

Yearly Equality Analysis

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In Nets Branch Norway AS we strive to knock all diversity barriers existing in the finance and tech industry. Diversity and inclusion are a fundamental part of the Nexi identity and as such it is one of our 4 core Nexi Values.



In Nexi we work constantly to identify, avoid, and rectify discrimination by gender, religion, race, ethnicity, pregnancy, disability, gender identity, sexual orientation and more. With this report we aim to map the problem areas existing in Norway and propose solutions and changes to it. At the same time, we work to identify patterns, trends and nuances that can show us the historical change of the company and where we should focus our efforts in the upcoming years.

Methodology

This report will have a twofold goal. On one hand, it will measure the gender balance within Nets Branch Norway AS. On the other hand, it will analyse “equal work for equal pay” which makes sure that positions of the same nature and responsibility are compensated equally. The Gender Equality analysis is structured and based upon the Equality and Anti-Discrimination Act (EADA), that established the structure of the analysis as well as the conclusions and actions to look for. In this manner, the LDL establishes in section 26 the following obligation:

§ 26. Activity duty of employers

All employers shall, in their operations, make active, targeted and systematic efforts to promote equality, prevent discrimination on the basis of gender, pregnancy, leave in connection with childbirth or adoption, care responsibilities, ethnicity, religion, belief, disability, sexual orientation, gender identity, gender expression or combinations of these grounds, and shall seek to prevent harassment, sexual harassment and gender-based violence. Such efforts shall encompass the areas of recruitment,

pay and working conditions, promotion, development opportunities, accommodation¹ and the opportunity to combine work with family life.

All public undertakings, regardless of size, and private undertakings that ordinarily employ more than 50 persons shall, in the context of their operations

- a) investigate whether there is a risk of discrimination or other barriers to equality, including by reviewing pay conditions by reference to gender and the use of involuntary part-time work every two years,*
- b) analyse the causes of identified risks,*
- c) implement measures suited to counteract discrimination and promote greater equality and diversity in the undertaking, and*
- d) evaluate the results of efforts made pursuant to a) to c).*

The same shall apply to private undertakings that ordinarily employ between 20 and 50 persons if requested by the employees or employee representatives.

«Involuntary part-time work» shall mean part-time work where the person holding the position wishes and is available to work more.

Efforts as specified in this provision shall be documented. Efforts as specified in the second paragraph of the provision shall be made on an ongoing basis and in cooperation with employee representatives.

Furthermore, on the studying and analysis of equal work for equal pay, this report will be based on the contents of the section 34 of the EADA:

§ 34. Equal pay for work of equal value

Women and men in the same undertaking shall receive equal pay for the same work or work of equal value. Pay shall be set in the same way, without regard to gender.

The right pursuant to the first paragraph applies irrespective of whether the work relates to different branches or pay is governed by different wage agreements.

Whether the work is of equal value is determined by means of an overall assessment in which emphasis is given to the expertise that is required to perform the work and other relevant factors, such as effort, responsibility and working conditions.

«Pay» means ordinary remuneration for work plus all other supplements, advantages and other benefits provided by the employer.

¹ Accomodation or «tilrettelegging» refers here to the facilitation of physical or psychosocial circumstances at work to improve the individual's access to work, as well as work quality and safety.

