

## **GENDER EQUALITY AND ANTI-DISCRIMINATION STATEMENT 2024**

### **APPROACH**

This statement outlines the activities of Pareto Securities AS (“Pareto Securities” or the “Group”)<sup>1</sup>. Pareto Securities is required to report on equality and anti-discrimination measures, along with associated staff data, in compliance with Norwegian law, specifically the Act on Gender Equality and the Prohibition of Discrimination (the Gender Equality and Discrimination Act, Nw: *Lov om likestilling og forbud mot diskriminering*).

Pareto Securities is committed to promoting non-discrimination and equal opportunities for all, irrespective of gender, age, nationality, race, religion, sexual orientation, or other factors. Our goal is to create and maintain a professional and intellectual workplace that is free from all forms of discrimination and fosters accountability.

Our commitment to combating discrimination and gender inequality is reflected in our strategies, principles, and guidelines. By our Code of Conduct and Diversity & Inclusion Policy, we work to ensure that all personnel processes are free of biases, both in design and practice. We promote diversity and equal treatment in recruitment, promotion, competence development, and the work environment.

Pareto Securities is committed to fostering good working conditions and a healthy workplace. We prioritise the physical and mental well-being of our employees and support their professional and personal growth. We have zero tolerance for discrimination and harassment. Our whistleblowing channel enables employees to anonymously report any suspected instances of discrimination or harassment.

We aim to attract and retain top talent and recognise the importance of drawing talent from a diverse pool. Embracing diverse perspectives enhances performance and strengthens our competitive edge. The finance industry faces persistent challenges in recruiting and retaining women for front-office positions, and Pareto Securities is no exception. Nonetheless, we are committed to addressing gender disparity within our organisation and strive to improve the gender balance at Pareto Securities.

### **SUMMARY OF ACTIVITIES**

In 2024, we maintained our focus on diversity and gender equality across our activities.

We actively involved both women and men in every aspect of our recruitment process, including events, job screenings, interviews, and our mentor program. Additionally, our advertising efforts aimed to attract more female applicants. Throughout the year, we also organised exclusive social events for our female employees.

We continued our commitment to fostering greater interest in the financial industry among women by actively supporting various initiatives to attract more female graduates and professionals to the Group. Pareto Securities served as a Premium Partner at Women’s Finance

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<sup>1</sup> Pareto Securities AS with subsidiaries, also referred to as the “Group”.

Day at both the Norwegian School of Economics (NHH) and the Stockholm School of Economics. Additionally, we contributed to the Women in Finance programme at the Norwegian University of Science and Technology (NTNU). We also engaged in workshops and social events with organisations such as Femme Forvaltning at NHH, Embla Invest at the Norwegian University of Science and Technology, and the Female Network at Linköping University. These workshops were designed to facilitate knowledge sharing, provide motivation for pursuing a career in finance, and offer interview training to help participants enhance their skills for the job market.

In 2024, we hosted an event at our Oslo offices, bringing together over 70 female students from various universities across Norway. The event featured presentations, interview training, and one-on-one sessions to provide valuable insights into the finance sector. Our goal was to empower women to explore career opportunities in finance while facilitating connections among motivated students. This initiative underscores our commitment to supporting diversity and inclusion in this field.

We continued to prioritise the health and safety of our employees, including encouraging them to prioritise their health, stay physically active, and utilise our health insurance for professional assistance when necessary. Through the Pareto Active initiative, we offered various sports activities for our employees in 2024. All employees have received an employee handbook tailored with information related to health and safety at the workplace. Absence due to illness has been monitored and is consistently low at 0.55% (2024).

Pareto Securities has established a Working Environment Committee consisting of both men and women. The Committee has met regularly throughout 2024.

The Board of Directors of Pareto Securities AS has a gender balance of 40% women and 60% men. We believe that a more balanced representation of men and women on the Board of Directors is good for our business and in line with the expectations of our stakeholders.

