

Human Rights Policy

1. Introduction

Sheela Foam Limited recognizes human rights as one of its vital responsibilities and believes that full respect for human rights and human dignity are essential to company's success. Our commitment to human rights comes more from our cherished work ethics and values than from our legal obligations.

We are committed to develop an organizational culture where internationally recognized human rights are respected and any complicity in human rights abuses is avoided. We also aim to promote awareness and respect for human rights throughout our value chain where we can make a positive impact and pursue all available opportunities to support human rights in the society.

2. Objective

The objective of this policy is to lay down the guidelines to be followed by all entities of Sheela Foam in pursuance of respect for and promotion of Human Rights. This policy is an expression of our commitment to the principles contained within the International Bill of Rights, the ILO's Declaration on the Fundamental Principles and Rights at Work and the Constitution of the country that our entities operate in.

3. Applicability

Our Human Rights Policy applies to all company employees and workers including trainees, part-time and contractual workforce across our business units and entities. Our subcontractors working at our sites are also bound to comply with this Policy.

It also applies to our upstream and downstream value chain partners, suppliers and third-party contractors to the extent defined by the Scope and the time of our mutual business association, including the legal contractual clauses.

4. Implementation

(a) Responsibility of Management

The Board of Sheela Foam Ltd. is responsible for ensuring adherence to this policy with Board level oversight provided by Risk Management & ESG Committee of the company. Chief Human Resources Officer & Head of Operations of the company are jointly responsible for overseeing its implementation and ensuring that any breaches of the policy and our Code of Conduct are investigated.

(b) Responsibility of Employees

If any employee believes that someone is violating the Human Rights Policy or the law, they should report it immediately to their manager, Human Resources Department or Ethics Committee of the company.

(c) Responsibility of Value Chain Partners

In the event of disrespect to human rights, duly proven by government authorities and mechanisms provided by legislation, the supplier/partner or the customer will be notified by us so that they may adopt corrective measures. In case such measures are not taken, we will be entitled to rescind the respective commercial relationship.

(d) Human Rights Due Diligence

We strive to conduct human rights due diligence in all our projects and business decisions. Considering the impacts human rights violation can cause, we will prioritize appropriate actions to identify, prevent or mitigate those impacts in our value chains. Where our actions will be found to have caused or directly contributed to any adverse human rights impact, we would engage in appropriate remediation processes by ourselves or in cooperation with other stakeholders.

5. Salient Provisions.

Sheela Foam Limited will:

- (a) Be compliant with all the labour laws of the country in which we operate and ensure that our employees (including part-time) and contractors are statutorily paid, and the remuneration structure is compliant with statutory obligations of the jurisdictions in which we operate, including but not limited to working hours, minimum wages, leave benefits, and overtime compensation.
- (b) Promote safe and fair working conditions for all employees, including differently abled individuals, and uphold human rights aligned with national regulations and international expectations and conventions.
- (c) Include human rights-related requirements within contractual arrangements with vendors, suppliers, and value chain partners, in line with our supplier code of conduct.
- (d) Have zero tolerance for any form of forced, compulsory, or child labor and sexual harassment, either directly or through contracted labor.
- (e) Identify human rights-related risks covering child labor, forced labor, human trafficking and discrimination within our operations and extended value chain, and develop a mitigation plan for the same. Our risk identification process goes beyond our employees, covering vulnerable

groups, including but not limited to local communities, women, and children.

- (f) Be an equal opportunity employer and treat all employees with respect and dignity. There will be no discrimination in recruitment, remuneration, and promotion and all employees will be judged solely by their performance irrespective of their race, religion, caste, gender, sexual orientation, age, or disability.
- (g) Respect and preserve the culture and heritage of local communities, including socially vulnerable groups that may be impacted by our operations, and work towards developing a constructive relationship with such groups.
- (h) Work closely with our stakeholders, government agencies, civil society organizations, experts, and industry partners to promote and support human rights.
- (i) Continually communicate this policy through specific training programs to raise awareness and knowledge of Human Rights related matters among the employees and partners of the company.
- (j) Strictly observe the additional provisions related to Human Rights as embedded in the company Policy on Diversity, Anti-Harassment, Health and Safety, Non-discrimination, and the Code of Conduct.

6. Disclosure

We will review the progress on our HR efforts and communicate the results to our stakeholders through the company's annual report and any other relevant reports/forums as mandated by law.

7. Policy Review

The policy will be subject to review to remove any inadequacies found during the company's human rights due diligence process and to consider the views of our stakeholders. Relevant feedback from our customers, shareholders, employees and suppliers and recommendations from Government regulators, community partners, trade associations as well as environmental, human rights and animal welfare groups may also be incorporated. All amendments to the policy will be done only after approval by the company's Board of Directors.

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