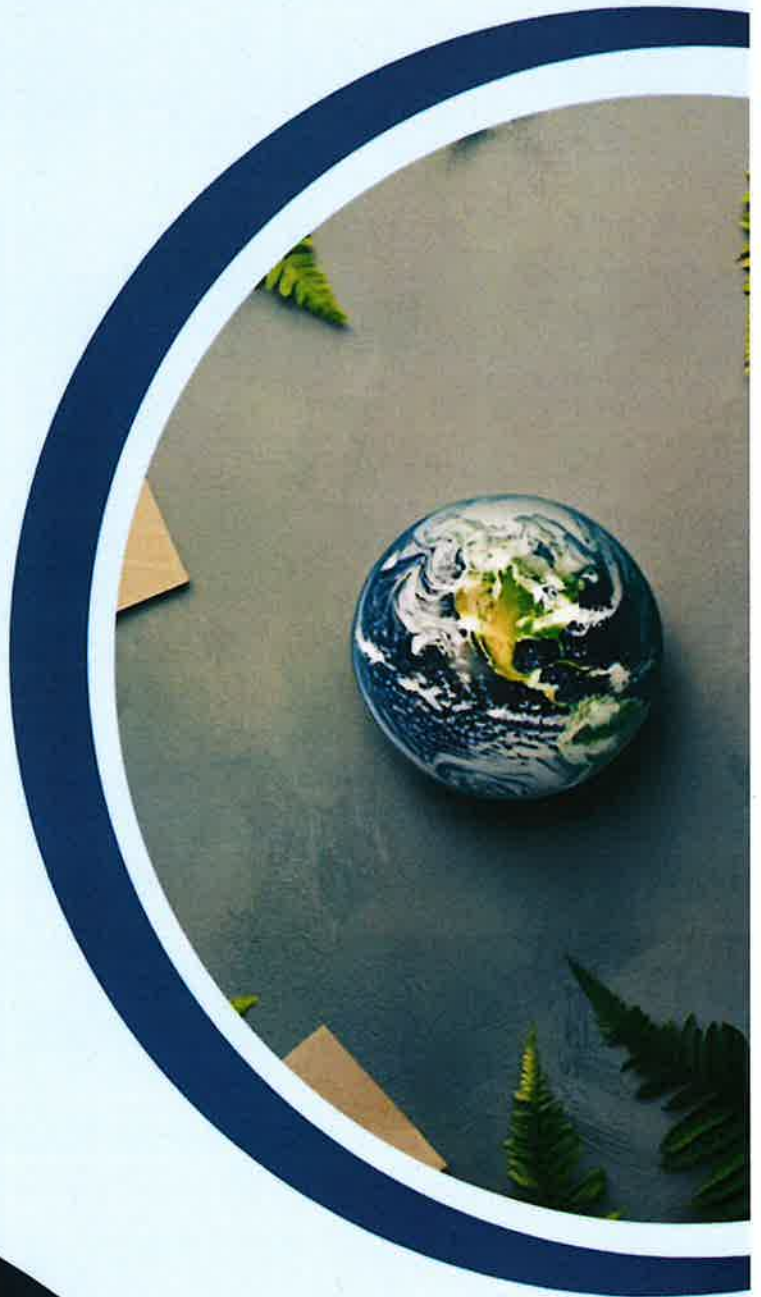


EMPLOYEE RIGHTS & FAIR LABOUR POLICY

HIKAL LIMITED

Revision Number:

02



Version Control

Date	Revision Number	Comment
01 st April 2025	00	Initial Release
01 st September 2025	1.0	Updates in Section 4.4- "Social Dialogue" "Periodic town hall meetings to address employee concerns, share key organizational updates, and enhance transparency"
01 st December 2025	2.0	Inclusion of The Code on Wages, 2019, The Industrial Relations Code, 2020, The Code on Social Security, 2020 and The Occupational Safety, Health and Working Conditions Code, 2020

Next Review Date: 01st September 2026

Sameer Hiremath

Approved by:

Sameer Hiremath,
Vice Chairman & Managing Director

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1. Preamble

Hikal Limited (Group) is committed to upholding the highest standards of employee rights, fair labour practices, and ethical workplace conduct across all operations. This policy ensures that every employee is treated with dignity, respect, and fairness, regardless of role, gender, or background. We promote a safe, inclusive, and non-discriminatory work environment, with equal opportunities, fair compensation, and protection against harassment and exploitation. We also support freedom of association, grievance mechanisms, and continuous development of our workforce.