Gender equality status

a) Headcount vs position grade by gender as per 2022

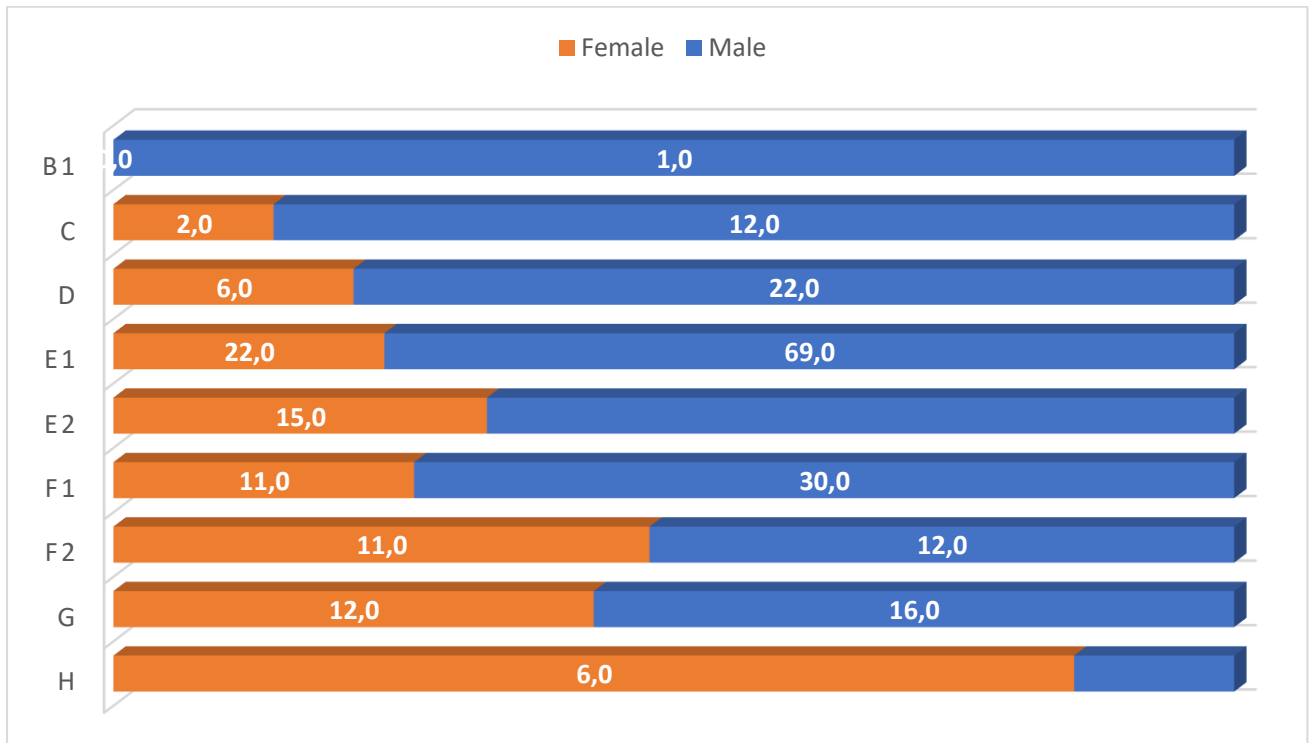


Figure A.

Historical data about gender proportion in Nets, years 2020 to 2022

It's important to mention that Nets Branch Norway AS had, as of 2020, all employees from Mastercard. There were then 399 employees, compared to December 2022 when there were 276 employees.

The chart above and under are two different visual representations of the same data. The chart above is a visual representation of the percentage of women and men in every BONUS GRADE present in Norway.

The chart below, presents historical data on the number of women in each Bonus Band in Nets Norway from the year 2020 to the year 2022.

