

# Employment Policy

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EXTERNAL

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## Preamble

In alignment with Clariant's Group Human Rights Policy, Clariant is committed to global workplace rights and acknowledges its social responsibility towards its employees and contractors with respect to championing a culture of mutual respect, trust and integrity. This document articulates Clariant's global labor practices and HR standards and establishes Human Resources as the gate-keeper responsible for ensuring fair treatment and high standard working conditions of employees directly hired by Clariant. Clariant's Values and Code of Ethics are governing the core of our principles on managing people.

## 1. Purpose

The purpose of this Policy is:

- to set forth a global labor and employment practice standards including social standards for all employees to ensure compliance with laws and regulations as well as fair treatment and working conditions for all employees.
- to foster a socially sustainable global workplace based on common principles, labor standards and Clariant's Values
- to enable a high performance and value-driven culture based on leadership, integrity, transparency, feedforward, appreciation, respect and trust across the Clariant organization

## 2. Scope

This Employment Policy applies to all employees includes interns, and anyone over whom Clariant could reasonably be expected to exert control on tasks.

This policy also applies to all companies of the Clariant Group, being fully financially consolidated by Clariant International AG, Switzerland. The provisions set out in this Policy are intended to supplement and not prevail mandatory local laws, regulations, good business practices and acknowledged national industry standards.

These principles, provisions and standards expressed within this Policy have to be reflected in every aspect of managing our people (i.e. to be reflected in the "how we do and what we do"). As a member of the United Nations (UN) Global Compact, Clariant upholds the international labor and social standards set forth by the International Labour Organization (ILO). We adhere to the principles outlined in the Human Rights Policy, which expressly recognizes the importance of the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. Furthermore, we explicitly acknowledge and adhere to the minimum standards outlined in the International Labour Organization (ILO) Convention 138 (Minimum Age Convention) and Convention 182 (Worst Forms of Child Labour Convention) in our engagement with employees, customers, suppliers and communities.

## 3. Implementation

Clariant is committed to enforce this Employment Policy group-wide in all countries and to use it as the foundation for the design of all local HR processes related to employment and labor practices. All local HR organizations have to ensure that the principles and obligations of this Employment Policy are properly reflected in respective HR regulations or adhered to with regard to local labor practices and are responsible for the execution.

In the light thereof, all current and future HR regulations as well as core HR processes have to reflect these principles to ensure consistent practice across Clariant. If employees become aware of a situation that they know or suspect violation of these principles, they are encouraged to speak up and bring the violation or concern to the attention of their direct line manager, as appropriate, or to get in touch with the Global HR Partner, Regional HR Heads and local HR Partner for their relevant business units, functions, country and region; serious violation may also be reported through the Integrity Line.

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This Employment Policy has to be made accessible appropriately to all employees. The provisions and key principles set out in this Policy sets global binding standards and supplement good-business practices and acknowledged national industry standards. However, local law will prevail in the case of stricter local legal requirements.

#### 4. Key principles

##### a. Fair working conditions

Clariant ensures for all employees on the Clariant payroll:

- An appropriate limit to the maximum number of working hours essential for fostering a healthy work life integration and promoting well-being. Additionally, providing adequate parental leave, family care leave and offering flexible working arrangements through a Global Remote Working Policy, wherever feasible, will further support employee health and mental well-being including satisfaction.
- We are committed to implementing a fair and equitable remuneration system that is tied to performance and other employment considerations, ensuring that wages, salaries, fringe benefits, and social security contributions align with local regulations and practices. These considerations also include the cost of living, industry standards, employee experience and qualifications, job complexity, market competitiveness, and employee retention and satisfaction.

It is imperative that all employment agencies and contractors uphold similar working conditions within their own operations and adhere to relevant regulations when representing Clariant. This is responsibility of the respective Business or Functional leader where these contractors or third party agency employees are placed.

##### b. Employee collaboration

All employees regardless of their role or function, are expected to adhere to the following guiding principles:

- Respecting and valuing each individual
- Empowering employees with the autonomy to contribute to sustainable value creation
- Providing flexibility and freedom for employees to excel
- Emphasizing collaboration and on-going learning for individual and organizational growth
- Encouraging co-operation and transparent sharing of ideas across all levels and business units/functions
- Fostering constructive dialogue, feedforward and embracing opportunities and change
- Recognizing the significance of a diverse workforce in promoting diverse perspectives and actions.

##### c. Performance and Engagement

Clariant is dedicated to fostering fair and transparent hiring and promotion procedures that uphold equal opportunities, irrespective of age, race, gender, sexual orientation, disability, or religion. We strive to provide all employees, regardless of their job level, background, or previous experience, with equal access to training and development opportunities. Regular performance feedforward, grounded in appreciation, respect, and trust, is integral to our ongoing pursuit of excellence.

