## Gender equality report NG Group 2023

*The environmental and recycling industry has traditionally been male-dominated, and NG Group makes a conscious effort to recruit and retain more women for various roles in the group.*

The report covers all employees who are employed in Norway, cf. the [Equality and Anti-Discrimination Act](https://lovdata.no/dokument/NL/lov/2017-06-16-51/KAPITTEL_4" \l "KAPITTEL_4). This report is based on all employees in the Norwegian companies in the Group who are paid in NOK. In total, this amounted to 1,849 employees as at 31 December 2023.

### State of gender balance in NG Group

The table below shows the gender balance in NG Group (the Group in Norway) as of 31 December 2023. The number of temporary employees, average utilization of parental leave and part-time employees are reported here. Gender distribution is shown per job category, broken down by the number of female and male employees (regardless of job size).

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Gender balance** | | **Temporary employees** | | **Utilization of parental leave** | | **Actual part-time work** | | **Involuntary part-time work** | |
| Number of women | Number of men | Temporary employees women | Temporary employees men | Women's utilization of parental leave\* | Men's utilization of parental leave\* | Part-time women | Part-time men | Involuntary part-time women | Involuntary part-time men |
| 306 | 1543 | 17 | 78 | 25 | 9 | 20 | 65 | - | - |
| Total 1849 | | Total 95 | | 20 | 73 | 85 |  |  |  |

*Table 1 - Gender balance in NG Group in Norway as of 31 December 2023* \*average number of weeks

#### Gender balance

As of 31 December 2023, NG Group had 306 female employees in the Group's Norwegian companies. This represents 17 per cent of all employees in these companies. [[1]](#footnote-2)

As of 31 December 2023, four women were represented on the Group's Board of Directors. Group management consisted of seven men and one woman throughout 2023. At the beginning of 2024, two new women were appointed to the Group management team.

#### Temporary employees

In 2023, the companies in Norway had a total of 95 temporary employees, of which 17 were women, representing 18 per cent of temporary employees.

#### Parental leave

The average number of weeks of parental leave in 2023 was 14,1 weeks in total for women and men. For women, the average number of weeks is 27.9, while for men the average number of weeks was 9.8. This is in line with the rest of society, where women take most of the parental leave. For men specifically, it is lower than what one would expect based on the paternity quota and given that there are far more men than women employed.

It can be noted that there was a total of 20 women (compared to 11 in 2022) who took leave in 2023. The majority of women who took leave had between 20-42 weeks of leave.

*Part-time employees*

The Group mostly advertises and hires only 100 per cent positions and therefore has few employees in part-time positions. In 2023, the Group's operations in Norway had 85 part-time employees out of a total of 1,849 employees, 20 of whom were women. These 20 women accounted for 24 per cent of all part-time employees.

Part-time work is an opportunity to make adjustments related to life circumstances, for example if there is a need for reduced working hours in connection with returning to work after a long-term illness or in order to make a busy working day go smoothly. Some of the Group's part-time employees are temporary employees, but many of them are also students. The Group has looked into the issue and does not consider part-time work to be involuntary for employees.

### Job categories in NG Group

Job roles are not standardized in the Group's companies, but all positions are grouped into the following categories:

* Group management
* Manager with personnel responsibility
* Manager with personnel responsibility - operational
* Specialist position
* Functionary
* Sales and Marketing
* Operative

As there is a big difference between the type of tasks in management positions in and outside of operations, managers in operations have been mapped as a separate category.

The table below shows the gender distribution in a total of seven different job categories in NG Group in Norway. In total, there are 306 women and 1,543 men employed in Norwegian companies in the Group. There are significantly more male (1,094) than female operators (46). This difference thus reduces the proportion of women in the total number of employees. The total share of women is 17 per cent.

|  |  |  |  |
| --- | --- | --- | --- |
| **Gender distribution at different job levels/groups as of 31 December 2023** | | | |
| **Job level/group** | **Women (number)** | **Men (number)** | **Share of women (%)** |
| Manager with personnel responsibility | 32 | 115 | 22 % |
| Manager with personnel responsibility - operational | 4 | 39 | 9 % |
| Specialized function | 65 | 70 | 48 % |
| Functionary | 106 | 150 | 41 % |
| Sales/market | 54 | 86 | 39 % |
| Operative | 46 | 1 094 | 4 % |
| Group management | 1 | 5 | 20 % |
| **Total all categories** | **306** | **1543** | **17 %** |

