

Statement on equality

2024

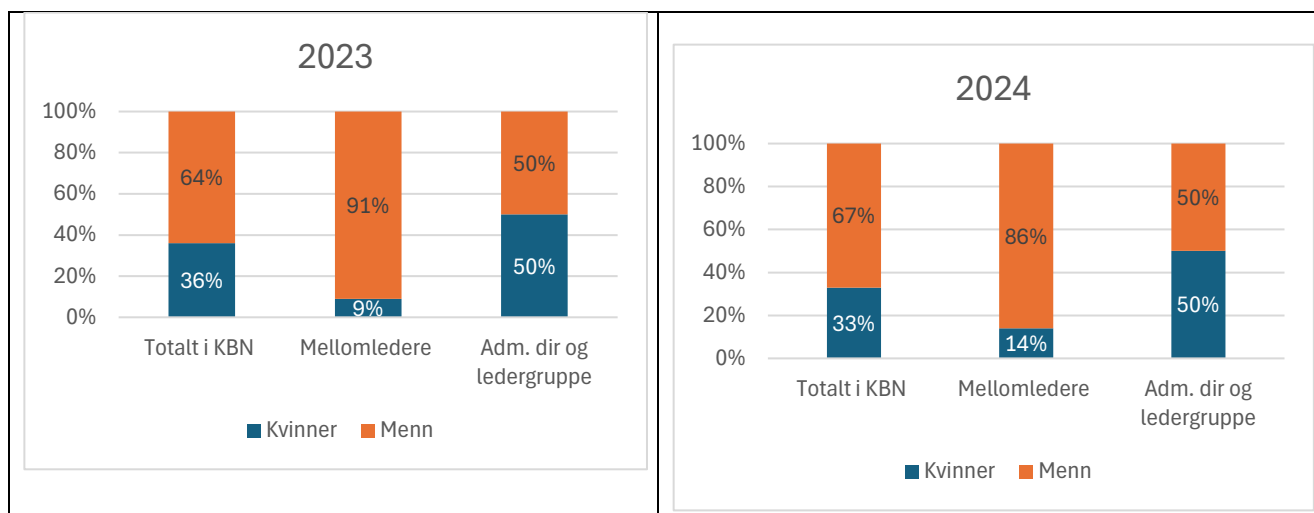
KOMMUNALBANKEN

Current status of gender equality

KBN has over time implemented a number of initiatives and measures to achieve a gender balance. Our objective is to have a gender balance of at least 40% at all levels of the organisation, and an ambition for equal gender representation in all departments.

The figure below shows the proportion of women and men by organisational level at the end of 2023 and 2024. KBN can report good results for the gender balance at the most senior level. At the end of 2024, 50% of employees at the CEO and executive management level were female, unchanged from the end of the two preceding years. At the middle management level, the proportion of women was somewhat higher in 2024 than in 2023 but there continued to be a higher proportion of men. The gender balance for all employees was stable over time until 2023, when the organisation fell below its target of 40% all employees being women.

Gender balance in percentage by level at the organisation at the end of the year



The decrease in the proportion of women employees overall was due to a range of factors. In 2023 and 2024, a number of women left administrative positions at KBN, which have traditionally been held by women. During the same period, several long-serving female employees retired. As a result of efficiency improvements and digitalization, these positions have only been replaced to a limited extent. The need for administrative functions, such as reception, has decreased, and we believe that this trend will continue.

Despite KBN's significant efforts and the implementation of measures to increase the proportion of women, KBN continues to find it challenging to access female candidates in some specialist areas, and more men than women were hired during the period. This is particularly true in front-office finance, risk management and technology. KBN's Technology and Operations Department was responsible for 50% of new employees at KBN in 2024, and 89% of these were men. The level of demand for tech employees has generally increased in the finance industry. Finance Norway and the Finance Sector Union of Norway¹ note that female students of IT are clearly outnumbered by men, even if more women are choosing to study the subject. The gender distribution is more even in economic and administrative studies, but fewer women choose to specialise in finance and investment.

¹ [Likestillingsindikatorer for finansnæringen](#) (Equality indicators in the financial sector - only available in Norwegian)

Table: Temporary employees, parental leave and part-time working

The figures in the table are for the 2024 accounting year and as at 31 December 2024.