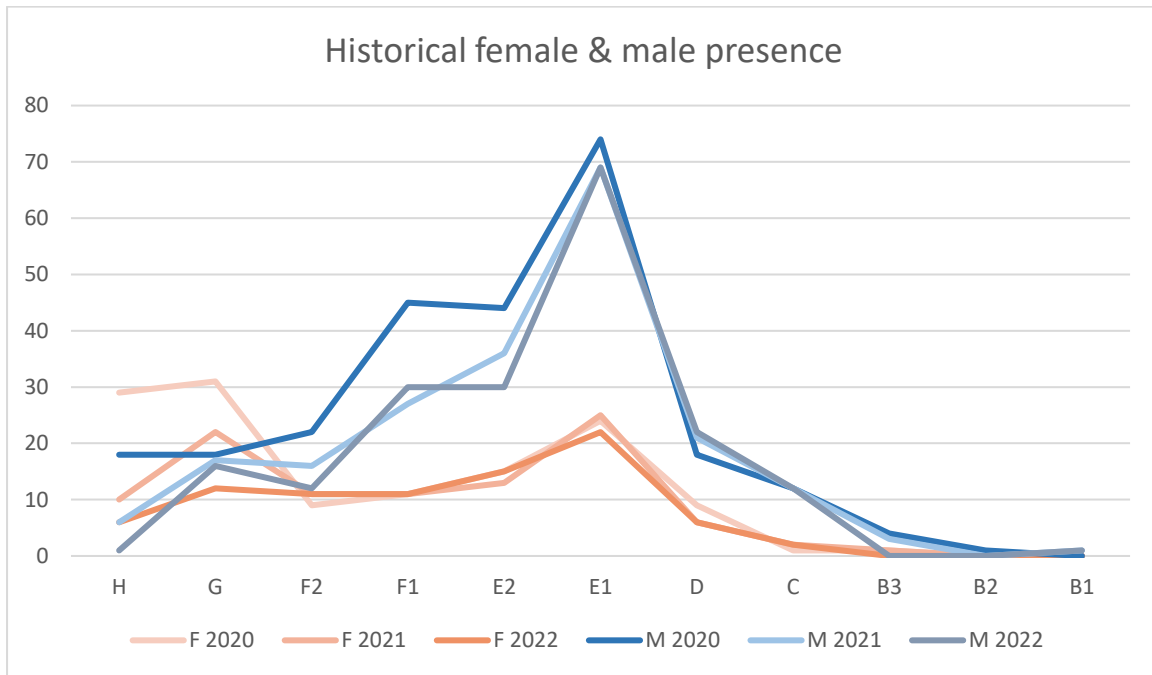


Figure B.

b) Average salary for Nets employees divided by gender

	Men	Women	Total average	Median
Average yearly salary	846122,21	732917,24	812366,55	806 304,00
Average target salary	912799,00	776893,00	872274,00	846 619,00

c) Parental leave

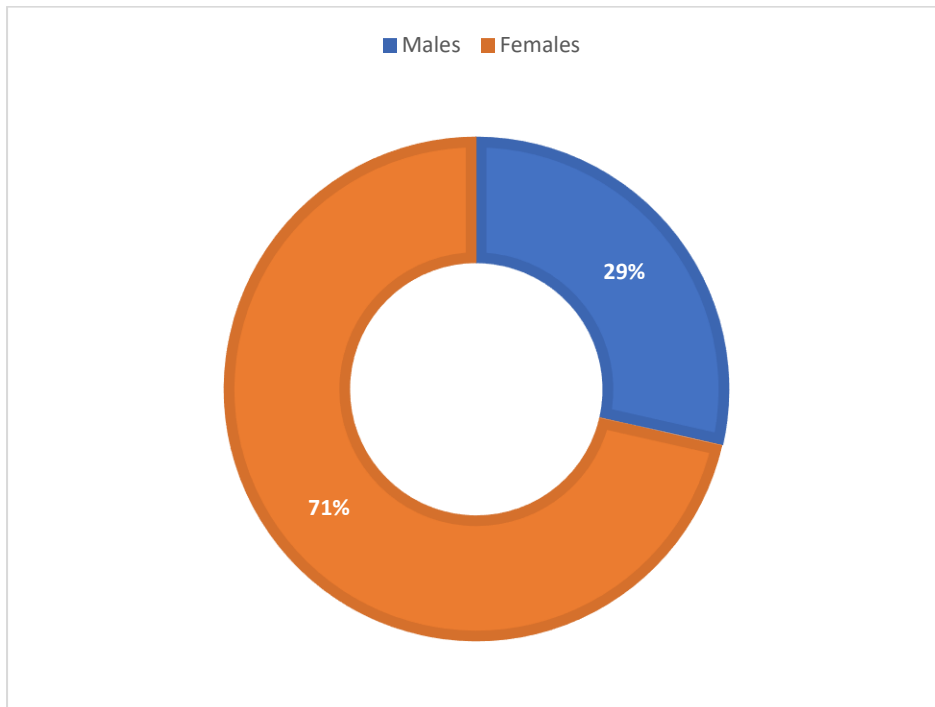


Figure C.