2. Applicability

This Employee Rights & Fair Labour Policy applies to all employees, stakeholders, contractors, partners, customers, contract workers, and any individuals representing the Hikal Limited Group. It is applicable across all manufacturing units, operational facilities, branch offices, registered locations, warehouses, and any other premises owned, leased, or managed by the Hikal Limited Group, as listed below:

Sr. No.	Name	Function	Address
1	Hikal Limited	Registered Office	717 / 718, Maker Chamber V, Nariman Point, Mumbai - 400021
2		Corporate Office	Great Eastern Chambers, Sector 11, CBD Belapur, Navi Mumbai - 400 614, India.
3		Manufacturing Plant	T-21, MIDC. Industrial Area, Taloja - 410 208, District Raigad, Maharashtra, India.
4			A-18, MIDC Industrial Area, Mahad - 402 309, District Raigad, Maharashtra, India.
5			629 / 630-B, GIDC Estate, Panoli -394 116, District Bharuch, Gujarat, India.
6			JIGANI UNIT I: 82/A, KIADB Industrial Area, Jigani, Anekal Taluk, Bangalore - 560 105, India.
7			JIGANI UNIT II: 28, KIADB Industrial Area, Jigani, Anekal Taluk, Bangalore - 560 105, India.
8		Research and Technology (R&T) Centres	Plot No. 3A & 3B, 2nd Phase, International Biotech Park, Hinjewadi, Pune - 411 057, India.
9		Marketing office	3rd floor, Grey Rock, No.10, 24th Main, J.P. Nagar, 2nd Phase, Bangalore - 560 078, India.
10		Office	Kyodo Bldg. 503, 1-18 Kanda Sudacho, Chiyoda-ku, Tokyo 101-0041, Japan.

11			Marketing Office, USA
12			Marketing Office, Europe

3. Focus Areas

- Ensuring transparent recruitment, fair wages, reasonable working hours, and lawful employment conditions in line with applicable labour laws.
- Promoting a workplace free from discrimination based on gender, age, caste, religion, disability, or any other protected characteristic.
- Strictly prohibiting child labour, forced labour, bonded labour, or any form of human trafficking across operations and the supply chain.
- Respecting employees' rights to freedom of association and participation in worker representation bodies.
- Providing a safe, secure, and hygienic working environment with appropriate health and safety measures.
- Maintaining zero tolerance towards harassment, abuse, or retaliation, supported by effective grievance redressal mechanisms.
- Encouraging skill development, training, and open communication to foster employee well-being and growth.

4. Hikal's Social Commitments

4.1 Occupational Health & Safety (OHS)

- We commit to complying with all applicable occupational health and safety laws, regulations, and industry standards across all Hikal Limited (Group) locations.
- We aim to continue and strengthen our behaviour-based safety programme, 'Surakshapath,' to proactively identify and reduce unsafe behaviours and operational risks across all locations.
- We aim to conduct regular and systematic risk assessments to identify occupational health and safety hazards and implement appropriate preventive and corrective measures.
- We strive to continue quarterly fire and emergency response drills to enhance preparedness, response capability, and employee awareness during emergency situations.
- We commit to promoting employee well-being by addressing occupational health risks, ergonomics, and mental well-being as part of our holistic safety approach.
- We aim to provide ongoing health and safety training to employees and contract workers to reinforce safe work practices and regulatory compliance.

4.2 Child Labour, Modern Slavery & Human Trafficking

- We aim to maintain zero tolerance towards all forms of child labour, modern slavery, forced labour, bonded labour, and human trafficking across our operations and business relationships.
- We commit to complying with all applicable labour laws and international standards related to human rights (ILO & UN), ethical employment, and prevention of forced or involuntary labour.
- We strive to strengthen due diligence processes to identify, assess, and mitigate risks related to modern slavery within our workforce and value chain.
- The company aims to implement strict age and identity verification processes during recruitment to prevent underage employment.
- We commit to raising employee awareness through training and communication on recognising, preventing, and reporting indicators of modern slavery and human trafficking.
- We plan to conduct regular internal assessments and audits to identify and eliminate risks of forced or involuntary labour.
- We aim to provide periodic training to HR, recruitment, and management teams on preventing child labour, forced labour, and human trafficking risks.

