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## *SOP for Human Rights Policy*

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## **I. PHILOSOPHY:**

The Company's philosophy on Corporate Governance is the creation of long-term stakeholder value through the adoption of a best-in-class Corporate Governance Framework and adherence thereto. It aims to conduct its business in accordance with the highest ethical standards and in compliance with both the letter and spirit of the code of conduct of the Company. The Company has zero tolerance for any violation of human rights.

### **1. OBJECTIVES:**

**The principal objectives of this SOP is:**

- To establish the principles and procedures to enable the Company to identify and avoid any type of violation of human rights that presents a significant risk to the operations of the organisation.
- To provide guidance for employees that may influence or interfere with employees' duties, responsibilities and obligations to the Company.
- To provide guidance in identifying and handling any instance of human rights violation to conduct business with integrity, honesty, and ethical principles.
- To describe the process/ procedure for declaring a human rights violation by employee(s) of the Company.
- To prevent legal liabilities and disharmony between a Company and its Employees / Directors.
- To promote a culture of inclusivity, diversity, and equal opportunities for all employees, regardless of their background.

### **2. SCOPE & APPLICABILITY:**

The policy shall be applicable and binding on all employees, Directors, officers of the Company and its subsidiaries, Joint Venture Partner(s) and Associate Companies who in turn shall ensure that financial consultants, corporate agents, brokers, distributors, vendors, consultants, advisors, suppliers, contractors or other third parties engaged with the Company and its subsidiaries or affiliate companies, are aware of and abide by these policies, across all locations.

## **II. DIRECTIVES:**

The Human Rights Policy together with the SOP outlines clear guidelines for every employee to follow. It emphasizes respect for human rights, encourages reporting of any violations or concerns, and defines the consequences for non-compliance. It is expected from every member of the organization to uphold these principles and actively contribute to the promotion and protection of human rights in all aspects of the Company's operations and interactions.

## **III. STRUCTURE AND RESPONSIBILITIES:**

The multi-tier governance structure supports the Company's zero commitment towards any sorts of human rights violations further ensuring effective implementation and governance of the human rights Policy in true spirit.

### **1) Board of Directors:**

The Board shall formulate, evaluate, and approve the Human Rights policy of the Company and upgradations thereto based on recommendations from the CSR & ESG Committee.

### **2) CSR and ESG committee:**

CSR & ESG Committee in their role under the structure and for ensuring compliance and reporting thereunder, shall:

- recommend amendments in the Policy, if any to the Board.
- recommend vision and targets aimed at zero tolerance towards non-compliance and review its functioning.
- advise the ESG Council on the implementation and functioning of the Policy

### **3) ESG Council and Working Group:**

The ESG Council shall:

- review and recommend amendments in the Policy, if any, to the CSR & ESG Committee.
- support the implementation of the Policy and amendments thereto by reviewing the Human Rights Standard Operating Procedures and training modules.
- Monitor and review the implementation of the Human Rights Policy, SOP, training and applicable system.

recommend training calendar, process reviews, refresher sessions and educational programs on compliance and awareness about the Human Rights for internal stakeholders, employees, third parties and external stakeholders.

#### 4) **Management team:**

The Management Team comprising of Senior Managerial Personnel (SMPs), in their managerial role as Business / Function Heads of the Company, are responsible to:

- communicate, demonstrate, and promulgate the Policy.
- ensure the Policy is communicated effectively to all internal and external stakeholders that they engage with from time to time.
- endeavour to promulgate and communicate the Policy to all third parties that they are dealing with.
- endeavour adequate training conducted for their respective department on the Policy and Standard Operating Procedure at regular intervals.
- create adequacy of checks and balances, internal control systems and effective operation within their respective functions.
- promulgate a zero-tolerance approach towards non-compliance with the policy and SOP thereof.
- minimize the opportunity for potential violations of human rights that may occur within the business activities.
- disseminate policy and SOPs to all employees through digital or physical mode including new employees at the time of on-boarding.
- Develop compliance KPIs toward employee engagement and awareness of the compliance program.
- encourage and guide disclosing violations of human rights.
- redress issues of the implementation of the Policy, SOP and training.
- monitor the implementation of the Policy within the function.

#### 5) **Human Capital (Employees):**

The Employees whether on-roll, off-roll, contractual or fixed term shall:

- always act ethically and with integrity.
- Make a declaration about any observed violations of human rights in their best professional interest obliging the duty of transparency in relation to human rights.
- promulgate and communicate the human rights commitment and zero tolerance policy of the Company in their dealings with all internal and external stakeholders.
- aid team members, employees, third parties and other stakeholders to identify report and redress potential violations of human rights and ensure the issues are addressed through inclusive training.
- disseminate and promulgate the policy to internal and external stakeholders.
- achieve KPIs aimed at employee engagement and awareness of the compliance program.
- Act at all times in compliance with the law, codes, policies and principles of the Company.