Temporary employees (Temporary employees are to a large extent students in part-time employment)		Absence on parental leave (number of employees who have taken parental leave)		Part-time working (primarily students)			
Women	Men	Women	Men	Actual part-time work		Involuntary part-time work	
4	7	1	3	3	4	0	0

KBN in general offers only full-time employment, but there are some opportunities for part-time work when employees reach the age of 62 and for employees who need the opportunity to work part-time for health, social or other welfare reasons. KBN also offers part-time employment opportunities for students. Most employees working in part-time positions at the close of 2024 were students, and no-one at KBN is required to work on a part-time basis against their wishes. We use the services of temporary staff only to a small extent. The general exceptions are temporary staff substituting for employees on leave of absence and temporary project staff, as well as students, who account for the major part of the temporary staff reported.

Table: Parental leave in weeks

The table shows the average number of weeks for which men and women took parental leave in 2024. One woman and three men took parental leave in the period.

Women	Men
4.9	11.3

Information on salaries

The table below shows the salaries of female employees as a percentage of the salaries of male employees at six organisational levels. For the purpose of calculating salary differences, we have identified fixed salary and various additions, bonuses and benefits for the 2023 accounting year. We considered the question of the same work and work of equal value when determining the employment levels in accordance with the working methods recommended by the public authorities. This means that all roles are evaluated and given weight in accordance with the requirements for expertise, work tasks, and responsibility. The employee representatives participated in planning, carrying out and evaluating the information on salaries. The process of producing the information is carried out every other year, and we have therefore chosen to publish the figures from 2023 in this report.

Table: Women's salaries as a percentage of men's salaries across six employment groups.

Group	Number of women	Number of men	Women's salaries as a percentage of the group men's	Examples of roles in
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Group 1	1	0	N/A	CEO
Group 2	3	4	95 %	Managers in the management team
Group 3	1	10	N/A	Middle managers, technical specialists
Group 4	22	40	84 %	Technical employees
Group 5	2	0	N/A	Administrative employees
Group 6	2	2	100 %	Students

No figure has been provided for women's salaries as a percentage of men's for group 3 in the interests of privacy. KBN is working actively on improving the gender balance in this group.

The differences in group 4 are primarily explained by the composition of the group, in that the average salary for the group is increased by the fact it contains a disproportionately large number of long-serving male employees performing specialist roles. The men in question typically have many years of relevant experience, which is reflected in their higher salaries. At the same time, a number of experienced women in this group have left the company in recent years, and women in an early stage of their career are now over-represented in the group.

On the basis of the analysis from 2023, a deeper analysis of group 4 was carried out in 2024. The purpose of this was to examine wage differences between men and women in this group. The group consists of 62 technical employees divided into 40 different job categories. Of the 40 job categories, only eight have employees from both genders. This means that the job categories are small, which in turn makes it challenging to compare salary levels. The analysis was based on the eight job categories that contained male and female employees. Furthermore, there was an additional statistical limitation in that there are also few employees represented within these eight job categories, and also most of these categories only have one female employee. Within the eight job categories, we see a tendency for women to be somewhat above their male colleagues in terms of their salary, with a few exceptions. Despite the limited nature of the data set and weaknesses associated with this, the additional investigation indicates that the discrepancy in pay that emerges at the overall group level does not apply within the individual job categories. Due to the low number of female employees at KBN, it is challenging to present more detailed salary data broken down by gender without risking breaching individuals' anonymity and Norway's data privacy regulations.

We will work further to identify and equalize pay gaps that can be linked to gender, and we will continue our work to attract more experienced female candidates when recruiting.

Work to promote equality and prevent discrimination

KBN works in an active, targeted and planned manner on sustainability, including on equality, diversity, inclusion and non-discrimination. Our work on equality includes all grounds of discrimination that may affect the personnel-related areas of recruitment, pay and working conditions, promotion, development opportunities, disability adaptations and opportunities for combining work and family life, as well as work to prevent harassment, sexual harassment and gender-based violence.

