Diversity & Inclusion | Emiratization

Employee Safety & Wellbeing

OVERVIEW

We have approximately 12,000 employees across the group, with 5,530 employees working in our factories at our headquarters in Ras Al Khaimah. We strive to provide a workplace where individuals have an equal opportunity to work and contribute to the Company's growth. We offer equal employment, advancement opportunity and remuneration to all individuals without discrimination based on age, color, race, religion, gender or disability. In 2023, we successfully onboarded 319 professionals, optimizing our workforce to enhance production capacities, which resulted in 762 employees transitioning to new opportunities.

EMIRATIZATION

We continue to focus our efforts on employing national talent to align with the UAE's 2021 vision of Emiratization. Our Human Resources team works closely with the Ministry of Human Resources and Emiratization to increase the number of Emiratis in our workforce. In 2023, the percentage of Emiratis in our administrative functions was 10%.

DIVERSITY & INCLUSION

In 2023, women accounted for 29,93% of administrative employees. We have increased the headcount of females by 10 employees in 2023, despite a reduction in overall headcount of the company. We also do not tolerate a gender pay gap, and women in our company, on average, were paid 2.56 times more than men in 2023.

| Ratio of Total Remuneration – Women to Men | | | |
|--|------|------|--|
| | 2022 | 2022 | |
| Band 1 (para professionals) | 2.34 | 2.46 | |
| Band 2 (professionals) | 1.62 | 1.67 | |
| Band 3 (middle management) | 1.11 | 1.09 | |
| Average | 2.56 | 2.56 | |





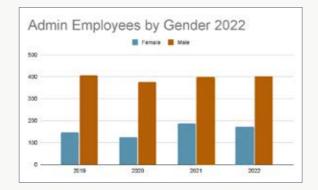
10% **Emiratisation rate in 2022**



Females in Administrative Roles

319

New hires in 2022



Initiatives for 2024

- diversity and aim to add 20 more women to our team in 2024
- Increase the number of man-hours by 10% through education
- Extend the formal career development program – ASCEND, to the remaining Sales Organization

EMPLOYEE HEALTH & SAFETY OVERVIEW

At RAK Ceramics, the safety and well-being of our employees remain paramount. We firmly believe that a secure and healthy work environment is fundamental to their happiness and productivity. Here's an overview of our Health & Safety Framework:

- 1. Health and Safety Policy: Our comprehensive policy aligns with UAE Regulations, including ISO 45001 and OSHAD Code of Practice, alongside international best practices. It extends to all employees, contractors, and visitors across our production units, office buildings, workers' accommodations, and workshops, aiming to prevent accidents, injuries, and occupational illnesses.
- 2. Health & Safety Governance: Our dedicated EHS and Facility Management team oversee the day-today management of our health and safety systems. A Safety Committee comprising representatives from various departments meets regularly to address safety concerns and propose necessary controls.
- 3. Monitoring & Audits: Our NEBOSH certified safety officers and technical team conduct daily monitoring, semi-annual internal audits, and routine inspections to identify hazards, control risks, and identify areas for improvement. All machinery moving parts are properly guarded, and regular risk assessments and plant inspections are conducted.
- 4. Safety Protection, Trainings & Awareness: We prioritize employee safety through comprehensive safety induction training for all employees, visitors, and contractors. Strategic display of safety bulletins and hazard posters enhances awareness, while provision of dust masks and earplugs mitigates health risks associated with dust, noise, and silica exposure. Regular safety trainings further enhance awareness and knowledge. This year, we increased the topics of Environmental, health and safety tool box talks.
- 5. Employee Reporting: OOur EHS team operates a 24-hour hotline for reporting unsafe conditions, accidents, or incidents. Upon receiving a report, internal investigations are promptly conducted, and appropriate control measures are implemented to prevent recurrence.

6 Managing Specific Safety Risks: Measures to mitigate specific safety risks include air quality testing, dust collector systems, and provision of personal protective equipment (PPE) such as dust masks for respiratory protection against dust and chemical exposure. Installation of silencers and provision of earplugs address high noise levels to prevent hearing problems.

Our ongoing efforts have yielded positive results. Major work-related injuries remained the same as in 2022 at 12, while recorded minor work-related injuries increased to 208 in 2023 from 167 in 2022. This increase is due to enhanced monitoring and reporting, and the inclusion of the group of companies incident report. Our audits have identified and resolved 208 EHS hazards in 2023.

Through these initiatives and continuous improvement, we remain committed to fostering a safe and healthy workplace for all our employees.

| Audits conducted | Total Findings | |
|------------------|----------------|--|
| General | 2,844 | |
| Electrical | 1,139 | |
| Mechanical | 533 | |
| Environmental | 81 | |

EHS Hazards identified & resolved in 2023

Initiatives for 2024

Continue to make efforts towards our Health & Safety framework, by identifying & resolving hazards, and eliminating work related injuries.

