

HFCL Limited

Human Rights Policy

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1. Objective

HFCL Limited (formerly *Himachal Futuristic Communications Limited*) (“**HFCL**” or the “**Company**”) is committed to upholding human rights and dignity across all its operations and business activities. This Policy reflects HFCL’s adherence to applicable laws and regulations in the regions where it operates. The Company strives to prevent and mitigate any adverse human rights impacts arising from its operations or, to the extent possible, within its value chain.

HFCL also commits to addressing such impacts if they occur. In doing so, the Company aligns its practices with internationally recognized frameworks, including the International Labor Organization (ILO) Fundamental Principles and Rights at Work, the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights (UNGPs), and the OECD Guidelines for Multinational Enterprises.

2. Scope and Applicability

This Policy is applicable to all employees, directors, contract workers, interns, and third-party personnel engaged by HFCL Limited across its operations and locations. It also extends to HFCL’s value chain, including its suppliers, vendors, service providers, and business partners, who are expected to uphold human rights standards consistent with those outlined in this Policy.

The provisions of this Policy apply to all business activities undertaken by HFCL, whether directly or through subsidiaries, or third-party engagements, and extend to all stakeholders potentially impacted by the Company’s operations.

3. Definitions

- “**Company**”, “**we**”, “**our**”, or “**HFCL**” refers to HFCL Limited.
- “**Policy**” refers to this Human Rights Policy of HFCL.
- “**Human Rights**”, as defined by the United Nations (UN), are rights inherent to all human beings, regardless of race, sex, nationality, ethnicity, language, religion, or any other status.
- “**Child Labor**”, according to the International Labour Organization (ILO), refers to work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development.
- The ILO defines “**Forced Labor**” as 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.
- “**Human Trafficking**”, is defined by the UN as the recruitment, transport, transfer, harboring, or receipt of a person by such means as threat or use of force or other forms of coercion, abduction, fraud, or deception for the purpose of exploitation.
- “**Freedom of association**”, refers to the right of workers and employers to form and join organizations of their own choosing.
- “**Collective Bargaining**”, is the right of workers to bargain freely with employers is an essential element in freedom of association. Collective bargaining is a voluntary process through which employers and workers discuss and negotiate their relations, in particular terms and conditions of work.

4. Policy Commitments

HFCL is committed to respecting all internationally recognized fundamental human rights of workers. The Company's approach is guided by globally accepted human rights principles and standards, including the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the UN Convention on the Rights of the Child, and the ILO Declaration on Fundamental Principles and Rights at Work. HFCL also upholds compliance with the applicable laws and regulations of the countries in which it operates.

The following commitments outline the Company's expectations and guiding principles in safeguarding human rights across its business relationships and activities:

4.1 Anti-discrimination and Equal Opportunity

HFCL is committed to fostering a diverse, inclusive, and respectful work environment, free from all forms of discrimination or harassment. The Company prohibits discrimination based on gender, age, disability, ethnicity, race, religion, nationality, sexual orientation, marital or family status, union affiliation, or any other protected characteristic, in accordance with applicable laws and international standards.

The Company promotes '**equal opportunity**' throughout the employment lifecycle—from recruitment and job design to compensation and career advancement. HFCL takes active steps to ensure that employment decisions are fair, merit-based, and free from bias. HFCL also takes proactive measures to empower underrepresented groups, including efforts to support gender equality and inclusive practices across our workforce.

All forms of harassment, including sexual harassment, bullying, intimidation, or inappropriate behavior, are strictly prohibited. HFCL is committed to addressing any complaints of unlawful discrimination or harassment in a prompt, fair, and confidential manner.

4.2 Prohibition of Child Labor and Forced Labor

HFCL is committed to complying with all applicable national and international laws concerning child and forced labor. This includes alignment with ILO Conventions 138 (Minimum Age), 182 (Worst Forms of Child Labor), 29 (Forced Labour), and 105 (Abolition of Forced Labour), as well as the United Nations Convention on the Rights of the Child and the UN Protocol to Prevent, Suppress and Punish Trafficking in Persons.

The Company strictly prohibits the employment of individuals under the age of 15, or the minimum age required by national law, whichever is higher. For hazardous work, the minimum age is 18 years. Where permitted under applicable laws, employment, or apprenticeships of individuals below 18 will only be allowed if part of a certified training or education program that does not endanger the individual's health, safety, or development.

HFCL also prohibits all forms of forced, bonded, or involuntary labor. Employment must be based on free will, and no worker shall be subjected to coercion, threats, or restrictions on freedom of movement. All workers must be free to leave their employment following reasonable notice, in accordance with applicable laws and contractual obligations.

4.3 Freedom from Human Trafficking and Modern Slavery Statement

HFCL is committed to upholding the principles outlined in the UN Protocol to Prevent, Suppress and Punish Trafficking in Persons and other relevant international and national laws. To this end, it prohibits all forms of human trafficking and modern slavery, including forced recruitment, debt bondage, restriction of movement, and exploitation through coercion, deception, or abuse of power.

The Company takes proactive measures to prevent, identify, and address any instances of trafficking or slavery within its operations. This includes ensuring transparent and ethical recruitment practices, prohibiting the withholding of identification documents, and promoting freely chosen employment. Any suspected violations are treated seriously and investigated in accordance with applicable legal and disciplinary frameworks.

