

The Scatec logo is positioned in the upper left corner of the page. It features a stylized sun icon above the word "Scatec" in a bold, white, sans-serif font. The logo is set against a large, semi-circular graphic that transitions from a light pink at the top to a dark purple at the bottom, which overlaps the top-left corner of the main image.

Scatec



# Statement on equality and non-discrimination

Scatec ASA 2022

Improving our future

# 1. Statement on equality and non-discrimination

This report outlines the Diversity, Equity, Inclusion and Belonging (DEIB<sup>1</sup>) status of Scatec and how the company is working to ensure equal opportunities for all employees and prevent discrimination globally.

Scatec'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 in connection with childbirth or adoption, care responsibilities, sexual orientation, or combinations of these grounds globally, and shall seek to prevent all harassment, discrimination and violence based on gender.

This report begins with the company's guiding principles and policies for diversity and inclusion. These cover all employees working for Scatec and all types of diversity. Scatec invests in these policies because diversity is a business imperative – as a highly international and multicultural organisation, it is important that the company is clear on its DEIB policies and that it creates an environment where all its people can flourish. This report then does a deep dive into gender equality which Scatec has prioritised at a company level since 2021 and taken specific actions to improve our situation. It covers both at Scatec ASA (our Norwegian entity) and at the global perspective. Scatec subsequently presents the company's status on gender equality and gender pay gap analysis<sup>2</sup> for Scatec ASA. This analysis uses the same position level categories<sup>3</sup> as the 2021 report, allowing us to compare directly. Finally, this report highlights Scatec's goals for 2023 to further improve equality and non-discrimination whilst providing an overview of risks and challenges that the company needs to overcome to achieve our 2023 targets.

## Scatec ASA (Norway) – reflection on gender diversity in 2022

In 2022, Scatec ASA has had the same goal as our global goal: to increase female representation on management level from 27% to 32% through both internal promotions and hiring. The company is proud that gender balance has improved on all top three levels of management in Scatec ASA, primarily through promotions. Scatec ASA had 25 new hires of managers in 2022 where 40% were female (10 of 25) and promoted 8 into management level where 38% of those were female. As a result, Scatec ASA achieved 33% female representation in management positions, level 1-4, in 2022.

## Scatec Global – reflection on gender diversity in 2022

The global CEO level goal to increase female representation on management level through both internal promotions and hiring has been a challenge globally but resulted in positive development. By year end, 29% of managers globally were female which is a two percentage points increase from 2021, while 30% of total workforce was female, up one percentage point from 2021. Although targets were not met globally, Scatec had significant attention to both recruitment and promotion of females which should also set the company up for further progress in 2023. Scatec also established a gender taskforce and DEIB training programme that is driving forward necessary changes and improvements within the company. It demonstrates that Scatec is committed to deliver on this ambition and during 2023 the company will continue to pursue these targets with more diverse and regionalised actions as highlighted in the goals section of the report.

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

<sup>2</sup>In accordance with requirements as of 1 January 2020 as part of Norwegian Equality and Anti-Discrimination Act.

<sup>3</sup>Scatec has eight global position levels; level 1-4 are management levels. For level 1, EVP, also see Remuneration report.

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

Scatec's global work with equality and non-discrimination is described in two policies

- a) our [Global HR policy](#)
- b) our [Diversity, Equity, Inclusion and Belonging \(DEIB\) policy](#)

Both policies include guidelines to secure equality and prevent all discrimination, harassment and violence and gives guidance for action and initiatives to meet these challenges. Both were updated in Q4 2022 with more specific additions around Learning & Development, Work life balance and Flexible work principles.

The policies are supplemented by standards and processes captured within Scatec's operating system:

- Salary and bonus review process using global benchmarking data from Mercer and calibration to prevent bias in this area
- Global recruitment guidelines and tools support unbiased recruitment practices by providing consistent and transparent standards and processes. This has been updated with bias-training in Q4
- Code of Conduct where all employees have a duty to report improper behaviour or irregular conditions. This is supported through a whistleblower channel and was updated in Q4

All relevant policies, procedures and guidelines have been developed with consideration to feedback from employees via regular engagement surveys and employee representatives in the working environment committee<sup>4</sup>. Policies are ultimately approved by Executive Management.

