



happiest minds

The Mindful IT Company

Born **Digital** . Born **Agile**

**ANNUAL
REPORT
2020-21**



ESG

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Preface

Dear Stakeholder,

With the COVID-19 pandemic wreaking havoc across the world, the year gone by has been like no other and has made us all reflect on our priorities and recognize what is truly important. In India, we experienced what is widely considered as the world's strictest lockdown resulting in a sobering experience that most of us had never gone through before.

It is against this challenging backdrop, that we persevered with our plans of being listed as a publicly traded company on the Indian Stock Exchange and completed the entire process digitally in September of last year. The market rewarded our conviction with a stellar response by oversubscribing to our issue 151 times and providing a 138% increase in our listing price. This underlines the faith imposed in us not just by our customers but also by our new investors who are now an integral part of the journey ahead.

As 2020 came to a close, it seemed like the world was slowly but surely recovering from the pandemic and the availability of vaccines provided the proverbial ray of hope. Unfortunately though, India was struck by a debilitating second wave of infections earlier this year that turned out to be even more devastating and caused several lives to be lost across the country.

It is with a heavy heart, I share with you that we lost five of our colleagues due to COVID-19. In addition, our teams saw 38 of their family members succumb to the pandemic. We would like to express our deepest condolences to the families.

We as an organization, are committed to the wellbeing of all our stakeholders and are putting forth our best efforts in ensuring we move ahead gracefully while upholding our core values. Our seamless transition to a work-from-home model in March 2020 helped almost 98% of our team across 4 continents to continue delivering on their work commitments with minimal disruption. We remain committed to investing in our systems and operating models to support our teams as they adapt to the realities of a new normal.

I am pleased to place before you our first edition of the sustainability report. Our commitment to sustainability is deeply ingrained in our mission – 'Happiest People . Happiest Customers' and our vision to be Happiness Evangelists for each other, our Customers and Society. It is this mission and vision that guides us to bring in a meaningful difference to our stakeholders. This report is a culmination



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of effort over many months talking to various internal and external stakeholders and I believe this is a good start in our journey to report on our performance on sustainability. The report begins with a section on the pandemic that specifically talks about the impact on our operations and the measures we have taken to minimize its effect through various initiatives aimed at overall stakeholder wellbeing. The operational footprint section gives you a glance at our scale of operations. I am happy to share that your Company was recognized by multiple external agencies during the fiscal for its people engagement programs and sustainable operations which is highlighted in the awards section. As a responsible corporate citizen, Happiest Minds drove various initiatives for enrichment of our stakeholders whom we have defined in the Stakeholder engagement section. The last section on Being a Responsible Business is about our priorities and initiatives towards our stakeholders and to meet / exceed their expectations along the Environment, Social and Governance (ESG) areas. The area of Sustainability is continuously evolving and we welcome your feedback in our endeavor to make it better. In this new fiscal, we also intend to leverage the services of an external agency for an independent evaluation of our sustainability practices.

As we begin a new financial year, I would like to sincerely thank all our customers, stakeholders and partners for their continued co-operation and support. I would also like to express my gratitude to all Happiest Minds & their family who have so selflessly risen to the occasion.

Here's looking forward to hope, happiness, and healthier times ahead.



Aurobinda Nanda

President, Operations & Deputy CEO
Product Engineering Services



I would like to sincerely thank all our customers, stakeholders and partners for their continued co-operation and support. I would also like to express my gratitude to all Happiest Minds & their families who have so selflessly risen to the occasion.

What does Sustainability mean for Happiest Minds?

Our philosophy is simple – happiest people make happiest customers. People are an integral part of our business and their happiness is of utmost importance. Our systems, policies, and practices are crafted to foster an open culture, enabling our people to discover their potential and participate in shaping their own work-life experience.

Our mission statement is a simple:
Happiest People . Happiest Customers

Our five-fold vision is to:

1. Be the Happiness Evangelists for each other, our Customers and Society
2. Achieve a very successful IPO
3. Be known as the company with highest standards of Corporate Governance
4. Be recognized for Thought Leadership in our focused areas of technology and solutions
5. Be a leader in Social Responsibility initiatives

We are happy to have accomplished one of the vision during the fiscal which was to take the Company public. The Employee Stock Option (ESOP) covered most of the Happiest Minds on roll as of January 2020, the listing event provided opportunities to many Happiest Minds to create value out of their association with the Company. The event also reaffirmed our belief in our mission and vision as we onboarded a new set of investors who validated our positioning.

Resonating with our mission, our core values, which form the acronym **SMILES**, describes our ethos and guide our behavior:



Sharing

Culture of teamwork and sharing knowledge and wealth



Mindful

Attentive, caring, heedful. Mindful of our responsibilities



Integrity

Respect our commitments internally and externally, not just in letter, but also in spirit. Creating an organization that stands for fiscal, social and professional integrity



Learning

A culture that rewards self-development and innovation



Excellence

High aspirations for global excellence backed by a strong action orientation



Social Responsibility

Good corporate citizen with a special emphasis on environmental responsibility and driving inclusivity in the workplace

Responding to COVID-19

Since the outbreak of the pandemic in December 2019, the world is continuously adapting and readapting to challenges posed by the outbreak. We began the fiscal with almost all Happiest Minds working from home in what was called the world's strictest and harshest lockdown. We had a record-breaking public listing of the Company in September 2020 all of which was executed digitally in a remote environment. As the year was coming to an end, it appeared that things were in control as the rate of new infections ebbed. However, the situation became grim when most countries reported a second wave of infections at the beginning of the calendar year. India was not immune as can be seen with the huge spike in infections starting late March and April. During the year, the Executive Board and the COOs responded proactively to ensure the well-being of Happiest Minds and enable them to stay safe, and work with minimal disruption to clients.

Governing our Response

Happiest Minds follows a well-defined Business Continuity Plan (BCP) that guides our response to natural or human-made calamities and disasters, which could disrupt or severely contain our operations. The BCP program addresses all aspects of business continuity – Governance, Situation Monitoring, Risk Assessment, Mitigation Planning & Tracking, Stakeholder Communication, Liaison with external entities and Scenario Planning.

Specific Response Actions

Early March 2020, Happiest Minds had formed a task force to drive the transition to work-from-home and ensure business continuity. The task force worked round the clock to ensure that there was minimal disruption to delivery across our seven operating geos. As the impact of the pandemic differed across the countries, the task force proactively brought in targeted responses to each of our operating geos. Some of the key measures that were implemented:

1. **BCP:** To ensure smooth functioning and to continue to delight our customers, a robust Business Continuity Plan was put in place. Back-up managers and team members were provided in the unfortunate event that one should fall ill.
2. **Mithra:** The Good Samaritan Program consists of a team of volunteers who are committed to counsel Happiest Minds and be available to listen to them, in safety, acceptance and confidentiality. During the fiscal, FY21, Team Mithra has been able to provide emotional and counselling support to over 1,000 Happiest Minds.
3. **Internal First Responder (IFR) Team:** An Internal First Responder Team was formed with representatives from the various Business Units and Centers of Excellence across geographies. The IFR team member is the first person that someone reaches out to, for themselves or for their families. The IFR team member assists in guiding the Happiest Mind to the various resources that are available, such as, leave, loan, advance, hospitalization, oxygen, medication and so on. The team also meets periodically to keep up-to-date with the various Government notifications. This meeting is a safe space for the IFR team to connect, collaborate, air their concerns and share challenges faced. The IFR team, therefore, provides real-time support.
4. **COVID-19 Insurance for Happiest Minds:** This is in addition to the Medical Insurance.
5. **COVID Leave:** There are 3 different types of leave under COVID leave.
 - a. Hospitalization / Institutional quarantine – Up to a max of 20 days
 - b. Home Isolation – Up to 14 days
 - c. Family Care – Up to 5 days (Immediate Family)
6. Leave Donation program
7. Medical Tele-consultation for Happiest Minds and their families
8. Salary Advances & Compassionate Loans are provided to Happiest Minds
9. Partnering with vendors for ergonomically designed chairs to help a smooth working from home
10. **VSafe:** Vaccination Tracking System – Happiest Minds who have been vaccinated update details in the portal for themselves and for their family members. The system also sends them reminders when the second dose in the dosing schedule is due.
11. Frequent Sanitization of office spaces
12. **Back to Office Taskforce:** A taskforce was created with representation across the Company to evaluate the return to office. Subsequently, it was discussed that the team will continue working from home until December 31, 2021 or until the pandemic abates.
13. Periodic communication from the Executive Board
14. Wellness Programs facilitated by the HappiZest team
15. COVID-19 insurance for facilities / admin / security staff.

