

STATEMENT OF EQUALITY AND AGAINST DISCRIMINATION IN PARETO SECURITIES AS¹

OUR COMMITMENT

Pareto Securities is committed to ensuring that all employees are treated equally. Our ambition is to preserve and build an inclusive, safe and healthy working environment with zero tolerance for discrimination and a clear culture of consequences. We have gender-neutral guidelines and offer equal opportunities to women and men.

We have a strong focus in ensuring that remuneration decisions are made on a fair and unbiased basis. Our remuneration policies are based on several factors, where contribution to operating revenues, client focus, a risk-balanced attitude, loyalty, contribution to competence development in oneself and other employees, long-term commitment, and teamwork are core.

Workforce diversity and inclusion are key components in maintaining our strategic goals. If we are to recruit, retain and develop talented people, we must recruit talent from a broad basis. More perspectives will lead to improved performance, better insight in decisions and increased competitiveness.

As an investment bank, we recognize that a diverse and broad representation of individuals will allow us to be a better partner to our clients. This is particularly true in the finance industry, which historically has been male-dominated and lagging behind when it comes to gender distribution. In recent years, Pareto Securities has experienced a stable growth in the number of female employees. We are committed to encouraging diversity and equality in the workplace and opening doors for women looking to pursue finance careers. At the same time, we acknowledge that we are only at the beginning of an important journey towards greater diversity and better inclusion. We look forward to continuing to put pressure on what we consider to be a long-term commitment.

STATE OF GENDER EQUALITY

Employees	Men	Women	Total
	Permanent Contract	70%	30%
Full time	70%	30%	100%
Part time /Nw: timeansatte	46%	54%	100%
Temporary / interns	64%	36%	100%
Parental leave (weeks)	22	42	64

Categorization of positions and remuneration

We have aimed to categorize positions of employees (Nw: *stillingskategorier*) in such a way that they are comparable, thus capturing the degree to which there is equal pay for work of equal value. We have, as a starting point, made a differentiation of positions based on departments and relevant subcategories to analyze relevant factors such as responsibility, performance requirements, necessary competence and minimum requirements for education. However, a pervasive challenge with a relatively fine-grained

¹ The statement on gender balance is based on remuneration data from employees of Pareto Securities AS. Partners in Pareto Securities Silent Partnership are not employees and therefore not included in the reporting data. None of Pareto Securities' subsidiaries have more than 50 employees and these entities are therefore not included in the reporting data.

differentiation of positions with many sub-categories is that our data base would be of such a nature that we would not be able to publish our results due to privacy considerations². We have therefore categorized positions of employees in three different categories in cooperation with the Working Environment Committee as follows:

Category 1: Front positions (Investment Banking, Equity Sales, Fixed Income Sales and Sales Traders)

Category 2: Research and Corporate Access positions (Equity Research, Credit Research and Corporate Access)

Category 3: Business Support positions (Compliance, Risk, ICT, Settlement, Finance and HR)

Employment categories	% of women and men in each category		Remuneration differences
	Women	Men	Women's share of men's remuneration in %
Category 1	11%	89%	70%
Category 2	30%	70%	93%
Category 3	48%	52%	72%

Results

Calculation of remuneration differences shows that there are some differences in remuneration in the three categories. This can mainly be explained by the fact that several women, especially in the front positions in Category 1, have started in Pareto Securities in recent years and therefore currently hold junior positions. We have a strong focus on avoiding any gender discrimination in our annual remuneration settlement. The remuneration for junior positions is equal for women and men.

Part time workers, temporary workers/interns and parental leave

We have very few part-time employees (Nw: *deltidsansatte*). These are mainly students working in our reception and in our AML-team, thus voluntarily part-time employment. We also have few temporary employees (Nw: *midlertidig ansatte*), mainly interns in our Internship Program with working periods from 8 to 10 weeks. Such Internship Programs are common in the finance industry. Both men and women are offered parental leave.

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 are aware of the statutory requirements and social expectations of 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, irrespectively of background
- Keep internal dialogue open and safe
- Do what we can to make colleagues feel valuated and belonging to a community

² There is a requirement of at least five in each gender in a category for the results from the remuneration survey to be published.