Our ambitions for our work on diversity, inclusion and equality:

We have set the following ambitions for our work on diversity, inclusion and equality:

- KBN shall have a corporate culture and management that promotes inclusion and diversity.
- KBN shall work to promote diversity, and shall seek to have a gender balance of at least 40% at all levels. It will also have a clear ambition of having an even gender distribution in all units. The CEO's performance evaluation takes into account the gender balance at the organisation.
- In relation to recruitment and internal mobility, KBN shall place emphasis on diversity. The best qualified woman and the best qualified man shall be identified in all recruitment processes.
- Employees shall be given equal opportunities in respect of competence development and career advancement, salary, and employment flexibility.
- Diversity shall be actively and systematically taken into consideration in succession planning for key positions.
- An action plan based on risk assessments will be produced and disclosed throughout the KBN organisation.

Principles, guidelines and standards for equality and prevention of discrimination

Work on equality and preventing discrimination is an integral part of KBN's Human Resources policy and is embedded into and followed up in all areas of KBN's activities. KBN is committed to having an inclusive culture in which all employees have the same rights and opportunities and are treated with respect.

Our overall work on diversity and equality is anchored in our *General Guidelines for Sustainability*. Our *Code of Conduct* includes rules on conduct and sets out KBN's obligation to comply with them in accordance with Norwegian legislation. Our guidelines for whistle blowing and whistle blowing procedures ensure the availability of secure channels and opportunities for individuals to whistle blow, e.g. regarding unsafe working conditions.

Annual salary adjustments take place in accordance with a standard process using gender-equal and transparent criteria, and salaries are assessed to identify any inequalities. KBN also imposes requirements for its suppliers' work on diversity and equality.

Our work to promote equality and prevent discrimination in practice

Ambitions, objectives, and measures to ensure equality and prevent discrimination are firmly anchored with KBN's management. The gender balance and diversity are regularly discussed by the management

team and in relation to recruitment, and KBN has set ambitions for further work on these matters in 2025.

Our guidelines set the direction for our work in this area, together with our ambitions and strategic objectives. Reports on the current status of diversity and equality, including KBN's work on its equality statement, are produced regularly. Meetings of the Workplace Environment Committee (Arbeidsmiljøutvalget) are held regularly, and the measures adopted are followed up in collaboration with the employee representatives and the Committee.

KBN's Business Support department and Human Resources (HR) function have the overall responsibility for the area, and they collaborate closely with the employee representatives in relation to their work on the equality statement using a four-step working method. A number of meetings were held in collaboration with the employee representatives to investigate the risk of discrimination and barriers to equality. KBN's guidelines, policies and working procedures in all areas of human resources have been reviewed with a focus on all sources of discrimination. A range of measures based on the risk assessment have been implemented and continued.

The employee survey, combined with systematic follow-up, maps the working environment, including equality and discrimination. Equality and discrimination are topics in the annual manager and employee development discussions. The annual preventative workplace inspection ensures that both the physical and psychosocial aspects of the work environment are mapped, and it identifies whether employees experience or observe discrimination, harassment, or sexual harassment.

Gender balance is measured continuously by quarterly reporting and at the start of recruitment processes. The annual salary review process is reviewed to identify any inequalities before the final decisions on salary increases are approved. Difference in pay between the genders is mapped in collaboration with employee representatives every other year.

Risks of discrimination and obstacles to equality, possible causes, and the measures implemented and planned

The risks of discrimination and obstacles to equality that are identified relate particularly to diversity, including a skewed gender balance in recruitment, and for some departments the balance between work and family life.

In 2024, extensive reporting work was carried out in connection with KBN adapting to the EU's new Corporate Sustainability Reporting Directive (CSRD), and as part of this risk factors relating to KBN's own workforce were mapped. The analysis² showed that insufficient *training and skills development* for KBN's employees represent a possible risk. KBN is a competence-based business with relatively few employees who collectively manage significant total assets, and KBN is therefore particularly exposed to insufficient training and a lack of critical competence among its employees. This underscores the importance of KBN's initiatives in the area of gender equality in its annual activity plans, particularly related to employee development and succession planning.

Greater awareness and knowledge are crucial to preventing discrimination, promoting equality, and countering various forms of harassment. Several of the measures in the action plan aim to strengthen KBN's inclusive culture and raise awareness among KBN's management and employees through competence-building measures. A key objective in KBN's strategy is enhancing diversity and more

² The work involved in adapting to CSRD included a double materiality analysis. This involves assessing both how KBN's operations impact people, the environment and society as a whole (impact materiality) and how sustainability issues affect KBN's financial performance and risk exposure (financial materiality).

systematically including different perspectives and experiences in both problem-solving and development work.