Operational Footprint – March 31, 2021

Born Digital . Born Agile

₹ 798 Crores

Revenues for the Fiscal

7

Countries of Operation

87%

Repeat Business

3,228

Happiest Minds

173

Clients

26

Million Dollar Customers

₹ Lacs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenues (a)	77,341	69,821
Other Income (b)	1,999	892
Direct Economic Value Generated (c) = (a)+(b)	79,340	70,713
Operating Costs	11,858	15,205
Employee Wages & Benefits	45,238	44,123
Payments to Providers of Capital	341	336
Payments to Governments (Total Taxes Paid)	3,527	190
Community Investments	75	21
Economic Value Distributed (d)	61,039	59,875
Economic Value Retained (e) = (c) - (d)	18,301	10,838

For further information regarding Financial Performance, please refer to page 143 onwards

Awards on Sustainability and People

India's Best Companies to Work for 2020

by Great Place to Work® Institute



Jalarushi Puraskar 2020

Recognition from Bengaluru Water Supply and Sewerage Board (BWSSB) for environment friendly Rainwater Harvesting process at Happiest Minds Headquarters in Bengaluru

India's 75 Best Workplaces in IT & IT-BPM 2020

by Great Place to Work® Institute





Happiest Minds Technologies Pvt. Ltd.

For inspiring trust among your people, instilling pride in them, creating an environment that promotes camaraderie, and delivering a great workplace experience **FOR ALL** your employees that make your organization one among
India's 50 Best Workplaces for Women 2020


Prasennjit Bhattacharya
Chief Executive Officer
Great Place to Work® Institute India

India's 50 Best Workplaces for Women 2020

by Great Place to Work® Institute

Great Place to Work® Certified
Apr 2020 to Mar 2021

by Great Place to Work® Institute





Diversity & Inclusion (D&I) Company of the Year

by Women Leadership Forum of Asia & LNOD Round Table.

Leading Practices in Talent Acquisition Award 
 by People First



Intel's Winner Circle Program

as a Solution Plus Partner for contributing towards the acceleration of 5G and virtual network transformation

Stakeholder Engagement

	Expectation	Modes of Engagement
Clients 	Business Value & Innovation	<ul style="list-style-type: none"> • Client Visits and Meetings • Customer Happiness Surveys • Periodic Customer Leadership Meets • Newsletters • Social Media • Mailers • Brochures • Quarterly and Periodic Business Reviews
People 	Career Opportunities, Health & Safety, Learning & Development	<ul style="list-style-type: none"> • Happiest People Pulse Survey • Social Media platform – Yammer • Intranet portals • CSR Clubs • Bulletin Boards • Blogs
Investors 	Profitable Growth, Sustainability	<ul style="list-style-type: none"> • Quarterly Earnings Call • Broker Conferences • Non-Deal Roadshows • Company Website • Annual General Meeting • Print and Digital Media • Social Media • Investor Relations Survey • Annual Report • Email Communication
Suppliers & Alliance Partners 	Long-Term Partnership	<ul style="list-style-type: none"> • Financial Reports • Social Media
Community 	Access to Healthcare, Education and Livelihood; Gender Empowerment & Environmental Sustainability	<ul style="list-style-type: none"> • CSR Engagements • Site Visits • Partnerships with NGOs • Participations in forums involving academia • Local Community Meetings • Volunteering Initiatives
Government and Regulatory Bodies 	Good Governance and Compliance	<ul style="list-style-type: none"> • Representations on consultative papers by regulatory authorities • Interactions with statutory bodies like SEBI, Labor Authorities, CPCB, etc. • Policy Advocacy • Interactions / Representations with government through industry associations like NASSCOM, FICCI, ASSOCHAM, CII

Environment

Being a Responsible Business

Mission

- 1. To respect, protect, and make efforts to restore the environment by utilizing natural and manmade resources in an optimal and responsible manner**
- 2. To continuously adopt and use greener sources of fuel to run our operations**
- 3. To ensure the sustainability of resources by reducing, reusing, recycling and managing waste**
- 4. To provide goods and services that assure safety and contribute to sustainability throughout their life cycle by ensuring safety and optimal use of resources while providing services, disposing the Bio Medical Waste and ensuring that everyone connected with it - value chain members, customers and recyclers - are aware of their responsibilities; ensuring that the services consider resource efficiency and principles of sustainability.**

As a responsible corporate citizen, Happiest Minds strives to respect, protect, and make efforts to restore the environment by utilizing natural and manmade resources in an optimal and responsible manner and ensure the sustainability of resources by reducing, reusing, recycling and managing waste. We continuously seek to improve environmental performance by adopting and promoting use of energy-efficient and environment-friendly technologies and use of renewable energy in our operations. The pandemic enforced upon us a work-from-model model since March 2020. The remote working model has ensured that we operated our office spaces with minimal staff and resources. We enabled every Happiest Mind to work-from-home by providing laptops which are known to consume lower amount of power compared to a desktop. A good part of our hardware infrastructure was in the cloud and we extended it further as we supported our Happiest Minds and customers from a remote environment. This resulted again in considerable savings in terms of power usage at your offices. With the work-from-home model continuing to be the norm for the foreseeable future, we intend to do more to ensure the operations are run on a sustainable basis.

We adopt measures to conserve energy by using energy-efficient computers and equipment with latest technologies, which would help in conservation of energy.

Some of the steps and practices followed by your Company are: Optimum usage of Air Conditioners throughout its premises by ensuring that there is no cool air leakage; Usage of LED / LCD monitors (energy-efficient); Turning off monitors, when not in use; Turning off lights in all floors when people are not working; Turning off the air conditioners during non-peak hours and on weekends; Usage of treated water to recharge ground water; Installation of sun film to dissipate heat; Usage of LED lights for all its lighting solution.

During the year, we made good progress in harvesting water at all our workspaces in India. We are happy to share with you that all our India centers generate zero effluents. Black water / grey water are treated and reused for gardening and various other purposes within the campuses. The Bengaluru Water Supply and Sewerage Board (BWSSB), a government agency has validated our efforts and awarded us the "Jalarushi Puraskar" in October 2020 for our efficient water conservation, rainwater harvesting, reuse of treated waste water initiatives. During Fiscal 22, we will continue to drive such initiatives across our workspaces. One such initiative that we are exploring is waterless restrooms, which will reduce water consumption.

Social

Culture of Happiness Evangelism

With a simple, yet, lofty mission of “Happiest People . Happiest Customers”, our Company focuses on the twin themes of disruptive technologies and people happiness. Our name reflects our mission and is indicative of the culture that we have built. Our logo was crowd sourced with the winning design – “The Happy Person” depicting Our Being, Our Belonging and Our Becoming.

Five years after the launch, Happiest Minds became the first Indian IT firm to be ‘The Mindful IT Company’, a logical extension of our happiness brand positioning. And now, we are also a ‘Born Digital . Born Agile’ Company.

Happiness is an esoteric concept – one that we aspire to every single day, yet one that eludes us. While happiness is a personal, conscious choice, Happiness Evangelism is an imperative, a responsibility that all Happiest Minds carry. It is in sharing happiness by focusing on the importance of relationships, kindness and helping one another...where we do things to bring smiles around us. Ordinary things that can bring about extraordinary change. We believe that every, single Happiest Mind is a Happiness Evangelist for each other, for our customers and for society. One who appreciates and empathizes, one who is kind and courteous, polite and helpful, increases harmony and collaboration, is calm, someone who goes the extra mile to deliver results, to keep one’s internal and external customers happy.

We work with our mission. When our people are mindful and empathetic, it rubs off on to our customers who find value and satisfaction in working with us. And that makes good business sense. Our customers have been delighted with our company’s happiness philosophy. They constantly give us feedback about how they see the S.M.I.L.E.S. value displayed and the pleasure of interacting with happy people.

It is a matter of pride for us at Happiest Minds to see the impact we have made on the lives of our people by fostering a sense of purpose, by forming collaborative communities and by fashioning the capacity to make choices.