4.3 Career Development & Growth

- We aim to create a structured and transparent framework for career development, enabling employees to grow professionally through skill enhancement and role-based learning opportunities.
- We commit to providing equal access to training and development opportunities for all employees, based on merit, performance, and potential.
- We aim to encourage internal talent mobility and succession planning to support long-term career progression and leadership continuity.
- We strive to support employee performance management and regular feedback, enabling employees to understand expectations, identify development areas, and achieve career goals.
- We aim to foster a learning-oriented culture that motivates employees to take ownership of their professional growth and development.
- We aim to conduct regular and structured performance evaluations for employees to assess progress, provide constructive feedback, and identify individual development and career advancement opportunities.
- We commit to maintaining and strengthening career development and training initiatives, including tracking the number of training programmes, & learning hours.

4.4 Social Dialogue

- We are committed to fostering a structured and transparent social dialogue, encouraging mutual understanding and cooperation between management and employees.
- We uphold the freedom of association for all employees, in line with applicable Indian labour laws and ensure that these rights are exercised without fear of retaliation, discrimination, or intimidation.
- We aim to maintain regular engagement between management and employees through scheduled dialogue sessions and committee meetings.
- We plan to institutionalize periodic town hall meetings to address employee concerns, share key organizational updates, and enhance transparency across all levels of the organization.
- We are committed to developing and maintaining a formal grievance redressal mechanism, ensuring a fair & transparent process for addressing workplace concerns.

4.5 Fair Working Conditions

- We aim to ensure fair and transparent employment terms that comply with applicable labour laws such as The Factories Act, 1948, The Code on Wages, 2019, The Industrial Relations Code, 2020, The Code on Social Security, 2020 and The Occupational Safety, Health and Working Conditions Code, 2020, while supporting employee well-being across all locations.
- We strive to provide a safe, healthy, and supportive workplace through ongoing risk assessments, safety systems, and welfare measures, in line with the applicable laws.
- We aim to promote work-life balance and employee welfare, supported by clear policies, benefits, and communication that encourage well-being, flexibility, and a positive workplace culture.
- We commit to supporting employee health and welfare through periodic health check-ups, access to medical services, and wellness initiatives, focusing on both physical and mental well-being.
- We aim to strengthen incident reporting, investigation, and corrective actions, fostering a culture of safety, accountability, and continuous improvement in working conditions.
- We aim to promote ergonomic workplace design by conducting regular ergonomic assessment and improving workstation setup to enhance employee comfort, productivity, and well-being.

4.6 Anti Discrimination & Anti Harassment

- We implement a strict Prevention of Sexual Harassment (POSH) Policy, aligned with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, ensuring a safe and respectful workplace for all employees.

- We have implemented transparent and merit-based recruitment, appraisal, and promotion systems to uphold equal opportunity across all levels of the organization.
- We aim to foster a zero-tolerance environment toward discrimination or harassment, ensuring prompt, confidential, and impartial resolution of all reported incidents.
- We conduct regular training on anti-discrimination and respectful workplace behaviour for all employees, including managers and supervisors.
- We aim to review and update HR policies annually to align with national and international standards on equality, non-discrimination, and inclusive workplace practices.
- We aim to maintain a transparent and accessible grievance mechanism, ensuring timely resolution of complaints with complete confidentiality and fairness.

4.7 DEI (Diversity, Equity and Inclusion)

- We aim to foster a diverse, equitable, and inclusive workplace by promoting representation, equal opportunity, and a culture of respect for all employees, regardless of gender, background, or religious identity.
- We commit to strengthening recruitment, retention, and development practices that support diversity in leadership roles and enable equitable career growth across all levels of the organisation.
- We strive to advance gender diversity in our workforce and leadership, with ongoing initiatives to increase the representation and participation of women in key business functions.
- We aim to create platforms for under-represented groups, such as employee networks and forums, to enhance mentorship, collaboration, and support career progression.
- We commit to ensuring workplace accessibility and inclusiveness for differently-abled individuals, including physical accessibility measures and inclusion practices that support diverse needs.
- We aim to promote awareness and training on diversity, equity, and respectful workplace behaviours across all levels of the organisation.
- We strive to maintain zero tolerance for discrimination or bias, reinforcing this through transparent policies, grievance mechanisms, and fair grievance redressal.

5. Targets

5.1 Occupational Health & Safety (OHS)

- We aim to maintain zero Lost Time Injury Frequency Rate (LTIFR) across all operations through FY 2027-28, sustaining the performance achieved in previous years.

