

# LABOUR & HUMAN RIGHTS POLICY

# INTRODUCTION AND PURPOSE:

The employees Bharat Gears Limited ("BGL"/"Company") together with any subsidiary of BGL from time to time are of great value and the key to our success. The Company must strive to provide a workplace where employees can fulfil their potential in an open and inspirational working environment. We must maintain a strong commitment to high standards that deliver a fair, respectable and safe workplace for all employees in the Company. The purpose of this policy is to define the labour and human rights standards to which all employees in the Company are entitled. The policies framed are guided by the fundamental principles enumerated in the United Nations Universal Declaration of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work ("ILO Declaration").

#### SCOPE:

The policy shall be applicable and binding on all employees, Directors, officers of the Company. Not limited to its financial consultants, corporate agents, brokers, distributors, vendors, consultants, advisors, suppliers, contractors or other third parties engaged with the Company, across all locations.

#### **ROLES AND RESPONSIBILITIES:**

- The leadership team ensures the policy is integrated into the company's overall strategy and business decisions.
- The HR head leads the execution of the policy across all facilities and departments.

## POLICY DESCRIPTION:

## 1. COMMUNITY AND STAKEHOLDER ENGAGEMENT

The Company is conscious of the fact that we are a part of the communities in which we operate. Therefore, we take efforts to engage with communities on human rights matters and with people in those communities, including indigenous peoples as well as other vulnerable and disadvantaged groups. The Company is dedicated to open and transparent communication with our stakeholders and understand that respectful and mutually beneficial relationships with the stakeholders is essential for the success of our business. It is important that we listen, understand, give due consideration and respond to the interests and concerns of its stakeholder groups. The Company is committed to acknowledging that local communities are stakeholders in all operations, that there will be access to reliable and timely information about exploration and development activities and transparent, sincere and respectful consultation with them prior to, during and after operations.

# 2. PRVENTION OF SEXUAL HARASSMENT

The Company commits to protect the employees from sexual harassment and ensures the compliance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013. The Company recognizes that protection of women against sexual harassment and the right to work with dignity are universally recognised human rights by international conventions. Sexual harassment at the workplace is a form of discrimination. Sexual harassment can be physical and psychological in nature. An aggregation of incidents can also constitute sexual harassment even if one of the incidents considered on its own would not be harassing. The Company shall deal expeditiously and fairly as per the Policy for prevention of Sexual Harassment at workplace.

81

## 3. MISUSE OF MANAGERIAL AUTHORITY

The misuse of the authority vested in managerial authority for personal advantage or misusing it towards juniors or subordinates or a combination of both which results in adverse effects and breeds negativity is called abuse of managerial authority. The Company shall ensure that no managerial authority abuses their power.

## 4. HUMAN TRAFICKING AND MODERN SLAVERY

Modern slavery is a fundamental violation of basic human rights and a crime. It takes various forms including slavery, servitude, forced or compulsory labour and human trafficking. These offences are closely related but legally distinct. The Company is committed to taking steps to ensure that modern slavery does not take place in any part of its own business including supply chains.

## 5. SAFETY AT WORKPLACE

A healthy workplace is one where workers and managers collaborate to continually improve the health, safety and wellbeing of all workers and by doing this, sustain the productivity of the business. An effective workplace health and wellbeing program simultaneously addresses individual, environmental and organisational factors affecting worker wellbeing. BGL is committed to maintaining a workplace that is free from violence, harassment, intimidation and other unsafe or disruptive conditions

#### 6. SUSTAINABILITY

We are committed to follow sustainable practices in all our endeavours. Our ESG Vision 2030 guide our efforts, in this regard we publish annual Sustainability/ESG Reports adhering to globally accepted standards/frameworks. As a responsible corporate citizen, we are committed to deliver value to all our stakeholders including clients, employees, investors, suppliers, government, and community.

## 7. HUMAN DIGNITY

Dignity at work is the principle of maintaining a healthy, safe and enjoyable place to go about your employment. Manpower is our greatest asset of a Company. Therefore, we believe in treating people with respect and dignity, respect, fairness, thereby fostering an atmosphere of open communication, care and trust. We respect the rights of individuals to achieve professional and personal balance in their lives. The Company commits to evolve and operationalize the construct of workplace dignity and develop and standardize a measure for it.

#### 8. CHILD LABOUR

The Company does not tolerate the hiring of child labour under any circumstances. The minimum age for full-time employment must be 18 or the legal minimum age for employment, whichever is greater. The Company must refrain from hiring workers under the age of 18 for positions requiring hazardous work that could jeopardize health, safety or morals. It is a mandatory clause and also finds the value chain partners.

# 9. FREEDOM OF EXPRESSION, ASSOCIATION AND COLLECTIVE BARGAINING

We recognize the employees' right to assemble, communicate and join association of their choice in matters related to their employment within the purview of the policies and procedures of the company. We respect the rights of our employees to associate or not associate through Internal Employee Groups and seek representation, to bargain or not bargain collectively in accordance with local laws in support of their mutual interests without fear of punitive actions such as intimidation, harassment or termination of employment.

