



# Kesko People Policy

Entry into force

1 January 2026

Approval date

18 December 2025

Approved by

Board of Directors of Kesko Corporation

Owner

K HR

Reviewed by

K HR

Review date

by 1 January 2028

Replacing

Kesko's human resources policy, which was approved by Kesko's Board of Directors on 17 December 2020.



## KESKO PEOPLE POLICY

### Introduction

This policy describes the objectives and guidelines of Kesko Group's ("Kesko") people policy, as well as responsibilities and organizational structure.

In addition to this policy, the K Code of Conduct principles must always be followed. Kesko also adheres to the UN Guiding Principles on Human Rights and the key ILO labor standards, which guide us in building a fair, safe, well-being-oriented, and respectful work community.

Our people policy is based on Kesko's vision, strategy, responsible operating and management principles, and the Code of Conduct. A good employee experience is achieved through the consistent and uncompromising implementation of these principles.

This policy applies to the operations of Kesko Group companies in all countries where Kesko operates. All Kesko Group personnel are required to comply with this policy.

### Policy objective

The purpose of the policy is to ensure a work community where everyone understands Kesko's direction and their own goals, feels their work is meaningful, and can develop. We believe that skilled and committed personnel are the foundation for sustainable and strong performance.

### Key principles

Our principles are a key part of implementing our strategy and define how all Kesko employees act. Our operations are guided by five principles: Customer First, Sales and Growth in Mind, Positive Can-Do Spirit, Stronger Together, and Fair Play.

**Recruitment:** We continuously develop our recruitment practices, managers' recruitment skills, and the candidate experience. Our goal is to provide a fair and positive experience for every applicant, regardless of whether they are selected or not.



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In recruitment, we are committed to equality and non-discrimination, meaning that we make decisions transparently and base them on factors that best predict success in the role, such as competence, experience, potential, and motivation. We use AI responsibly, and human judgment always plays a central role.

We actively support internal career paths and skills development. Our aim is to build diverse and long-term employment relationships where our employees can grow, develop, and find new opportunities within our organization.

**Competence:** Competence development measures are based on our strategy and business objectives. The goal is to enable personalized learning paths that provide solutions for identified development needs. Competence

development creates the foundation for individual success and well-being, while ensuring the systematic advancement of business-critical competencies.

Employees receive comprehensive onboarding for their roles and regularly complete new and recurring training relevant to their tasks. Each employee is responsible for their own competence, and managers support the learning and development of their team members.

Development discussions play an essential role in skills development. Managers hold a development discussion with their employees at least once a year. In addition, managers provide regular feedback on job performance. We systematically develop our managers' capabilities to ensure high-quality leadership and supervisory practices.

**Leadership:** The cornerstones of leadership at Kesko are strategy-driven management, enabling success, and trust and respect.

Our common performance management model plays a key role in implementing our strategy and business objectives.

Setting business-level and individual goals and monitoring them, regular discussions between managers and team members, providing feedback, planning development, and evaluating performance give direction to our employees' work. These practices ensure that everyone understands their role and that each person has the opportunity to develop and receive the necessary support to succeed in their objectives.

**Compensation:** Our fundamental principles of compensation are performance-based, competitive total rewards and the fair and equal treatment of employees, which we are committed to promoting as part of our equality and non-discrimination plan.



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Our reward practices include regular reviews of base salaries, performance and result-based incentives linked to group and business objectives, as well as common employee benefits.

The goal of compensation is to encourage strong performance and foster commitment to the company and its strategic objectives. Our reward practices are based on transparent, objective, and gender-neutral criteria. We promote gender pay equality as part of our reward practices and regularly analyze the development, fairness, and competitiveness of remuneration. If unjustified pay gaps between genders are identified, we take corrective action.

In addition, we ensure that overtime is compensated in accordance with applicable legislation and collective agreements.

**Equality and non-discrimination:** Kesko is committed to promoting equality, non-discrimination, and fairness in all its operations. We are dedicated to building an inclusive and adaptable work community where every employee is valued as an individual. Equality is advanced through an approach that engages the entire workforce and is coordinated by the Group's Equality and Non-Discrimination Committee.

A diverse workplace and an inclusive culture are shaped by the behavior, attitudes, and choices of every Kesko employee. We are committed to promoting equality through systematic actions and clear objectives.

**Safety and well-being:** We strengthen employee health, safety, and well-being through systematic, data-driven actions. Our goal is a zero-accident Kesko, and to achieve this, we continuously improve safety across all our operations.

Together with our employees, we ensure a safe, healthy, and productive work environment, as well as the opportunity for meaningful and smooth work. We promote the overall physical, mental, and social well-being of our personnel, aiming for a workday experience that supports well-being. We do not tolerate any form of harassment or bullying. As an employer, we have a duty to actively prevent and eliminate workplace harassment and discrimination.

We comply with the Working Hours Act and the Annual Holidays Act. Every employee is entitled to annual leave in accordance with the law and collective agreements. We ensure that working time records are up to date and that working hours are systematically monitored.



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We take care of employees' work ability throughout different stages of working life and provide support in various situations affecting work capacity. Key measures include solutions that support returning to work, entering working life, and continuing work when work ability declines.

## Responsibilities and organisation

**The Board of Directors** of Kesko Corporation approves this People Policy.

**The President and CEO** of Kesko has the right to make technical changes to the Policy, such as updates due to legislation.

**K HR** owns the Policy, and the **Executive Vice President, HR** is responsible for updating it.

### Business Management

Kesko's divisions, units, and companies are responsible for implementing the policy and ensuring the necessary resourcing within their operations.

### Personnel

Kesko employees must comply with the policy.