

2019 / H1

SHETM

I N D E X

— POWERED BY —



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Introduction

SHE INDEX

The future workforce is a diverse one

– We believe what gets measured gets done!

Gender equality in business gets a lot of attention these days, and for a good reason: it is not only an issue of fairness but also a matter of attracting the best leaders, of whom many will be women. There is considerable economic value at stake for companies and nations. But gender equality is proving difficult to achieve. How can organisations and public institutions move more quickly?

TRANSPARENCY CREATES TRUST

To move more quickly essential success factors include setting a clear strategy and identifying goals, measuring the status quo and involving the whole company to be part of the change.

The goal is to accelerate change by evaluating companies on gender equality criteria and making rankings and insight available to companies, investors and the media. We encourage private and institutional investors to keep an eye out for gender balance in leadership and workforce. SHE Index aims to make progress towards gender equality in business transparent and comparable across all sectors.

Three important tasks for making changes towards an **EQUAL WORKFORCE**

01.

Bold leadership

Top management have defined policies, strategies, goals and practices.

02.

Measuring equality targets openly

A diverse leadership team that sets, shares and measures equality targets openly.

03.

An empowering environment

One that trusts employees, respects individuals and offers equal opportunities.

If organizations succeed in creating a workforce culture that fosters equality, it will be better equipped to utilize its talent base.

Emphasis

THE INDEX

This is the second edition of the SHE Index – Powered by EY.
We have the ambition to create an index that will:

01. Present the status for gender balance
in business

02. Give the opportunity to learn from and be
inspired by the best practices in this area

*“While BoDs in Norway have recruited
40% women, the number of female leaders
hasn’t changed much in 10 years”*

How & why

To create an index reflecting the true status of gender equality in business we decided to look for more than facts and statistics. We wanted to understand: how do companies work to achieve progress in this area? How common is it to set specific targets? Does it matter if you have a gender equality policy?

We recognize that there will be differing views on how such an index should be composed and the weighting of the various elements. We do not claim to possess the ultimate wisdom in this area and there will be competing views on several issues dealt with in the index.

What we have done, however, is to review similar ratings, we have researched the various underlying topics, gone through surveys and research reports and then balanced the various aspects of what it takes to achieve diversity and a better gender balance. Then we have had lengthy discussions in the team and finally taken some decisions. We do not expect everyone to agree with us, so we are happy to hear any well-founded suggestions for future changes in the index. Realistically; adjustments will be necessary, and we have already made some after the first version of the index.

The first Index was limited to the major listed Norwegian companies. The number of participating companies this time is more than tripled from the first edition, and we will gradually include more and more companies in the times ahead. It was also nice to experience a keen interest from India's shipping industry in the index. After some discussions and experience transfer the SHE Index is now running in the two countries, and we will take initiatives in the times ahead to spread it further.

The goal with the index is to find a way to document in a commonly accepted manner how far individual companies have come in this area, and hopefully inspire many to speed up the process towards a fair gender balance. We believe this will also be a recipe for better functioning and more profitable companies.

SHE Index

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In the first index (autumn 2018) 25 of Norway's largest listed companies participated. This time questionnaires have been filled in by 79 companies. Below is the SHE Index based on input from these participating companies, of which 6 of the top 10 companies and 15 of the top 50 on the DN500 list (Norway's 500 largest companies). See appendix for the complete questionnaire and full overview of the composition and weighting of the index.

WHAT WE WILL COMMUNICATE

The SHE Index is based on the actual gender balance in management and the gender equality aspects covered in the questionnaire. In the communication around the Index we offer full transparency around the framework, the questionnaire and how the index score is calculated. However, we will only disclose one single figure per participating company – the index score. Other information from the detailed questionnaire (see appendix) will be used in an aggregated and anonymized way to highlight certain topics and to analyze the underlying drivers to change.

Hopefully this may provide further insight in e.g. how common certain policies and procedures as well as goal-setting is in this area, and how important the various elements are in driving the gender equality agenda.

