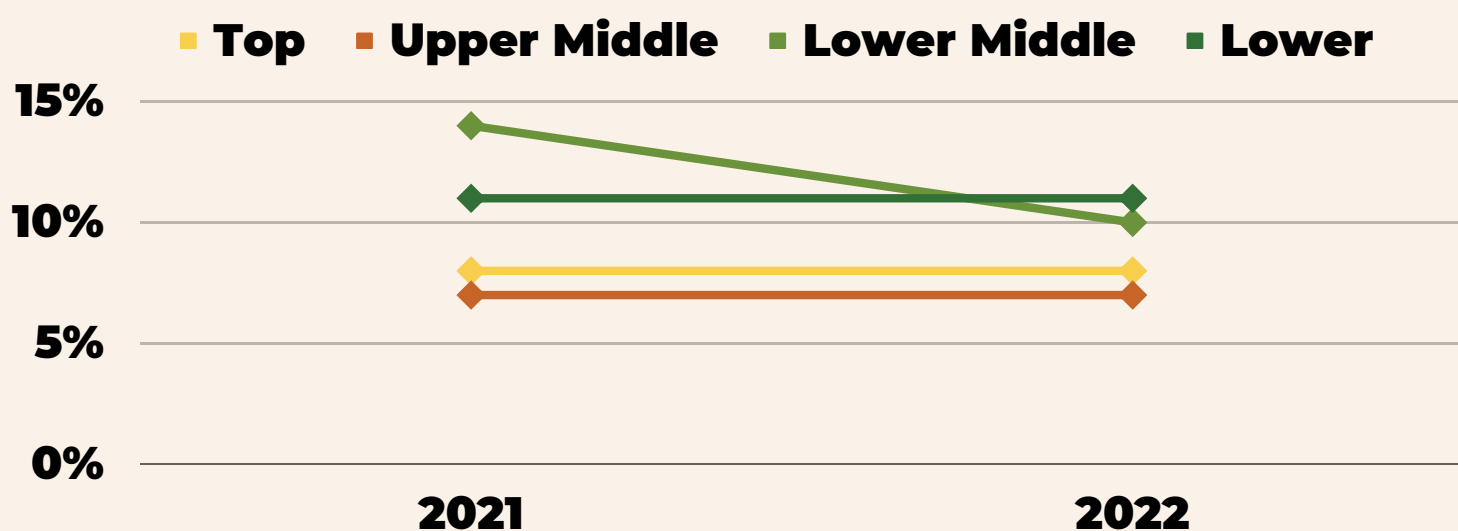
Raw Gender Pay gap



At Annapurna, we are proud of our year-on-year efforts to close the gender pay gap by **implementing fair and transparent compensation practices, promoting gender diversity in leadership roles, providing family-friendly policies, and challenging gender biases within the workplace.** Addressing the gender pay gap is crucial for Annapurna to align with principles of fairness, diversity, and inclusion across the organization. We have successfully reduced the raw gender pay gap from 5%(2021) to 3% (2022), and we continue to apply these insights and actions to all forms of diversity to make Annapurna the best place to work.

