



# Statement of equality and non-discrimination

Scatec ASA 2023



# 1. Statement of equality and non-discrimination

This report outlines the status of Diversity, Equity, Inclusion and Belonging (DEIB<sup>1</sup>) within Scatec and sets out the Company's global efforts to ensure equal opportunities for all employees and proactively prevent discrimination.

The Company's definition of equality is far reaching and all-encompassing based on, but not limited to, gender, gender identity or expression, religion, belief, ethnicity, disability, pregnancy, leave related to childbirth or adoption, care responsibilities, sexual orientation, or any combination of these factors. The Company is committed to preventing all forms of harassment, discrimination and violence grounded in biases directed towards any of the above factors.

## 1.1 Distribution of women and men: representation at different levels

In the pursuit of fostering an inclusive and equitable work environment, the Company has continually prioritised efforts to enhance gender diversity across all organisational levels. While aspirations for 2023 aimed to achieve specific benchmarks in female representation and turnover rates, external factors and strategic considerations have influenced the Company's trajectory.

Amidst challenges posed by external market dynamics and a focused operational strategy, organisational growth experienced a slower pace than initially projected. As a result, the Company initiated a cost savings programme mid-year and adjusted its organisation, also limiting the opportunity to bring in a larger proportion of new female employees into the Company. Despite these hurdles, the Company's commitment to gender equality perseveres, as evidenced by notable advancements in female representation across various levels globally.



<sup>1</sup>In the Scatec DEIB work, reference is made to E for equity. Equity is about ensuring everyone, regardless of different circumstances, has access to the same opportunities to enable an equal outcome. Within this document, E refers to equality, to align with the Norwegian Equality and Anti-Discrimination Act.

## Highlights Scatec Global 2023

The percentage of women in management levels (1-4) experienced a slight uptick, rising from 28% in 2022 to 29% in 2023.

## Highlights Scatec ASA (Norway) 2023

Scatec ASA attained a 36% representation of women in management levels (1-4), marking an increase from 33% in 2022, and improved the overall gender balance (all levels) achieving a 44% representation of women, as opposed to 41% in 2022.

Four employees were promoted from level 5 into management level 4, with a 50% (2) representation of women. Additionally, fourteen promotions were made within levels 1, 2, and 3 (senior management), with women comprising 57% of these advancements.

Proportion of women and development in Scatec ASA 2023		Men	Women	Total	Women as a % of total	Change in female representation since 2022	
Level 1 <sup>2</sup>	EVP	7	3	10	27%	↑	7% increase
Level 2	VP, SVP	14	11	25	44%	↑	46% increase
Level 3	Senior Manager, VP	23	9	32	28%	↓	22% decrease
Level 4	Manager, Senior Manager	18	11	29	37%	↓	7,5% decrease
Level 5 <sup>3</sup>	Supervisor/Professional/Technical/Support	8	17	25	68%	↑	8% increase
Proportion of women on the Board of Directors		4	3	7	43%	→	0% increase

Table 1: Gender statistics per level in Scatec ASA and movement since previous year

Gender balance (no. as of 31.12.2023)		Temporary employees (no. as of 31.12.2023)		Parental leave (average number of weeks per employee)		Actual part time (no. as of 31.12.2023)		Involuntarily part time (no. as of 31.12.2023)	
Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
51	66	1	1	17	16	0	0	0	0
44%	56%								

Table 2: Gender balance in Scatec ASA in numbers and percentage

<sup>2</sup>Level 1 = In this table it includes the Executive Management team, including: 7 EVPs in ASA and 3 regional EVPs outside Norway.  
<sup>3</sup>Ref. Scatec has eight global position levels, 1-4 are management levels whereas Level 5 in this report is combining the four lower levels.

## 1.2. Gender and pay differentials - Scatec ASA

### Fixed base salary

All full and part-time employees at Scatec ASA have a fixed component of pay identified as their 'base salary', expressed as an annual amount. Base salary is the fixed pay element in the overall total remuneration package. Scatec ASA has market driven base salary ranges applicable for each position level in the Company. These ranges are set using global benchmarking data from Mercer<sup>4</sup> and other reputable providers. The salary range consist of a minimum, midpoint, and maximum base salary level. This is to ensure employees are provided the opportunity for salary progression as they learn, develop, and perform in their position.