- attend the training on the human rights policy, seek guidance from CO and disclosures thereunder, and keep oneself updated on the policy, SOPs, and training modules.
- Report to CO at [speakup@polycab.com](mailto:speakup@polycab.com), violations of human rights in relation to other employees and third parties immediately upon becoming aware.

## **6) External Stakeholders:**

The External Stakeholders shall comply and confirm compliance with the laws relating to human rights. The Policy applies to all third parties including but not limited to vendors, dealers, distributors, resellers, business partners, suppliers, contractors, consultants, service providers, subcontractors, or agents working on behalf of the Company, or third parties, the Company shall engage with its stakeholders and endeavour to ensure communication of the of compliance relating to the Policy.

The external stakeholders shall endeavour to seek training from the Company and comply with the SOP, Policy. The Stakeholders are further encouraged to conduct regular trainings in their respective organisations to create awareness on compliances related to human rights and instances of violations.

## **IV. SYSTEMS:**

The Governance systems and tools are devised to provide guidance and ensure compliance with the human rights Policy which includes:

1. Understanding Human rights.
2. Identification of Compliances and associated risks.
3. Compliance certificate
4. Practice tools aiding compliance.
5. Investigation.
6. Assurance and due diligence

The Governance System within the organization as applicable to the respective function is in conformity with the Human Rights Policy.

### **1. Understanding the human rights and its possible violation instances**

Understanding human rights and identifying violation instances is a crucial step in upholding the company's commitment to ethical conduct and integrity. All employees play a vital role in maintaining a culture that discourages the violation of human rights. By being vigilant, recognizing red flags, and promptly reporting suspicions, we can collectively contribute to a transparent and trustworthy

business environment. Details with respect to the human rights and a few forms of violations are provided in **Annexure I**.

## **2. Identification of compliances and associated risk**

This SOP provides a well-defined and structured system for risk mitigation wherein the stakeholders identify compliances and risks associated with the compliance of the human rights policy and take mitigating actions in order to minimise the impact of the risks on the Company and its stakeholders.

## **3. Compliance certificate**

The company will issue a compliance certificate every quarter to verify adherence to relevant labour laws and human rights standards.

Additionally, an annual certificate will be acquired from external stakeholders confirming compliance with applicable legal provisions.

## **4. Practice tools aiding compliance:**

### **a) Training & Communication:**

ESG Council of the Company will provide training documents on the policy as part of the induction process for all new employees. Employees will also receive regular, relevant training/updates on how to adhere to this policy and will be asked to formally accept that they will comply with this policy on annual basis. The Company's human rights policy and zero-tolerance attitude will be clearly communicated to all suppliers, contractors, business partners, and any third parties at the outset of business relations.

### **b) Upgradation and continuous improvement:**

Carry out regular reviews of the human rights policy, procedures, training and programme including internal audits, provide resulting reports to top management and the Board and take necessary actions to improve the system. There shall be a continuous endeavour to develop internal controls and systems to prevent and mitigate the violation of human rights.

### **c) Record-Keeping:**

For the Human Rights Policy and SOP, the records shall include but not limited to communication of the Company's commitment, implementation of the human rights policy/ SOP, report of activities about violations and the relevant staff must retain for at least eight (8) years, all records, operational work documents, other

documents, and transactions to enable Company to comply with any requests from the relevant authorities.

## **5. Investigation**

The CO will investigate any reported allegations as per the Investigation Policy. The Whistle Committee shall maintain utmost 'confidentiality' and ensure adequate protection is provided to the stakeholders. The CO shall update the Audit Committee Chair and report directly to the Audit Committee. All reports will be handled confidentially, and the investigation may involve the documentation of all relevant facts, including persons involved, times and dates. The CO shall take recommended actions depending upon the outcome of the investigation, including disciplinary steps where appropriate, action to correct any behaviour in breach of this policy or other unfavourable treatment connected with raising a concern.

## **6. Assurance and due diligence:**

The Company shall undertake need-based due diligence to aid in decision-making about the initiation or continuation of the relationship with the internal and external stakeholders including employees, suppliers, service providers, customers and third parties. Any unsatisfactory findings from the due diligence shall be treated as red flags by the stakeholder and risk mitigated before the intended or continued business dealings and exercise discretion before proceeding with the relationship.