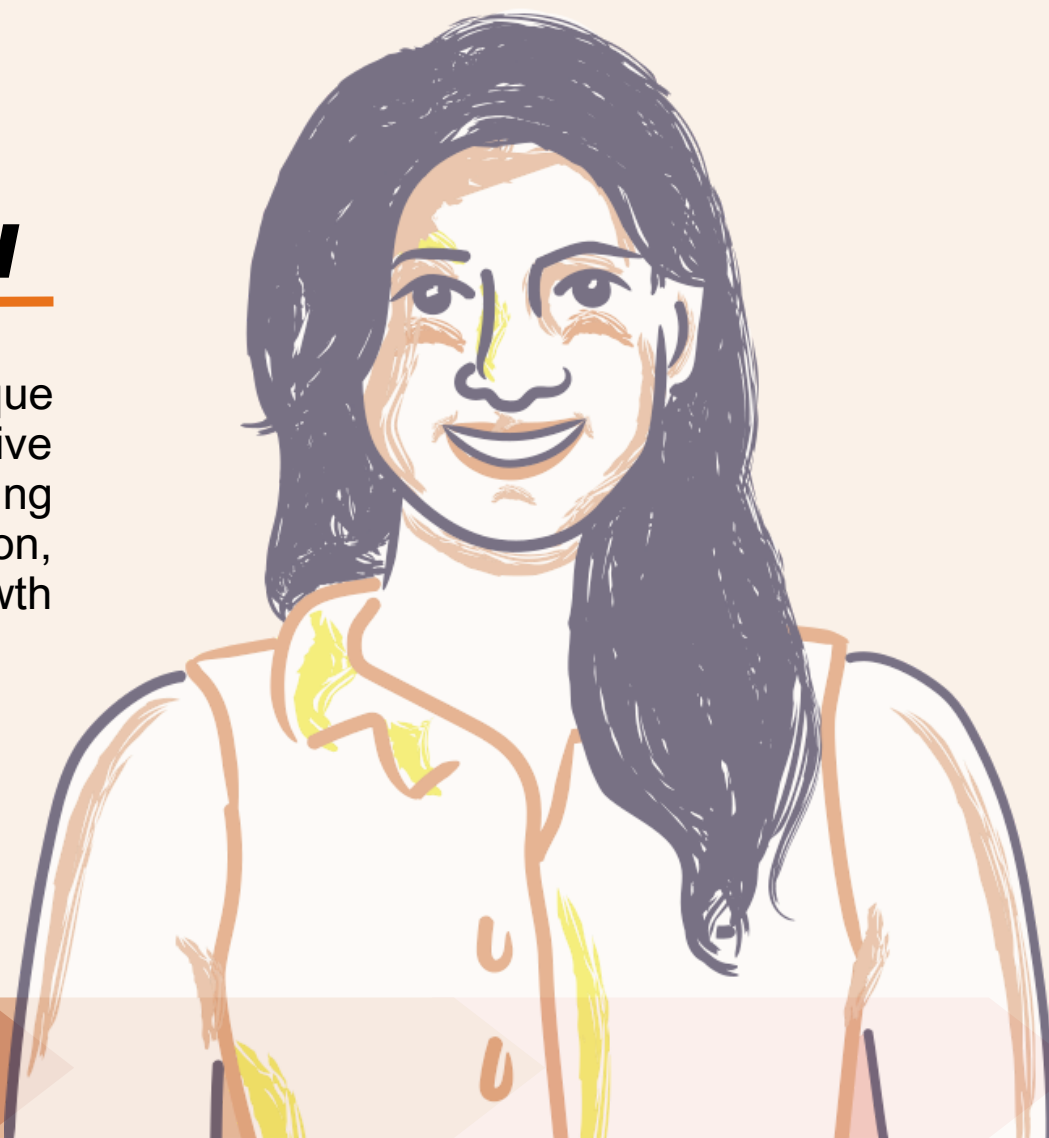
Analyzing women's representation across pay quartiles has provided insights into gender equality within an organization. At each level, base pay is standardized and bonuses are awarded based on performance.

Percent Women across Pay Quartile



Percent women Promoted

At Annapurna we believe women bring unique perspectives and insights, leading to more innovative decision-making and problem-solving. Promoting women also enhances talent retention and attraction, as it demonstrates a commitment to providing growth opportunities based on merit.



Inclusive Culture

Fostering an inclusive culture in the workplace is crucial for Annapurna to thrive and succeed. An inclusive culture is one that values and respects the diversity of its employees, creates an environment where everyone feels valued, empowered, and able to contribute their unique perspectives and talents. Annapurna always makes a move to give employees **a sense of belongingness and a voice.**

Parental Leave Benefits



**26 weeks
Maternity Leave**

**12 weeks
Adoption Leave**

**15 days
Paternity Leave**

**Mothers who
give birth**

Adoptive parents

**Fathers &
partners**

Parental Leave Retention Rate

Annapurna understands that high employee turnover can be detrimental to its success. We continuously take efforts to improve retention by focusing on creating a positive work environment. There has been a drastic change of **34 percentage points** in the retention rate of women who returned from parental leave and have remained with us for 12+ months.



2021: 44%



2022: 78%

Recruitment drive for Women

We at Annapurna understand that having a diverse workforce, including gender diversity, brings numerous benefits such as varied perspectives, improved decision-making, increased innovation, and enhanced overall performance. **Recruitment drive only for Women** is one such initiation that aims to increase the representation of women in the workforce, promote diversity and leverage the unique skills and perspectives that women bring to the table. In 2022, A total of **126** drives were conducted Pan India & our annual spending for the same accounts for **15%** of total recruitment budget.

Unconscious Bias Training

One of the pillars of teaching employees and management important DEI concerns is frequently providing unconscious bias training.



Effective training at Annapurna has developed an awareness of unconscious biases and what participants can do to combat them via inclusive thoughts and behaviors.