The SHE Index 2019 / H1

COMPANY	SHE INDEX
Schibsted	95
OBOS BBL	90
DNB	90
Storebrand	86
Sparebanken Sogn og Fjordane	85
Vinmonopolet	83
Nordic Choice Hospitality Group	83
Grieg Seafood	83
KLP	83
Wallenius Wilhelmsen Logistics	81
ManpowerGroup Norway	77
Evry	76
EY	75
Vardar	74
Telenor	73
Norsk Tipping	72
Norsk Hydro	72
Fjordkraft Holding	72
Sparebanken Vest	71
Ving Norge	71
Jula Norge	71
Sparebanken Møre	70
Compass Group Norway	69
NRC Group	67
Flytoget	67
Entra	66
Euro Sko Norge	65
Sopra Steria	65
Gyldendal	64
Lundin Norway	64
BDO	63
Sweco Norge	62
Gjensidige Forsikring	62
Komplett Services	61
Norconsult	61
Jysk Norge	61
Equinor	58
TV 2	58
Telia Company	57
Yara International	54

The SHE Index 2019 / H1

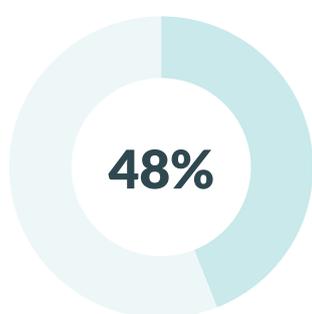
COMPANY	SHE INDEX
Arcus	53
Veidekke	52
Atea	52
Ferd	51
Spectrum	50
JM Norge	50
Protector Forsikring	50
Aker	48
Contiga	47
Viken Skog	47
Bouvet	47
Aker BP	46
Glitre Energi	46
Coop Nordland	46
Aibel	44
RiksTV	44
Aker Solutions	44
Skanem	43
Isola	42
Coop Nordvest	39
Nammo	38
Europris	37
Scatec Solar	37
Tomra Systems	37
B2Holding	35
Bremnes Seashore	33
Ragn-Sells	32
Eplehuset	31
AF Gruppen	29
ABG Sundal Collier Holding	25
Dynea	24
Norwegian Hull Club	23
AKVA group	23
Alcoa Norway	23
Pareto Asset Management	19
Crayon Group	18
Nordic Semiconductor	18
Jackon Holding	17
Jægergruppen	9

We chose to publish the index score without decimals. Where several companies have the same index score there are only minor differences, but we have ranked them by the decimals.

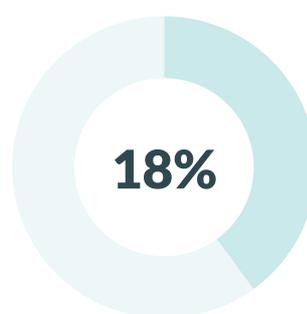
Some findings from **THE GENERAL QUESTIONS**

POLICY, GOALS & MEASUREMENT

"It's on the agenda"



Of the companies have
a Gender Equality Policy



Planning to introduce a Gender
Equality Policy during the next
6-12 months

PAY GAP AND INDEPENDENT AUDITS

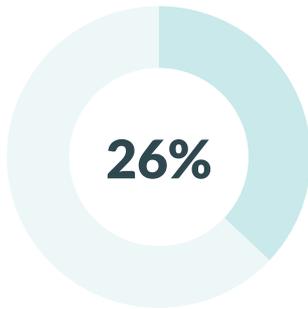
"The gender pay gap is narrowing".

57 of 79 companies report there is no gender pay gap in the organization. Of the companies that indicate they have a gender pay gap 11 have a plan to close it.

More than half the companies have an expressed goal for gender equality in management. Every third measure the effect of various initiatives, but only 5% are audited by an independent external provider.

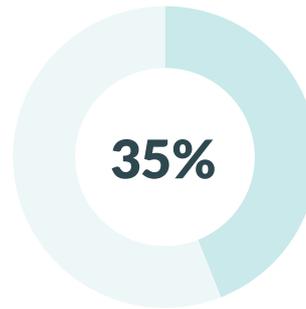
TALENT

"Female candidates are promoted for management positions"



INTERNAL

Defined requirements for nominating female candidates when appointing internal candidates to top management positions



EXTERNAL

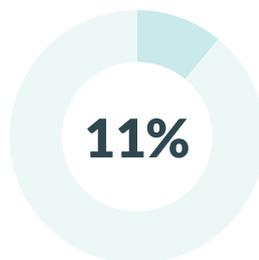
Defined requirements for nominating female candidates when appointing external candidates to top management positions

GENDER DISTRIBUTION

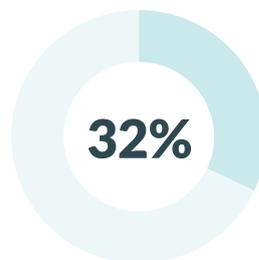
We measured share of women in the top 3 levels of management, as well as the Board of Directors. (CEO = Level 1. Top Mgt. = Level 2. All leaders reporting directly to Top Mgt. = Level 3)