Programs such as Mindfulness Training, Happiness Heroes, SMILES Shorts, HappiZest – our Wellness initiative, along with a culture of listening through the annual Happiest People Pulse Survey & Customer Happiness Survey, the real-time Happometer, the external Great Place to Work® Survey and Mithra – the Good Samaritan Counselling Program, helps gather feedback and derive action items, to achieve the overarching principle of creating and sustaining a great place to work. Our CSR program, Circle of Happiness, executes a process for leveraging our capabilities, building a social engagement program and contributing to socially relevant causes; d’CARBON (Clean, Assured and Responsible Building of Outcomes towards Neutrality) makes a difference to the environment and aligns corporate values with actions.

‘Happiness Evangelism’ and ‘Mindfulness’ are two sides of the same coin that needs investment of time, talent and treasure. Your Company provides the enabling functions to internalize and institutionalize these as actionable activities to enable the happiness of our people.

Every single day is pregnant with meaning and purpose. Our continuing endeavor of creating and sustaining Happiest People and Happiest Customers has been successful even during unprecedented times like these.



Sharon S. Rajkumar, PhD
Happiness Evangelist



happiest minds
 The Mindful IT Company
 Born Digital . Born Agile

ARE YOU A HAPPINESS EVANGELIST?

- 01 Do you look for opportunities to appreciate others genuinely?
- 02 Are you willing to share knowledge?
- 03 Do you cultivate the culture of WE instead of I?
- 04 Do you listen with empathy?
- 05 Are you polite and courteous?
- 06 Do you encourage new thoughts and ideas even if they are not aligned with your own?
- 07 Do you display calmness in challenging situations?
- 08 Do you strive to increase harmony and collaboration?
- 09 Are you willing to help others?
- 10 Do you display kindness and concern to others?
- 11 Do you go the extra mile to keep the customer (internal/external) happy?
- 12 Do you have a high commitment to results?

Mindfulness

Happiest Minds is the Mindful IT Company that offers:

The individual, an environment to live in the moment and perform with purpose;

The customer, a trustworthy partnership, by living our core values; and

The community, contributions as an empathetic corporate citizen.

The focus is on:

Being Mindful which involves living in the moment; and

Doing Mindful which involves perceiving immersively, processing non-judgmentally & performing empathetically.

Being Mindful to the needs of our members by establishing people-centric Practices & Policies has resulted in higher people satisfaction. We have been consistently ranked high in Great Place to Work® Institute and Glassdoor® ratings.

People

Happiest People Pulse Survey

Our mission is Happiest People . Happiest Customers. We have frameworks around the same and run annual surveys with our people and our customers.

In the 2020 Happiest People Pulse survey, 94% say we are a great place to work; 93% want to work here for a long time, 95% would recommend Happiest Minds to a friend; and 96% are proud of the fact that they work here. 93% of the team affirm that they have enhanced their effort towards personal well-being and happiness since they joined the Company.

GPTW Survey

We participate in the Great Place to Work ® survey and find ourselves in India's Top 100 Best Workplaces List.

	GPTW 2021	GPTW 2020	GPTW 2019
Great Place to Work	92	86	90
Credibility	88	80	82
Respect	86	79	82
Fairness	83	76	79
Pride	89	83	86
Camaraderie	88	85	86
Trust Index Score	87	80	83
Culture Audit	Best Cultures 15 Practices	Best Cultures 13 Practices	Best Cultures 15 Practices

Glassdoor Highlights

Overall Rating	Recommend to a Friend	Business Outlook
4.3	92%	86%
Interview Experience	Culture & Values	Work-Life Balance
73%	4.3%	4.2
Benefits	Diversity & Inclusion	
3.8	4.1	

People Data

	FY21			FY20			FY19		
	Full Time	Partner	Total	Full Time	Partner	Total	Full Time	Partner	Total
Total	2,818	410	3,228	2,455	211	2,666	2,225	237	2,462

- Number of nationalities – 10

Age (in years)	Female	Male	Total	%
Less than 30	388	703	1,091	38%
31 to 50	289	1,389	1,678	60%
More than 50	5	44	49	2%
Total	682	2,136	2,818	100%

Average Age of our active Full-time members is **32 years**.

Geo-Wise Team Distribution Split by Men / Women – FTE and Partner

Location-Wise Split - Full Time and Partner									
Location	FY21			FY20			FY19		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Australia	1	4	5		3	3		2	2
Canada		1	1		1	1			
Dubai	4	19	23		2	2		1	1
India	769	2,293	3,062	632	1,900	2,532	553	1,769	2,322
The Netherlands		2	2		3	3		3	3
UK	2	14	16	2	17	19		18	18
USA	16	103	119	13	93	106	13	103	116
Grand Total	792	2,436	3,228	647	2,019	2,666	566	1,896	2,462

Role-Wise Distribution – Associate / Middle / Senior / Top - Split by Men / Women – Full Time

Role-Wise	Female	Male	Total	% Female	% Male
Associate	541	1,320	1,861	29.1%	70.9%
Middle	130	687	817	15.9%	84.1%
Senior	10	114	124	8.1%	91.9%
Top	1	15	16	6.3%	93.8%
Total	682	2,136	2,818	24.2%	75.8%

Diversity & Inclusion

24.5%

of our workforce is women

28

Number of women who availed maternity leave

130

Number of men who availed paternity leave

5

Number of women who returned to work post maternity leave

4

Number of members with disability

People Benefits

- **Leave Donation:** The Leave Donation Program is a voluntary program where Happiest Minds donate their leaves to help their colleagues who need them the most. It also provides a provision to avail additional paid leave, from the leave pool, to people undergoing critical illness
- **Exclusive Voluntary COVID Insurance Policy:** Voluntary and exclusive COVID insurance plan for Happiest Minds and their family. Inclusion of partners, onsite, & support staff
- **Group Accident Insurance Coverage:** Enhancement in coverage limits for certain groups to align as per market standards
- **Group Life Insurance Coverage:** Enhancement in coverage limits for certain groups to align as per market standards
- **Voluntary Life Insurance Coverage:** A program to top-up GTL voluntarily for self during the policy period. This gives the flexibility to the members to go for higher life insurance coverage to their family
- **COVID Leave:** Provisioning of paid leave for people testing COVID positive and under treatment/quarantine. Option to avail paid leave for hospitalization, home quarantine and family care
- **Salary Advance Policy:** Salary advance is given to help members to cover their immediate financial requirement
- **Compassionate Loan:** A loan amount is provided to all Happiest Minds to support them during financial needs. Members will have the option to pay this amount up to 10 installments
- **Sabbatical Leave:** Members have an option to avail long leave or take a temporary break from work up to one year at a stretch for higher studies or for medical reason
- **Medical Leave:** All Happiest Minds are eligible for paid leaves for Medical situations that need hospitalization. The entire Medical leave is credited at the time of joining or beginning of the year
- **Crèche Facility:** Tie-ups at discounted rates with Klay, Feather Touch and Jumbo kids to provide crèche facility for the members with young children
- **Hospitals Tie-up:** Tie-ups with well-known hospitals near the office premises for emergencies
- **Flexi Working:** Members have the option to work only during the core working hours at office and the rest at home. One day a week WFH benefit is provided
- **Childbirth Gift:** A gift set to welcome a new born into the Happiest Minds family
- **24x7 Doctor Consultation:** Free online Doctor Consultation for members and families
- **Referral Bonus:** A1 to C6 competency will be eligible to receive this Referral Bonus when the candidate completes 3 months post joining
- **Business Referral Bonus:** Contribution to the growth of the Company through bringing in more business prospects will be eligible for bonus



Rewards & Recognitions

- **Service Milestone:** Special Milestones are called SMILESTONES. On the anniversary of the day of joining the Company
- **Gratitude Story:** One gratitude story published per month covering members from all BU's. 12 gratitude stories shared so far— gained good traction among members
- **Quarterly Awards:** Involvement of R&R council in creating awareness on the importance of each award category. Successful Virtual felicitation of BU-wise Quarterly Awards
- **Happiest Advantage:** Tie-up with Vantage Circle for rewards redemption across all geos. Intended to create an experience for all members with multiple options on perks & redemption
- **iAppreciate Day:** While many of us share appreciations over email, these get lost, dissipated and forgotten over a period. There was a long-standing demand for a simple tool to share appreciation which also allows these appreciations to be stored for easy retrieval and analysis. Such a platform will also help the engagement teams to be more proactive in their encouragement and interventions
- **Applaud 2021:** Celebrated iAppreciate Week virtually by conceptualizing, coordinating & executing the plan with R&R Council. Inclusion of family members. 1,100+ Families received a personally signed gratitude note from leadership by post across geos



Gratitude

Expressing Gratitude is ingrained in our culture. Leadership or Team meetings start with an expression of gratitude. We believe that being grateful for the many things we have received increases our set point for happiness. Research has also validated this. At Happiest Minds, all meetings commence with spending some time expressing gratitude or silently being grateful. We institutionalize gratitude as a ritual by encouraging our people to freely use SMILES Cards which are placed at the reception in all our three facilities. We encourage Happiest Minds to use these for colleagues, family, and friends so that this ritual will cascade and have far-reaching benefits for a kind, compassionate and happy society. We also encourage our people to use the iAPPRECIATE Portal to appreciate or thank a colleague.