d) Sick leave per gender

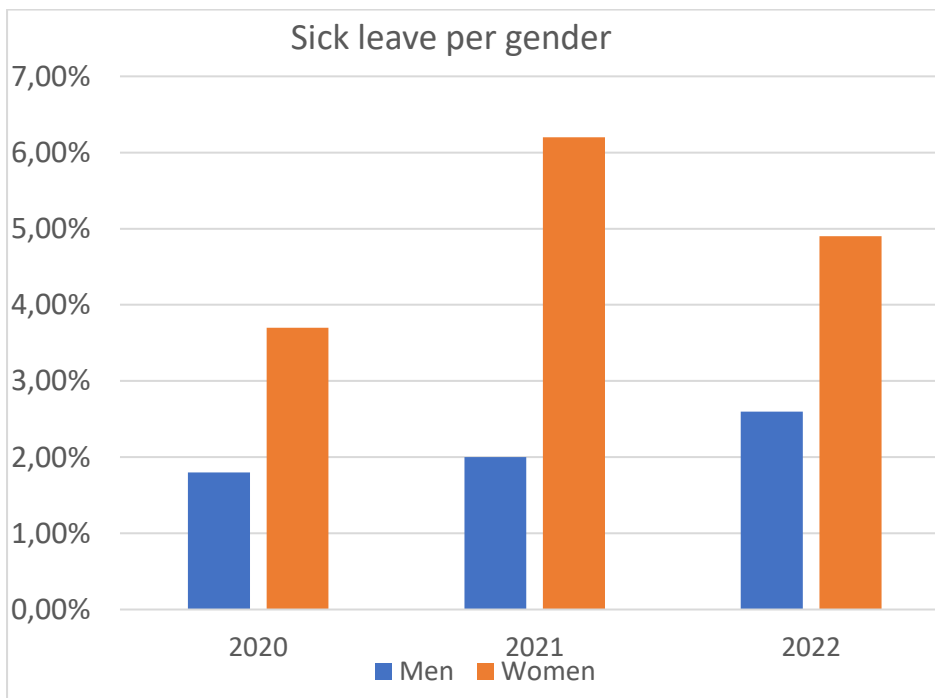


Figure D.