Board of directors



Level 1



Level 2



Level 3

APPENDIX

In this section you will find

- The questionnaire
- The weighting
- Q&A

THE SHE INDEX CONSISTS OF TWO SECTIONS

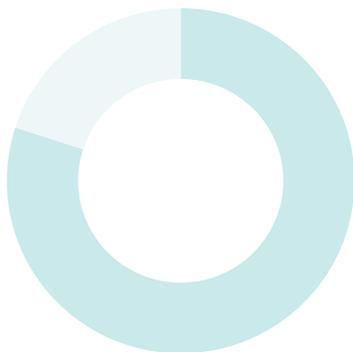
A.

The gender distribution for the BoD and the top three management levels

B.

A questionnaire where each company describe its policies and targets in place

THE WEIGHTING OF THE SHE INDEX



80%

The gender distribution for the BoD and the top three management levels.

20%

A questionnaire where each company describe its policies and targets in place.

Category A

ACTUAL GENDER BALANCE

Category A: Actual gender balance on Board level and the top three levels of the company (CEO = Level 1. Top Mgt. = Level 2. All managers reporting directly to Top Mgt. = Level 3). Information was gathered about gender, position title, mgt. level and category. Managers were also classified in two groups; with or without bottom line responsibility.

INDEX SCORE

For the calculation of the SHE Index score for each company the formula in the illustration below was used. E.g. 45-55% women and men at each management level gives 100% of the score in this section. Gradually reduced, depending on the numbers, towards 90% or 10% share of women and men, which will give a 0% score.



Board of Directors	10%
CEO, CFO and Group Management	48%
Level 3 Management (reporting to group management)	38%
General gender balance in the total workforce	4%
TOTAL	100%

Category B:

THE GENERAL QUESTIONS

Some of these questions are there for general purposes, but are not considered when calculating the index score. The questions here, earning 20% of the total index score, fall into four sub-divisions, each defining 25% of the total score in this section.

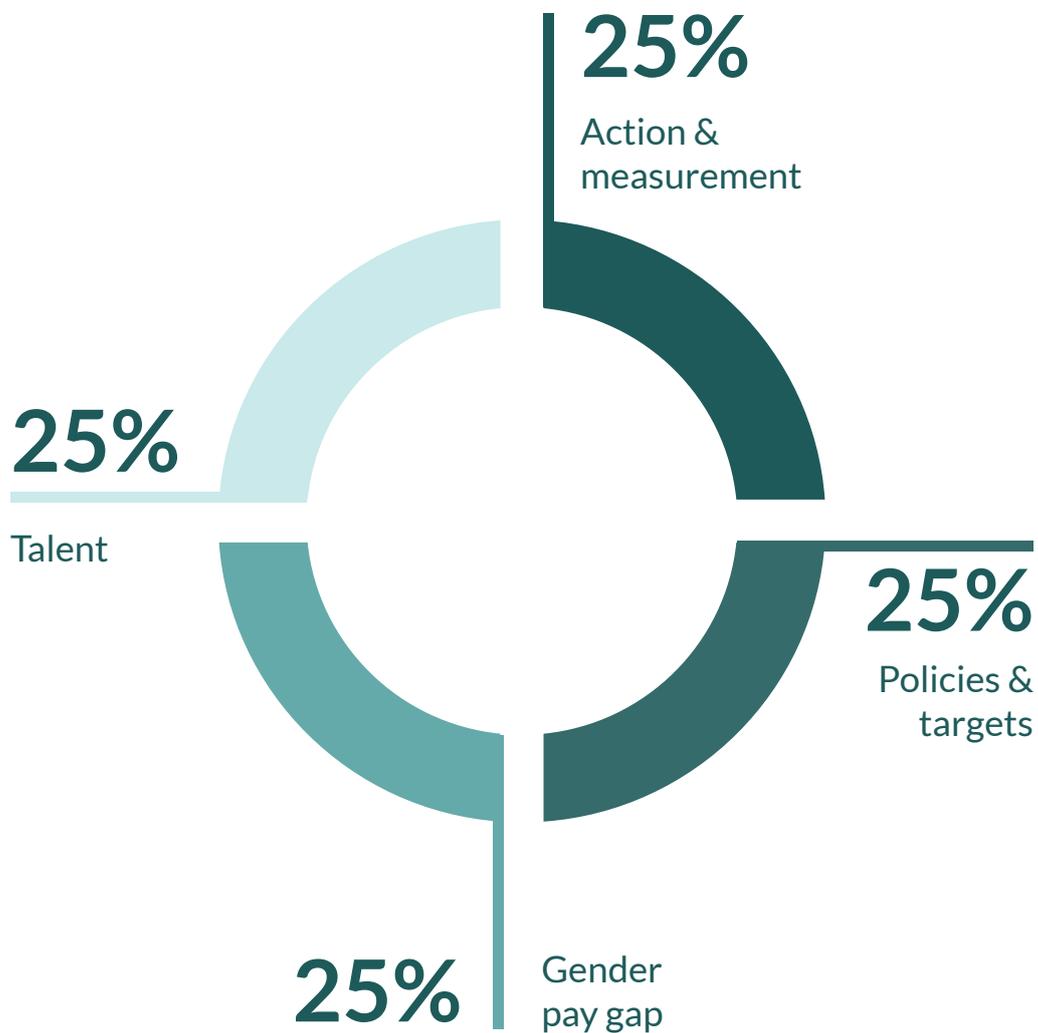
01. **POLICIES AND TARGETS**
Question 1, 4 and 6