- **Go Gratitude:** A note of gratitude is sent to the family of the Happiest Mind to say how happy we are that they are one of our valued Happiest Mind and that we are very proud of and grateful to their contribution to the Company.
- **Say It With SMILES:** The SMILES Card is used to reach out to fellow Happiest Minds, family, and friends. It is used to express gratitude, to acknowledge, appreciate, recognize, heal, forgive... The Way to Be Happy is to make others Happy, for happiness is itself a kind of gratitude.

Work-from-Home Support during the Pandemic

The Internal First Responder team, BU People Practice, respective managers and team members support the affected members in many ways, including financial support, insurance, logistics, hospital admission procedures, counseling, and medical leaves for the recovery period.



Policies and Benefits

- Introduced COVID leaves for Happiest Minds
- System changes created to support policy
- Voluntary COVID Policy with minimal premium, to cover the member and family
- 1,000 members touched by MITHRA – The Good Samaritan Program
- Financial support with loans/salary advances for the pandemic
- VSafe – Vaccination Tracking System

COVID Support

- Internal First Responder Team providing real-time support
- COVID Microsite for real-time information related to new guidelines by Govt, Precautions, Internal Responder team contacts, Organization communication
- Effective work-from-home guidelines and Back to office plans
- Medical Tele-consultation for Happiest Minds and family members who are infected with SARS-COV2
- COVID Task Force, Internal First Responder Teams supporting members in need
- Support given to travelers returning from other Geos
- Higher team connect, Leadership touch points
- COVID Tracker
- Back-up team members / managers

Succession Planning

We have a systematic approach to ensuring leadership continuity within an organization by recruiting and/or encouraging individual Happiest Minds to grow and take up key leadership roles. It is important to ensure that succession planning is closely tied to our long-term business strategy and goals. As a process, we engage with our executive and senior leaders and clearly define the development of key talent and ensure that the successor understands his/her role in the process and knows what is expected of them. We do a Talent Risk assessment at regular intervals and make required interventions in time.



Wellness Programs (HappiZest)



Our wellness is themed around 8Ws – Social, Emotional, Spiritual, Environmental, Physical, Intellectual, Professional and Financial Wellness.

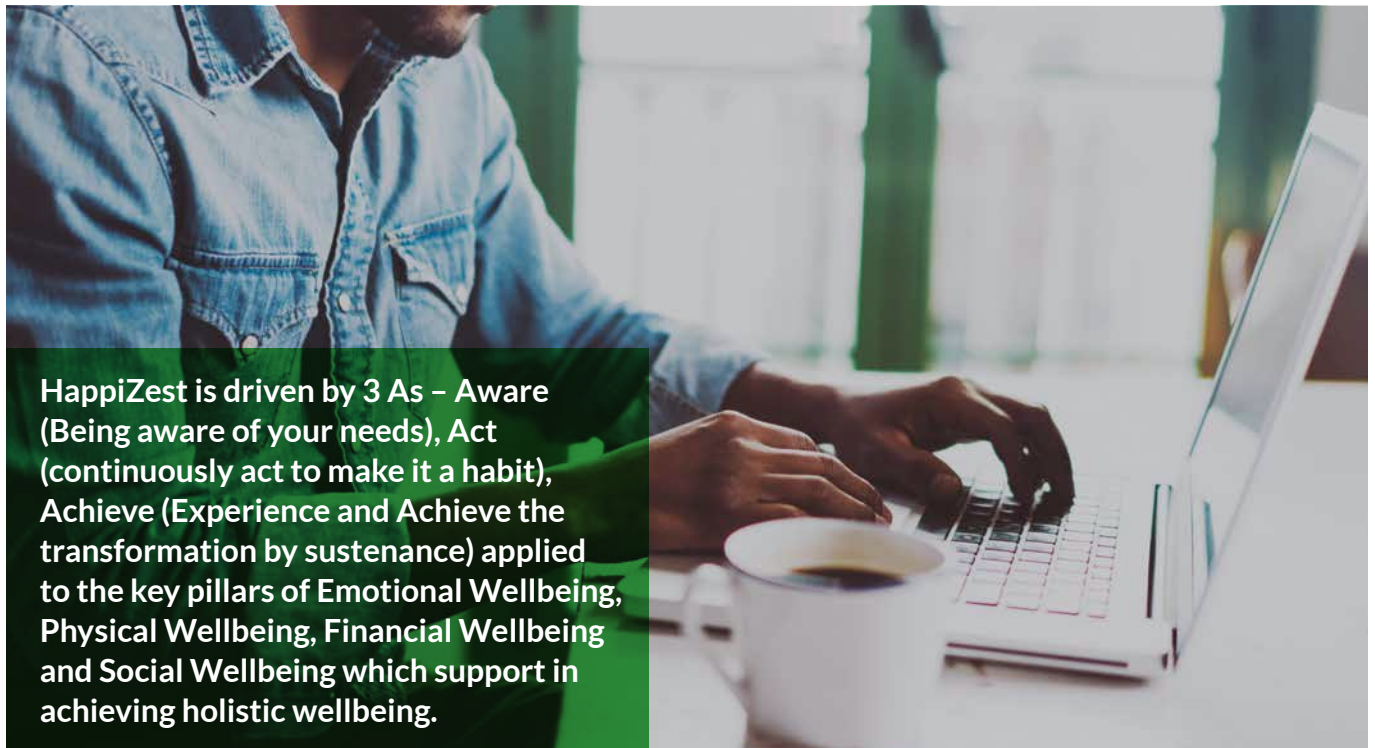
Aligned with the philosophy of Happiest Minds, the well-being of people has been an important element of the culture of Happiest Minds. The Happiest Minds' Wellness Program constitutes the 8Ws of Physical Wellness, Spiritual Wellness, Intellectual Wellness, Professional Wellness, Social Wellness, Emotional Wellness, Financial Wellness and Environmental Wellness. These are nurtured by aligning activities, logistics, facilities and the expertise of the organization through an array of Wellness schemes and initiatives.

The new virtual reality has posed several challenges that has put the business and people under unknown risk and uncertainty. It had become much more important for Happiest Minds to focus on the well-being of people to live up to our mission in these unprecedented difficult times. The virtual world requires a different mode and perspective

to address the challenges related to emotional, physical, and financial wellbeing. A varied range of initiatives were conceptualized, designed and launched to ensure the suitability to virtual world, inclusion of family members, greater emphasis on mental wellbeing, dealing with challenges related to social isolation and continuous work-from-home. There has been a wholehearted commitment from the Company to enable its members to take care of themselves and their dear ones in this locked-in situation.

The Wellness initiatives at Happiest Minds, HappiZest refers to one's experience of the 'Joy of Living'. HappiZest and its purpose aligns with the mission of the Company to foster an open culture, enabling our people discover their potential and participate in shaping their own work-life experience and increase engagement.

The HappiZest Council explores activities, builds habits and inspires others. The council has representation of members across business, location and age group, to understand, identify, conceptualize and launch initiatives for the team.



HappiZest is driven by 3 As – Aware (Being aware of your needs), Act (continuously act to make it a habit), Achieve (Experience and Achieve the transformation by sustenance) applied to the key pillars of Emotional Wellbeing, Physical Wellbeing, Financial Wellbeing and Social Wellbeing which support in achieving holistic wellbeing.

