

Diversity, Equity & Inclusion (DEI) Policy

1. Introduction

Sheela Foam Limited regards people as the company's most important asset contributing to its success. The company believes that our employees will realize their full potential only if provided with a safe and healthy work environment free of any kind of discrimination, which values and empowers each individual and gives a fair and equal opportunity to all our employees. Sheela Foam respects and values diversity and inclusion and believes that people with different genders, races, cultural beliefs, backgrounds, life and work experiences bring varied complementary perspectives and skills to the team which acts as a force multiplier in its business.

The culture of DEI is all the more important to us since the company operates in locations spread across the country and the globe with our customers as well as employees having even more diverse characteristics, experiences, needs and aspirations.

2. Objective

The objective of this DEI policy is to put in place the guidelines that drive Sheela Foam's commitment towards providing a workplace that is free from discrimination and supportive of equal work conditions and opportunities for its employees.

3. Applicability

The policy applies to all employees, interns, probationers, retainers or trainees at Sheela Foam, and those contracted to work at, or for, the company or its subsidiaries. Foreign subsidiaries of the company shall follow it to the extent these are consistent with the laws of their country.

4. Salient DEI Guidelines

- (a) Sheela Foam is committed to providing equal and inclusive workplace to its employees, free from any unfair treatment or unlawful discrimination. This applies to all policies and processes in respect of the employees including and not limited to recruitment, selection & career progression; terms and conditions of employment; working environment; training and development; redundancy and re-deployment.
- (b) Sheela Foam seeks to harness individual differences among its employee by hiring diverse talent at all levels, encouraging independent thinking and transparent communication in all interactions and leveraging varied expertise and workstyles to enable taking informed decisions and improving business processes.
- (c) The company practices fair and objective selection and performance assessment for its employees based purely on merit considerations free from any bias or favoritism.
- (d) We advocate pay equity by determining fair remuneration for all diverse groups undertaking work of equal value considering capability and experience of employees, reflecting local market conditions and practices and individual

performance across our workforce, without any kind of discrimination and prejudice.

- (e) We provide flexible work arrangements and support to accommodate the diverse needs of our employees during different stages of their professional career and personal life and facilitate work-life balance.
- (f) We ensure accessibility for people with different abilities in all our office buildings and plants.
- (g) The company has a number of policies and processes in place to ensure that we have a workforce that reflects the society it operates in, and our employees are valued and respected. Our company's Code of Conduct lays down the policy on 'Respect for Others' and 'Restrictions on Nepotism and Hiring Relatives'. Anti-Discrimination policy of the company provides the guidelines to promote a work environment that is free of discrimination and provides equal opportunity to all employees. Policy of Sheela Foam Limited towards Society affirms the company's commitment to the principles of equity and inclusive growth and its responsibility towards ensuring well-being of its Human Resource and mitigating any negative impacts of its operations on the society. Human Rights policy of the company is also aligned with its DEI efforts to provide a safe and dignified life and non-discriminatory work policies.

5. Implementation

(a) Responsibility of Management

The Management which has led from the front and ensured diversity in the Board of Directors, will continue to provide guidance and support to enable implementation of this policy. The Risk Management & ESG committee of the company will provide oversight, formulate measurable objectives, and track the implementation and progress of the policy. Chief Human Resource Officer will be responsible for ensuring implementation of the policy.

(b) Responsibility of Employees

The employees are responsible for upholding the aims and spirit of this policy, and following its guidelines contributing to a safe and inclusive environment that celebrates diversity and refraining from engaging in any kind of conversation, discussion or activity that indicates explicit or implicit bias towards any section of employees.

Any violation of this policy will be thoroughly investigated and attract adverse consequences for the defaulters as per the decision taken by the management team.

6. Grievance Redressal

Employees who believe that there is a possible violation of this policy are encouraged to report the matter and to seek assistance from respective Plant/Corporate HR manager. All such reports will be investigated with an effort to keep the source of the

report confidential, disclosing only such information as is necessary to further the investigation or the resolution of the matter.

The company will not tolerate threats or acts of retaliation of any kind against any individual reporting violation of this Policy or in good faith providing information in connection with a report or investigation of any such violation.

The Vigil Mechanism and Whistle Blower Policy of Sheela Foam also provides for redressal of any grievance in respect of violation of this policy and protection of the complainant.

7. Disclosure

The company will report on the DEI aspects practiced by it and track the progress/improvement made in DEI implementation through the annual report of the company and any other report as mandated by law. The report will be shared with all stakeholders through the company website.

8. Policy Review

The policy will be subject to periodic review to address any inadequacies noticed based on feedback received from our stakeholders and to include new provisions and best practices. Changes to the policy will be made only after approval by the Board of Directors.

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