### Diversity as a key business driver

In 2022, Scatec had 50 nationalities represented in its global permanent workforce, spread across 29 country workplaces. 27 of these nationalities were represented in Scatec ASA. The age of the workforce spans from 27 to 69 years globally, with an average of 38. Building a culture that nurtures diversity in all aspects is key to delivering our goals and maintaining a flexible and agile working environment. Scatec embraces holistic DEIB in our practices, policies and procedures and development programmes and initiatives.

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

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<sup>4</sup>Initiated in 2017, currently with 2 employee representative and 2 management representatives

- Running an extensive Employer Value Proposition (EVP) survey to ensure that the company can attract and retain the best diverse talent
- Instigating a companywide DEIB training programme, focused on gender and other forms of diversity, and rolling out e-learning to all employees and live virtual training to 122 managers including Executive Management
- Including bias training into recruitment processes for all hiring managers
- Running Graduate Programme in South Africa for the third time with 90% participants from previously disadvantaged designated groups across all provinces throughout South Africa. Scatec's South African entity placed 52% of new hires as non-white, of which more than half were females
- Establishing a gender taskforce and making gender equality a key theme within the leadership conference in April 2022 as well as in other channels throughout the year

### 3. Deep dive: Status on gender equality

In 2021 Scatec developed a specific Diversity and Inclusion policy, utilised the platform 'Equality check' and ran a well-being survey showing strong positive scores on physical and psychological well-being. As stated above, diversity in cultures and age was good, however it was agreed that gender balance could improve significantly.

#### Scatec Global in 2022

Based on these foundations, Scatec decided to continue work on gender diversity in 2022 and specifically to increase female senior leadership. At a company level, it was decided to focus on increasing female representation on management level from 27% to 32% through internal promotions and hiring. This was seen as an objective way of measuring the outcome we wanted to achieve, and that it would require the organisation to focus on recruitment, retention and development of our female talents which should further strengthen our commitment to gender equality. Scatec ended the year globally at 29% representation of women in management level. Nevertheless, whilst Scatec did not meet the stated target, 37% of total new manager hires were female and 43% of promotions into managerial positions were female. Scatec has established a gender taskforce and DEIB training programme that is driving forward necessary changes and improvements within the company.

#### Scatec ASA (Norway) in 2022

Throughout the year conscious efforts have been made to improve diversity and gender balance whenever recruiting, replacing or re-organising within our Norwegian organisation. Overall, from level 1-5 we've maintained the gender balance with 41% women and 59% men in 2021 and 2022.

- Satisfactory internal promotion of women: 12 promotions into level 1, 2 and 3 (senior management) of which 67% were women.
- Moderate external female hires: 10 new recruits into these same levels, of which 20% were women.
- Ongoing work to be done on the funnel into management levels: While overall gender balance at levels 4 and 5 are higher, there has been a dip in level 4 partly as several women were promoted from this level and partly due to retention issues. Scatec needs to continue developing females on this level as it provides part of the funnel for internal promotions and needs to be nurtured.

Proportion of women and development since 2021		Men	Women	Total	Women as a % of total	Change in female representation since 2021
Level 1 <sup>5</sup>	EVP	9	3	12	25%	12% increase
Level 2	VP, SVP	19	8	27	30%	8% increase
Level 3	Senior Manager, VP	29	13	42	36%	5% increase
Level 4	Manager, Senior Manager	25	17	42	40%	10% decrease
Level 5 <sup>6</sup>	Supervisor/Professional/Technical/Support	17	29	46	63%	3% increase
Proportion of women on the Board of Directors		4	3	7	43%	3% increase

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

Gender balance (no. as of 31.12.2022)		Temporary employees (no. as of 31.12.2022)		Parental leave (average number of weeks per employee)		Actual part time (no. as of 31.12.2022)		Involuntarily part time (no. as of 31.12.2022)	
Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
70	99	1	0	18	5	0	1	0	0
41%	59%								

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

<sup>5</sup>Level 1 = 10 EVPs in ASA + 2 regional EVPs.

<sup>6</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.

## Actions taken within 2022

In 2022 as in 2021, we identified four main levers to improve our gender diversity and implemented a series of actions under them:

- Recruitment
- Culture
- Leadership
- Work-life balance

### Recruitment

Scatec established a gender taskforce led by our CFO which aimed to increase awareness and support hiring managers with clear target setting; setting aside sufficient time to find female candidates; use of gender-neutral wording in job ads; and tracking of statistics for more frequent reporting. Key results of these efforts can be seen in statistics above. Scatec implemented a new Application Tracking System in November where artificial intelligence helps to mitigate unconscious bias during candidate screening; role match is given without considering name, gender, ethnicity.