e) Temporary employees

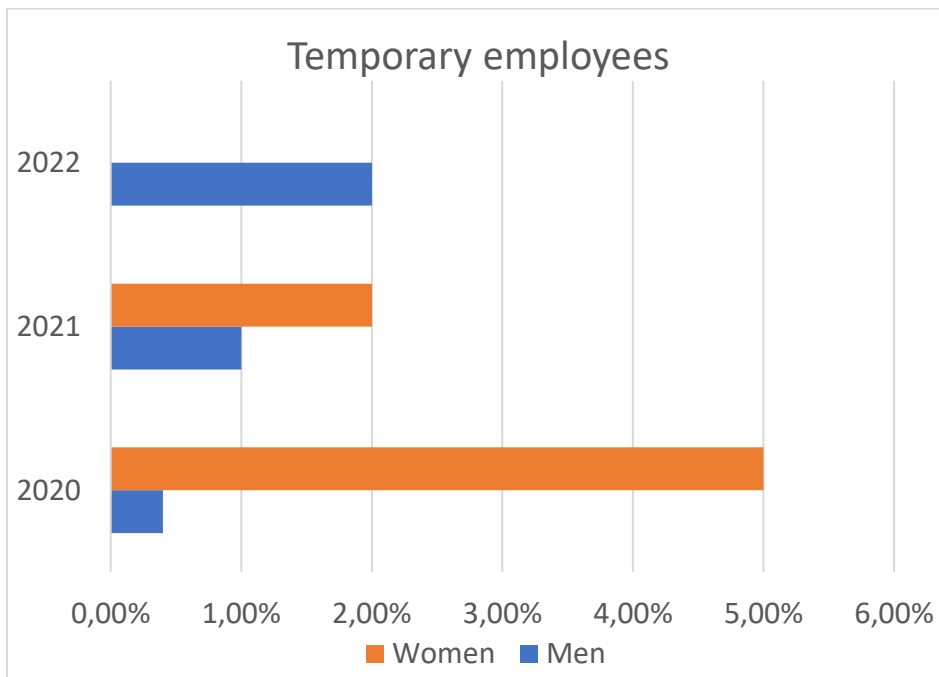


Figure E.

f) Female Leaders

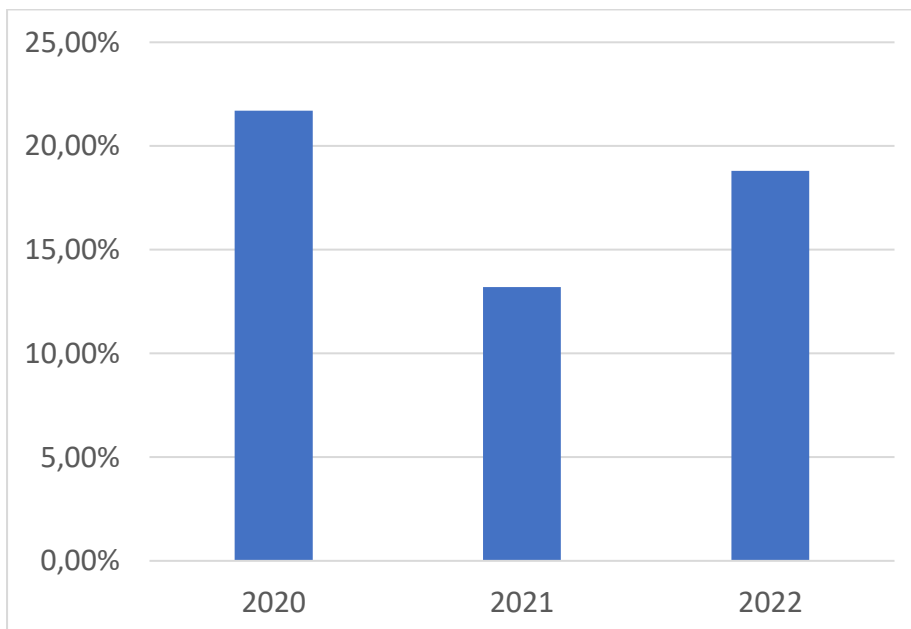


Figure F.

g) Average Salary in Nets divided by gender

Total	Females	Males	Ratio of female to male base salary	Ratio of female to male base salary + Target bonus
	31 %	69 %		
Bonus Band B3	1	2		
Bonus Band C	1	10	86 %	84 %
Bonus Band D	5	22	94 %	92 %
Bonus Band E1	23	68	100 %	100 %
Bonus Band E2	14	31	99 %	99 %
Bonus Band F1	10	25	105 %	98 %
Bonus Band F2	11	8	88 %	88 %
Bonus Band G	11	15	110 %	103 %
Average			97%	95%

Methodology: Included ratio of female to male average base salary and on target bonus. Numbers for 2022. Bonus bands with less than 10 employees are excluded.

Data findings for 2022

The data shown in this report exposes a clear gender gap across all BONUS GRADE's and Business Units. The conclusions to draw from the data visualisation above can be summarise as follows:

