

# KERNEL

Diversity, equality and  
inclusion policy

(DE&I Policy)



Kyiv, December 2021

# I. General provisions (1/2)

1. At Kernel, we understand diversity among our employees as recognizing every person's uniqueness as well as their individual predispositions and competencies, regardless of any differences between employees. These differences can be based on visible and invisible, as well as inherent and acquired criteria such as:

- Gender and age
- Disability
- Sexual orientation
- Family and marital status
- Origin, nationality, race and ethnicity
- Education and expertise
- Religion, cultural features and political views

We understand equality of our employees as their entitlement without any discrimination to equal opportunities to grow professionally and fully realize their potential as members of Kernel's team. By inclusion we understand proactive encouragement and consideration in our decision-making of all opinions, expressed by employees with different backgrounds and experiences.

2. We believe that respect for diversity, equal opportunities and inclusion is one of the fundamental human rights and freedoms.

# I. General provisions (2/2)

3. We recognize diversity among our employees as one of the key factors of Kernel's success, market competitiveness and long-term value creation for our shareholders. For that reason, we actively promote the culture of diversity at all functional levels and apply this principle equally to recruitment, opportunities of advancement and remuneration.
4. Kernel applies the Diversity, equality and inclusion policy (hereinafter the "DE&I Policy") acknowledging its openness to the pluralism of experiences, cultures, education and skills of people employed at the Company.
5. The DE&I Policy is approved by the general meeting of shareholders of Kernel Holding S.A. and applied to the Board of Directors of Kernel Holding S.A. (hereinafter "the Board of Directors"), the executive directors of the Company together with the Executive Management Team of the Company's operating subsidiaries (hereinafter "the Executive Management Team"), other Group's managers and employees.
6. All employees of Kernel share the responsibility for creating and maintaining a work environment which ensure the fulfilment of the DE&I Policy provisions.
7. The DE&I Policy enters into force and becomes applicable to all employees of Kernel starting from the date of its approval by general meeting of shareholders.
8. The DE&I Policy and its goals are subject to periodic review by the Nomination and Remuneration Committee of the Board of Directors.

## II. The DE&I Policy goals

1. Ensuring equal respect and unbiased treatment towards people of all cultures, backgrounds and positions within the Group, the Board of Directors, and the Executive Management Team.
2. Guaranteeing convenient and psychologically safe working conditions, which fulfil human rights and equity among all employees, regardless of the form of employment.
3. Ensuring a minimum target level of representation of each gender within Kernel's corporate bodies (the Board of Directors and the Executive Management Team) of 30% if a minority group is represented in the pool of candidates applying for a given position, and their competences are at least equal to the competences of other candidates.
4. Enhancing equality, inclusion and diversity, promotion of the value of human dignity and zero tolerance to any form of discrimination.
5. Creating opportunities, empowering, and reducing barriers for everyone, especially minorities and underrepresented groups of people including but not limited to youth, women, people with disabilities, people of pre-retirement age and regional affiliation.
6. Raising awareness of all employees on the provisions and goals of the DE&I Policy; active involvement of the management and employees in the implementation of the DE&I Policy.
7. Aspiring to encourage and promote the integration of principles of diversity, equality and inclusion throughout Kernel's supply chain.

### III. Our actions to guarantee diversity

1. We implement the Company-wide principles of equal treatment and diversity management at the workplace, as reflected in our Code of Conduct.
2. We apply transparent and objective recruitment criteria, basing our decisions on merit and the principle of equal opportunities.
3. In our decision-making process we encourage and consider all opinions, expressed employees with different backgrounds, experiences and views.
4. We are guided by the provision of this policy in everything we do and are compliant with the national anti-discrimination legislation and international standards.
5. Decisions to appoint members of the Board of Directors and the Executive Management Team are objective and aligned with all principles of diversity and equal opportunities set out in the DE&I Policy, always bearing in mind that the primary obligation of the members of these corporate bodies is to demonstrate and execute appropriate competences, skills and experience necessary to act in the interests of the Company and its shareholders.
6. The Board of Directors is the body responsible for ensuring an appropriate balance and diversity of skills, experience and knowledge in different business areas, as well as the level of diversity in the Executive Management Team and among independent Directors. In accordance with the scope of its powers, the Board of Directors assesses the composition of the Executive Management Team in terms of the above-mentioned criteria.
7. We have designated individuals and teams responsible for implementing the DE&I Policy at every corporate level, ensuring the adoption of diversity, equality and inclusion principles in all business activities of Kernel. At the Board of Directors' level, matters related to the integration of diversity principles are overseen by the Nomination and Remuneration Committee; whereas the Chief Executive Officer is responsible for the implementation of the DE&I Policy throughout the Company.

## IV. Monitoring of the DE&I goals implementation

1. We are committed to execute a rigorous monitoring system for the D&I Policy goals:
  - employees' personal information is recorded in the internal human resources database;
  - there is a separate team within the human resources department, responsible for analyzing and monitoring diversity indicators, extracted from the database;
  - Kernel has a special hotline in place through which any employee or a third party can anonymously report violations of this policy;
2. Kernel shall undertake to disclose the information about the Board of Directors and the Executive Management Team in the context of diversity indicators, as well as information on the degree of the DE&I Policy implementation in its annual reports.
3. Violations of the provisions of the DE&I Policy shall undergo corporate investigation.

# Final provisions

1. This policy is designed to be aligned with the applicable provisions of Chapter 2 of “Best practices of GPW listed companies 2021”.
2. When developing the DE&I Policy, we have drawn on international best practices and standards, including UN Global Compact Principles (Principle 6), UN Sustainable Development Goals (Goal 4, 5 and 10), UN Entity for Gender Equality and the Empowerment of Women, and International Labour Organization Conventions (Convention 100 and 111), and Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups.
3. Every employee of the Company, including a temporary employee, is obligated to comply with the provisions of the DE&I Policy and ensure that personal interests and connections, friendly and other relationships, and personal preferences do not affect the fulfillment of the DE&I Policy.
4. When an employee observes or is in any way involved in the violations of the DE&I Policy or circumstances leading to violations of the DE&I Policy, they are obligated to:
  - inform their immediate supervisor and/or responsible Human Resources business partner
  - report violations on the e-mail [hotline@kernel.lu](mailto:hotline@kernel.lu), or contact the Compliance manager at [compliance@kernel.lu](mailto:compliance@kernel.lu);
  - actively participate in corporate investigations of violations of the DE&I Policy;