

# EPL Ltd.

(Formerly known as Essel Propack Limited)

<b>Doc No:</b> HR/POL/LR & C/001	<b>Doc. Title: Policy on Labour Relations and Working Conditions</b>			
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<b>Applicable Location:</b>	Applicable to all units and offices of EPL Limited			
<b>Retention Limit</b>	Permanent with continuous updation			

Authority	Name	Designation	Sign and Date
<b>Approved By</b>	Ms. Sonal Jain	Global CHRO	

## Review Details

Date	Revision Details	Page No
10.10.2020	First Release	--
10.10.2022	Policy was reviewed by the policy formulation authorities. Since the guidelines are working effectively and there were no situations or incidents that highlighted the inadequacy of the policy, therefore the existing policy stands revised and effective for next 2 years without any change	All
1.1.2024	Authorized signatory updated as new Global CHRO. Policy Objectives and Measures updated	All
1.1.2026	Scope of Applicability updated to include Thailand. Review cycle dates updated. Policy reviewed and reaffirmed..	1,2

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### Labour Relations and Working Conditions

**GRI 401:** 103-1, 103-2, 103-3  
**GRI 403-1, 403-3, 403-4, 403-5, 403-6**

### HR/POL/LR & WC/

**Issue Date:** 10.10.2020  
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## 1 Introduction

The International Labour Organization created the Declaration on Fundamental Principles and Rights at Work. This declaration expresses a commitment by governments, employers, and workers' organizations to uphold basic human values in the workplace.

### The declaration covers:

- I. freedom of association and the right to collective bargaining
- II. eliminating all forms of forced or compulsory labour
- III. abolishing child labour
- IV. eliminating discrimination in employment

EPL Limited recognizes that fostering an inclusive, equitable, and safe work environment is not only a fundamental responsibility but also a key contributor to the long-term social and economic development of both the organization and the communities it operates within. By upholding these principles, EPL Limited strives to create a sustainable workplace where employees can thrive and contribute meaningfully to the organization's success.

## 2 Purpose

The purpose of this policy is to communicate and set out EPL Limited objectives and measures towards all employees with regards to labour relation and working conditions.

## 3 Scope

This policy applies to all employees, interns, contractors, and other stakeholders associated with EPL Limited across its global operations. It encompasses all EPL factories and offices located in India, Egypt, China, the Philippines, Thailand, Poland, Germany, the United States, Brazil, Colombia, and Mexico. The policy ensures alignment with local laws and regulations while maintaining uniformity in its principles across all regions.

## 4 Review

**Policy on Labour Relations and Working Conditions is owned & maintained by the Global CHRO of EPL Limited.**

The Policy shall be reviewed and updated when appropriate, to adapt it to changes that may arise in the business model or in the context in which EPL operates, always ensuring its effective implementation. The latest, a review shall be conducted every two year and targets shall be reviewed every year.

**The objectives for EPL's Working Conditions Policy are:**

- Comply with:
  - UN Guiding Principles on Business and Human Rights
  - Universal Declaration of Human Rights
  - ILO Convention 1 (Hours of Work - Industry)
  - ILO Convention 116 (Reduction of Hours of Work)
  - ILO Conventions 100 (Equal Remuneration)
  - ILO Convention 131 (Minimum Wage Fixing)
  - ILO Convention 102 (Social Security - Minimum Standards)
  - ILO Convention 159 (Vocational Rehabilitation and Employment – Disabled Persons)
  - ILO Convention 183 (Maternity Protection)
  - ILO Convention 177 (Homework)
  - National Labour Law 2006
  - Minimum Wages Law 2010
  
- Comply with all other relevant rules and local regulations regarding working conditions.
- Ensure safety procedures are in accordance with the ISO 45001 Standard.
- Raise awareness among employees regarding working conditions in a transparent manner.
- Ensure employee satisfaction/enthusiasm and engagement, and a bi-annual dialogue with all employees to discuss working conditions in a safe environment.
- Ensure fair and transparent remuneration procedures.
- Ensure support is provided for employees who have children.
- Ensure flexibility in work schedules with time and location.
- Have at least 70% of EPL employees receive a living wage every year.
- Ensure **100%** of employees receive an employment contract annually.
- Grant **100%** of employees with paid annual vacation every year.
- Have **zero** % LTI rate every year.
- All employees work not more than 12 hours or as per local legislation overtime in a week.
- Ensure **80%** of its employees feel that he/she works in a safe and healthy working environment and is satisfied with the working conditions the company provides every year.
- Have an annual average of **2** hours of health and safety training per employee per year.
- Ensure **100%** of employees across all sites and offices are covered with healthcare coverage or medical plans every year.
- Have **100%** of employees on all sites and offices covered by formally elected employee representatives (e.g., Works Council, Works Committee) or Unions every year.