*Table 2 - Gender distribution in different job categories in NG Group in Norway*

### Salary, bonus, and benefits and variations between genders

Salary differences in NG Group in Norway have been mapped for all job groups in 2023. The mapping has been based on the following salary types;

* Total compensation
* Fixed salary
* Bonus

Of all the 1,849 employees in the survey, more than half are men in the "Operative" category. Men in the "Operative" category have lower salaries than men in other job categories. When the average salary for all male employees in the Group is calculated overall, the large proportion of men in the "Operative" category reduces the average. For women, the situation is the opposite; there are relatively few female employees in the Group in total, and of these, only 4 per cent are employed in the "Operative" job category. This means that a larger proportion of women in the Group are employed in categories with higher average salaries. The average salary for women is therefore increased when the average annual salary for all female employees is calculated as a whole.

Due to the employee composition described in the section above, we therefore get the following correlation; Despite the fact that women are lower in salary than men in most job categories, the survey for the total number of employees in the entire NG Group Norway shows that a woman has an average salary that is 15 per cent higher than a man's. For total compensation, the overall difference in salary is somewhat smaller; a woman in the Group has on average 10 per cent higher total compensation than a man.

As there was only one woman in Group management as at 31 December 2023, salaries based on gender in this job category are not reported.

34 per cent of all men and 30 per cent of all women have received a bonus for the 2022 financial year. It has not been analyzed how many employees are eligible for bonuses in the first place.

Due to the employee composition with a significant proportion of male operators, it is demanding and probably not value-adding to use averages based on all employees to show a picture that reflects the correlations in the actual bonus payments. In the same way as the average calculation for fixed salary, the calculation of the average bonus paid for the total number of employees in NG Group Norway also shows that women have on average received a marginally higher bonus than men in 2023. This is despite the fact that women have lower bonuses than men in each individual job category. The reason is, as mentioned, that there are large differences in the employee population by gender, the types of job category they are employed in, and the number in each category who have received bonus payments.

To give a more accurate picture, bonuses are therefore also z in relation to the number of employees who have actually received bonuses. Of the 511 men who have received bonuses (which corresponds to 30 per cent of all men), 297 are employed in the job category "Operative". The bonuses are low compared to the other job categories. However, of the 87 women who have bonuses (34 per cent of all women), very few women have received unpaid bonuses (10) in the "Operative" category. Most of the women who have received bonuses belong to job categories with relatively higher fixed salaries and thus higher bonuses, which pushes up the average for women. The bonus amount is calculated based on a fixed individual % factor of the fixed salary.

Table 3 below shows how much more/less a woman earns on average than a man. The salary differences are stated per job category and based on the number of employees per gender in each category. The sum of all cash benefits (total compensation) is shown in the white column. In addition, the differences for contractual annual salary are shown in the grey column and bonuses are shown separately in blue. Comments on the results of the survey follow below per job category.

|  |  |  |  |
| --- | --- | --- | --- |
| **Job level/group** | **Differences in total compensation\*** | **Differences in fixed salary**   * **Women more/less than men** | **Differences bonus**   * **Women more/less than men** |
| Manager with personnel responsibility | 5 % | 4 % | 39 % |
| Manager with personnel responsibility- operational | -6 % | -8 % | N/A\*. |
| Specialized function | -4 % | - 6 % | -74 % |
| Functionary | -15 % | -7 % | -26 % |
| Sales/market | -26 % | -20 % | -74 % |
| Operative | -13 % | -19 % | -36 % |
| Group management | N/A | N/A | N/A |

*Table 3 - Salary differences in NG Group in Norway per job category. The pay gaps are calculated using the following formula: ((female salary - male salary)/male salary).*

#### Comments on table 3

The results of this year's survey show that women in the category ***"Manager with personnel responsibility"*** have an average contractual annual salary that is 4 per cent higher than men's salaries in the same category. The survey shows that the difference in average salary between the genders is around NOK 45,000. In terms of total compensation, female managers are 5 per cent higher than men. There are significant differences in bonus payments, with women receiving on average 39 per cent more than their male managers with HR responsibilities. The main reason for this large difference is that there are few women in this category and six of these have high bonuses for 2022 compared to the average in total. The majority of male managers with bonus payments for 2022 are significantly below the overall average. This helps to explain the relatively large difference.