The factors that influence an employee's placement within the salary range are:

- Their skills, competence, experience, and contribution
- Performance in role
- Role criticality
- Internal relativities for their position to ensure pay levels are equitable.

Scatec ASA's gender pay gap analysis shows that females in level 1 earned 18% less than men on the same level in 2023. All salaries of employees within level 1 are within the salary range for their position level (considered "competitive range"). Salaries for Executive Management were reviewed in January 2023 by an independent consultant based on relevant market benchmarks for Executive salaries for comparable business in Norway and respective markets. Salaries are set based on relevant benchmarks but also an evaluation of employee performance and contributions to Company goals, capabilities, and background. The current delta can be explained by the positioning of each of the roles (complexity of the role and the corresponding salary benchmark) as well as the experience levels of newly appointed Executives, and the external appointment of a male CFO with a broad and diverse background from one of Norway's largest international companies.

Level 2 represented the largest pay gap in 2022 but has now decreased to an aggregate average of women earning 10% less than men, compared to 16% in 2022. Scatec ASA promoted four women into level 2 in 2023 demonstrating commitment to building a funnel of talent through the organisation.

Level 3 has a pay gap of 10%, versus 8% in previous year. This is largely explained by employees starting at the lower end of the salary range following promotion into a new and larger role. Three women were promoted into level 3 in 2023.

For level 4, the pay gap in 2023 has had a slight increase from 4% to 5%, and for level 5 the pay gap is stable at 4% compared to 2022.

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<sup>4</sup>A global HR consulting group with a market leading business in remuneration surveys: [www.mercer.com](http://www.mercer.com)

		Average difference in base salary between men and woman	
		2022	2023
Level 1	EVP	12%	18%
Level 2	VP, SVP	16%	10%
Level 3	Senior Manager, VP	8%	10%
Level 4	Manager, Senior Manager	4%	5%
Level 5	Supervisor/Professional/Technical/Support	4%	4%

Table 3: Gender pay gap Scatec ASA

### 1.3. Variable pay:

All permanent employees in Scatec ASA are eligible for an annual bonus. The Company has a global bonus scheme with maximum bonus potential, expressed as a percentage of annual base salary, connected to the level of the role and consistent across the organisation and all geographies. Table 4 below shows paid bonus percentage as a percentage of base salary per level<sup>5</sup>.

The global bonus process works hand in hand with the Company's integrated performance review and development process. Individual performance- and development objectives are established in alignment with the department goals and define the individual's role in contributing to Scatec's ambitions and strategies. As part of the "Annual Review", managers conclude the individual's performance assessment based on the achievement of individual objectives and Company values and prescribe an 'achieved bonus percentage' for the earnings year. The manager evaluation is calibrated at different levels and across the organisation, to remove any unconscious bias that might exist.

		Bonus paid in 2022 as a % of base salary <sup>6</sup>		Bonus paid in 2023 as a % of base salary <sup>7</sup>	
		Women	Men	Women	Men
Level 2	VP, SVP	14%	16%	18%	18%
Level 3	Senior Manager, VP	13%	11%	14%	15%
Level 4	Manager, Senior Manager	9%	7%	13%	13%
Level 5	Supervisor/Professional/Technical/Support	8%	8%	10%	10%

Table 4: Bonus paid 2022 and 2023 based on gender split for Scatec ASA. Level 1 see Executive Remuneration Report.

### Benefits:

All permanent employees in Scatec ASA are eligible for the same pension, insurance, and benefits scheme regardless of position level or job. The Company provides supplementary personnel insurances including life, occupational and non-occupational disease and disability insurance, travel, health, and pension insurance. All premiums are paid by Scatec ASA. The Company has a defined contribution pension scheme, where Scatec ASA contributes 7% of salary up to 12 G and 13% of salary between 7.1 G and 12 G. The Company performs an annual assessment of the competitiveness of the insurance schemes.

<sup>5</sup>Bonus potential % range from 12% to 50% depending on position level.

<sup>6</sup>Bonus paid in 2022 is earned in 2021. For accrued amounts for executive management, see Scatec remuneration report 2022.

<sup>7</sup>Bonus paid in 2023 is earned in 2022. For accrued amounts for executive management, see Scatec remuneration report 2023.