- There is a clear gender gap in total headcount, where women make 30% of the workforce in Nets Branch Norway. This percentage is steady throughout departments and business units, with some exceptions on the non-technical Business Units, such as Finance.
- Women are more prevalent on lower Bonus grades levels than men, and completely disappear on the highest grades in Norway, which shows the highest management positions are not occupied by women.
- Other than the restructuring changes made in 2020, the numbers are consistent throughout the years, not showing any upward trend movement and showing a slight decrease on the top bonus grades from 2021 to 2022.
- Men in Nets Branch Norway make on average 33.755,36NOK above the salary average whereas women make 79.449,31NOK less than the average. If we compare the median, women make less than men in both yearly salary and target pay.
- In 2022, 25 out of 196 male employees took parental leave, which means 12,7% of the male workforce. In the case of female employees, 25 out 81 female employees them took maternal leave, which means 31,8% of the female workforce.
- The percentage of sick leave has reduced significantly from 2021, but still women surpass men in sick leave by 2,30 points in the company. It is too early to discern a trend.
- The number of temporary employees however is skewed towards men. In 2022 all the temporary workers in the company were men. The total amount of temporary workers has been in constant reducing trend since 2020.

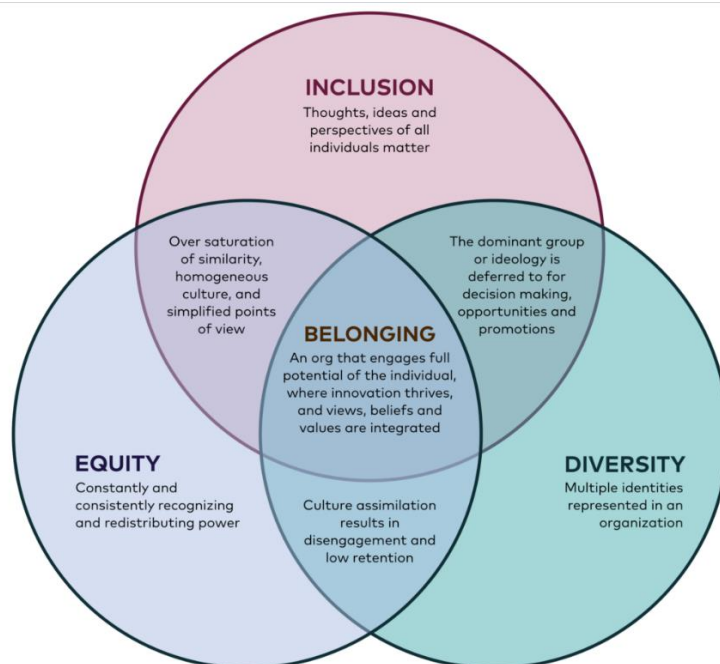
- There is a very positive decrease of part-time workers in Nets. From 14 points for women and 4 for men in 2020 to 5 points for women and 2 for men in 2022.
- After a record-low number of female leaders in Nets, the trend seemed to turn upwards in 2022.

This is how we work to identify risks of discrimination and obstacles to equality

Our ambition of becoming a European payments champion can only be achieved in a dynamic, diverse, and inclusive workplace, where all of us can explore our full potential, regardless of age, disability, sex, gender identity, race, religion or belief, or sexual orientation.

That's why in Nets & Nexi there is continuous work to ensure equality and prevent discrimination. The Diversity and Inclusion Board, chaired by Nets CEO, Klaus Pedersen leads the continent-wide D&I agenda. The Board prioritises and shapes D&I initiatives and promotes diversity and inclusion through various activities across the organisation. The board meets quarterly, and sets the agenda for Nets' work with equality, diversity and inclusion. The work is led by the CEO and HR director in the group. A working group has been established to support the work with specific programmes.

The board principles can be visualised as such:



In the beginning of 2023, work began on preparing an analysis on equal pay. The result is presented to the shop stewards who will be involved in the analysis. All the results have not yet been presented to the union representatives, due to re-prioritization within the group, and will be presented in the second half of 2023

Employee surveys are carried out annually, which are presented and discussed with the elected representatives and the working environment committee.

