



SHARDA MOTOR INDUSTRIES LIMITED

HUMAN RIGHTS POLICY

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Human Rights Policy

Purpose and Scope

Sharda Motor Industries Limited (“SMIL”) is committed in developing an organizational culture based upon a policy which recognized human rights and seeks to avoid human rights abuses. SMIL understand the human rights content of the Constitution of India, national laws and policies. This Human Rights Policy applies to all Sharda Motor Industries operations, including manufacturing plants, offices, warehouses, and any joint ventures or subsidiaries. It covers all employees, contractors, suppliers, business partners, and stakeholders engaged in our value chain. SMIL seek to identify, assess and manage human rights with the following policy commitments.

Human Rights Principles and Values

To ensure that no violation of human rights takes place, SMIL is dedicated to upholding the following principles:

1. **Equal Opportunity and Non-Discrimination:** SMIL are committed to equal opportunity and maintain zero tolerance for discrimination and harassment. In all aspects of employment — including recruitment, compensation, benefits, training, promotion, transfer, and termination — individuals are treated fairly and solely on the basis of merit, qualifications, performance, and role requirements. SMIL prohibit discrimination or harassment on the basis of gender, sex, race, religion, caste, ethnicity, colour, social origin, age, disability, sexual orientation, or any other protected characteristic.
2. **Dignity and Respect at Workplace:** SMIL are committed to maintaining a workplace free from violence, harassment, intimidation, coercion, and other unsafe or disruptive conditions, whether arising internally or externally. All forms of physical, verbal, psychological, or sexual harassment are strictly prohibited.
3. **Freedom of Association and Collective Bargaining:** SMIL respect employees’ rights to form, join, or not join trade unions and to engage in collective bargaining, in accordance with applicable laws. SMIL prohibit interference with the lawful establishment, functioning, or administration of workers’ organizations.
4. **Prohibition of Child Labour and Forced Labour:** SMIL strictly prohibit the use of child labour, bonded labour, forced labour, trafficked labour, modern slavery, or any form of involuntary labour in our operations and value chain. It does not employ individuals under the age of 18 years.
5. **Health and Safety:** The health and safety of our employees is of paramount importance. SMIL is committed to providing a safe, secure, and hygienic workplace that complies with applicable safety and health laws, regulations, and internal standards.
6. **Fair Wages and Working Conditions:** SMIL ensure timely payment of wages to meet employees’ basic needs and provide working conditions that uphold human dignity. SMIL strive

to promote work-life balance, especially for women and employees requiring special consideration. SMIL complies with the national legal working time regulations as a minimum requirement. It also values the employee's resting times, leisure, holidays and a healthy life balance and has made provisions for the same in its policies and benefits which are extended to all its employees. The organisation is committed to avoiding or reducing overtime or excessive working hours, while ensuring employees have sufficient rest and leisure time. Provisions for annual paid leave and related entitlements are extended to all employees

7. **Privacy and Data Protection:** SMIL respect the privacy of employees and business partners. Personal, medical, and financial information is protected in accordance with applicable laws and is not disclosed unless legally mandated.
8. **Legal Compliance:** SMIL maintains strict compliance with constitutional, statutory, and regulatory human rights requirements in all jurisdictions where it operates.

Implementation

1. Due Diligence

SMIL conduct regular human rights due diligence, including identification, assessment, and prioritization of potential human rights impacts across its operations and supply chain. Risk assessments will include labor practices, occupational safety, community impact, and supply chain compliance. Mitigation measures will be implemented for all identified risks, and results will be reviewed annually or when material changes occur.

2. Training and Awareness - Local Communities

To respect the cultures, customs and values of the people in communities in which the company operates. To contribute towards the fulfillment of human rights by improving economic, environmental and social conditions and serve as a positive influence in communities in which the company operates. To have open dialogue with stakeholders and to ensure the provision of security is consistent with the best of industry standards and practices and the laws of the land.

3. Roles and Responsibilities

The Board and Top Management are responsible for oversight and ensuring resources for effective implementation of this policy. The HR Department will implement the policy, monitor compliance, and report findings. Supervisors and line managers must ensure safe and respectful practices in daily operations. All employees, contractors, and suppliers are required to comply with this policy. Responsibilities will be integrated into performance evaluations and incentive programs.

4. Monitoring, Reporting and Continuous Improvement

Sharda Motor will regularly monitor and report on human rights performance using key indicators, including grievance resolution, risk mitigation actions, and supplier compliance. The policy and associated processes will be reviewed annually by top management and updated as required to reflect emerging risks, stakeholder expectations, and regulatory changes. Continuous improvement will be pursued through audits, feedback, and benchmarking against global best practices.

5. Grievance mechanism

SMIL is committed to prevent any human rights violation and ensures the compliance of the Policy through a mechanism implemented by the HR Department and regularly monitored at all Plants by the HR department. All stakeholders also have a secure and 24x7 access to raise grievances with HR Department and to report anonymously any breach with respect to the Human Rights Policy through the Vigilance.