**STATE OF GENDER EQUALITY <sup>2</sup>**

**Permanent Employment**

At the end of 2024, Pareto Securities had 460 permanent employees, of which 355 were men and 105 were women. Male employees are more predominantly represented in front positions than in non-front positions within the organisation. We are continuously striving to enhance gender balance, including in both front and non-front positions. We have very few part-time employees (Nw: *deltidsansatte*). These are mainly students working in our reception and in our AML team, thus their part-time employment is voluntary.

Fulltime employees (No/%)	2022	2023	2024
Total	470	429 <sup>3</sup>	429
Females	N/A/30%	93/ 22%	90/ 21%
Males	N/A/70%	336/ 78%	339 /79%

<sup>2</sup> All numbers are presented as of 31 December 2024.

<sup>3</sup> The reason for the headcount variation between 2023 and 2022 was the divestment of Aktieinvest FK AB, a subsidiary of Pareto Securities AB.

<b>Part-time employees (No/%)</b>			
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Total	33	25 <sup>4</sup>	31
Females	20 /61%	10/40%	15/48%
Males	13 /39%	15/60%	16/52%

<b>Involuntary part-time employees (No)</b>			
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Total	0	0	0
Females	0	0	0
Males	0	0	0

### Temporary employment

We have a limited number of temporary employees<sup>5</sup> (Nw: *midlertidig ansatte*). The use of temporary contracts is usually associated with internships, allowing students to combine temporary work at Pareto Securities with their studies, providing them the opportunity to obtain practical industry work experience over working periods from 8 to 12 weeks. Such internship programmes are common in the finance industry.

<b>Temporary employees (No/%)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Total	36	41	61
Females	6/17%	7/17%	19/31%
Males	30/83%	34/83%	42/69%

### New employees

In 2024, we welcomed 56 new permanent employees to Pareto Securities. Further, a total of 7 employees transferred across departments and offices, exploring new opportunities within the Group.

<b>New employees (No/%)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Total	56	54	56
Females	14/25%	12/22%	8/14%
Males	42/75%	42/78%	48/86%

<sup>4</sup> We differentiate between part-time employees with a reduced FTE percentage and part-time employees who are students working with AML or in the reception. Only part-time employees with a reduced FTE percentage have been included in the total number of permanent employees (460).

<sup>5</sup> In Pareto Securities AB, the interns are employed under fixed-term employment (Sw: "Tidsbegränsad anställning")

## Employee turnover

Since our establishment in 1986, we have had the privilege of working with numerous talented colleagues on our journey. It is important for us to stay connected and follow the continued success of our alumni as we often continue to work together, only in different settings.

Employment turnover rate (%)	2022	2023	2024
Total	13%	11%	10%
Females	3%	3%	2%
Males	10%	8%	8%

## Parental leave

Both men and women are offered and encouraged to take parental leave to promote equality and contribute to a better work-life balance. We provide our employees with paid parental leave that exceeds the mandated regulatory requirements.

Parental leave (No/% of employees)	2022	2023	2024
Total	30/na	27/6%	21/5%
Females	9/na	8/8%	7/7%
Males	21/na	19/6%	14/4%

Parental leave (average no weeks)	2022	2023	2024
Total	na	12	20
Females	na	26	26
Males	na	7	16

## CATEGORISATION OF POSITIONS AND REMUNERATION

We emphasise fairness and impartiality in our remuneration decisions. Our policies consider various factors, including contributions to operating revenues, client focus, a balanced approach to risk, loyalty, fostering competence development in oneself and fellow employees, long-term commitment, and strong teamwork. The compensation structure for front staff is primarily determined by their capacity to generate business, often correlating with seniority and experience within both the finance industry and the firm.

We have systematically categorised employee positions (Nw: *stillingskategorier*) to ensure comparability. This approach allows us to assess the extent to which equal pay is provided for work of equal value. As an initial step, we have differentiated positions based on departments and relevant subcategories. This differentiation enables us to analyse relevant factors such as responsibility, performance requirements, necessary competencies, and minimum educational prerequisites.