02. **GENDER PAY GAP**
Question 7 and 8

03. **TALENT AND REQRUITMENT**
Question 10 and 11

04. **ACTION AND MEASUREMENT**
Question 12, 13 and 14

The general questions IN THE INDEX



THE GENERAL QUESTIONS

01.	Does the organization have a Gender Equality Policy (GEP)?
02.	If you have a GEP, is this publically available information, i.e. available at your homepage or similar?
03.	If the organization does not have a GEP, are you planning to introduce one during the next 6 - 12 months?
04.	Are gender equality criteria being considered when selecting subcontractors?
05.	Have you signed on to UN's Women's Empowerment Principles?
06.	Does the organization have an expressed goal for gender equality in management?
07.	Is there a gender pay gap in your company?
08.	Is there an investment plan or strategy for gender pay gap?
09.	Is parental leave for men and women provided?
10.	Do you track females in your talent pipeline?
11.	Have you implemented leadership programs specifically targeting female leaders, such as mentoring programs, assigned sponsors, coaching initiatives etc.?
12.	Do you measure the effect of various initiatives on gender equality over time?
13.	When appointing internal candidates to top management level positions, do you have a defined requirement for share of female candidates?
14.	When recruiting external candidates to top management level positions, do you have a defined requirement for share of female candidates?
15.	Do you have an independent gender audit by a reputable provider?

Q&A

Why does the board level just count 10% in the Index?

When it became law in Norway to have minimum 40% female representation at the BoD it was expected that this would soon also increase the number of female leaders. This has however not happened, and the percentage on top management level has not increased much over these years. Although some BoD's actively promote gender equality we think there are many reasons to believe that the top management will be more agenda-setters than the BoD in this area.

Why is the CEO and top management level weighted only 48% and level 3 almost as much (38%)? Isn't top management much more significant?

We believe that the first major changes in most companies will come on level 3, which broadly spoken will be the recruitment base for top management. We therefore – in this perspective – consider it so important that we would highlight that level a bit over-proportionate to their managerial influence.

There have been a number of big changes in companies, even though just half a year has passed since the last index. How can that be?

Fortunately, this is an area in movement. There has been some very encouraging changes in major Norwegian companies in the last 6 months. In addition, there are some reporting changes. Some companies just replied to selected questions last time, and has now completed the questionnaire. For some that has made a significant difference.

Why do you put so much emphasis on the “softer issues” – isn't the proof of the pudding in the real gender balance in the management?

We agree that the hard facts are the most important, it therefore weighs 80 % in the index. We still think the factors on display through the general questions – policies, goals and practices in this area – will produce results in the long run. It is thus our conviction that it deserves to carry a 20 % weight in the Index.

Some companies have the same score. Why not in alphabetical order when that happens?

We chose to publish the index score without decimals. Where several companies have the same index score there are only minor differences, but we have ranked them by the decimals.

You say you want to expand the number of companies participating in the index. What can we expect to happen with regards to the participation in the Index?

In the first Index in the autumn of 2018 26 of Norway's largest listed companies participated. This was however just the start, and we already have more than three times that participating in the second Index. In addition, it has spread to the shipping industry of India. We will aim for an increasingly higher number of participating companies and hope to see the index exported to more countries.

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