The survey conducted in October 2022 measured employee engagement and employee satisfaction through many questions. On questions related to inclusion and diversity in the workplace, there is a clear difference in how men and women view diversity in Nets, with women scoring lower on average on all questions, as showed below:

Diversity, Inclusion & ESG	Female	Male	Average
All employees, regardless of their differences, are treated fairly.	72	84	79
At the Nexi Group, diversity is valued.	71	78	75
At the Nexi Group, differing viewpoints are sought out and valued when we make decisions.	49	58	54
I can be my authentic self at work.	89	92	90
I feel like I really belong at the Nexi Group.	63	68	66
There is an equal opportunity for people to have a successful career at the Nexi Group.	54	72	64
The Nexi Group has a strong focus on Environmental, Social and Governance (ESG) topics.	40	45	43

100%-80% very favourable, 79%-60% favourable, 59%-40% neutral, 39%-20% unfavourable, 19%-0% very unfavourable.

We found the following possible causes of risks and obstacles.

For many years, Nets has had a spotlight on equality, diversity, and inclusion, but has not analysed the effect or followed up systematically. Reducing the steering group has given this work greater focus and ensured systematic follow-up. Overall, the following risks and areas for improvement have been found in this work:

- Need for increased awareness among all employees, including employees' responsibilities about how they can get help and support.
- There is a need for training for all employees and ensuring good knowledge of the equality, diversity, and inclusion policy, including compulsory training for all line managers.
- There is a need to ensure that the goal of equality, diversity and inclusion is included as part of the mandatory management training.
- Lack of HR resources to implement all changes needed in the organisation.
- Nets conducts annual employee surveys, and issues relating to equality, diversity and inclusion must be incorporated in a better way than today in order to be able to be measured.
- There is a need for more knowledge about the topic, and all employees who leave will be asked questions related to equality, diversity, and inclusion.
- Diversity and inclusion must be included in the Nets group's priorities and performance measurements for all managers.
- When recruiting, there is a need for a review of how job advertisements are designed to attract women and ensure increased diversity.
- There is a need for a review of the contracts Nets has with our recruitment agencies, including setting requirements related to equality, inclusion, and diversity.
- There is a need for a review of how Nets markets the company, including ensuring better advertising of Nets as an inclusive group.

- Nets' marketing of vacancies and the means we use to attract women and ensure increased diversity must be reviewed. (Women in Finance, etc.)
- To gain increased knowledge about the number of applicants and the number of new hires broken down by gender, new reporting routines were implemented.
- Review the gender balance internally in the company regarding talent and performance assessments.
- Ensuring a spotlight on the salary and career development of women in the group, including ensuring better guidance.
- The equal pay analysis shows that women earn less than men, and Nets must shine a spotlight on the fact that men and women earn the same in the same position.

In 2022, the spotlight was put on the following 4 areas:

1. Equal pay review: Employee pay depends on many things – experience, performance, background, and market – but gender should not be one of them. We carried out an equal pay review across the group to identify and address any gender pay differences across the organization that cannot be satisfactorily explained on grounds other than gender.

2. Diversity in recruitment. The use of language in advertising and recruitment is important to increase the number of female applicants and strengthen diversity in the group. A review of language in advertising, use of digital channels, including language linked to the interview process, will be implemented.

3. Women in Nets. The goal is to create an environment where female talents get the same opportunities as men. Nets we carry out a review and look at targeted employment measures to recruit, retain and further develop female talent, including mentoring programs for women.

4. Organizational development and increased awareness of employees and managers related to equality, diversity, and inclusion through drawing up a policy, with associated training for all managers and employees.

In collaboration with shop stewards in Norway, we have also found the following risks and obstacles:

- The wage differences between men and women are in themselves discrimination and are linked to a lack of focus and guidelines from management on local wage negotiations.

- Lack of knowledge on the part of managers in Nets related to the possibility of advancing salary requirements when changing/taking up a new position.

- Lack of knowledge among managers and employees related to the definition of IPE and bonus grades and opportunities to be able to change this.

- The results from the annual employee survey are presented to the union representatives, while the line managers feel up with concrete measures. It is desirable to have stronger involvement and information about group-wide measures and national measures as this can contribute positively with a view to reducing identified gaps.

Net's long-term goal is to have a 50% gender distribution between women and men at all levels in the organisation.