Policies & Benefits

- **Formulating policies & investing in Benefits is an investment in the well-being & success of Annapurna.**

Childcare Support



At Annapurna, we genuinely care about our employees and their children's well-being. As part of our commitment to creating a family-friendly workplace,

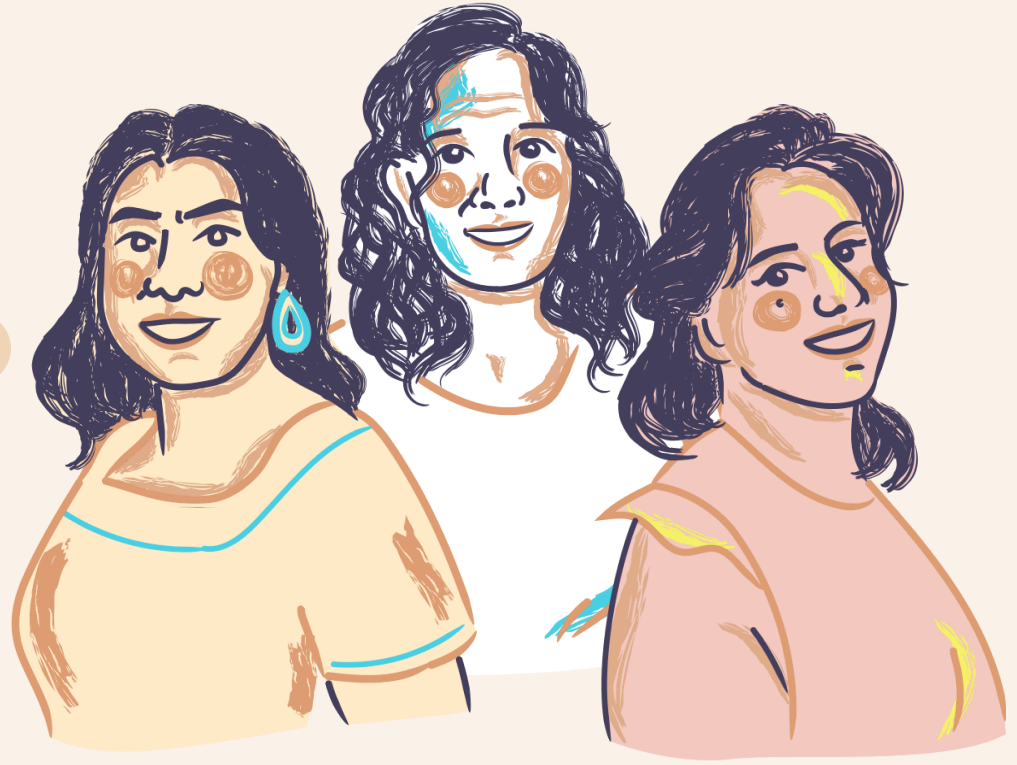
we provide financial support to new mothers when they return to work. This support is designed to help our employees manage the costs associated with childcare. We deeply value the important role our employees play as parents, and this financial assistance demonstrates our dedication to fostering a nurturing and supportive environment where everyone can thrive.

Mental Health Support



Mental health is just as important as physical health. Mental illness may be detrimental to a person, as it impacts happiness

productivity, and communication at the workplace. We at Annapurna outline our provisions & training like **stress management, self-care & resilience** to prevent and address mental health issues among our employees. With this policy, we aim to support our employees and create a healthy and happy workplace. We want everyone to feel appreciated and be treated fairly.



Bereavement Leave

Annapurna recognizes the emotional impact of losing a loved one and understands the need for employees to grieve and attend to necessary arrangements.



We have the provision of Bereavement leave for employees to support them during these difficult times. Employees may request 5 days of paid leave to mourn the loss of an immediate family member, including a spouse, child, parent, or sibling.

Flexi-work Time

We at Annapurna believe in creating a modern workplace where people love to perform, in most cases, it means extending flexibility to



employees. With flextime, they can more easily achieve work-life balance and organize work around their other personal errands and commitments. In 2022-23, **472** employees took work from home, out of which **22%** were female & **75%** were Male.