Wellness during the Pandemic:

1. **COVID-19 Relief Team:** COVID microsite and Yammer page providing all relevant inputs from internal and external sources on COVID, COVID taskforce and Internal First Responder team to attend to any COVID positive case of members or their family by providing counseling and any other support required to sail through this. We also have tele-medical consultations for our people and their family members.
2. **Work guidelines for Virtual office:** Conscious emphasis and practice from leadership and managers to declare every Wednesday as “No Meeting Day”, Pre-declared time for each working day as “No meeting time zone”, discouraging working on weekends/holidays, strongly encouraging people to take breaks/personal time off to avoid burnout.
3. **Adaption to Virtual World:** Happiest Minds was able to enable Work From Home (WFH) for the complete workforce from Day 1 of lockdown. While the basic infrastructure and support was provided to enable WFH, there have been continuous programs to physically and emotionally adapt and enable WFH. Programs like Free one-on-one Ergonomics consultation, Ergonomics chairs at discounted rates, Awareness on Ergonomics in the home environment, Self-Assessment on Ergonomics, Periodic, explicit and transparent communication from leadership on COVID-related impact to the organization, business, upcoming plans, expectation from individuals and so on continued well through the pandemic. Others include informative communication series with collaborative inputs from the team on parenting during lockdown, curated content from various sources on tips and practices for emotional wellbeing for self, parents, elderly and children, Continuous engagement and Involvement of people, their family and children in engagement programs like Talent Show, Music hour, Hobby-related workshops, lockdown recipes and so on.
4. **Enabling Creativity / Hobbies:** A collaborated session where our members or their family including children, with expertise in any arts/crafts/hobby conduct an engaging workshop on arts and crafts, ranging from Origami, Painting, Doodling, Mandala Art etc. to encourage others enjoy and take up a hobby. We have organized 8 workshops under this theme in FY21, where 850+ members attended the workshops and provided a feedback of 4.9 (out of 5).
5. **Self-Care:** Series of initiatives focusing on self-care related to financial planning – managing finances during COVID, retirement plan, emotional wellbeing – expert talks related to destressing, sleep assessment, digital detox, virtual physical fitness challenge, ergonomics assessment, Doctor Tele consultation. We have organized 4 workshops under this theme in FY21, where 400+ members attended the workshops and provided a feedback of 4.7 (out of 5).

MITHRA - The Good Samaritan Program

We truly live in uncertain, complex, and ambiguous times, and the recent changes in the environment are a perfect example of this. There are times in our personal and professional lives when the pressures and the anxieties of life and living, uncertainties & constant changes and need to adapt to those changes, place enormous stress on us, and takes its toll. During these times, it is important to find someone trustworthy to talk to, someone with a sympathetic, listening ear. **MITHRA - The Good Samaritan Program is precisely for that purpose.**

MITHRA

- The Good Samaritan Program

MITHRA is a team of Happiest Minds' Volunteers who have committed to be available to listen, to help you deal with whatever it is that one is going through.

They are available to take calls or respond to mails 24/7, to help one process whatever it is that they are going through, in safety, acceptance and confidentiality.

**In FY21,
Team Mithra
has connected
with over 1,000
Happiest Minds**



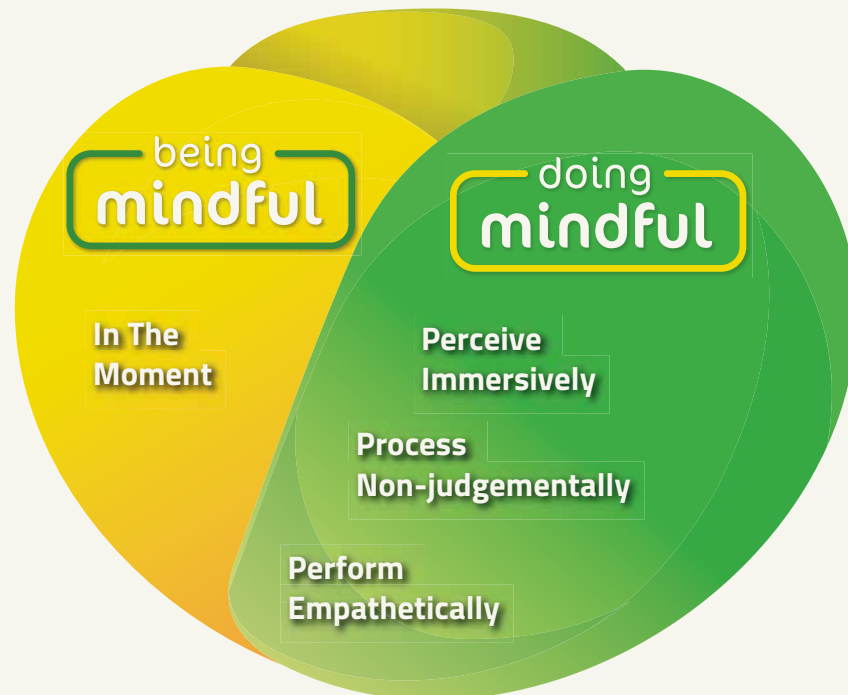
Mindfulness Training in FY21

18 sessions
745
covered in FY21

Total
3,649
Happiest Minds till date

78%
Coverage

Sessions for
Onsite Happiest Minds
Board Members
NASSCOM
Infosys, Chennai
DJAME Institute of Excellence
NIPM, Coimbatore
XIMB
NTT Data



Circle of Happiness

Happiness comes from giving, not getting. If we try to bring happiness to others, we cannot stop it from coming to us also. To get joy, we must give it, and to keep joy, we must scatter it. - John Templeton

Social Responsibility is a core value of Happiest Minds. It is also one of our vision statements where we have set out to “be a leader in integrating social responsibility initiatives with core business operations”.



Our CSR initiative, called the Circle of Happiness:

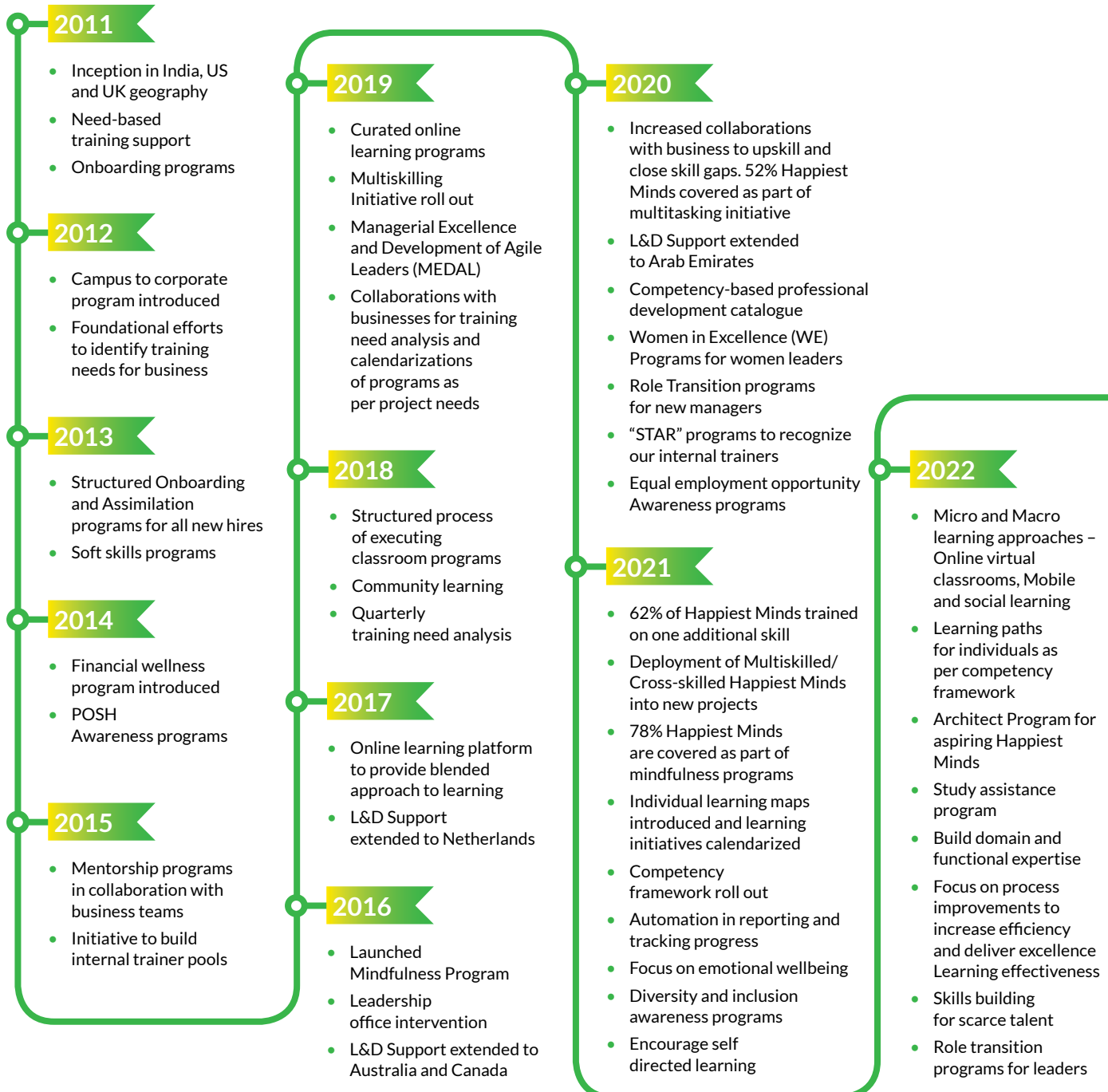
- Establishes volunteering & community involvement
- Celebrates our important milestones with acts of giving
- Executes a process for leveraging our capabilities and contribute to socially relevant causes, and builds a social engagement program that enables us to engage with clients & partners and make a difference to society and the environment
- A core team anchors this program, defines its charter at a granular level, interfaces with social organizations and coordinates volunteer activities