## 2. How the Company works to ensure equality and non-discrimination

### 2.1. Guiding principles, policies, procedures and standards for diversity and inclusion

The Company's stance on equality and discrimination is referenced in the Scatec Code of Conduct where it outlines the following standards:

- We oppose any form of discrimination or favouritism due to race, ethnicity, nationality, gender, age, sexual identity, disability, national origin, religious conviction, or cultural belief.
- We do not engage in nepotism when hiring or promoting our employees.
- We show respect for co-workers and treat them as we would like to be treated.
- We actively listen to contrasting points of view and respect cultural differences.
- We prohibit any form of hate speech, racial slurs, harassment, or intimidation, including sexual harassment, or threats of violence for any reason.
- We ensure that our suppliers, customers, and business partners understand what it means to strive for a workplace with equal opportunities.
- We confront incidents of harassment or inappropriate behaviour and proactively protect our work environment.

The Company further addresses and delineates its commitment to equality and non-discrimination through three policies available to all Scatec employees, covering various aspects of diversity:

 [Global HR Policy](#)

 [Diversity, Equity, Inclusion and Belonging \(DEIB\) Policy](#)

 [Human Rights Policy](#)

The policies are supplemented by standards, processes and guidelines made available to all employees or specifically captured within Scatec's operating system. Examples include:

- Salary and bonus review procedures.
- Global recruitment guidelines, tools, and training, including bias-training.
- The whistleblowing channel: employees have a duty to report improper behaviour or irregular conditions which will be followed up by the Compliance function with necessary investigations and measures.
- Human Rights Policy (part of mandatory onboarding training).
- Flexible working guidelines: support work-life balance where employees have the flexibility to work from home.

These policies, procedures and guidelines have been developed taking into consideration feedback from employees via regular engagement surveys and contributions from employee representatives within the Working Environment Committee<sup>8</sup> (WEC). Policies are approved by Executive Management.

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<sup>8</sup>Initiated in 2017, currently with 2 employee representatives and 2 management representatives.

## 2.2. Diversity as a key business driver

In 2023, Scatec boasted a diverse global permanent workforce comprising employees from 49 nationalities, spread across 22 country workplaces. Within Scatec ASA alone, 22 of nationalities were represented. The age spectrum of the workforce ranged from 21 to 70 years globally, with an average age of 38. This reflects the Company's commitment to fostering inclusivity and diversity across its international operations.

Building a culture that nurtures diversity in all aspects is key to delivering Company goals and maintaining a flexible and agile working environment. Scatec embraces holistic DEIB in practices, policies and procedures and development programmes and initiatives.

Scatec has sought to incorporate its diversity and inclusion work into many of its activities, including:

- Instigating a Companywide DEIB Ambassador programme, counting 50 employees from all four regions, delivering over 20 actions locally on diversity and inclusion to empower change and energise progress locally.
- Raised expectations to suppliers with clear diversity and equality requirements.
- Establishing a DEIB Advisory board, including two of the Executive Management, to support and sponsor global initiatives and ensuring DEIB matters are brought to Executive Management.
- Implemented a DEIB calendar, which outlines global monthly diversity initiatives.



### 2.3. How the Company works to identify risks of discrimination, barriers to equality and Scatec's efforts in addressing them.

The Company's Executive Management is committed to ensuring adherence to the Company's policies and procedures.

The Company has established regular meetings with the WEC and together frequently discuss and address issues related to the work environment, including equality and diversity, flexible working and so on.

In 2023, Scatec participated in the SHE Index and achieved an index score of 85, +23 points up from 2022. The index disclosed that Scatec is doing better than average when it comes to gender balance in i) Board of Directors ii) Direct reports to Executive Management iii) DEIB Policy. It further suggested to work on i) programs to attract both genders ii) gender balance in Executive Management iii) D&I training for all.

Scatec conducts a global engagement survey three times annually, focusing on various aspects of the work environment. The survey serves as an important tool for identifying potential discrimination risks. It includes specific questions about diversity and discrimination, enabling the Company to pinpoint areas where employees may have perceived any form of discrimination and tailor initiatives accordingly. The overall survey result for 2023 was 79%, representing a slight decrease from 80% recorded in 2022. The decline in score is predominantly associated with the work atmosphere following the cost-reduction programme.