Clariant is dedicated to consistently evaluating employee engagement to gain deeper insights into how employees perceive their working environment. These assessments serve as a foundation for identifying and implementing targeted activities and initiatives aimed at improving and sustaining employee engagement over time.

##### d. No Discrimination and No Harassment

All employees have a right to fair, courteous and respectful treatment.

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Clariant will not tolerate any sexual, physical or mental discrimination or harassment of its employees on the basis of race, religion, belief origin, gender, disability, age, civil status, intersex, sexual orientation or membership in a union or political party, whether in direct contact, written, electronic, verbal communication or in any other form.

Clariant is committed to taking all reasonable measures to prevent discriminatory or harassing conduct and entails this engagement with access to remedy:

In instances where Clariant or its authorized representatives are found to have caused or played a part in adverse human rights or other work-related issues, Clariant is dedicated to remediation through established processes, tools, and regulations. This may involve direct remedial action by Clariant or cooperation in remediation through legitimate channels, depending on the circumstances. This commitment includes providing operational-level grievance mechanisms. Consequently, all employees are urged to report any instances of discrimination or harassment they observe in their work environment through the appropriate channels and tools. Clariant is committed to ensuring swift and direct access for potentially affected individuals to report workplace grievances.

Clariant maintains a zero-tolerance policy towards any form of illegal, discriminatory, or harassing behavior. Employees found engaging in such conduct, as well as line managers who tolerate it, will face disciplinary sanctions, up to and including dismissal. These sanctions will be administered in accordance with locally applicable laws and regulations.

#### e. Freedom of Association and Collective Bargaining

We respect workers' right to join at their own free will or form trade unions and to be represented by those in conformity with local laws, regulations and practices. We prohibit any form of intimidation, harassment, retaliation or violence against union members, union representatives and against any employees who seek to exercise these rights. We are committed to constructive dialogue and good faith bargaining with legally recognized trade unions, works councils and similar employee representative bodies and with their freely elected representatives. Where the right to freedom of association is restricted by law, we support the development of alternative mechanisms for engagement in accordance with local laws.

#### f. No Child Labor, Forced Labor or Human Trafficking

Clariant condemns all forms of child labor and work actively against it. The company employs rigorous processes to verify ages and to ensure compliance with legal working age requirements. We hold our business partners to the highest ethical standards as outlined in the Clariant Supplier Code of Ethics, expecting them to uphold comparable principles. Any breach of these standards will lead to severe consequences for the implicated business relationship.

In the event that children below the legal working age are discovered working at a Clariant workplace, in contravention of our commitment to eradicating child labor, local HR is empowered to take immediate action to remove them from the workplace. Additionally, efforts are made to assess opportunities for the affected child and their family to access appropriate services and sustainable alternatives for livelihoods.

Employment at Clariant is a matter of choice, and the company opposes any form of forced labor, human trafficking, modern slavery, or compulsory labor. These standards are rigorously enforced not only for Clariant employees but also apply to our employee agencies and contractors through processes and audits (this is under the responsibility of the respective business and functional leader where these are placed).

#### g. Employee Grievance Management

Clariant maintains effective employee grievance mechanisms in accordance with applicable laws and regulations. Employees can address complaints directly to their line manager, Global HR Business Partner, Regional HR Head, Local HR Partner or utilize Clariant's Integrity Line. This platform is specifically designed for reporting breaches of the Code of Ethics, violations of collective or individual employee rights, and other workplace-related infringements.

#### h. Occupational Health and Safety

Safeguarding the health and well-being of employees is a paramount obligation for the company. Clariant is steadfast in its commitment to comply with all local, state, and federal regulations pertaining to occupational health and safety. Furthermore, Clariant is dedicated to devising and implementing processes and regulations aimed at preventing work-related illnesses. Continuous enhancement of health and safety standards within our working environments is prioritized, alongside supporting employee well-being through targeted programs. Employees must strictly adhere to all Clariant health and safety regulations.

In addition to prioritizing physical health and safety, Clariant recognizes the importance of addressing mental well-being in the workplace. Therefore, Clariant is committed to promoting a supportive and inclusive work environment that fosters mental wellness among its employees. This includes implementing measures to reduce work-related stressors, providing resources for mental health support and counseling, and promoting awareness and education on mental health issues. Employees are encouraged to actively engage in initiatives aimed at enhancing their mental well-being and to seek assistance when needed. Clariant acknowledges that mental health is an integral part of overall well-being and is dedicated to ensuring the mental wellness of its employees alongside their physical health and safety.