Some of our CSR initiatives in FY21 were:

- Total 2.76 million meals to Akshaya Patra Foundation totaling ₹ 13,283,798
- COVID Relief - ₹ 1,596,200 to Akshaya Patra; ₹ 160,333 to CM Relief; ₹ 443,540 to PM CARES Fund; total ₹ 22 lacs
- Support to Happiest Minds & families with COVID-19 - hospitalization, plasma donation etc.
- Daan Utsav - ₹ 663,010 - Baale Mane, Balajothi, OBLF, Jeevarathni & Ankura

Learning and Development

Learning and Development at Happiest Minds is a continuous process of excelling a learning culture which is Agile, Creative, Collaborative and Technologically advanced in alignment with business and organization goals.





Onboarding Program

A newly onboarded Happiest Mind goes through a structured Assimilation process which provides them with basics to quickly integrate into the organizational culture, understand the Mission & Vision, awareness on internal processes and get insight into the Business domain. The process also ensures that all mandatory programs related to Security Awareness, Policies, comprehensive POSH Program & Equal employment opportunity are covered as per compliance & to create a culture of inclusiveness. The programs are delivered using a blended approach consisting of Classroom, Virtual program, and Online learning portals.

Continuous Learning

Happiest Minds facilitates and promotes continuous learning in several ways. As part of the continuous learning process, various learning initiatives are designed and recommended as per the role, project needs, Business Strategy and Career Aspirations of individuals.

Individual Learning Maps

During our annual performance appraisal, all Happiest Minds can indicate their training needs, or the Managers can recommend the training need for the individual. This information is consolidated by the Learning & Development team as Individual Learning Maps. Based on these Learning Maps, we design and calendarize Technical programs, Soft Skills, Behavioral, Managerial, Leadership & Certifications for individuals to attend during the year.

Multiskilling

When new projects are initiated, a request is raised in the internal system to identify people who can execute the project. These requests have the skills required for the project. We frequently analyze the skills attached to these requests and identify new skills as they arrive in the market or most frequently required skills. Equipped with this information, we proactively design training programs & interventions for Happiest Minds to upskill themselves as per the Industry needs.

Project-Based Ongoing Training Needs

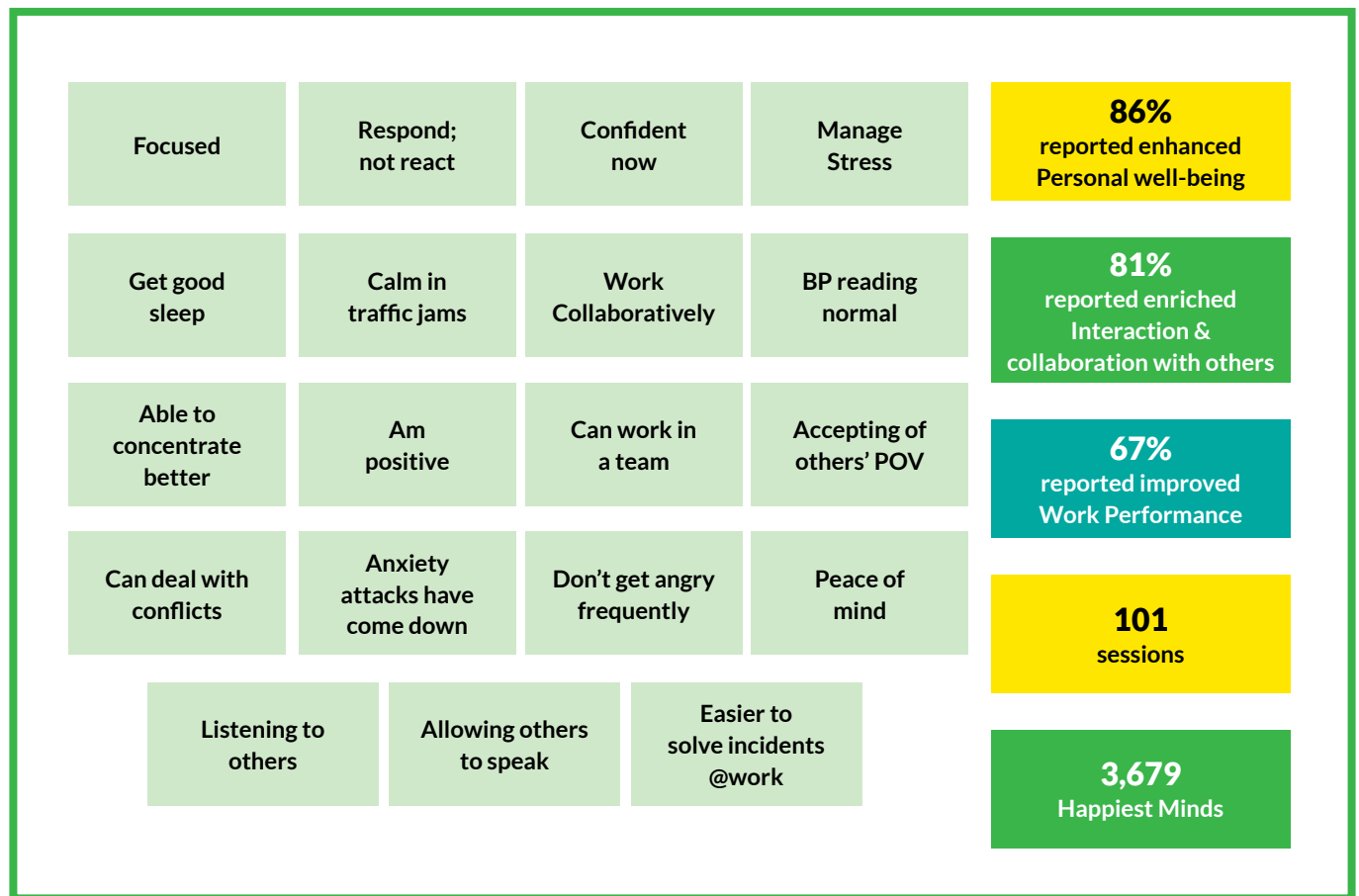
Ongoing Training Need analysis with business leaders is done on quarterly basis and training programs are calendarized for respective business units. Specialized technology, Functional and Domain related interventions are also carried out as per the organizational need.

Transformational Programs Mindfulness Programs

We have adopted 'The Mindful IT Company' as a tagline in our logo. We have distilled the principles of mindfulness for Happiest Minds and identified tools and techniques that inculcate this practice. In order to inculcate mindfulness, 60 minutes in a week is set aside for the team to engage with a customized blend of select techniques such as Mindful Meditation, Active Listening, Body Scan, Desktop Yoga and Mindful Coaching, among others. 101 sessions covering 3,679 Happiest Minds have been conducted so far.

In FY21, 745 Happiest Minds have undergone Mindfulness training; 78% coverage.

Happiest Minds' Feedback to Mindfulness Training



Welcome to Management

"Welcome to Management" is a customized program for our new Managers who are taking the first step into managerial positions. This program focuses on building key skills on planning, delegating, managing, decision-making. Also, the program covers aspects of emotional intelligence, awareness of personality styles and communication skills empowering them to become confident managers.

Campus to Corporate

Campus to Corporate training is a long duration program to help transition smoothly into the corporate organization. This program focusses on building in-depth skills on Technologies & Professional Development skills on corporate communication, managing time, building self-confidence and the mindset shift that is required when moving from a college to corporate environment.