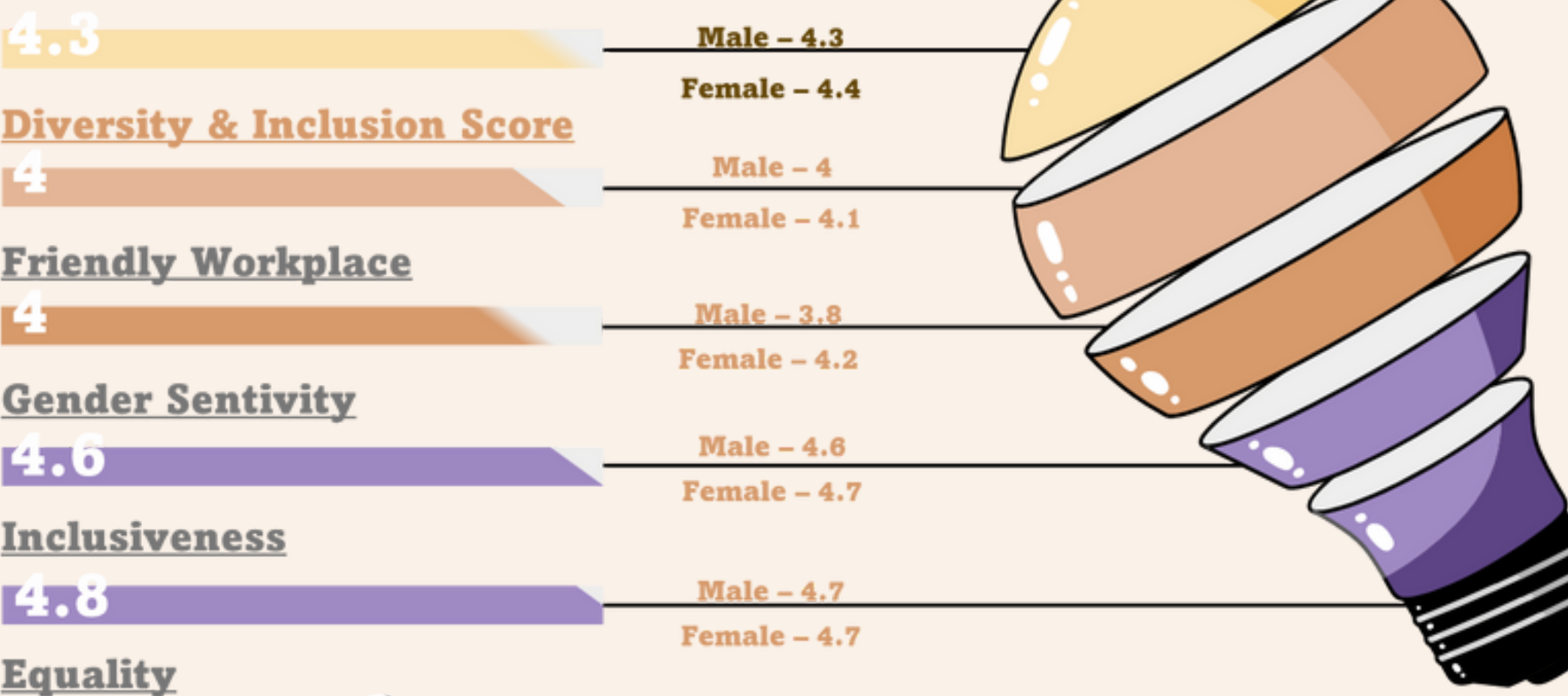


Employee Engagement

● Engagement is the fuel that ignites the passion and productivity of every employee.

As a part of our Diversity & Inclusion Plan, we have conducted an Employee Engagement Survey to measure the connection, employees have towards the organization, team, and work. It is an opportunity for the organization to establish two-way communication and involve employees in the strategy development process by giving them a direct voice. Along with that **Gender Need Assessment** was also conducted to identify the gaps between current & desired conditions related to gender sensitivity concepts. It will also help us to make better policies targeted toward achieving Gender Equality. It was a virtual survey where **1270 employees**, representing 12% of human resources, shared their feedback with us.

Gender need Assessment Survey Score



The survey measures employee perceptions of work-life balance, career opportunities, diversity, collaboration, communication, and the pride of belongingness to the organization. The survey results have been cascaded across regions and departments, and certain focus areas have been identified for action. Some of the key focus areas identified were enabling **work-life balance, empowerment, and differentiated experience for high performers.**

An inclusive culture is a key that unlocks the full potential of diversity, empowering every individual to shine and contribute their unique brilliance."

From now on we will conduct this survey annually to track the progress of DEI parameters over time, measure the effectiveness of implemented initiatives, and make necessary adjustments to continuously improve the employee experience.