4.4 Freedom of Association and Collective Bargaining

At HFCL, we are committed to upholding the fundamental rights of all employees, including the right to freedom of association and collective bargaining. The Company recognizes open, constructive, and inclusive dialogue between employees and management fosters a positive work environment and strengthens organizational performance.

We affirm the following commitments:

- **Respect for Freedom of Association:** Employees are free to form or join associations, worker committees, or representative bodies of their choice, in accordance with applicable local laws and regulations.
- **Right to Collective Bargaining:** Where employees are represented by legally recognized associations, HFCL will engage in good-faith dialogue and negotiations with such representatives on matters affecting their terms of employment.

4.5 Health and Safety in the Workplace

HFCL is committed to providing a safe, healthy, and secure workplace for all employees, in alignment with applicable health and safety regulations as well as internal EHS standards that are benchmarked against global best practices. The Company aims to eliminate risks of injury, occupational illness, or harm arising from its operations and ensures a proactive approach to managing both physical and mental well-being.

Comprehensive EHS systems are in place, supported by regular training, safety audits, and emergency preparedness measures such as mock drills and fire safety systems. Personal protective equipment (PPE) is provided as required, and employees have the right to refuse work if they believe they are in imminent danger, without fear of retaliation.

4.6 Data Privacy and Cyber Security

HFCL is committed to respecting and protecting the privacy and personal data of all individuals it engages with, including employees, customers, and other stakeholders. The Company complies with applicable data protection laws, including the European Union's General Data Protection Regulation (GDPR), India's Digital Personal Data Protection Act (DPDP Act), and the UK's Data Protection Act 2018 and UK GDPR.

HFCL ensures that personal information is collected, processed, stored, and disclosed lawfully, fairly, and transparently. Access to personal data is restricted to authorized personnel, and appropriate technical and organizational safeguards are implemented to prevent unauthorized access, loss, or misuse. The Company maintains strong internal controls to uphold data privacy and ensure regulatory compliance.

5. Roles and Responsibilities for Implementation

Human Rights are a shared responsibility across HFCL. All employees, irrespective of designation, are expected to uphold and integrate the principles of this Policy in their daily conduct and decision-making. The roles outlined below ensure that this Policy is not only implemented effectively but also embedded into the Company's culture and operations.

5.1 Leadership

- Demonstrate commitment to human rights by embedding the Policy into business practices, policies, and systems.
- Identify and address human rights risks within their functions and ensure fair, respectful, and inclusive practices.
- Take timely and appropriate corrective action when incidents or potential violations are identified.
- Serve as role models by promoting a culture of dignity, equality, and accountability.

5.2 All Employees and Workers

- Adhere to the principles of this Policy in interactions with colleagues, business partners, and stakeholders.
- Refrain from any behavior that may contribute violations of human rights specified in this Policy.
- Report any concerns or observed violations through established grievance mechanisms without fear of retaliation.

5.3 Human Resources and Compliance Functions

- Ensure policies, procedures, and employment practices align with applicable human rights standards.
- Support awareness initiatives and grievance mechanisms that are accessible, confidential, and responsive.
- Monitor compliance with this Policy and support periodic assessments to identify areas for improvement.

6. Grievance Redressal

HFCL is committed to identifying, preventing, and addressing any adverse human rights impacts linked to its business activities. The Company has zero tolerance for violations of the human rights principles outlined in this Policy.

Any concerns or incidents related to human rights violations may be reported as protected disclosures to the Vigilance Officer of the Company or to the Chairman of the Audit Committee in exceptional cases, as prescribed in the Company's Whistleblower Policy. HFCL ensures, to the extent possible, that all complaints are treated with sensitivity, confidentiality, and addressed promptly in line with applicable laws and internal procedures. Continued or serious breaches may lead to disciplinary or legal action.

HFCL also acknowledges the potential human rights impacts on communities directly affected by its operations and is committed to resolving such issues responsibly. Retaliation against individuals who raise concerns or report violations in good faith is strictly prohibited and will result in disciplinary action.

7. Monitoring and Review

The Human Rights Policy undergoes a formal review and revision process on an annual basis. This process includes evaluating the effectiveness of current initiatives and integrating input from both internal and external stakeholders, including customers, suppliers, and regulatory authorities. These insights help enhance the Policy's relevance and responsiveness to evolving human rights risks and regulatory developments.

The Head of Human Resource (HR) is responsible for monitoring the implementation of this Policy and presenting recommended updates to the Board of Directors for final approval.

8. Communication of the Policy

HFCL's Human Rights Policy is made available to all stakeholders through the Company's website. The Policy is communicated during employee onboarding and through regular internal communications.

The Policy undergoes a formal review and revision process annually. As part of this process, the effectiveness of existing initiatives is assessed, and feedback from internal and external stakeholders—such as customers, suppliers, and regulatory bodies—is incorporated. This ensures that the Policy remains aligned with evolving regulations and effectively upholds the human rights of all stakeholders.

9. Related Policies

This policy should be read alongside the following policies of HFCL:

S. No.	Policy
1	Diversity, Equity, and Inclusion Policy
2	Whistleblower Policy
3	Code of Conduct
4	Prevention of Sexual Harassment (POSH) Policy
5	Human Trafficking and Modern Slavery Statement