The Company, through its compliance function, carefully monitors any whistleblowing related to discrimination and together with HR, address any such issues according to the Whistleblowing policy.

The following four main levers and actions were identified to improve the Company's gender diversity and non-discrimination:

- Recruitment
- Culture
- Leadership
- Work-life balance



## Recruitment

In 2023, Scatec transformed its gender taskforce into a DEIB Advisory Board. The primary goal was to enhance awareness and support for hiring managers by establishing clear targets, allocating sufficient time for finding female candidates, implementing mandatory bias training for hiring managers, and regularly tracking statistics for more frequent reporting. These initiatives have yielded positive outcomes, evident in the hiring managers' improved understanding and behaviours regarding gender diversity. Notably, in 2023, Scatec introduced the "Application Tracking System," integrating artificial intelligence to mitigate unconscious bias during candidate screening and role matching. This system ensures impartial evaluation without consideration of names, gender, or ethnicity.

The Company's recruitment endeavours have seen notable success, exemplified by the attainment of 30% female representation in Operations & Maintenance at the plant in Brazil. Additionally, the Company has successfully conducted the Graduate Programme in South Africa for the third time, with 90% of participants coming from previously disadvantaged designated groups across all provinces.

## Culture

Scatec proactively works to ensure an inclusive culture where all employees can bring their whole self to work, feel valued and heard. In 2023, the Company conducted training sessions for managers and teams, focusing on psychological safety to enhance workplace well-being and inclusion. Additionally, culture awareness training was extended to teams and key stakeholders.

## Leadership

In 2023 the Company rolled out various leadership development initiatives. This included Leadership Team development sessions, Masterclasses tailored for line managers and personalised 1-1 coaching for selected leaders. Throughout all these leadership development initiatives, the Company placed a strong emphasis on achieving gender balance participation. The programmes are specifically designed to foster psychological safety, thereby reinforcing an inclusive and supporting organisational culture.

## Work-life balance and flexibility

Scatec's engagement survey evaluates work life balance, and the key findings can be found in the People chapter of the ESG Performance Report 2023. Both leaders and employees are continuously encouraged to contemplate these results, prompting initiatives to enhance the working environment. Special attention was given to highlighting the opportunity for flexible working providing employees with the flexibility to work from home several days each week.

## 2.4. Scatec's goals and continued focus on equality and non-discrimination for 2024.

Scatec remains dedicated to ensuring equality, enhancing diversity, and preventing discrimination throughout the organisation. Special emphasis will persist in improving gender balance. The following two global goals have been established for 2024.

- Increase female share at management levels to 31%.
- Employee engagement score above 80%.

The following activities are some of the identified priorities for 2024, some of which will be continued from 2023.

### Recruitment

- Proactively work to broaden the candidate base to entice an even more diverse applicant pool.
- Deploy people analytics to ensure data-driven decision making to improve gender balance on all levels/functions/country.
- Promote recruitment of qualified individuals with disabilities or special needs requirements.
- Continue bias-training for hiring managers.
- Showcase internal opportunities for growth and career advancement to female talent.

### Culture

- Provide culture awareness training in multiple platforms including online tool to teams and key stakeholders.
- Continue the DEIB Ambassador programme to strengthen local engagement.
- Continue building an inclusive workforce, including rolling out psychological safety training.

### Leadership

- Ensure gender balance in leadership, coaching and mentoring programmes.
- Improve diversity in leadership teams through systematic succession planning.

### Compensation

- Assess and monitor gender pay differences across markets.
- Review parental leave policies where applicable.

### Work-life balance and flexibility

- Promote and evolve a culture of flexible working.

## Concluding remarks

While the Company is proud of the progress made in 2023 to reinforce its commitment to equality and non-discrimination, there is an acknowledgement that not all KPIs were met during the year. Nevertheless, the Company remains steadfast in its dedication to being agents of change within DEIB, especially in regions where achieving gender diversity and equality poses a more substantial challenge compared to Norway.

As the Company moves forward, Scatec remains unwavering in the dedication to fostering an environment where every individual feels valued, respected, and empowered to thrive. Together, the Company will continue the journey towards creating a more inclusive and equitable workplace for all.



Design, layout and photos: Scatec