

## **OWN WORKFORCE POLICY**

### **1. Purpose**

At Kao Chemicals Europe, S.L.U. (KCE), we have defined our Own Workforce Policy based on our corporate philosophy "The Kao Way" and ESG strategy (Kirei Lifestyle Plan, KLP).

We believe that diverse personnel and the efforts of each and every employee to pursue individual achievements, by exercising their individual skills and abilities, as well as establishing programs to recognize and reward them for their contributions and achievements, fostering a positive and motivating work environment.

Our goal is to maximize the power and potential of employees, through the two pillars of our human capital strategy: providing opportunities for people to grow and providing a good work environment.

This policy constitutes a framework for managing the company's Human Capital, providing coherence to every decision made.

### **2. Scope**

The scope of this policy applies to all KCE affiliates. All employees, including directors, are requested to review and comply with it, as well as third parties with whom legal relationships are established.

### **3. Our commitments**

To effectively address the Human Capital Management, the main strategic topics regarding Our Workforce are organized following the following classification:

#### **Labor relations and working Conditions:**

- Participation processes: Implanting hotlines, compliance whistleblowing, and communication channels to provide the workforce with the possibility of expressing their opinion about the main company aspects, as well as defining targets to manage impacts, mitigate risks and take advantage of opportunities.
- Adequate wages. Offering competitive salaries and benefits packages can attract talented individuals to the organization and encourage them to stay for the long term.
- Compensation Indicators: Detecting collective gaps and establishing KPI's to define actions that ensure that all the employees have the same career opportunities.
- Having a strong knowledge of the key characteristics of the workforce, providing information to improve the rest of policies (turnover, gender diversity, temporary employees, etc)
- Maintaining a respectful and reliable dialogue with the trade unions and workforce representatives, adapting the working conditions through collective bargaining agreements.
- Giving to the self-employed people, and rest of non-employees collective, the necessary guarantees of rights respect their work, as well as maintaining their own company culture independent than ours.
- Ensuring the government's social cover in case of loss of income caused by major life events like parental leave, long term sick-leaves, retirement, unemployment, and rest of social protection financed by company taxes.
- Investigating possible Human rights incidents like different harassments or discriminations, through grievance mechanisms and investigation procedures, assuring the compliance principles and healthy culture.

#### **Human Capital Development and well being**

- Employee Engagement: Implementing initiatives to regularly engage with employees, gather feedback, and address their concerns can help in creating a supportive and engaging work environment that encourages employee retention.

## Kao Chemicals Europe, S.L.U.

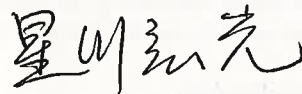
On behalf of : Kao Corporation, S.A.U. | Kao Chemicals GmbH | QuimiKao, S.A. de C.V. | Kao Chimigraf, S.L.U. | Kao Brasil Ltda.

- Developing diversity metrics about the different groups, allowing to create a positive and inclusive company culture that values diversity, promotes collaboration, and encourages diversity as an important strength in attracting and retaining top talent.
- Work-Life Balance: Implementing policies that support work-life balance, such as flexible work arrangements & remote work options that can attract and retain employees who value a healthy balance between their professional and personal lives.
- Career Development Opportunities: Providing opportunities for professional and individual growth and career advancement through training programs (including Global Training Program), mentorship, and promotion pathways to attract persons looking to develop their skills and advance in their careers.

By implementing these policies and strategies, KCE can better attract and retain top talent, ultimately leading to a more productive and successful workforce.

This policy shall be informed to all KCE affiliates and staff members, officially announced, and made available to the public.

Established on December 17<sup>th</sup> 2024



H. Hoshikawa

President & CEO, Kao Chemicals Europe