- We aim to maintain zero workplace incidents, including fatalities and major accidents, through FY 2027–28, continuing the safety performance demonstrated in previous years.
- We target to provide health and safety training to all the employees and contract workers by FY 2027–28, with FY 2022–23 as the baseline.
- We aim to conduct periodic occupational health risk assessments covering 100% of operational sites by FY 2027–28, sustaining the performance achieved in previous years.
- We target to conduct regular emergency preparedness drills, achieving 100% compliance with planned fire and emergency drills annually by FY 2027–28, sustaining the performance achieved in previous years.
- We aim to ensure 100% availability and usage compliance of Personal Protective Equipment (PPE) at operational sites by FY 2027–28, taking FY 2022–23 as the baseline year.

5.2 Child Labour, Modern Slavery & Human Trafficking

- We aim to maintain 100% compliance with legal age verification and ethical recruitment procedures for all new hires by FY 2027–28, sustaining the performance achieved in previous years. We aim to conduct at least one internal assessment and one comprehensive risk assessment annually to identify, monitor, and mitigate risks related to child labour, forced labour, and human trafficking.
- We target to maintain zero confirmed incidents of child labour, forced labour, or human trafficking across operations through FY 2027–28, sustaining the performance achieved prior to FY 2022–23.
- We aim to ensure 100% compliance with anti-child labour and anti-forced labour requirements among suppliers and contractors by FY 2027–28, measured against FY 2022–23.
- We aim to achieve awareness amongst all the employees on labour rights, ethical employment, and protection against forced labour and human trafficking risks by FY 2027–28, compared to the baseline year FY 2022–23.

5.3 Career Development & Growth

- We aim to ensure 100% of employees undergo at least one formal performance appraisal annually by FY 2027–28, sustaining the performance achieved in previous years.
- We target to provide an average of at least 24 training hours per employee per year by FY 2027–28, compared to the baseline performance in FY 2022–23.
- We aim to cover 100% of employees under structured career development and skill-building programmes by FY 2027–28, sustaining the performance achieved in previous years.
- We target to ensure 90% employee participation in learning and development programmes by FY 2027–28, compared to participation levels in FY 2022–23.

- We aim to conduct annual training-needs assessments across all departments by FY 2027-28, using FY 2022-23 as the baseline.

5.4 Social Dialogue

- We aim to establish appropriate employee representation mechanisms at all operational locations by FY 2027-28, ensuring structured and lawful employee representation.
- We target to conduct at least one structured social dialogue meeting annually with employees at each site by FY 2027-28, sustaining the performance achieved in previous years.
- We aim to ensure that 100% of employees are informed of their right to freedom of association by FY 2027-28.
- We aim to ensure that all eligible employees are covered under the applicable employee engagement and representation frameworks, supported by clear communication channels and effective grievance response mechanisms, by FY 2027-28.

5.5 Fair Working Conditions

- We aim to maintain 100% compliance with applicable labour and workplace laws across all operational sites by FY 2027-28, sustaining the performance achieved in previous years.
- We aim to maintain and ensure 100% of employees and contract workers are provided with legally compliant working hours, rest breaks, and leave benefits by FY 2027-28, sustaining the performance achieved in previous years.
- We aim to provide safe, hygienic, and well-maintained workplace facilities at 100% of operational locations by FY 2027-28, sustaining the performance achieved in previous years.
- We target to conduct periodic workplace condition assessments covering 100% of sites annually by FY 2027-28, sustaining the performance achieved in previous years.
- We target to achieve at least 90% employee satisfaction related to working conditions, measured through periodic employee surveys by FY 2027-28, compared to FY 2022-23 levels.
- We aim to ensure 100% of employees are covered under comprehensive healthcare coverage, including medical insurance and statutory health benefits, across all operations by FY 2027-28, sustaining the performance achieved in previous years.

5.6 Anti Discrimination & Anti Harassment

- We aim to maintain zero incidents of discrimination and harassment across all operations through FY 2027-28, sustaining the performance achieved in previous years.

- We commit to enforcing a zero-tolerance approach toward any form of discrimination or harassment across all operations.
- We target the timely and fair resolution of 100% discrimination and harassment complaints, with all cases addressed and closed within defined internal timelines.
- We plan to deliver mandatory annual training on anti-discrimination, unconscious bias, and respectful workplace behaviour to 100% of employees, including permanent, contractual, and supervisory staff by FY 2027-28.
- We commit to reviewing and updating the DEI and POSH framework periodically, ensuring alignment with evolving legal, regulatory, and best-practice standards.
- We plan to conduct biannual internal audits on discrimination and harassment prevention and grievance-handling processes across departments and locations to assess effectiveness.
- We aim to maintain zero sexual harassment complaints across all locations through FY 2027-28, sustaining the performance achieved in previous years.