In accordance with our activity and reporting obligation under the Equality and Anti-Discrimination Act, we are required to conduct an analysis of remuneration disparities every other year. Consequently, the analysis of remuneration disparities from last year is included in this statement.

However, a significant challenge arises from the granularity of this organisation, particularly when dealing with numerous categories. Our database, structured in this detailed manner, presents privacy concerns that prevent us from publicly disclosing our results. Therefore, we have classified employee positions into two distinct categories as outlined below:

**Front:** Includes Investment Banking, Equity Sales, Fixed Income Sales, Sales Traders, Equity Research, and Credit Research (Headcount<sup>6</sup>, FC<sup>7</sup> and TC<sup>8</sup>)

**Non-Front:** Includes Business Support positions (Compliance, Risk, ICT, Settlement, Finance, and HR) and Business Support (Headcount, FC and TC)

Front 2023 (2022)	Age	Tenure	Headcount <sup>6</sup>	FC <sup>7</sup>	TC <sup>8</sup>
Females	36 (37)	6,2 (6,2)	28 (31)	78% (80%)	64% (63%)
Males	38 (38)	7,9 (7,8)	267 (270)	100% (100%)	100% (100%)
Non-front 2023 (2022)	Age	Tenure	Headcount <sup>6</sup>	FC <sup>7</sup>	TC <sup>8</sup>
Females	43 (42)	9,5 (8,9)	70 (91)	91% (82%)	76% (70%)
Males	44 (44)	10,4 (9,1)	74 (88)	100% (100%)	100% (100%)
All employees 2023	Age	Tenure	Headcount <sup>6</sup>	FC <sup>7</sup>	TC <sup>8</sup>
Females	41 (40)	8,6 (8,3)	98 (122)	83% (79%)	52% (50%)
Males	40 (40)	8,4 (8,1)	341 (358)	100% (100%)	100% (100%)

	Front			Non-front			All employees		
	ΔFC	ΔFC	ΔHeadcount	ΔFC	ΔFC	ΔHeadcount	ΔFC	ΔFC	ΔHeadcount
Females	-2 %	1 %	-10 %	9 %	6 %	-23 %	4 %	2 %	-19 %
Males	0 %	0 %	-1 %	0 %	0 %	-16 %	0 %	0 %	-5 %

## Results

The analysis of remuneration disparities within the Group from 2022-2023 indicates an overall positive trend. In front positions, individual financial compensation is primarily determined by the employees' ability to generate business. This metric often correlates with seniority and experience within both the finance industry and the Group, which explains the observed disparity between male and female employees in these roles. Historically, seniority and extensive industry experience have been more prevalent among male employees, contributing to higher compensation levels. Awareness is key to addressing these disparities.

<sup>6</sup> Total employees at year-end.

<sup>7</sup> Fixed compensation consists of fixed salary excl. of insignificant pension contribution.

<sup>8</sup> Total compensation consists of fixed compensation, variable compensation, excl. of insignificant pension contribution.

In non-front positions, the disparities are less pronounced compared to front positions. The standard variations in compensation across different roles, professions, and levels of experience account for the differences observed between male and female employees in these functions. These variations are typically based on objective criteria such as job responsibilities, performance requirements, and necessary competencies.

When evaluating compensation for female and male staff members in comparable roles, considering their contributions and performance, we have not identified any significant differences in compensation. This suggests that, within similar roles, our remuneration practices are equitable and free from gender bias.

Overall, our analysis highlights the importance of continued efforts to support and advance female employees, particularly in front positions, to achieve a more balanced and fair compensation structure across the organisation.

## **OUR WORK FOR GENDER EQUALITY AND AGAINST DISCRIMINATION**

### **Principles, procedures, and standards for equality and against discrimination**

Our work for equality and against discrimination is rooted in our strategies, tools, and guidelines. The work is anchored in the strategy plan and is on the agenda of Pareto Securities' governing bodies. Both the Board of Directors and the management acknowledge the statutory requirements and social expectations regarding measures to promote gender equality and prevent discrimination in our business. Our Diversity and Inclusion Policy sets out the following key principles:

- Zero tolerance for discrimination and harassment
- Treat colleagues with fairness and respect, regardless of background
- Keep the internal dialogue open and safe
- Do what we can to ensure our colleagues feel valued and that they belong to a community

Considerations of equality and non-discrimination are otherwise included in the personnel policies.