Progressive Programs & Initiatives

MEDAL (Managerial Excellence & Development of Agile Leaders)

A customized learning initiative to enrich the leadership community on various facets of entrepreneurship to run the business. This program aims to bring the leaders across the organization and provide a platform to deep dive into the various business domains and cover aspects of building High performance teams, Diversified thinking process, Finance, Agility, Marketing and Change Management.



Women in Excellence

Research suggests that the proportion of women in key leadership roles remains low in most organizations, despite compelling evidence that increased diversity amongst leadership ranks increases organizational performance. Women face a unique set of challenges when progressing into leadership positions, including unconscious bias, a scarcity of role models, and a continually shrinking peer group.

Happiest Minds' Women in Excellence (WE) program is a learning intervention which aims to bridge this gap by enabling and enhancing personal, inter-personal and group skills. After the completion of the program, senior leaders are assigned to mentor the participants.

For the year, we organized WE Program which was exclusively delivered for Women at Happiest Minds which covered 9 Modules - Managing Conflict, Understanding Myself - MBTI Debrief, Live your Values etc. which was delivered by our internal leadership & Trainers. A few sessions like Personal Branding & Influencing, Emotional Equity was delivered by External speakers, post which a one-month Mentorship Program was done by internal Leadership team for individual Women Happiest Minds. 34 Women Managers participated in the FY21 Program.



Multiskilling Initiative

To respond to the ever-growing technology changes and to thrive in the industry ahead of the curve, it is very important to ensure upskilling of our workforce with new skills and emerging technologies. Multiskilling initiative encourages our Happiest Minds to be trained on minimum of one additional skill or technology to keep pace with the changing marketplace. Our internal tool has a library of 1,300+ skills that an individual can choose from and add to his/her profile. The skill information of people is continually updated as they acquire new skills through various learning initiatives or project work. This information is used for identifying and rolling out learning programs & Interventions.

Competency Based Professional Development Programs

Competency Based Learning Interventions and Learning programs focuses on people skills & personality attributes

to enhance an individual's self-awareness, interpersonal skills, communication skills, social skills, job performance skills, character traits, managerial effectiveness and Leadership Skills.

Trainings & Certifications

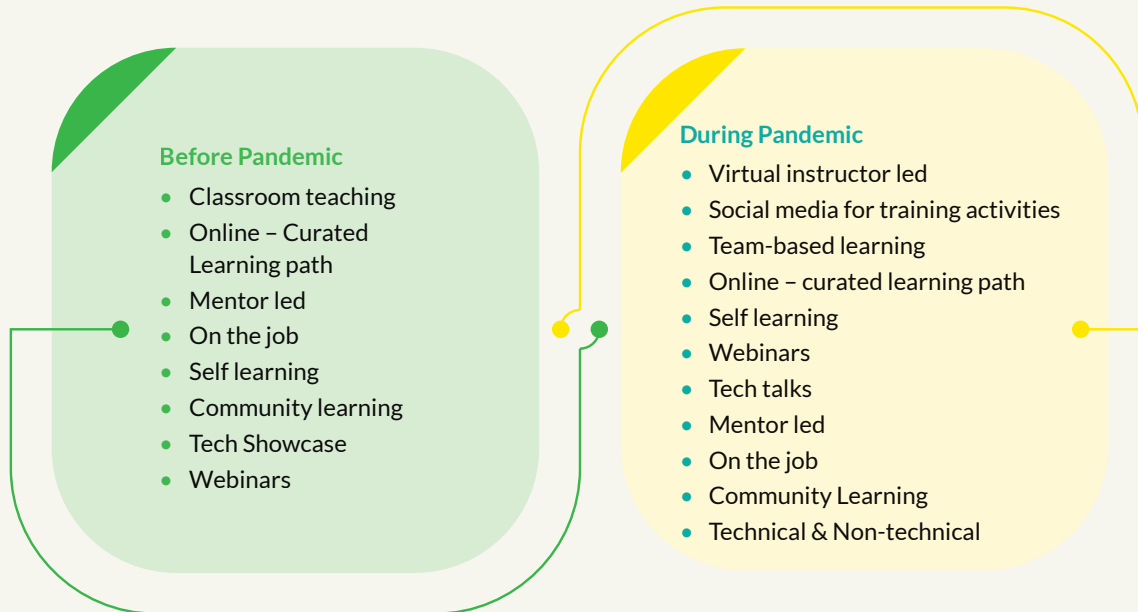
Happiest Minds allows role or job certification program reimbursement for its members. 45 Happiest Minds completed 45 Certification Programs in FY21.

Business Impact

Change Management during Pandemic

Culture of continuous learning, structured learning processes, Multiple learning methodologies and established Internal trainer pool seamlessly transitioned to remote working during Pandemic. During the year FY21, the average hours achieved on trainings is 30 hours.

Learning Methodology



Customized programs and initiatives during Pandemic

Emotional Intelligence Program	Mindful Thinking Program	Pro bono Programs on communication skills, Time management
Partnership programs from industry and vendors	Extending online learning platforms to support continual learning	Digital Wellbeing program
Financial Wellness for Women	Emotional and mental fitness	Remote programs on Agile, resulting in Exams and Certifications
Online curated learning paths to upskill on various technologies and professional development		

Increased Revenue

Optimization of Operational Cost and providing opportunities to utilize inhouse talent led to increased revenue numbers in FY21.

Alignment with Customer Roadmap

Intervention by L&D to upskill Happiest Minds on Net Core & Safe Agile trainings really helped the offshore team align with the customer roadmap.

Multiskilling

67% of Happiest Minds trained on additional skills as per the Multiskilling initiative. 343 project deployments across the BU's.



Improved Delivery and Performance

Business Requirement was to implement modern BI platform and streamline reporting environment.

Happiest Minds were upskilled on Azure Data Lake, Power BI and Kafka Integration, which resulted in unified data view across the organization, enabling swift business decision-making. It also eliminated the need for Manual report generation across Business units.

Talent Acquisition

Our approach to Talent Acquisition as a Center of Excellence is AI-enabled, Analytics-driven with Agility in decision-making process. Our differentiated hiring processes, Day of Experience, focus on future skills and Happiness as our core theme makes Happiest Minds Technologies an employer with value and difference. We continually strive to provide the best experience to candidates. Differentiated hiring processes and post offer engagement led to growing offer to joiner ratio consistently over the last four years. Over the last 4 years, we have achieved significant reduction in overall turnaround time from 83 days to 51 days.

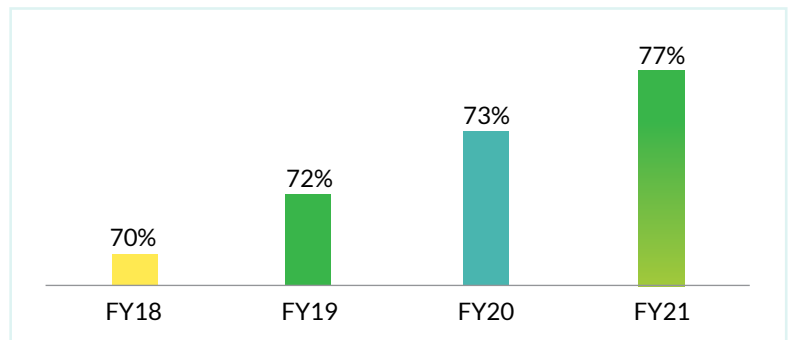
TA in Times of Pandemic

Since the pandemic hit us, the TA team made several realignments in its recruitment process such as:

- All Interviews are conducted online over MS Teams or a Skype platform.
- Most of the time, recruiter connects the Interviewer and candidate over teams and takes a photo of the candidate for future references.
- During or after the People Practice Interview, the recruiter asks for the candidate documents (like photo or Aadhaar or PAN) and team cross checks the photograph with the document before releasing the offer letter.

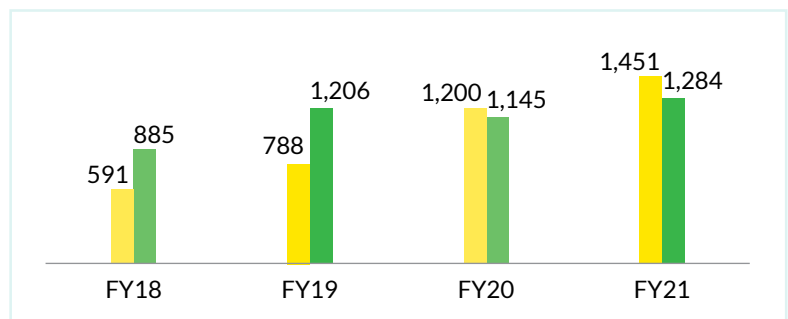
TA team has consistently delivered exceeding results in alignment with business goals. TA structure and our automation-led evaluation process have been designed to provide scalability consistently.