## **V. EVALUATION:**

### **a. Structured Reporting of a concern:**

The Stakeholders are encouraged and aided to raise genuine concerns about possible improprieties in the business conduct to the Whistle Officer / Committee of the Company as per the procedure laid down in the Whistle Blower Policy. The Whistle blower Committee shall ensure that no whistleblower suffers detrimental treatment for refusing to collaborate or reporting their suspicion in good faith on actual, contemplated or potential instances of bribery or other corruption forms. The Company shall not tolerate retaliation in any form against anyone for raising concerns or reporting what they genuinely believe to be improper, unethical, or inappropriate behaviour and all the allegations shall be treated confidentially.

The declaration format is prescribed in **Annexure II** of the SOP.

### **b. Compliance with the Policy:**



Every employee and other stakeholder of the Company shall act with integrity and ensure that they read, understand, and comply with the human rights policy and this SOP document. The prevention, detection and reporting of violations and other instances shall be the responsibility of all those working for the Company or under its control.

All the employees and other stakeholders will provide information with respect to compliance with the human rights policy in the format prescribed in **Annexure III**.

Violation or breach of this policy shall result in disciplinary action, up to and not limited to termination of contract, suspension or termination of employment with the Company.

c. **Waiver & amendment of the Policy and SOP:**

This document to be read together with the human rights policy of the Company. The Compliance team will monitor the effectiveness and review the implementation of the Policy, regularly considering its suitability, adequacy and effectiveness. This document is subject to modification. Any change of the guideline shall be approved by the Compliance Officer. The management shall have the overriding right to withdraw or amend the guideline at its own discretion as it deems fit from time to time. The decision of the management shall be final and binding.

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## Annexure I

### 1. Definitions:

- ✚ **“Discrimination”** refers to the unjust or prejudicial treatment of individuals or groups based on certain characteristics, such as race, gender, age, religion, ethnicity, disability, sexual orientation, or other protected attributes. Discrimination can occur in various contexts, including employment, education, housing, healthcare, and social interactions. It violates the principles of equality and human dignity and is a breach of human rights. Laws and international treaties often prohibit discrimination and seek to ensure that all individuals are treated equally and without bias.
- ✚ **“Harassment”** Harassment is a form of discrimination that involves unwanted and offensive behavior, actions, or remarks directed at an individual or group based on their protected characteristics. Harassment can be of a sexual, racial, religious, or other nature and may create a hostile or intimidating environment. It can occur in various settings, including workplaces, educational institutions, and public spaces. Harassment infringes upon an individual's right to live and work in an environment free from intimidation, humiliation, and fear, and it is considered a violation of human rights.
- ✚ **Retaliation:** Taking adverse actions against individuals who have reported or opposed discriminatory or harmful behavior, as a form of punishment or revenge.
- ✚ **Violation of privacy:** Unauthorized intrusion into an individual's personal or private information, including unwarranted surveillance or data breaches.

### 2. Types of Violations:

- ✚ **Misuse of managerial authority-** When individuals in positions of authority abuse their power, it can result in a toxic work environment, decreased morale, and even legal consequences. This misuse may take various forms, such as favouritism, harassment, discrimination, or the manipulation of resources for personal gain.
- ✚ **Human trafficking** - Refers to the illicit trade and transportation of people through force, fraud, deception, or coercion, often across international borders. It involves the recruitment, transportation, provision, or obtaining of people for the purpose of forced labor, sexual exploitation, or other forms of exploitation. Human trafficking can take many forms, including but not limited to forced labor, debt bondage, involuntary servitude, and commercial sexual exploitation.
- ✚ **Modern Slavery-** Modern slavery is a broader term that encompasses various forms of exploitative practices, including but not limited to human trafficking. It refers to situations in which individuals are subjected to conditions of servitude, forced labour, debt bondage, or other forms of exploitation that deprive them of their freedom and basic human rights. Modern slavery can occur in various industries,

such as agriculture, manufacturing, construction, domestic work, and the sex trade. It may involve children, women, and men who are trapped in situations where they are controlled, abused, and denied the ability to leave.

✚ **Sexual Harassment** – As per Section 2 (n) of the Prevention of Sexual Harassment Act, it includes any one or more of the following unwelcome acts or behaviour (whether directly or by implication) namely: —

- (i) physical contact and advances; or
- (ii) a demand or request for sexual favours; or
- (iii) making sexually coloured remarks; or
- (iv) showing pornography; or
- (v) any other unwelcome physical, verbal or non-verbal conduct of sexual nature.

✚ **Child labour**- Child labour refers to the employment of children in work that is harmful to their physical and mental development, interferes with their ability to attend regular schools, and is often exploitative. Child labour can take various forms, including hazardous and exploitative work in agriculture, manufacturing, mining, domestic service, and other sectors.