### Culture

In 2022 Scatec had a goal to improve our DEIB culture and implement mandatory DEIB training for leaders. All managers on the top three levels plus key managers on level 4, 122 in total, have received this training in collaboration with an external international training provider and the company wide DEIB programme will continue in 2023. In addition, several cross-culture training sessions have been provided to teams.

### Leadership

In 2022 Scatec worked on improving the company's leadership development framework to fit our new strategy but have not yet concluded this work. Despite this, gender balance has been a strong focus in succession planning activities and the company has ensured that leadership coaching candidates are balanced in terms of male and female participants.

### Work-life balance and flexibility

To monitor engagement and wellbeing of employees, Scatec has in 2022 carried out three engagement pulse surveys that amongst other assesses work-life balance and discrimination. The key findings from the survey can be seen in our People chapter in our ESG Performance Report 2022. Leaders and employees were encouraged to reflect on the findings and ensure initiatives are taken to improve the working environment.



## 4. Scatec ASA: Gender and Pay 2022

### Fixed base salary

All full and part-time employees at Scatec ASA have a fixed component of pay that is identified as their 'base salary'. This remuneration component is expressed as an annual amount<sup>7</sup>. 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 up using global benchmarking data from Mercer<sup>8</sup>. The salary range consist of a minimum, midpoint, and maximum base salary levels. 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 individual's placement within the salary range are:

- Their skills, competence, experience, and contribution
- Type of job role the individual is doing (roles within the business lines such as Project Development, Engineering, Project Managers typically have higher market rates compared to support functions)
- Individual performance
- Internal relativities for their position to ensure pay levels are in a fair and appropriate manner

Scatec ASA's gender pay gap analysis shows that female managers in level 1 earn 12% less than men on the same level in 2022. All EVP salaries were reviewed in November 2022 by an independent consultant based on roles, experience, comparable to other listed Norwegian entities. The current delta can be primarily explained by lower levels of experience in the new female EVPs reflecting in their salary level. Level 2, represents the largest pay gap with an aggregate average of women earning 16% less than men, compared to 12% in 2021. Within this level there is a relatively large variation of seniority resulting in big variations in base salary and a relatively high number of the women at this level are in non-externally facing roles (support functions) which historically have been paid at lower levels.

Lastly, Scatec ASA promoted 2 females into Level 2 in 2022 demonstrating commitment to building a funnel of talent through the organisation. The divergence will nevertheless be explored during the salary process in 2023. Level 3 has a gap of 8%, versus 4% in previous year. This is largely explained through many starting at the lower end of the range which reflects where they are in their career progression. We promoted 4 and recruited 3 women into Level 3. For Level 4 the pay gap in 2022 has been slightly reduced, and for Level 5 the pay gap is stable on 4% compared to 2021.

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<sup>7</sup>Some temporary employees, such as interns, have their base salary expressed as monthly or annual. For the purposes of this reports, interns are not included.

<sup>8</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	
		2021	2022
Level 1	EVP	N/A <sup>9</sup>	12%
Level 2	VP, SVP	12%	↑ 16%
Level 3	Senior Manager, VP	4%	↑ 8%
Level 4	Manager, Senior Manager	4%	↓ 3%
Level 5	Supervisor/ Professional/ Technical/ Support	4%	→ 4%

Table 3: Gender pay gap.

### Variable pay

There is no discriminatory practice within our variable pay. All permanent employees in Scatec ASA are eligible for an annual bonus. The company has a global bonus scheme with consistent maximum bonus levels that are applicable for each position level. Table 4 below shows paid<sup>10</sup> bonus percentage comparative to the max (100%) per position level category and level.

The global bonus process works hand in hand with Scatec's integrated performance review and development process. Individual performance and development objectives/KPIs 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 KPI's and prescribes an 'achieved bonus percentage' for the earning year. The evaluation assesses performance of both the individual performance indicators and behavioural according to Company values. The manager evaluation is calibrated both at the country and department level, to remove any unconscious bias that might exist.

For any bonus payments to be made, a minimum level of Company operational and financial performance must be achieved during the earning year. The Company operational and financial performance is assessed following the Year End results. An evaluation is conducted at a group level on whether the Company group KPIs were achieved.