EPL Limited strives to achieve its objectives with the following measures.

### General

#### EPL Limited must:

- Ensure employees receive a written contract before the start of employment and agree with the new employee on working conditions as written within the **employment contract**, read and signed by both the employee and employer.
- Ensure that the HC department of EPL Ltd is responsible for providing employees with clear channels to report unethical practices, labour relations, working conditions and human rights violations. This includes a whistleblowing procedure and a grievance mechanism through the 'Speak Up' system, a formal IT platform designed to address personal concerns about working conditions.
- Ensure **clear communication regarding working conditions** topics with use of the HR Handbook. Topics include for example insurance, holiday allowance, absence, travel expense allowance, employee performance management, employee education, code of conduct, and end of employment conditions.
- Provide employees with **working benefits** in line with their job requirements, such as laptops, vehicles, and office equipment.
- **Measure employee satisfaction** on health and safety working conditions via its Annual Engagement Survey and discuss the topic in dedicated Focused Group sessions. The input coming from these sessions must be collected by the HR department and used to improve health and safety.
- EPL Limited HC Department is responsible for **educating** affiliates on health and safety objectives and measures, by for example including the health and safety topic in the Employee Induction Programme.
- Support affiliate management in understanding, implementing, and communicating good working conditions, by e.g., organizing the Focused Group Discussions (FGD's) with employees.
- Ensure annual data collection and transparent reporting on labour relations, workforce and working conditions topics, such as **% of employees receiving a living wage, % of employees in the possession of an employment contract, % of employees granted with paid annual leave and % of employees covered with healthcare coverage or medical plan. Reporting on health & safety indicators, such as incidents, sick hours and lost time injury**) rate, and **hours of health & safety training** conducted. EPL Limited affiliates and production sites are responsible for the timely and complete delivery of data to the EPL department. All data is publicly disclosed according to Global reporting Initiative Standard (GRI) in EPL's annual **Sustainability Report**.

**a) Freedom of expression, association and collective bargaining**

PL Limited upholds the freedom of association and the effective recognition of the right to collective bargaining. EPL affiliate and site management **must**:

- Respect the right of employees to form, join, and organize trade unions of their choice and to bargain collectively on behalf of their organization at all times.
- Inform employees that they are free to join worker organisations of their choosing without any negative consequences or retaliation.
- Ensure that all employees are heard and can voice concerns related to the terms of their employment.
- Not interfere with the establishment, functioning, or administration of employees' organisations or collective bargaining, and allow employees to freely elect their own 'employee representatives'.
- Ensure that employees are not subjected to discrimination, harassment, intimidation, or retaliation for being union members, employee representatives or engaged in organizing employees.
- Establish an agreement with trade unions regarding wages and other conditions of employment where applicable and have regular meetings with the union to ensure all requirements are met.

If the right to freedom of association is restricted by law, alternative means to Implementation of free association must be facilitated.

**b) Equal Opportunity**

At EPL Limited, we are committed to fostering an inclusive and equitable workplace where all employees have the opportunity to thrive. Our Equal Opportunity policy reflects our commitment to diversity, equity, and respect for every individual, ensuring that no one faces discrimination or unfair treatment in any aspect of employment.

**EPL Limited ensures that:**

- Employment decisions are based solely on qualifications, competencies, and merits, without bias or favoritism.
- All employees and applicants are provided equal opportunities across all aspects of employment, including recruitment, hiring, promotions, transfers, training, compensation, and layoffs.
- EPL do not discriminate against any employee or applicant based on race, color, religion, sex, gender identity, national origin, ethnicity, age, sexual orientation, disability, marital status, veteran status, or any other characteristic protected by law.
- All employees are respected and valued for their individuality, ensuring a workplace free from harassment, intimidation, or retaliation.
- Initiatives and practices are implemented to promote diversity and inclusion at all levels of the organization.
- Policies and practices are regularly reviewed to ensure compliance with legal requirements and alignment with industry's best practices.
- Training programs are conducted to promote awareness and reinforce our commitment to equal opportunity.

### c) **Grievance Handling Mechanism**

EPL is committed to providing employees with a clear and structured process for raising grievances and addressing concerns related to:

- Employment terms
- Working conditions
- Human capital policies
- Decisions or behaviors of reporting managers or colleagues

In the event of any dissatisfaction or concern, employees should follow the grievance procedure as outlined below:

- **Step 1:** Approach the Unit HC Manager or Unit Head to discuss concern or grievance.
  - The Unit Head will review the issue and provide a resolution.
- **Step 2:** If the employee is not satisfied with the decision, they can escalate the matter to the **Regional President (VP)**.
  - The VP will independently evaluate grievance and offer a final decision, free from bias.

Additionally, EPL provides a **confidential "Speak Up" platform** for employees to raise concerns anonymously if preferred. This ensures that:

- Employees can report grievances regarding unethical behavior or other workplace issues without fear of retaliation.
- The grievance process is transparent, confidential, and supportive of employee well-being.