As a general principle, employees are encouraged to report through Pareto Securities' internal reporting channels (i.e. report to one's immediate department head, Human Resources, the safety representatives and/or the Head of Compliance). The Pareto Securities whistleblowing channel may also be used by employees who wish to remain anonymous, or where reporting through the other channels is deemed undesirable or insufficient. The whistleblowing channel is operated by an independent law firm through a third-party provider. All reporting channels safeguard the confidentiality and protection of persons who report misconduct.

Our headquarters in Oslo meets the requirements for universal design, which means that our offices are accessible to all, regardless of disabilities. Our kitchen labels food with allergens and offers gluten-free alternatives.

### **How we work to ensure equality and non-discrimination in practice**

Pareto Securities is committed to providing a workplace free from discrimination. We have zero tolerance for any form of harassment, victimisation, or similar violations in the workplace. We

expect our employees to treat others with dignity and respect, and to report any incidents of harassment immediately so they can be resolved in a quick, safe and fair manner.

Through our analysis of potential discrimination risks and obstacles to gender equality at Pareto Securities, we have identified several risks and taken appropriate measures.

### **Identified risks of discrimination and obstacles to gender equality**

The identified risks and obstacles specifically pertain to recruitment, employee development, and the working environment:

- **Recruitment challenges:** The pool of female students and those with multicultural backgrounds is relatively low.
- **Discouragement and perception:** Underrepresentation in the finance industry can discourage these groups, and a lack of awareness about opportunities may make the sector seem less attractive.
- **Lack of role models:** Predominantly white and male top management in finance companies may result in fewer role models for women and minorities.
- **Workplace misconceptions:** Misconception about extensive travel and high workloads in the finance industry may deter individuals seeking a family-friendly workplace.
- **Bias in recruitment:** Unconscious or affinity bias in recruitment and promotion can hinder equality and limit diversity.
- **Internal leadership development:** While the proportion of women has increased over the last 5-7 years, it takes time for this to translate into more women in key roles.
- **Diversity mapping:** Inadequate internal mapping beyond basic demographics may leave some aspects of diversity unaddressed.

### **Measures to promote gender equality and non-discrimination**

- **Equal opportunities:** Gender-neutral guidelines ensure equal opportunities for all employees.
- **Policy review:** Regular reviews and improvements of equality and discrimination guidelines.
- **Leadership involvement:** Board and top management discuss organisational composition, gender balance, and recruitment strategies.
- **Active management:** Leaders address equality and diversity in daily operations, recruitment, and team composition.
- **Awareness and implementation:** HR ensures adherence to the Diversity and Inclusion Policy.
- **Recruitment:** Job advertisements, hiring processes, and contracts are neutral and inclusive.
- **Diverse teams:** Recruitment teams include both genders whenever possible.
- **Collaboration and engagement in the finance industry:** Partnerships with educational institutions to promote diversity and inspire women in finance. This includes the Norwegian School of Economics (NHH), the Norwegian University of Science and Technology (NTNU), the Stockholm School of Economics, and Linköping University.
- **Whistleblowing channel:** an anonymous channel for reporting discrimination or harassment.
- **Working Environment Committee:** Regular meeting with diverse representation.
- **Ongoing dialogue:** Regular communication with health services and employee representatives.

- **Parental and sick leave:** Managers responsible for following up with employees during leave periods.
- **Remote work:** Facilitation of remote work to balance work and family life.
- **Employee well-being:** Initiatives and events to enhance well-being, including Pareto Active and exclusive social events for female employees.
- **Monitoring fairness:** Regular monitoring of gender representation and remuneration.