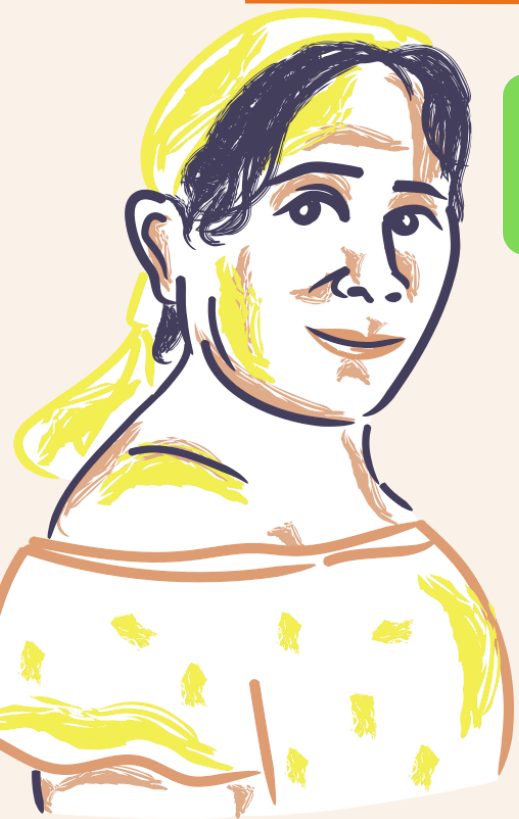
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Integrity

● Ensuring inclusion among external brand.

By taking a proactive approach to diversity, equity, and inclusion, organizations can contribute to creating more equitable and inclusive communities. These contributions go beyond the workplace and have a lasting impact on the lives of individuals, fostering social progress and creating a more inclusive society.

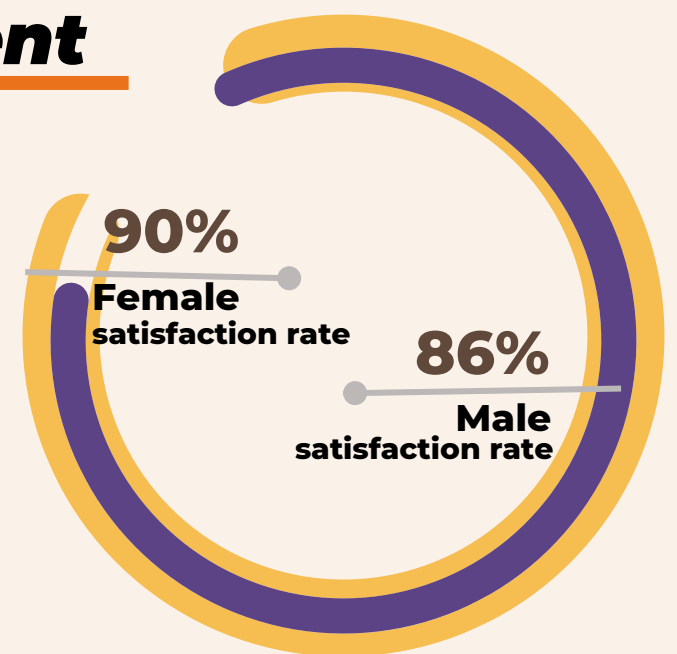
Gender Bias & Inclusion in Publication Content



We actively assess and address gender bias in all our publications, and create a culture that values diverse perspectives and ideas, leading to enhanced problem-solving and innovation. A designated Committee has been assigned to identify and rectify any biases by conducting a prior check, promoting equality and inclusivity in the organization's communication. Addressing gender biases in company publications not only aligns with ethical principles but also brings tangible benefits in terms of reputation, talent acquisition, customer engagement, and promoting an inclusive work environment.

Customer Engagement

We at Annapurna track and analyze customer base & satisfaction feedback by gender as part of their efforts to understand and improve the customer experience. Our **2.5 million happy customers** are highly valued as they play a crucial role in the success and growth of the company. Our customers are the face of our organization and this analysis helps us identify any gender-based disparities or trends that may exist in the customer experience, allowing Annapurna to address specific concerns or tailor their strategies accordingly.



customer satisfaction feedback by gender

Measure the retention of women customers in any of its businesses

Allocated specific resources for both retaining and increasing the percentage of women clients in any of its businesses

Track repayment rates by gender

We offer lending specifically for women-owned businesses – micro, small or other

Measuring the data is the key to bringing diversity, equity & inclusion at the community level.