In the category ***"Manager with operational HR responsibilities",*** women have an 8 per cent lower average base salary than men and 6 per cent lower when looking at total compensation. It is important to note that there are very few women compared to men in this job category, and most men in this category are at a higher level in the organisation where such senior roles earn more as the responsibility is greater.

For the job category "*Manager with operational personnel responsibility*" there is only one woman, and for privacy reasons no specific differences are therefore disclosed, but the survey shows that bonuses for men are on average higher than for women.

For employees in the category ***"Specialist function",*** women have 6 per cent lower average salaries than men. Here, women earn about NOK 50,000 less than men in the same category. When we look at total compensation, the difference is somewhat greater. Here, the average salary for men is 11 per cent higher than for women. There are significant differences in bonus payments, with women receiving an average of 74 per cent less than men. The probable reason is that some specialist positions are held by relatively highly paid men with long experience/previous management roles in the Group. In addition, there are significantly more female specialists in so-called support functions than men. It should be noted that several men in the "Specialist function" category in 2023 had high bonus payments compared with the overall average.

For the job category ***"Functionary"***, the base salary for women is 7 per cent lower than for men. Looking at total compensation for this category, the difference is somewhat greater (-15 per cent). The most significant factor here is that men in this category receive higher bonus payments than women in the category. On average, female salaried employees receive 26 per cent less in bonuses than men. This is probably due to the fact that there are more female salaried employees in so-called lower-paid salaried positions than there are men. It is also worth noting that here too there were more men who had relatively high bonus payments for the category, which pulls the average up and helps to account for the differences.

For the job category ***"Sales/marketing", the*** base salary for women is 20 per cent lower than for men. Looking at total compensation for this category, the difference is somewhat greater (-26 per cent). The difference is probably due to the fact that a number of positions in this category are held by men with long seniority. In addition, it should be noted that there are more men in Sales/Marketing who hold the higher positions with high fixed salaries than women (e.g. sales director, sales manager.) This correlation in terms of seniority/position level also applies when looking at bonus payments in this job category. Women in Sales/Marketing receive on average 74 per cent less bonus payments than men. It is also worth noting that there are some male managers in this group who have received high bonuses for 2022, far above the overall average.

In the ***"Operational"*** category, the average salary is 19 per cent lower for women than for men. Looking at total compensation in this category, the difference is somewhat smaller (-13 per cent). This is somewhat related to overtime supplements that more often accrue to men in job categories below "Operative". In relation to bonuses, women in this category receive on average 39 per cent less in bonuses than their male colleagues. The fact that there are relatively few women and some of them also have part-time jobs contributes greatly to this difference.

## NG Group's work for equality and against discrimination

### Principles, procedures and standards for equality and anti-discrimination work

It is important that the Group's organization and business activities reflect the customers and the market in which it operates. The Group aims to be a good workplace for everyone, regardless of background, and strives to have a diverse and inclusive work culture. All employees shall be treated equally, regardless of age, gender, disability, cultural background, religious beliefs or sexual orientation, both in recruitment processes and throughout the employment relationship.

The Group has zero tolerance for harassment and discrimination. The Group works actively and purposefully to promote the objectives of the Gender Equality Act. These activities include recruitment, pay and working conditions, promotion, facilitation, opportunities to combine work and family life, development opportunities and protection against harassment.

#### NG Group's principles, procedures and standards

* Gender equality work is embedded in the organization's various strategies, tools and guidelines.
* The Code of Conduct for employees in NG Group sets requirements for personal behaviour and shows zero tolerance for discrimination or harassment in the workplace.
* A whistleblowing system ensures that internal and external stakeholders can report discrimination, harassment, sexual harassment and gender-based violence.
* Consideration of equality and non-discrimination is included in other personnel policies.

At the end of 2023, the NG Group had employees representing a total of 45 different nationalities, including companies outside Norway. The company works actively with integration through involvement, language training, cultural understanding and organization.

#### Implementation of gender equality work in NG Group

Gender equality work in the Group is a responsibility assigned to positions with personnel responsibility and is handled by the various companies in NG Group.

The mapping of the state of gender equality is coordinated at Group level, with data contributions from the individual companies. Data from the survey is regularly discussed with the Group employee representative and local data with local employee representatives.