Employee Safety & Wellbeing

Employee Training

EMPLOYEE WELLBEING OVERVIEW

At RAK Ceramics, we understand that our employees are our greatest assets. We are dedicated to ensuring their safety and well-being by providing comprehensive medical insurance to all staff and implementing various healthcare initiatives year-round. By prioritizing the welfare of our team, we cultivate a positive working environment where employees can thrive. This commitment not only benefits our workforce but also aligns with our ambition to lead globally in providing ceramic lifestyle solutions.

| Employee Benefits | Description | |
|-------------------------------------|---|--|
| Life Insurance | All employees are covered under the Company's group life insurance policy, which covers disabilities due to work accidents or a work-related demise. | |
| Medical Insurance | All employees are provided with medical insurance covering all work-related and non work-related ill health or injuries and free health check-ups. | |
| Workman Compensation Insurance | All employees are covered under the Company's Group Workman Compensation Insurance, which covers loss of salary due to a work-related accident/injury. | |
| Annual Health Screening | We partner with RAK Medical Center to provide annual health screening and eye examinations for those employees who work in hazardous conditions inside the factories. Any individuals who are identified as "high risk" are provided with one-on-one counselling and briefed on how to improve their health and lifestyle. | |
| Monthly Wellness Campaigns | We organize monthly awareness campaigns on a variety of topics including how to avoid heatstroke, and the common signs of Hepatitis A and C. | |
| Employee Welfare Fund | A welfare fund has been established by the company to help and support employees in serious need of monetary help due to accidents, medical emergencies for self and/ or immediate family members and other approved expenses to the extent not covered by insurance or any other source. The welfar fund is managed by a committee formed for this purpose and is the authority for sanctioning of financial help for those in need. The management of the welfare fund is governed by the Employee Welfare Fund Policy. | |
| Transportation and Accommodation | Employees are provided with accommodation in accordance with the Accommodation Policy. If no accommodation is provided, employees are provided with an accommodation allowance determined by their respective pay grades. Free transportation or allowance is provided to employees as applicable basis their grade. | |
| Other Leave | All female employees are eligible for 90 days of maternity leave in accordance with UAE Laws (45 days paid and 45 days unpaid). We also provide special leave for Haji/Umrah and on a case-by-case basis. | |
| End of Service Benefits | Employees are provided end of service compensation in accordance with UAE Laws. | |
| Travel Allowance | All employees are granted leave travel allowance, graded according to their Company designation, paid at prevalent market rates. | |
| Counselling for employees | Counselling of employees as per requirement. | |
| Sports Activities | We provide recreational facilities including a gym, basketball, volleyball, badminton courts and a football field and organize regular sports tournaments. | |

OVERVIEW

At RAK Ceramics, we are committed to nurturing a culture of continuous learning and development to empower our employees. In 2023, every member of our workforce underwent regular performance reviews, ensuring alignment with organizational goals and personal growth objectives. Our dedication to training extends across administrative and factory roles, with a comprehensive range of programs designed to enhance skills and foster professional advancement.

RECRUITMENT POLICY - GRADUATE ENGINEER TRAINEES (GETS) AND MANAGEMENT **TRAINEES (MTs)**

In 2023, we implemented a Recruitment Policy for Graduate Engineer Trainees (GETs) and Management Trainees (MTs) to diversify our workforce and bring fresh perspectives. This initiative aims to attract talented graduates from esteemed universities worldwide and provide them with comprehensive career path spanning 3 to 4 years. By investing in their development, we ensure a continuous pipeline of future leaders who embody our values of excellence and innovation. This commitment reflects our belief in individual potential and our dedication to fostering a culture of growth and learning.

PROFESSIONAL TRAININGS FOR CAREER ADVANCEMENT

In 2023, our commitment to employee training reached new heights as we invested significantly in initiatives across our manufacturing plants, fostering a culture of excellence and innovation. Comprehensive programs aimed at enhancing both technical and behavioral competencies equipped our workforce with the skills necessary to thrive in a dynamic environment. With a focus on technical competencies, including Lean manufacturing principles, Six Sigma, and Total Productive Maintenance, coupled with programs targeting soft skills such as Sales & Service Excellence. We also developed a skill development academy to develop casters in-house. A total of 1,000 unique participants were trained under the Casters Development Program resulting in a total of 80,000 man-hours of training. Our training efforts totaled to 120,822 man-hours, reaching 4,021 unique participants. These initiatives underscore our unwavering dedication to continuous learning and employee development, key drivers of sustainable growth and longterm success

ASCEND: DRIVING SUSTAINABLE PROGRESS

The ASCEND program at RAK Ceramics embodies our dedication to empowering employee growth and driving sustainable progress. Introduced to support career

advancement in our Retail division, ASCEND offers clear pathways for employees, encouraging professional development through two distinct career paths: Managerial and Specialist. By investing in employee growth, ASCEND fosters a culture of continuous learning and inclusivity, promoting equal access to opportunities and strengthening organizational resilience. As a cornerstone of our commitment to sustainable business practices, ASCEND enhances employee engagement, retention, and productivity, contributing to a more dynamic and agile workforce. This program will be scaled to all divisions in 2024.

ENVIRONMENT, HEALTH & SAFETY TRAININGS

In 2023, we maintained a strong focus on ensuring the safety and well-being of our workforce through comprehensive training sessions covering environmental, health, and safety protocols. With 78 topics covered in our training sessions, we provided essential knowledge and skills to navigate potential risks effectively, encompassing areas such as hazard identification, emergency procedures, and general maintenance, reinforcing our commitment to upholding the highest standards of workplace safety.









Topics covered in EHS training sessions



Unique employees trained in 2023

120,822 **Training hours**

achieved in 2023

Initiatives for 2024

Expand ASCEND - Progress with Purpose to al divisions in the company.