As a member of the Women In Finance Charter, we are required to set internal targets for the gender balance at the manager level, to appoint one person at the manager level who is designated as having responsibility for monitoring work in this area, to publishing our current status and progress, and to link executives' remuneration with the achievement of our targets. We attend network meetings and conferences to keep up with developments in the area of gender balance in general in our industry and to share our experiences and challenges with other companies.

KBN has over time pursued a number of initiatives and measures for work on diversity and equality, particularly in the areas of recruitment, manager and employee development, and work-life balance.

Measures to ensure diversity and equality in recruitment

KBN seeks to ensure a good gender balance and to attract a diversity of candidates with a range of different expertise, backgrounds and experience. This was again prioritised in 2024, although our recruitment processes in practice resulted in more men being appointed than women, as the table below shows.

Table: Gender balance among new employees

The gender balance among new employees over the last six years has been as follows:

Year	Women	Men
2019	6	7
2020	4	9
2021	10	5
2022	6	4
2023	3	13
2024	7	12

A number of measures intended to increase the number of women that KBN appoints were implemented in 2024. These include women producing the content of KBN's job advertisements, ensuring its interview panels have a balance of genders, and using head-hunters to increase the number of female candidates. In 2024, KBN used a course focused on recruitment to draw greater attention to how unconscious bias can affect individuals' assessment of candidates during recruitment processes.

Despite these measures, more men than women have been appointed to KBN over the last two years. As part of our work on diversity, we think that consciously focusing on diversity during recruitment is an important measure. At the same time, we are encountering challenges in some specialist areas in which the proportion of male applicants is significantly higher than female applicants. This reflects the general gender difference in both the finance and tech industries, in which men continue to be in the majority. Our mapping of our future skills requirements points towards more technology-intensive roles in finance, and it does not yet appear that the supply of female candidates will increase in line with the demand for this type of expertise.

We have implemented a number of measures over time that have had positive effects and that we continue to use. Our new and existing measures to ensure diversity and a gender balance in recruitment include the following:

- Preparing an overview of the gender balance for KBN as a whole and for the recruiting department at the start of recruitment processes.
- Identifying the best qualified female candidate and the best qualified male candidate in all recruitment processes.
- Including KBN's gender balance for its activities in the performance evaluation of the CEO.
- Structured recruitment processes and training for hiring managers in diversity recruitment, including training in avoiding unconscious bias.
- Requirements for diversity and non-discriminatory processes for the recruitment agencies with which we collaborate.
- Publicising the objective of diversity through the content of recruitment advertisements, profiling, and communication, as well as applying greater awareness of who is the target audience and using gender-neutral words and expressions.
- Working in a focused way to succeed in recruiting female students to student jobs at KBN. A number of these female students have since taken up permanent employment once they have completed their studies.

Measures to ensure diversity and equality in manager and employee development

KBN has worked proactively to reduce the differences in how employees and managers take advantage of the competence building opportunities that KBN offers. Our 'Kompetanseløftet' skills program is intended to challenge all employees to develop their expertise and to learn something new each year. Managers are appraised on the basis of the take-up for this program in their departments. This also serves to ensure that everyone is given equal opportunities for personal development. The program continued in 2024 with a completion rate of 77%. Looking at the completion rate by gender, 74% of women and 78% of men completed the program. Kompetanseløftet was introduced in 2021 and has been a successful measure for ensuring ongoing learning and professional development. The initiative ran until 2024 and has subsequently changed form to competence development budgets for each individual employee, in addition to an enhanced offering of internal courses and learning measures.

Our targets related to ensuring that manager and employee development include diversity management and increase awareness of discrimination are being continued. It is also important that we have a long-term perspective on the outlook for diversity in our middle management roles. It is KBN's policy to give existing employees equal opportunities in terms of competence building and career advancement, and we are also committed to focussing on ensuring diversity in succession planning for key positions. Employee development interviews are held on a regular basis, together with the preparation of individual personal development plans. For 2025, we have introduced a new measure designed to improve the structure of our employee development interviews and provide training for managers to ensure a uniform and consistent approach.