# 10. EQUAL OPPORTUNITY AND INCLUSION

The Company is committed to promoting a workplace that is free from discrimination and prejudice. We as a Company strive to be fair and equal in all our interactions with our customers and value chain partner and make endeavours to not discriminate on the basis of Age, Race, Colour, Religion & Spiritual practice, Indigenous/regional status, Marital Status, Sex, Sexual Orientation, Pregnancy, Gender identity or expression, Political affiliation, Personal beliefs, National origin and ancestry, Differently abled/Disability, Genetic information, Infected by HIV/AIDS, Protected veteran status, or any other characteristic protected by law. The scope of equal opportunity and non-discrimination extends to recruitment, employment, promotion, transfer, training, working conditions, wages and salary administration and employee benefits. Diversity, Equity, and Inclusion is vital to creating and maintaining

8

a successful workplace. The Company shall also ensure that people feel a sense of belongingness in the workplace and the employees feel comfortable and supported by the organization.

## 11. ANTI-BULLYING AND HARASSMENT

The Company recognizes that a workplace free from bullying and harassment is integral to helping the workforce work in the organization. We are committed to respecting the rights of all our employees and strive to provide them with a work environment that's free from any physical, verbal or psychological harm. Our policies and systems have been designed to prevent such instances and address them in case they do arise.

# 12. TRANSPARENCY

We strive to have a workplace in which open, transparent and honest communications are valued and respected. Promoting open and transparent communication is vital to every organization. Communication and transparency are the only means by which the employees can exchange ideas, information, communication etc. Therefore, the Company is committed to promoting transparency and communication within the organisation.

#### 13. TRAINING AND AWARENESS

The Company aims at incorporating and implementing the this policy across the organization and ensures that the employees are aware of this policies through training, media, emails, team meetings, and an annual certification process. The Company also makes the employees aware of related laws, guidelines and applicable policies when they join the organization and are given periodic reminders during their tenure, human rights, engagement with stakeholders in an inclusive, transparent and culturally appropriate manner on human rights concerns related to our business activities.

# 14. REVIEW AND DUE DILIGENCE

Review and due diligence are a structured and systematic process of understanding with whom the company does or will do business. This policy sets out the minimum required due diligence procedures for doing business with certain third-party service providers and suppliers. This policy helps identify and manage human rights impact, risks and opportunities that continuously help strengthen our workplace policies, practices and programs. In case of any discrepancies found in this policy, the relevant portions of the above-mentioned policies would be the standard.

# 15. REPORTING OF VIOLATIONS

The Company believes in taking feedback from its stakeholders in order to make improvements in these policies. The Company also has a grievance redressal mechanism for dealing with the grievances related to these policies. The feedback and grievances reported by the employees shall be confidential and secure. The following policies (grievance mechanism) provides all stakeholders a secure and 24x7 access to raise grievances and to report any breach of policies and procedures in the Company:

a) Whistle Blower Policy

b) Policy on Prevention and Redressal of Sexual Harassment at Workplace

The Whistle Officer/ Whistle Committee / Internal Committee of the Company shall be responsible to deal with the grievances related to the breach of these policies.

## 16. WORKING HOURS, BENEFITS AND WAGES

Living Wages: The Company ensures that all employees are paid adequately to maintain a standard of living. At all times Company ensures that it pays employees higher than the minimum wages as prescribed by governments, in the state it operates.

The Company must adhere to all applicable laws or industry standards, whichever may be more stringent, relating to working hours, overtime & benefits.

Employees must not be required to work more than 60 hours a week, including overtime, on a regular basis (or more than the limits on regular hours and overtime allowed by local laws and regulations). Wages for overtime must be paid on a regular basis.

Wage deductions as a disciplinary measure must not be permitted unless provided for by national law.

82

Employees must be entitled to at least one day off in seven and must be given reasonable breaks while working and sufficient rest periods between shifts.

The Company must be committed to continuously developing employee skills and capabilities, and to providing opportunities for career advancement.

In the event of major layoffs, the Company must, as a minimum, satisfy applicable laws and industry standards.

#### 17. LEAVE

The Company must ensure that all employees have the right to sick leave and annual holiday, as well as parental leave for employees who have to care for a new-born or newly adopted child as provided by applicable legislation. Employees who take such leave must not face dismissal or threat of dismissal.

#### 18. EMPLOYEE CONTRACTS/LETTERS

All employees must be provided with a written, understandable and legally binding employment contract/

#### 19. EMPLOYEE HANDBOOK

We are committed to ensure compliance to all our obligations globally and in doing so, believe it is important to educate employees on their rights and responsibilities. We have created reference documents in the form of employee handbooks and policy portals, that serve as a guide to employees on their benefit entitlements. These documents are reviewed regularly to ensure they are always updated.

## TARGETS:

- Ensure zero cases of child labour, forced labour, or discrimination by continuous monitoring and enforcement.
- · Maintain the highest standards of safety at workplace
- · Achieve 100% compliance with global human rights and labour standards

# SUMMARY:

This policy has been framed by the Company out of respect for human rights and to ensure there is no violation of human rights within the organization.

#### NOTE:

The Executive Committee reserves the right to amend / alter / modify and/or rescind the above.

Date	01-04-2022
Rev. No	02
First date of revision	01-04-2023
Second date of revision	01-04-2024

8 Zam uva

Chairman and Managing Director