For further guidance, employees are encouraged to refer to the **Speak Up policy** to understand how concerns can be reported and resolved effectively. The decision made by the RVP is final and binding for all involved.

## 8

### **Working Conditions**

#### a) **Remuneration, Overtime, and atypical working hours**

EPL Limited affiliate and production facilities must;

- Comply with all applicable national laws concerning working hours, wages, benefits and other working conditions;
- Ensure that the wages paid to employees at least meets living wage standards according to the living wage standard, such as the IDH (The sustainable Trade Initiative), Netherland
- Ensure that employees' wages and benefits composition are detailed clearly and regularly in writing for each payment period;  
Ensure communication on remuneration by providing a presentation on job structure and pay policy;
- Overtime work shall be voluntary, not regularly required, and shall comply with applicable local laws. As a general principle, overtime should not exceed 12 hours per week unless permitted by local regulations and agreed upon by the employee
- Ensure wage equality by reporting on salaries earned;
- Reimburse for overtime at a premium rate as defined by national law

- Implement time tracking at production facilities to ensure all time worked is properly recorded and remunerated.

Never use labour-only contracting, repeated short-term contracts, or false apprenticeship schemes to evade legal obligations to employees.

#### **b) Holidays, additional leave, and rest**

EPL Limited affiliates and production facilities must:

- Employees are granted holidays on all national and state-specific public holidays as prescribed by local labour laws. In operations running 365 days a year, employees required to work on these holidays are provided with appropriate compensatory time off and/or overtime pay in accordance with applicable regulations
- Grant employees additional leave days for special occasions and circumstances including engagements, weddings, to attend examinations, and moving home;
- grant employees Special leave in order to give space and time to deal with unforeseen events which require immediate attention;
- grant employees with maternity leave and paternity leave (where the law prescribes) to enable the employee to spend quality time with the new child;

Ensure employees receive at least one day off after every six consecutive working days, in accordance with applicable local labour laws. In regions that follow a five-day work week, employees will receive two days off (typically on weekends), supporting a healthy work-life balance

#### **c) Flexible/hybrid working**

EPL Limited allows employees to request flexible /hybrid working, under the following conditions:

- Reduce or vary the times required to work (for example to work on different days or to start earlier or later in the day].
- Work from home instead of from the usual workplace or at another EPL Limited location, for some of the working time.

#### **d) Healthcare, insurance and pension**

EPL Limited affiliates and production facilities must:

- Provide healthcare benefits or a medical plan to all employees at its production facilities in developing countries.
- Provide its employees with social insurance and business travel insurance.
- EPL contributes to employee pension plans via payroll deductions, following the statutory requirements and customary practices of each country or location

#### **e) Bonus schemes**

- f) EPL has established comprehensive incentive programs across all operating locations to drive employee performance and foster continuous skill development. Through our Variable Pay and Profit Sharing schemes, employees are directly rewarded for their contributions and share in the company's overall success, reinforcing a culture of collective achievement and growth

**g) Employee enthusiasm, communication and engagement**

The plan for the Focused Group Discussion (FGD) Programme and Engagement Action Planning workshops is already in place at EPL Limited. These initiatives enable employees to engage with the HC team twice a year, promoting open discussions on working conditions and enhancing overall employee engagement.

**h) Childcare**

EPL Limited affiliates and sites must:

- Provide a transition period for mothers who are returning to work after maternity leave to initially work part-time before transitioning back to full-time.
- Grant employees' permission to attend important events such as parent-teacher conferences, child medical appointments, and any other events by allowing employees to leave during the day as long as this is discussed with their management.
- Support breastfeeding at work by providing paid breastfeeding breaks, appropriate lactation facilities, and fostering a supportive environment for breastfeeding employees.

**i) Employee health and safety**

- **EPL's Site and operations management** are responsible for providing a safe and healthy working environment through clear procedures, fire safety measures, personal protective equipment (PPE), and regular health & safety risk assessments.
- EPL Limited, through its HC Department and local HC teams across all countries of operation, is responsible for providing secondary benefits that promote and enhance the health and safety of employees. These benefits include free annual medical check-ups, health insurance, medical advice, vaccination programs (especially during pandemics), an annual engagement calendar with sports activities, and mental well-being sessions to support overall employee health.
- EPL Limited Management Team is responsible for ensuring a safe working environment free from bullying, discrimination and harassment as described in EPL Limited's Discrimination and Harassment Policy.
- EPL Limited Management Team is responsible for ensuring good working conditions and respecting human rights as described in EPL Limited Relations & Working Conditions Policy and Human Rights Policy.
- EPL Limited site management is responsible for ensuring the safety of (female) employees by having guards in place to protect them when needed.