Measures to ensure work-life balance

There is a risk that some employees with a lot of responsibility, particularly key employees, may experience pressure and stress as a result of their responsibilities. To combat this, we have implemented

measures that promote and facilitate a healthy balance between work and free time. We would mention that for all employees we offer:

- Flexible working hours, extra holiday leave and time off in lieu.
- Events that continue after core hours or normal working hours are planned well in advance. As a general rule the work-related element is scheduled during normal working hours.
- Hybrid working whereby employees have the option to work at home for up to two days a week to give employees flexibility in terms of where they work, and to ensure a balance between work and free time due to a reduction in the time spent commuting to and from work.
- Work on KBN's meeting culture and management of meetings was prioritised in 2024, and this will continue in 2025.
- Regular employee development interviews, at which competence development, collaboration and well-being are all topics that are discussed.
- The concept of KBN's new premises as an activity-based office meets different needs that employees have in the course of their working day. The solution provides varied working areas that support different ways of working, e.g. quiet areas for work that requires concentration, as well as areas for collaborating and project work.

Results of the work

The annual employee survey carried out in 2024 shows that the majority of employees think that KBN has an inclusive working environment. 88% of employees agreed with the statement 'At KBN, we are very accepting of diversity', while 4% had no particular view either way, and 8% disagreed. These scores are an improvement compared to 2023, when 72% answered positively, 17% had no view either way, and 9% disagreed.

A preventative workplace inspection was carried out in December 2024 focusing on matters including the working environment, discrimination, harassment and sexual harassment. The results from the inspection were good with regard to the psychosocial working environment, and there were no incidents of discrimination or harassment.

In 2024, all employees attended a workshop on time management and effective meetings. The work resulted in a set of well-being and meeting rules that were termed *office etiquette*. The rules were launched on the day KBN moved into its new premises in August 2024. The preventative workplace inspection also included questions regarding the new office space. 83% of employees answered that they are very satisfied or satisfied with the activity-based office, which allows them to choose a workspace based on their need for concentration and collaboration, as well as noise levels. 61% of employees make use of the option to work from home one to two days a week.

KBN seeks to ensure its employees have a reasonable workload. Managers with personnel responsibility and HR monitor this throughout the year and ensure that no employee has an excessive workload. The balance between work and leisure, including the employee's perception of this, is monitored through ongoing dialogue between the employee and their immediate line manager, as well as during employee development interviews and in the employee survey. In addition, changes in the sick leave rate are monitored, and sick leave figures are reported in the quarterly reports. The sick leave rate at KBN is low, and KBN targets a sick leave rate of below 2.5%. The rate in 2024 was 2.1%, which was the same as in 2023.

The employee survey shows that employees believe they have a good balance between work and leisure. Women report that they find this to be slightly more the case than men. In 2024, an analysis of overtime and workload across KBN's various departments was conducted to assess time pressure and key person risk. A new measure resulting from this work is management training aimed at achieving greater consistency relating to compliance with KBN's rules on working hours.

Courses and workshops on the topics of diversity and equality have created engagement, and these remain a high focus and priority area for the management team. KBN celebrates World Mental Health Day and Pride with a range of activities for employees, with a high level of employee participation.

A number of the measures related to recruitment, competence development, and work-life balance are considered important for ensuring equality and preventing discrimination, and these will be continued. We have seen particularly good results from focusing on the language used in job advertisements to better reach female candidates in recruitment processes. An internal survey among new employees shows that, among job applicants who were not previously familiar with KBN, women were somewhat more likely to apply than men. This may indicate that focusing on job advertisements targeted toward women is an important factor in attracting female applicants.

KBN's work related to its due diligence report and equality statement follows an annual cycle with regular meetings between the employer and employee representatives. The activities planned for 2024 have been carried out according to the annual cycle and will therefore also be included on the agenda for 2025. Priorities and further follow-up are outlined below in the action plan for 2025.

Action plan for 2025

The grounds for discrimination we work on are gender, pregnancy, parental leave related to birth or adoption, care giving responsibilities, ethnicity, religion and belief, disability, sexual orientation, gender identity, and gender expression, as well as combinations of these grounds.