Our ongoing work

Nets is an international payment company, and is a link between consumers, businesses, and financial institutions across Europe. Nets plays an important role in the development of new innovative, digital solutions with a focus on security and stability. Nets recognizes the social, environmental, and economic impact we have as a group, and considers it our responsibility to ensure good business practices throughout the entire value chain in the countries in which we operate.

Nets has signed the UN Global Compact and is working on implementation of the principles in the group.

Nets will create an inclusive corporate culture for all current and future employees. We want to attract and retain the best international talent, thereby delivering improved results.

Nets aims to have an inclusive working environment, and to be an attractive employer that offers opportunities for international talent regardless of age, disability, gender, gender identity, marital status, pregnancy and maternity, race, religion or belief, sexual orientation, or combinations of these

In September 2021, Nets drew up an equality, diversity, and inclusion policy, and until 2025 the group has had the following objectives:

1. Offer opportunities based on talent and break down barriers to the inclusion of under-represented groups.
2. Do not allow unfair discrimination based on age, disability, gender, gender identity, marital status, pregnancy and maternity, race, religion or belief, sexual orientation, or anything else that is not relevant to performance in the role.
3. Avoid all forms of illegal discrimination in relation to wages and benefits, terms of employment, handling of complaints, dismissal, layoffs, leaves of absence, desire for flexible work, selection regarding employment, or promotion, training, or other development opportunities.
4. Avoid discrimination, whether direct, indirect, or harassment.
5. Promote a workplace that makes it easy for people with different backgrounds to be accepted.
6. Ensure that laws and requirements on diversity and inclusion in the markets in which we operate are complied with.
7. Ensure that our suppliers and business partners follow Net's diversity and inclusion policy.
8. Ensure that employees respect and follow the principles of diversity and inclusion.

Nets expects all employees to familiarize themselves with the equality, diversity and inclusion policy, and contributes to giving all employees equal opportunities in relation to employment, prevent bullying, harassment or discrimination. Employees are obliged to attend training, report when they see or experience any form of behaviour that is outside of guidelines and values, and take all complaints of bullying, harassment, or illegal discrimination seriously.

This is how we work to ensure equality, and no discrimination in practice.

At Nets, we have good processes that involve shop stewards, both in connection with recruitment, health, environment, and safety work (HSE), and restructuring. Trade union representatives are involved in the work with the activity and reporting obligation. Equality and equal pay are also prioritized in the local negotiations. In Nets, the results from the annual employee surveys are discussed in both the Working Environment Committee and the Cooperation Committee and presented to all employees.

Equal pay review

People's pay depends on a lot of things- experience, performance, background, market pressures- but gender shouldn't be one of them. We are conducting an equal-pay review across the Group to identify and address any possible gender pay gaps across the organisation that can't be satisfactorily explained on grounds other than sex. The equal pay analysis results are pending for the latter half of 2023.

Diversity in hiring

Change in workforce starts in hiring. The diversity in hiring is a multi-channel initiative facilitated by Iva Penezić with participation of various TA team members. To name a few: D&I statements on job ads, textual analysis of job ads for diversity-neutral language, diversification of hiring channels, exposure to internal talents, quota for diversity groups in interview stages etc. It's a dynamic area.

Women in Nexi - WIN

The vision of this initiative is to create and enforce an environment where female talents are empowered to fulfil their full potential and have equal opportunities to men. The initiative is headed by Marianne Bregenzer and Alina Bach Belinskaya and action points range from targeted hiring activities, mentorship programme and other occasions for promoting female talent. In Norway, this initiative is led by Frances D'Silva, Johanna Sara Tell and Elena Florido Gómez.

Organisational development

Here lies 'AOB' of diversity & inclusion. We have created the new D&I policy and the first nanolearning to introduce the topic, and for 2023 the plan is to continue with company-wide training, organize several diversity-themed events and spark meaningful conversations across the organization, to expand our worldview, leave us better informed and more connected to our colleagues.



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