

## **Statement 2014/2015 regarding the underrepresented sex in management cf. The Danish Financial Statements Act §99b**

The statement is an integral part of the management report in ege a/s' annual report for the financial year 2014/15.

The below set targets are corporate targets, as well as the policy applies for the entire ege group, while the status and action plan at present are based on Herning. Launched initiatives will subsequently be implemented in the group's other locations in order to be extended to apply for group level in the future.

### **Definition of management levels**

Based on input from our employees - e.g. obtained from interviews - the definition of management has been specified so that "A manager at ege is either responsible for other employees or occupies an independent position allowing the person concerned to act on behalf of ege".

Furthermore, organizational changes have resulted in four levels of management: directors, managers, middle managers and team leaders. ege's policy on diversity in management applies for all levels of management.

### **Politics**

We will promote a diverse workplace and work to promote the number of women in senior positions. We will ensure that our employees are able to use their qualifications in the best possible way regardless of gender, ethnicity, religion, political opinion, age, disability, sexual orientation etc.

In the longer term, we want the division between men and women at management level to reflect the distribution between the sexes in the company overall.

### **Overall objectives**

In 2013, we set two specific objectives for the group:

- 30% of all new managers must in the future be women
- 30% of all managers must in 2017 be women

A concrete action plan has been established to achieve the objectives set. However, to interpret the action plan it is important to know that staff turnover at ege is low. We have many employees with more than 25 years of seniority, and it is often employees with many years of service, who are in charge of executive positions in the company. Thus, it is not customary to employ managers externally. Furthermore, replacement of managers is low and a quick replacement is therefore not realistic.

### **Status of the overall objectives**

- *To maintain a balance in the board of directors of 25% women and 75% men.*  
At the annual general meeting in August 2014 this goal was achieved by the re-election of the existing 4 members of the board, hence a new goal of minimum 40% of the underrepresented sex was set.

- *30% of all new managers must in the future be women.*  
During the financial year 2014/15 one recruitment at management level in Herning has been carried out, employing a woman. Other changes at management level in Herning have been in-house promotion of employees resulting in expansion or clarification of the employee's field of work. The latter concerns 2 women and 3 men, representing 40%.
- *30% of all managers must by 2017 be women*  
In 2012 24% were female managers and as of 30 April 2015 the figure was 28%, representing an increase of 4%.

### **Status on action plan**

Recruitment is carried out in accordance with the action plan, endeavoring it to be done both internally, externally and widely. During the financial year 2014/15 a human resources department has been established to advise in matters of recruitment and thereby contribute to compliance with the recruitment guidelines.

Regarding women at pre-management level, managers were at the end of the financial year 2013/14 asked to identify potential female managers, hereafter followed by interviews with 15 female employees and 9 male employees in order to identify any barriers and incentives for possible future female managers.

Subsequently the following initiatives have been launched:

- Establishment of an HR department to advise managers and female employees of competency development.
- Competency development has become an integral part of appraisal to ensure that potential leadership talents develop in the right direction.
- All employees have access to information on the intranet about the entitled amount of continuing professional development.
- The objectives regarding promotion of female managers are published on the intranet, and the directorate clearly indicates that a leadership position at age should be possible whilst maintaining a good balance between job and family life.

As part of the development of personal leadership some current female leaders have participated in "Basic Leadership Training" during 2014/15 as well as continuing professional development has been agreed with others. Agreement on competency development is always done in close cooperation between management and employees.

### **Overall objectives in the future**

The following objectives are maintained:

- 30% of all new managers must in the future be women
- 30% of all managers should by 2017 be women

In addition, the following new objectives have been set for the board of directors:

- Within the next 4 years (from 2015) the part of the underrepresented sex, among the elected members of the board, is to be increased from 25% to a minimum of 40%.

## **Action plan**

The following action plan has been set for the board of directors:

- The board will make an active effort to ensure that women to a greater degree than previously are appointed as candidates for the board. In this way, a more equitable gender balance of the board can be established in the future.

In case of target figure of other management level the guidelines regarding recruitment of new managers are continued in a modified form:

- At recruitment, advertisement is carried out internally, externally and widely.
- At recruitment, all qualified applicants will be considered for the position regardless of gender, ethnicity, religion, political opinion, age, disability, sexual orientation etc.
- At external recruitment, we will if possible have at least two female candidates for each interview.
- When using headhunters/external recruitment suppliers, we will if possible require at least 40% of the candidates to be women.

In addition, the following action plan has been set:

In the financial year 2015/16 the HR department started obtaining an overview of staff functions, skills and training of employees in the group, which is expected completed before the end of 2017.

This overview should provide:

- an objective appraisal of qualifications in relation to internal recruitment to ensure an equal evaluation between sexes.
- focus on increasing female employee's incentive to seek management career development.
- increased focus on strengthening the personal and professional skills of current female leaders and if necessary agree on further training, as well as
- status monitoring of targets

## **Responsibility, reporting, evaluation and revision**

The senior management at ege has overall responsibility for ensuring that internal guidelines regarding women in management are respected.

The human resource department is responsible for implementing and continuing working with various initiatives from the action plan as well as evaluating and reporting to the directors of ege<sup>1</sup>.

The CSR department is responsible for reporting results of planned initiatives in the CSR report for 2015/2016, as stated in the action plan. In 2015/2016 the human resource department is responsible for evaluating and updating the action plan more generally.

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<sup>1</sup> Previously the CSR department was responsible, however, the responsibility has been delegated to the newly established human resource department.