NG Group is included as part of Summa Equity's portfolio. Based on this, the Group reports annually on selected data on gender, HSE and salary, which ensures that the Group ensures annual activity within mapping in accordance with the Activity and Reporting obligation.

From 2022, the Group has used a new key performance indicator to follow up and measure the proportion of women in the job categories "managers outside operations and specialized functions". This new indicator is linked to the Group's "Sustainability Linked Loan". This means that NG Group links loans and loan terms directly to the achievement of selected sustainability indicators, four in total. One of these is linked to the percentage of women in "specialist functions and management roles outside operations". In 2022, there were 29.5 per cent women in management and specialist positions. As of 31 December 2017, the figure was 33 per cent (including employees in non-Norwegian companies). The Group is well ahead of the Group's target for 2023 of 30.6 per cent. The long-term target for this KPI is 40 per cent women in "specialist functions and management roles outside operations" in 2027.

*Activities in 2023 to map risk*In 2023, a survey was conducted among the Group's female employees. The survey had a good response rate (209/352 - 59 per cent) and provided important feedback for prioritising measures for this group. This resulted in several different adjustments, which are mentioned in the measures below. This survey will be continued in 2024.

A new employee survey (EES) was introduced in 2023, where Diversity and Inclusion is a separate category. EES is followed up with dedicated working groups and development goals both at Group level and in each platform/company. Pulse surveys are also conducted regularly in several of the platforms in Norway.

Trade union representatives have pointed out the risk of drivers being talked down to if they do not speak Norwegian. This shows the risk of discrimination based on ethnicity and origin.

*Causes of risks and obstacles*Employee representatives and management have identified the following possible causes of risks and obstacles

* The wage differences in different environments will be analyzed further, with equal pay for equal work as a clear goal.
* There has been an attitude that several work operations require a lot of physical strength and are only suitable for men, but women can be employed in several of these operations. This must be taken into account when setting requirements in the recruitment processes for such roles.
* The group may have a challenge with culture, attitudes and jargon in the workplace. We will continue to work actively on this. We have zero tolerance for discrimination.

*Measures introduced in* **2023**

* The quarantine period of one year to receive full pay during parental leave has been removed.
* For employees with a bonus agreement, statutory absence in connection with parental leave shall not result in a reduction of the bonus. This applies to the weeks that are statutory for the mother or father, respectively. For parental leave beyond the current 15 weeks. 15 weeks, the bonus is reduced by 50 per cent during this time. Where the calculation of bonus is also based on personal goals, this is replaced by an average calculation of personal goal achievement in the unit.
* It shall be ensured that employees on parental leave are paid the general salary supplement.
* In connection with the annual review of employees' salaries, a salary assessment of equal pay for the same work and/or work of equal value shall be carried out. It must be possible to document the review.
* NG Group has decided on a new Engagement KPI for the Group's bonus program. Data for this KPI is collected from indicators in the Employee Engagement Survey (EES). Diversity, inclusion and well-being are important indicators for this KPI.
* Leadership development programs at all levels shall include training and awareness of diversity and inclusion.
* When hiring managers and specialists, at least one woman shall, where possible, be included in the final round. If recruitment companies are used, they must be informed of the policy.
* Protective equipment/clothing/shoes that are customized for women must be available and can be ordered as needed. As far as possible, there shall be separate toilets/changing facilities for women at the facilities and rooms adapted for breastfeeding.

*In 2024, NG Group wants to follow up on the following measures:*

* Continue the women's survey to measure the effect of measures and identify other problem areas for further follow-up.
* Continue the Employee Engagement Survey (EES), measure the impact of the improvement activities based on the 2023 results, and establish new development activities based on the 2024 results, anchored in the Group's overall diversity and inclusion agenda.
* Continue the diversity and inclusion focus in the YouNG network (network for employees aged 18-35). Future leaders and employees will recognize the value of putting diversity and inclusion at the top of the agenda.
* Continue to highlight good stories internally about e.g. female operators/drivers.

1. As of 31 December 2023, NG Group global had a total of 2,277 employees and a female share of 17 per cent. This includes companies and employees outside Norway; Denmark, Sweden, Finland, Poland and the UK. Other figures for the Group as a whole are presented in NG Group's integrated annual report for 2023. [↑](#footnote-ref-2)