Financial & digital literacy program



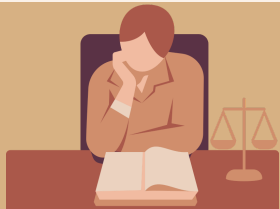
Mobile medical unit program



Safe Workplace: Combating Harassment

At Annapurna, we maintain a **zero-tolerance policy** view it comes to combating violence and harassment. We are committed to eliminating all forms of unlawful discrimination, harassment, and victimization of persons at the workplace based on gender. Our Code of Conduct policy supports our commitment to maintain a workplace, where all staff can work without fear of unacceptable workplace conduct impacting them.

We have formulated a gender policy, with the core objective of creating a workplace environment, that not only encourages the inclusion of all genders in productive work but also offers them a safe and friendly space to utilize their potential to the fullest and ensure better employee satisfaction and engagement that can directly help in achieving better outcomes at the organization level.

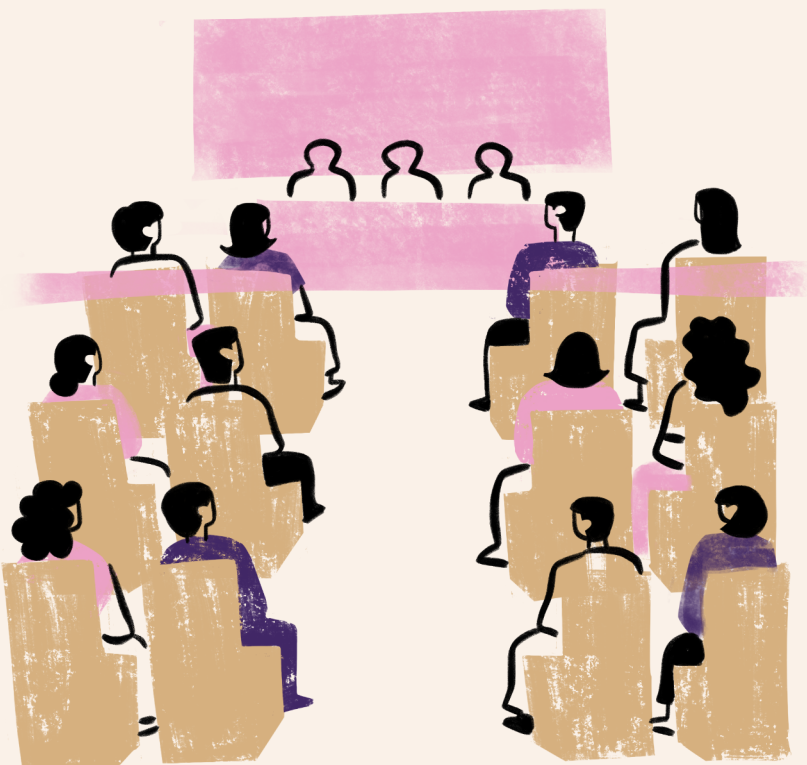


Internal Complaint Committee

The Committee for Managing Gender Issues has been set up as the Internal Complaints Committee, an Internal committee to receive and redress complaints of workplace harassment. ICC conducts thorough inquiry absolutely fairly, in a neutral manner, and without any bias for or against anyone.

Composition of ICC

ICC has 5 members, and 4 of 5 members are women. The Presiding officer of the Committee is a woman employee member. The company has retained an External Member (third-party investigator) for ensuring an unbiased investigation. The management evaluates the committee's functioning and reports to the board as per need. Employees have the option to pursue private arbitration for their sexual harassment claims, within the scope of our policy or mandatory arbitration agreements.



POSH training

There is a mandate for all the employees to go through prevention of sexual harassment training during induction. The training explains the company's anti-sexual harassment policies, provides specific examples of inappropriate conduct, and describes the processes and procedures for bringing a complaint.





Way Forward

We are proud of the progress we have made in our DEI efforts over the past year. While the Organisation has made progress in working towards greater diversity and inclusion through our established initiatives, we recognize the need for continuous improvement in many areas. Our upcoming projects & programs are:

**Introduction of
inclusive policies &
practices -GBVH
policy**

**Gender Pay gap
Audit**

**Women
Entrepreneurship
training program
for customers**

**Women
Leadership
Development
Program**

**Women Start-up
Product for our
customers**

Our commitment to DEI is unwavering, and we are dedicated to creating a workplace that embraces diversity and promotes equity and inclusion for all.





Registered & Corporate office:

**1215/1401 , Khandagiri Bari , opposite
Jayadev Vatika, Khandagiri, Bhubaneswar
Odisha - 751030**