

Habib Sugar Mills Limited	Document #	PLY-HLR 0423
	Effective	13-03-2022
Nawabshah - Pakistan	Revision #	01
HUMAN & LABOR RIGHT POLICY	Effective	11-03-2024
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1. PURPOSE

HSML strives to uphold human and labor rights for its employees, contractors, growers, suppliers, customers, visitors, and stakeholders. Our relationships with these groups are invaluable and key to our success. HSML is committed to developing and maintaining high standards that deliver a fair, respectful, and safe workplace, aligned with Sindh Factory Act, United Nations Guiding Principles on Business and Human Rights (UNGP) and BPS V.5.2 applicable human and labor laws.

This policy aims to define human rights standards applicable to all employees, contractors, growers, suppliers, customers, stakeholders, and visitors involved in HSML's operations in the plant and agriculture field.

2. SCOPE

This policy applies to all activities and processes of Habib Sugar Mills Limited in relation to the plant and agriculture sectors.

3. PROCEDURE

3.1. NON-DISCRIMINATION

- 3.1.1. HSML does not tolerate any form of discrimination against employees based on recruitment, promotion, training access, remuneration, wages, and other employment benefits shall be free from discrimination based on race, color, gender, language, religion, political or other opinion, caste, national or social origin, union affiliation, sexual orientation, age, disability, or any other characteristic
- 3.1.2. Employment-related decisions, from hiring to termination and retirement, will be based solely on lawful, non-discriminatory criteria.
- 3.1.3. Equal opportunities will be provided to all employees for skill enhancement and career progression.

3.2. FORCED LABOR

3.2.1. HSML does not tolerate any form of forced labor, including bonded labor, indentured labor, or human trafficking. Workers are free to move and leave their workplace at the end of their working hours. Employees wishing to resign must provide at least one month's notice or follow the requirements specific to their employment type.

3.3. CHILD LABOR

3.3.1. HSML prohibits hiring child labor under any circumstances for individuals under 18 years of age. The minimum age for full-time employment is 18 years or the legal minimum age under applicable law, whichever is higher. In cases where the local minimum working age is 14, this lower age will apply only where legally permissible. HSML does not employ individuals under 18 for positions requiring hazardous work that poses risks to health, safety, or the environment.

3.4. FREEDOM OF UNIONIZATION AND COLLECTIVE BARGAINING

3.4.1. HSML respects employees' rights to form, join, or not join a labor union and to engage in collective bargaining in support of their mutual interests without fear of punitive actions such as intimidation, harassment, or termination.

3.5. GENDER-BASED VOILENCE, HARASSEMENT, AND EXTORTION

- 3.5.1. The company enforces a zero-tolerance policy against all forms of gender-based violence, harassment, or extortion within the workplace.
- 3.5.2. Mechanisms for confidential reporting and resolution of such issues will be actively maintained.
- 3.5.3. Perpetrators of such acts will face strict disciplinary action, up to and including termination and legal prosecution.

3.6. WORKING HOURS, BENEFITS, AND WAGES

3.6.1. HSML adheres to all applicable laws and industry standards concerning minimum wages, working hours, overtime, and benefits, ensuring compliance with both national and international labor standards.

Valid for three (01) Years



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- 3.6.2. Employees are not required to work more than 60 hours a week, including overtime, on a regular basis, or exceed local legal limits on regular hours and overtime.
- 3.6.3. Overtime wages must be paid in legal tender regularly. Wage deductions as disciplinary measures are not permitted unless stipulated by national law. Employees are entitled to at least one day off every seven days, reasonable breaks during work, and sufficient rest periods between shifts.
- 3.6.4. HSML is committed to continuously developing employees' skills and capabilities and providing opportunities for career advancement.
- 3.6.5. A retrenchment plan will be developed prior to any collective dismissals in compliance with national and local laws, involving consultation with workers' organizations and, if applicable, governmental bodies.