5.7 DEI (Diversity, Equity and Inclusion)

- We aim to increase gender diversity across the workforce by achieving at least 30% representation of women in total employee strength by FY 2031-32, compared to the FY 2022-23 baseline.
- We aim to enhance diversity in leadership by ensuring a minimum 25% representation of women and diverse talent in managerial and senior roles by FY 2031-32.
- We commit to providing equal employment opportunities by ensuring 100% merit-based recruitment, appraisal, and promotion decisions, with zero bias, continued from the FY 2024-25 baseline.
- We aim to train all the employees annually on DEI, unconscious bias, and inclusive workplace practices by FY 2026-27.

6. Governance & Responsibility

6.1 Board of Directors

- Approve the Employee Rights & Fair Labour Policy.
- Ensure strategic oversight and accountability for human rights performance.

6.2 Managing Director

- Drive commitment to fair labour practices and ethical conduct across the Group.
- Ensure adequate resources and leadership support for policy implementation.
- Promote a culture of respect, dignity, and zero tolerance for labour rights violations.

6.3 Executive Director ESG & EHS

- Oversee implementation of the policy and monitor progress against targets.
- Review compliance findings and corrective actions and report to the Board.
- Coordinate internal audits and third-party assessments when required.

6.4 President Human Resources

- Review the Policy regularly.
- Ensure compliance with applicable environmental laws, regulations, permits, and standards.
- Ensure fair recruitment, wages, working hours, and non-discriminatory practices.
- Conduct regular training and awareness on labour rights and policies.

6.5 Head Sustainability & Corporate EHS

- Monitor ESG performance related to employee rights and fair ethics.
- Ensure participation in strengthening of monitoring systems, audits, inspections, and corrective actions.
- Oversee grievance handling, disciplinary actions, and employee wellbeing programs.

6.6 HR Team (Corporate/ Site)

- Collect, validate, and maintain labour and human rights data and records.
- Prepare reports, dashboards, and updates for management review.
- Manage grievance handling, disciplinary actions, and employee wellbeing programs.
- Support compliance documentation and evidence for audits and disclosures.

6.7 Employees

- Follow the Policy and uphold ethical workplace behaviour.
- Respect colleagues' rights and report any violations through the grievance mechanism.

7. Reporting & Monitoring

The Sustainability Team will monitor and compile labour and human rights data periodically, including key metrics such as fair wages, working hours, grievances, and training. The Executive Director, ESG & EHS will review progress quarterly and report findings to the Managing Director and Board. Any non-compliance or significant incidents will be escalated immediately, with corrective actions documented and tracked until closure. Please refer to section 11 of this Policy for the designated channels.

8. Continuous Improvement

We are committed to continuously strengthening our labour and human rights performance through regular reviews, audits, and stakeholder feedback. We will

analyse gaps, implement corrective actions, and update systems and processes accordingly. Training programs will be enhanced based on evolving legal requirements and industry best practices. Lessons learned will be shared across sites to drive ongoing improvement and ensure sustainable compliance.

9. Policy alignments with SDGs



10. Policy Review Mechanism

The Labour & Human Rights Policy will be reviewed annually by the Executive Director, ESG & EHS to ensure its relevance and effectiveness. Reviews will also be conducted as needed in response to regulatory changes, stakeholder feedback, audit findings, or significant incidents. The review process will include performance analysis, gap identification, and implementation of corrective actions. Any updates will be approved by senior management and communicated across the organization.

11. Grievance Mechanism and Contact Information

In case of any grievance, questions or concerns with regards to the Policy, please reach out to us through the following channels:

External Stakeholders	community_grievance@hikal.com or call at 022-62770299
Internal Stakeholders	employee_grievance@hikal.com Alternatively, grievances may be submitted anonymously by depositing them in the designated complaint/grievance boxes available at all sites

All concerns will be handled with appropriate confidentiality and in accordance with the Hikal's grievance redressal procedures.

12. Disclaimer

This policy is a proprietary to the Hikal limited. Unauthorised use, replication, or distribution of this document or its contents, in whole or in part, is strictly prohibited without prior written consent. The information contained herein is subject to continuous review and updates, and may be modified to reflect evolving business conditions, regulatory requirements or operational strategies. Hikal limited assumes no responsibility or liability for unauthorised reliance on or misinterpretation of this policy.