		Bonus paid in 2021 as a % of base salary <sup>11</sup>		Bonus paid in 2022 as a % of base salary <sup>12</sup>	
		Women	Men	Women	Men
Level 2	VP, SVP	24%	22%	14%	16%
Level 3	Senior Manager, VP	20%	19%	13%	11%
Level 4	Manager, Senior Manager	15%	15%	9%	7%
Level 5	Supervisor/Professional/Technical/Support	9%	10%	8%	8%

Table 4: Bonus paid 2021 and 2022 based on gender split. Level 1, see Remuneration report.

<sup>9</sup>Level 1 = 10 EVPs in ASA + 2 regional EVPs. In 2021 there were too few women (1) on Level 1 to disclose pay gap.

<sup>10</sup>Bonus paid in 2021 is earned in 2020, bonus paid in 2022 is earned in 2021. For 2022 accrued amounts see Remuneration report.

<sup>11</sup>Data represents all individuals that received a bonus payment in 2022 in Scatec ASA, including those that left the company. For Level 1, EVP, see Remuneration report

<sup>12</sup>Bonus paid in 2022 is earned in 2021. Based on an overall assessment of Scatec's performance in 2021 Executive Management concluded the company did not deliver sufficiently to meet the threshold on Scatec Group's KPIs, and as a result all bonus potential percentages were reduced 25% percentage points.



### 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 annual assesses the competitiveness of the insurance schemes.

## 5. Scatec's goals for 2023

In 2023, Scatec is committed to continuing to improve our gender balance across the company. The company's DEIB framework can and will be applied to other aspects of diversity. However, at a corporate level, the Executive Management Team has decided to keep the focus and targets on improving gender diversity. Each region can also develop additional diversity targets in other key areas of improvement to complement this.

On a company level Scatec has set two DEIB goals:

- Reduce turnover among women to level of men
- Achieve female share of new hires (including internal promotions) at management level of +35%

The targets will be adapted to regional and functional priorities and possibilities, considering there are different diversity challenges in different markets and functions. The company's newly launched DEIB Ambassador programme will also help localise actions towards targets. In addition, Scatec will consider introducing a DEIB index pulse survey to monitor our DEIB culture progress, questions from industry best practice and comparable to other companies. In 2022 Scatec ran an extensive Employer Value Proposition (EVP) project where more than 400 employees gave input, in addition to capturing senior management perspectives and external benchmarking data. The output of this will also feed into several of DEIB ambitions and will guide Scatec's 2023 DEIB efforts.

## 6. Our measures to prevent discrimination and actions to increase diversity and equality

Building on the same categories as Scatec's focus in 2022 (see [DEIB policy](#)), the following activities have been identified to prioritise in 2023, some of which will be continued from 2022. The aim is to increase equality and prevent discrimination across many diversity aspects however with a clear gender diversity focus supporting our goals:

### Recruitment

- Work proactively to expand our diverse talent pool through recruiters and employee referral
- Work actively with DEIB awareness towards hiring and people managers and deploy analytics to ensure data-driven decision making to improve gender balance on all levels/functions/countries
- Promote recruitment of qualified individuals with disabilities or special needs requirements
- Continue bias-training with a focus to improve gender balance to all hiring managers

### Culture

- Provide culture awareness trainings in multiple platforms including online tool to teams and key stakeholders in partnerships
- Implement our DEIB Ambassador programme to strengthen local engagement
- Continue Team Development sessions for Senior Management teams

### Leadership

- Ensure gender balance in all leadership development programmes
- Improve diverse leadership teams through systematic succession planning
- As part of the review of salaries and the remuneration process in the summer, include gender balance as a critical factor in evaluations

### Work-life balance and flexibility

- Promote and evolve a culture of flexibility in the workplace
- Ensure sufficient resources to ensure sustainable growth
- Develop and evolve diversified and fair leave policies to promote work-life balance

## 7. Concluding remarks

Scatec is proud of the steps taken during 2022 to continue with a strong focus on equality and non-discrimination and are committed to being changemakers within DEIB given we are mostly working in countries where achieving gender diversity and equality is more challenging than in Norway. At both global and Norwegian level, there has been significant progress made on DEIB awareness and actions, especially on gender diversity. Going forward there is still work to do across the company – the focus on gender diversity continues with ambitious targets and a series of activities to keep working on over the year. Wider diversity activities will also be run, in line with global and regional priorities, and we will be exploring external support and initiatives to learn and benchmark.



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