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

Pareto Securities have established a whistleblowing function that is intended to encourage employees to confidentially and anonymously report, without fear of retaliation, any activity or business practice that they suspect or consider to be unethical or illegal or involves discrimination or harassment. Our external whistle-blowing function is handled by an independent, experienced law firm with a duty of confidentiality in order to lower the threshold for an employee compared with having to contact a superior.

Our headquarters in Oslo meets the requirements for universal design, which means that our offices are usable for 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 aims to provide a workplace that is free from discrimination, and we have zero tolerance of any form of harassment, victimisation or similar violations in the workplace. We expect our employees to be responsible for treating others with dignity and respect and to report all incidents of harassment immediately so that they can be quickly and fairly resolved.

Through our investigations and analysis of whether there are risks of discrimination or obstacles to gender equality in Pareto Securities, we have identified both risks and have taken relevant measures.

Identified risks of discrimination and obstacles to gender equality:

Risks of discrimination and obstacles to gender equality that have been identified apply in particular to recruitment, employee development and the working environment:

- We mainly recruit from financial studies, where the number of female students and students with multicultural backgrounds is still relatively low.
- The current low proportion of employments with multicultural backgrounds or minorities and a relatively low property of women in the finance industry can be a deterrent to some students.
- Lack of knowledge about the opportunities in the financial sector among female students and students with multicultural backgrounds may lead to opportunities not appearing to be sufficiently attractive.
- The fact that the top management in several companies in the finance industry consists of ethnic men may lead to a lack of role models for women and minorities.
- We have a strong tradition of cultivating leaders internally. Although the proportion of women is constantly increasing, it takes time before this results in more women in key roles.
- A misconception about the work in the finance industry involves a lot of travel can give the impression that the industry is not a very family-friendly workplace.
- High workload is a possible risk factor. The same is the balance between work and private life. The latter applies especially to employees in their 30s.
- Unconscious discrimination in recruitment and promotion can also be an obstacle to equality.
- Inadequate internal mapping beyond gender, age, education and work experience, may entail a risk that discrimination of some aspects of diversity is unaddressed.

Measures to promote gender equality and non-discrimination:

- Gender-neutral guidelines and equal opportunities for both women and men.
- The Board of directors and top management discuss organizational composition, gender balance and recruitment strategy on a regular basis.
- Top management and respective department heads are responsible for working actively with equality and diversity issues in their daily business as well as within recruitment processes and the composition of working groups.

- The human resources management shall ensure that management and employees are aware of the principles set out in our Diversity and Inclusion Policy and that it is reflected in the daily work.
- The Working Environment Committee meets regularly and consist of two females, one male and one representative from the occupational health service.
- Regular dialogue with the occupational health service, employee representatives and HMS-representatives contributes to follow-up of the measures.
- Our whistleblowing function includes the possibility for our employees to report any activity or business practice that they suspect or consider involves discrimination or harassment, without fear of retaliation.
- Neutral job advertisements, hiring processes and contracts and measures to ensure that processes are equal, fair, unbiased and inclusive.
- Recruitment process principles based on merits and suitability for the role only.
- Recruitment teams composed of both gender if possible.
- Collaboration with interest organizations and participation in student events that promotes diversity, including the Norwegian School of Management (NHH) and the Norwegian University of Technology (NTNU), with the aim to inspire talented and high-caliber young women to pursue a career within the finance industry.
- All employees are offered a health check every second year.
- Employees shall be followed up by their manager, also during parental leave and on sick leave.
- Facilitation of the use of home office, so that it will be easier to combine work and family.
- Cooperation at group level to identify measures to promote equality.
- Awareness raising and counter potential biases on a regular basis.
- Initiatives and events for employees with the intention of increasing well-being, including Pareto Active and exclusive social events for female employees.
- Continuously review our guidelines on equality and discrimination and work to improve the operationalization of these guidelines in our daily work.
- Annual monitoring of actual gender state and remuneration survey every second year.