HR area	Background for measures/status/risk	Description of measures	Objectives for the measures
Recruitment	• There may be inequalities in diversity, including gender balance, for certain levels/departments • Focus on diversity recruitment in all our processes	▪ Equal treatment shall be applied whereby expertise and personal qualifications are evaluated regardless of gender, disability, age cultural and geographic background ▪ Stipulate requirements for diversity and non-discriminatory processes when using external recruitment services ▪ Measure the gender balance at all stages of the recruitment process, and identify the best qualified woman and the best qualified man in all recruitment processes ▪ Focus on diversity throughout the entire recruitment process, e.g. when designing job descriptions, publicising vacancies and profiling candidates, ensuring the interview panel has a balance of genders, and using objective and fair selection methods ▪ Training in diversity recruitment and non-discriminatory processes ▪ A campaign to attract female candidates through targeted marketing, KBN's homepage and external communication.	• Ensure a good gender balance and that we attract a diversity of candidates with a range of different expertise, backgrounds and experience • KBN is committed to diversity. Our objective is a gender balance of at least 40% at all levels and our ambition is for equal gender representation in all departments • Reduce the possibility of unconscious discrimination
Promotion and personal development opportunities	▪ Employees shall be given equal opportunities in respect of competence building and career advancement, salaries, and flexible working ▪ Focus on diversity in succession	▪ All employees are encouraged to further develop their competence, and have equal access to competence-enhancing resources ▪ Language training for employees who do not speak Norwegian	• Equal opportunities for competence building and career advancement

HR area	Background for measures/status/risk	Description of measures	Objectives for the measures
	planning for key positions and management roles	- Employee performance interviews with individual development plans - Improve the structure of employee performance interviews and training for managers to ensure a consistent and uniform approach - Carry out annual analysis of the implementation of employee performance interviews and career development measures	
Pay and working conditions	- Salary discrimination is considered to always be a risk - Variable salary payments: A risk of greater discrepancies in pay between genders	- Individual annual salary adjustments to take place in accordance with a standard process and with equal treatment using disclosed criteria - Salary adjustments are reviewed for any disparities before the final salary adjustment is determined - Full-time positions as the general rule, with part-time work as a possibility - Investigate whether the variable pay scheme might be leading to greater differences between genders for employees that take parental leave	- Carry out analysis to monitor whether KBN always ensures equal salaries for the same work or work of the same value - Reduce the possibility of indirect discrimination
Adaptations	No need for specific measures	- Adaptations are a possible topic in employee development interviews - Preventative workplace inspections to be carried out yearly	Employees with temporary or permanent disabilities shall be provided with individual adaptations to their work through discussion with their manager
Work and family life balance	- Meeting culture - Long working days can have an adverse effect on family life - Key person risk and high level	- Managers and employees take joint responsibility. Plan for even sharing of duties and time allocation - Information for employees, and training for managers on working time/overtime/flexitime	- All employees to have equal opportunities to combine work with family life - More harmonised practice with regard to the use of overtime and flexitime, as well as to the understanding of the concept of

HR area	Background for measures/status/risk	Description of measures	Objectives for the measures
	of dependence on deliveries can create time pressure in some departments		‘working hours’
Harassment, sexual harassment, and gender-based violence	▪ KBN has zero tolerance for discrimination, harassment and sexual harassment ▪ Unconscious discrimination may be encountered in comments by customers and colleagues	▪ Raising all employees’ awareness of current guidelines ▪ Breaches of the guidelines may result in sanctions ▪ Training in appropriate behaviour for all employees ▪ Targeted training for employees in regular contact with external parties	▪ Ensure a safe working environment. Monitoring by preventative workplace inspections/employee surveys ▪ Corporate culture and management to promote inclusivity and diversity
Other relevant areas (e.g., working environment, preconceptions/ attitude/ culture)	▪ Attitudes and preconceptions can affect corporate culture and meetings with colleagues, customers, and collaboration partners ▪ Managers at all levels should have expertise in diversity and equality.	▪ Training for managers in diversity and equality ▪ Celebrate Pride ▪ Celebrate World Mental Health Day ▪ Be aware of diversity and inclusion when planning social events	▪ Corporate culture and management to promote inclusivity and diversity ▪ Prevent unconscious discrimination ▪ Ensure a good working environment