✚ **Forced Labour** - is all work or service which is exacted from any person under the threat of a penalty and for which the person has not offered himself or herself voluntarily.

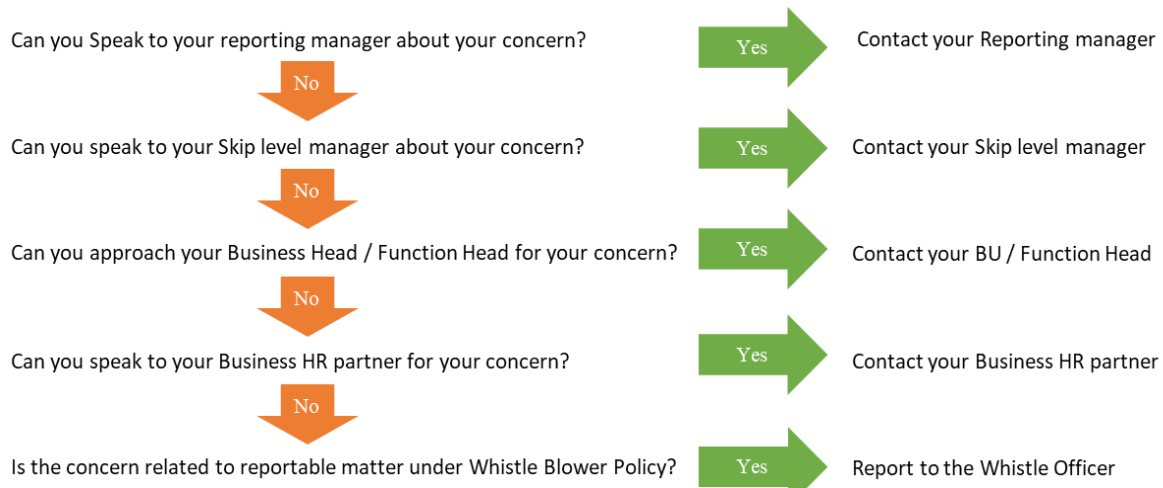
### 3. Following is few of the instances of violation of human rights:

- ✚ Instances of verbal, physical, or online harassment, including offensive comments, unwelcome advances, or any behaviour creating a hostile work environment.
- ✚ Any misuse of managerial authority in the Company.
- ✚ Any suspicions or evidence of child labour forced labour, or any form of misconduct, such as bullying and harassment, within the organization.
- ✚ When an employee observes any form of discrimination or bias based on factors such as race, gender, age, religion, nationality, sexual orientation, or disability, either in hiring, promotion, or workplace interactions.
- ✚ Instances of modern slavery including slavery, servitude, forced or compulsory labour and human trafficking.
- ✚ Any such situation where employees are coerced or forced to work against their will or under conditions that violate their freedom.
- ✚ If there is employment of underage individuals, in violation of legal requirements or international labor standards.
- ✚ Any hazards, lack of safety measures, or failure to adhere to health and safety regulations that compromise employees' physical or mental well-being.
- ✚ Any other situation in which it is anticipated as a violation of the human rights.

## Annexure II

### Speak Up

Each one of us has a responsibility to speak up if we see something unsafe, unethical, retaliatory, or potentially harmful. If you need help, seek clarity want to raise a concern, please refer to the 'SPEAK UP' decision tree below:



### Investigation

The purpose of this Investigation Policy within the human rights Policy SOP is to establish clear guidelines and procedures for conducting investigations into suspected violations of the human rights. This policy aims to ensure that all investigations are conducted impartially, thoroughly, and in compliance with applicable laws and regulations.

The Company shall investigate the complaint as per the applicable policies and procedures of the Company. The outcome of the investigation shall be reported to the Disciplinary Committee for further action.

### Disciplinary action

Employees, contractors, agents and all the other stakeholders of the Company are encouraged to report any suspected violations through the company's established reporting channels. Upon receiving a report of a suspected violation, the whistle-blower committee will initiate an internal investigation. The severity of the violation will be assessed based on factors such as the nature and extent of the violation, the intent of the individual(s) involved, the potential harm to the company's reputation, and any legal implications. The results of the investigation will be used to determine appropriate disciplinary actions, which may include verbal or written warnings, suspension, termination of employment or contract, or legal action as outlined in the Disciplinary Action section of this SOP.

### **Annexure III**

#### **Human rights compliance certificate:**

To,  
The Compliance Officer  
Polycab India Limited

DECLARATION: Human rights compliance certificate

I,            Mr/Ms.....Employee  
Code .....confirm that I have gone through the Human  
Rights Policy of the Company and having understood the same I would like to  
disclose that I adhere to all the provisions relating to the human rights mentioned in  
the policy.

**Signature**

**Date**