

# KERNEL

## Equality, Diversity and Inclusion Policy

(EDI)



Kyiv, September 2018

# General statements



- ✓ Realizing its vision and mission, Kernel develops the potential of the Ukrainian agrarian sector through the development of people's potential in accordance with the Equality, Diversity and Inclusion Principles which contribute to the development of innovation and business success.
- ✓ The key target of the Equality, Diversity and Inclusion Policy (hereinafter – **EDI**) is to ensure an objective and unbiased attitude toward people of different opportunities and cultures, and to create conditions for work and cooperation that provide equal rights and benefits to the Company, its employees and partners.
- ✓ Our philosophy regarding equal opportunities and cultural diversity is focused on the following factors:
  - Gender and age
  - Physical ability and mental capacity
  - Race, nationality and ethnicity
  - Religion and culture
  - Sexual orientation
  - Social status
- ✓ We are guided by EDI principles in everything we do.

# Key principles



- ✓ Adherence to the tenets of equality, inclusion and diversity, promotion of the value of human dignity, and non-discrimination
- ✓ Creating opportunities and reducing barriers for all, especially underrepresented groups: young people, women, disabled people, people of pre-retirement age and regional affiliation, etc.
- ✓ Raising staff awareness of the EDI policy, involving management and staff in its maintenance and sustainable development
- ✓ Compliance with the Corporate Code and Internal Policies and Procedures of Kernel

# Methods for supporting diversity



- ✓ Creating a safe workplace by establishing the proper work environment and promoting the ethical behaviour of staff
- ✓ Counteracting inadequate corporate behaviour that contributes to discrimination, harassment, bullying, violence or the loss of human dignity
- ✓ Broadening the decision-making process by considering a variety of opinions, bringing together people with different experiences, views and expertise
- ✓ Complying with anti-discrimination legislation and promoting equal opportunities
- ✓ Developing and realizing staff training and programs in order to obtain commitments to the principles of the EDI policy and stimulate its expansion
- ✓ Monitoring the balance of diversity and continually managing its compliance

# The concept of diversity in the appointment of directors



- ✓ **Gender attribute:** appointment of Directors and top management of the Company doesn't depend on gender. Company adheres to the principle of equality of opportunity for the participation of women and men. There is at least one woman in the composition of independent Directors. The management of the Company is obligatorily composed of women.
- ✓ **Nationality, race and ethnicity:** the composition of independent Directors and management of the Company includes the representation of different nationalities, races and ethnicities for the development of business on the basis of their experience and understanding of the business environment.
- ✓ **Skills and experience:** independent Directors and management of the Company have differentiated experience and knowledge in various business areas.
- ✓ **Independence:** The Board of Directors is composed of at least two independent Directors and executive Directors of the Company. An independent Director cannot be an employee of the Company and has not been in this position for the past three years, as well as not having served as executive Director for the past five years.
- ✓ **Inspection:** The diversity of the Board of Directors and the management of the Company are constantly monitored by the Nomination and Remuneration Committee of the Board of Directors.

# Process participants and responsibilities

## Risk Management Committee

- ✓ Decision-making on how to respond to violations of the Policy, agreeing on recommendations for interventions to prevent their recurrence
- ✓ Analysis of controls that did not promptly identify / prevent a situation that violates the Policy
- ✓ Providing recommendations for the development of the Policy

## Chief Executive Officer

- ✓ Responsible for implementing the Policy throughout the Company

## Human Resources and Communications Director

- ✓ Monitoring, coordinating the implementation of controls and timely updating of the Policy at least every three years or, if necessary, when changing the requirements of applicable law
- ✓ Organizing of the development and implementation of training programs of concern to the EDI policy

## Compliance manager

- ✓ Whistle-blower protection in situations of violation of the Policy
- ✓ Participation in official investigations on circumstances that led to violation of the Policy

## Functional Directors

- ✓ Responsible for the implementation of the Policy within their areas
- ✓ Control of prevention of occurrence of potential situations of violation of the Policy
- ✓ Regular informing of subordinates about preventing inappropriate behaviour, including discrimination, harassment, bullying and violence
- ✓ Controlling the level of awareness of new employees about the principles of the Policy
- ✓ Immediate consideration of identified information about the situations of violation of the Policy, according to the Procedure for conducting corporate investigations

## Security Department

- ✓ Conducting internal investigations for cases / situations of violation of the Policy

## Personnel Service employees

- ✓ Implementation and monitoring the implementation of controls in the HR processes to prevent policy violations
- ✓ Implementation of measures to create a culture of recognition, respect for differences
- ✓ Conducting training and advising employees on issues related to the Policy

# Other statements



- ✎ The Policy applies to all employees of Kernel, including temporary employees
- ✎ Employees of Kernel, as well as members of Kernel management bodies who are not employees, irrespective of their position, bear the personal responsibility for non-fulfilment (improper fulfilment) of the provisions of the Policy to the Company
- ✎ The policy is subject to review by the Audit Committee of the Board of Directors
- ✎ Every employee of the Company, including a temporary employee, is obliged:
  - to comply with the requirements of the Policy and ensure that personal interests and connections, friendly and other relationships, and personal preferences do not affect the performance of business duties and relationships with colleagues
  - when there are situations entailing a violation of the Policy:
    - inform the immediate manager and staff member of the Staff Service
    - to report violations on the Hotline 0-800-501-483 or e-mail [dovira@kernel.ua](mailto:dovira@kernel.ua), or address to the Compliance manager [compliance@kernel.ua](mailto:compliance@kernel.ua)
    - to take an active part in conducting corporate investigations in the part of the EDI policy
- ✎ **Process owner:** Human Resources and Communications Director
- ✎ **Related documents:**
  - Corporate Code
  - Corporate Governance Charter
  - Sustainable Development and Corporate Social Responsibility Policy
  - Personnel search and selection procedures
  - Procedure for the admission and adaptation of employees
  - The procedure for receiving and reviewing information received through the Hot Line
  - Personnel safety procedure
  - Corporate investigations procedure
  - Whistle-blower protection procedure