3.7. CURTAILED DAYS:

In instances of curtailed work days due to unforeseen circumstances, HSML commits to providing full payment to workers for those days. Employees will be informed promptly about any such changes to their work schedules.

3.8. EMPLOYEE CONTRACTS/LETTERS

3.8.1. All employees will receive a written, understandable, and legally binding employment contract or letter, consistent with union agreements.

3.9. EMPLOYEE PROTECTION FOR GRIEVANCE REPORTING

- **3.9.1. Protection**: HSML recognizes the importance of safeguarding employees who raise grievances regarding abuse, forced labor, and harassment. We are committed to ensuring that all employees feel safe and supported when reporting such issues.
- **3.9.2. Confidentiality**: All grievances will be treated with the utmost confidentiality. Information related to the grievance will be disclosed only to those who need to know for the purposes of investigation and resolution.

3.10 WHISTLEBLOWING

HSML is committed to fostering a culture of transparency, accountability, and integrity. The whistleblowing mechanism enables employees, contractors, suppliers, customers, and stakeholders to report unethical practices, violations of company policies, and breaches of laws or regulations without fear of retaliation.

3.10.2 Reporting Mechanism:

HSML will provide accessible and confidential channels for reporting concerns, including a designated email address, hotline, or suggestion box.

Reports can be made anonymously, and individuals are encouraged to provide sufficient detail to facilitate effective investigation.

3.10.3 Scope of Reportable Activities:

Whistleblowing reports may include, but are not limited to:

- Fraud, corruption, or bribery.
- Violations of human and labor rights.
- Health and safety hazards.
- Environmental risks.
- · Harassment or discriminatory practices.
- Forced labor or child labor concerns.



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3.10.4 Protection and Non-Retaliation:

- HSML guarantees protection for whistleblowers from any form of retaliation, such as dismissal, demotion, harassment, or discrimination.
- Employees who attempt to retaliate against whistleblowers will face disciplinary action, including termination.

3.10.5 Investigation and Resolution:

- All reports will be thoroughly investigated by an impartial committee or a third-party investigator.
- Findings and corrective actions will be documented and shared with relevant stakeholders where appropriate.
- HSML will ensure compliance with Bonsucro's grievance and reporting requirements.

3.10.6 Communication and Training:

- HSML will raise awareness about the whistleblowing mechanism through regular training and policy updates.
- Information on whistleblowing processes will be included in employee orientation and displayed in accessible locations.

4. ROLES AND RESPONSIBILITIES

- 4.1. The resident director is responsible for policy approval.
- 4.2. The Administration, Human Resources, and policy committee ensure communication and implementation of this policy.
- 4.3. The Administration, HR, and policy committee will drive policy communication and implementation, provide specific advice on labor and human rights issues, and ensure these issues are identified and addressed in audits and reports.
- 4.4. Policy committee Heads of Departments (HODs) are encouraged to participate in ensuring this policy and its related standards are communicated and adhered to by all relevant parties.
- 4.5. Management, Directors, and HODs are responsible for advising on policy content and ensuring regular review and updates every three years, as necessary, and for communicating policy efforts to external stakeholders, including government bodies, customers, suppliers, contractors, and visitors.
- 4.6. All management, employees, contractors, growers, suppliers, customers, stakeholders, and visitors of HSML must comply with this policy and take responsibility for ensuring that all initiatives align with it.

Prepared By

Manager HR

Reviewed By G.M (ADMIN & HR) Approved By
RESIDENT DIRECTOR

REVIEW STATUS					
REVIEW DATE	REMARKS	REVIEW BY	SIGNATURE	APPROVED BY	SIGNATURE
13-03-2023	NO CHANGE	HR MANAGER	ainst ainst	G.M (Admin & H.R)	Sur !
11-03-2024	CHANGED (DUE TO STANDARD REVISION ON BPS V-5.2)	HR MANAGER	and and	G.M (Admin & H.R)	Que la