Enhanced Candidate Experience Impact on Offer to Joiner Ratio



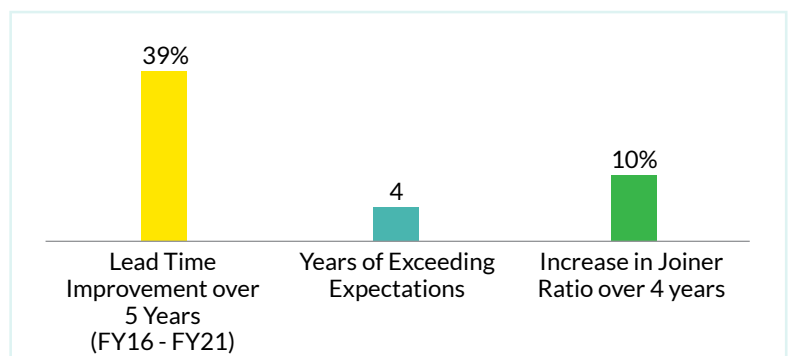
Initiatives on Improving Candidate Experience

Yearly Plan & Actual Hires Consistent Influence on Growth



Planned Actual

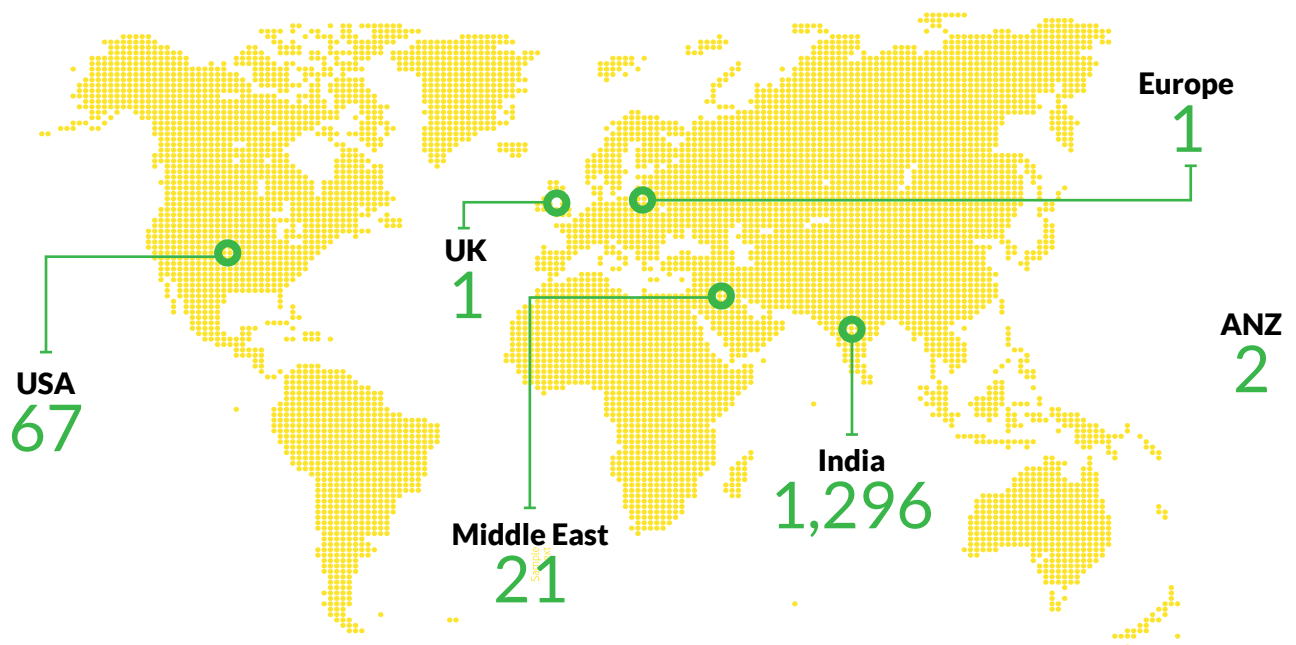
Delivering Excellence Consistently



Happiest Minds is an Equal Employment Opportunity Company

We are an equal employment opportunity provider and as part of our Equal Opportunity Policy, we provide equal opportunities at all levels of employment without discrimination on grounds of race, ethnicity, nationality, gender, language, age, sexual orientation, religion, marital status, socio-economic status or special ability.

During the fiscal year, we hired 1,388 people out of which 345 were women. The geo-wise and employment type split of recruitment is as follows:



908

Happiest Minds

423

Partners

57

Interns

Our diversity ratio for the year currently stands at 24.5%. We aspire to raise this percentage to 26% in FY22. We have undertaken various measures to increase the diversity such as:

- **Hiring:** Each BU is working on the D&I Target assigned through hiring drives, hackathons, and usual lateral hiring process. Each BU has given dedicated target to work on increasing the diversity ratio, which is reviewed every quarter and dashboard is published to the Executive Board.
- **Referral Policy:** We encourage referrer by paying 5% extra for each women joiner referred by the team.
- **Awareness Session:** Constant awareness sessions are done to encourage leaders and managers to hire more women and diverse workforce
- **Retention:** Connect with all resignation cases at BU Level to see what best can be done to retain the talent and look at avenues for connecting with women Alumni to attract women to join back whenever the right opportunity comes in.
- We have increased our focus to hire disabled personnel for various roles in partnership with vendors.

Governance

(Please refer to page number 123 for more information on Corporate Governance.)



Data Privacy and Freedom of Expression

1. Happiest Minds has conducted detailed assessment of our internal processes to comply with Privacy regulation like GDPR. Data flow maps are developed and evaluated for each function/business process to identify the overall lifecycle of the collected data, privacy risk is assessed and mitigation measure and controls are deployed accordingly. Some of the key policies/practices implemented include:
 - 1a. **Awareness (Article 39):** Annual information security awareness sessions
 - 1b. **Review and Update Privacy Notices (Article 19):** The current privacy policy is updated as per the GDPR requirement. The same has been published in the Happiest Minds website.
 - 1c. **Appoint or Hire a Data Protection Officer (Article 37):** In-house Full-time DPO has been appointed.
 - 1d. **Evaluate Data Retention Procedures (Article 12):** Data retention policy is in place and timeline of data retention is mentioned by different process owners.
 - 1e. **Conduct a Privacy Impact Assessment (PIA) or DPIA (Article 35):** DPIA was conducted when the GDPR was implemented identifying various PII data and its respective controls and owners. Annual audit is conducted to verify the DPIA.
 - 1f. **Establish Contracts with Third-Party Processors (Article 28,46):** Happiest Minds has modified the contracts to ensure that all third parties have adequate data protection measures and procedures in place. Annual privacy risk reviews are conducted for the identified critical vendors.
 - 1g. **Implement Procedures for Prompt Mandatory Notification (Article 33,34):** We have procedure in place to ensure that breaches are reported to regulators within 72 hours of the Company becoming aware of the breach. If notification occurs later than 72 hours after we become aware of a breach, eventual notice is accompanied by an explanation for the delay. DPO manages and oversees the activities.

Data Security and Privacy Policies

1. Information Security and Privacy Policies and Procedures: We have well-defined and implemented information security and data protection policies and procedures (as per ISO 27001 framework). Policies and practice related to Data security includes:



Accounting Metrics for the Fiscal

1. Total amount of monetary losses as a result of legal proceedings associated with user privacy	None
2. Number of law enforcement requests for user information, number of users whose information was requested, Percentage resulting in disclosure	None
3. List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	None
4. The entity shall disclose the number of unique users whose information is used for secondary purposes	None

2. As part of our Information Security management system, ongoing risk assessment are conducted (both internal and Third parties) to assess the risk and mitigation/controls. We undergo annual ISO 27001 certification and SOC 2 Type 2 attestation by Third parties. The following Data security controls are in place:
- 2a. Encryption - Both at end points and at Network level
 - 2b. Strong Access Control - Including Multi-factor and Risk-based Authentication and access control
 - 2c. Malware protection - At end point and network layers (to protect web and email traffic)
 - 2d. Device control - Restriction on usage of USBs, Mobile devices

Accounting Metrics for the Fiscal

1. Number of data breaches	None
2. Percentage involving personally identifiable information (PII)	0%
3. Number of users affected	None



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