

# STATUTORY STATEMENT ON DIVERSITY POLICY AND GENDER COMPOSITION OF THE MANAGEMENT

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cf. Section 107 d and 99 b of the Danish Financial Statements Act – 2020-2021

This statement is an integral part of the management commentary of the annual report of Gabriel Holding A/S for the 2020/21 financial year and includes the requirements of Section 107 d of the Danish Financial Statements Act (Statement on diversity policy) and Section 99 b of the Danish Financial Statements Act (Statement on gender composition of the management), which are specifically referred to in sections 3 - 7.

The numerical targets which have been set for the top management levels apply to the parent company, while the targets and action plans for other management levels apply to the entire Group. The status in the statement applies to all consolidated companies in the Group.

The Gabriel Group believes that diversity among employees and management, including an even distribution of age, nationality and educational background, contributes positively to the working environment and strengthens Gabriel's competitiveness and performance.

Gabriel has long focused on a diverse workplace, where employees have very different backgrounds, competencies and living conditions. Not only in terms of gender, age, and origin, but equally in terms of education, experience, and personality. Therefore, the objective is that management should equally reflect the diversity of our employees.

The board members of Gabriel Holding A/S cover a wide range of experiences from both Danish and international business. This composition is considered appropriate in that it ensures a breadth in the members' approach to the tasks, thus helping to ensure qualified reflections and decisions.

**1. Definitions of management levels**

According to the Gabriel Group definition, "A manager is either responsible for other employees or occupies a position which allows him or her to act on behalf of Gabriel".

There are three management levels in the organisation: Board of Directors, Executive Management, and middle management, which consists of function managers/heads of function or site managers.

**2. Policy**

The diversity policy in force at any time can be found on Gabriel's website [www.gabriel.dk](http://www.gabriel.dk), and applies at Group level. The previous policy on the underrepresented gender has been incorporated into the diversity policy.

**3. General targets**

According to the diversity policy, an overarching goal is to focus on diversity in recruitment processes and promotions.

In 2020, the Board set the following targets for the Group's gender composition of management, which remain in force:

Gender balance targets	Underrepresented gender
Board of directors	50 %
Top managers/Executive management	50 %
Middle management	50 %

A concrete action plan was established to achieve the targets. The action plan was made in the knowledge that the Gabriel Group's staff turnover is low, while the expected increase in business and geographical area would require an overall increase in the number of middle managers.

At the same time, it is a goal that at least half of the board members elected by the general meeting are independent, cf. the Danish Corporate Governance Recommendations.

In addition to the above target figures, Gabriel generally wants to promote a diverse workplace and an inclusive working environment, including ensuring that all employees can make the best use of their competencies regardless of gender, ethnicity, religion, political opinion, age, impairments, sexual orientation, etc. The same principles are applied to recruitment processes and promotions, where all applicants are treated equally and where diversity is prioritised.

#### 4. Status on general targets

Gender balance in the management of the Group was as follows at the end of the 2020/21 financial year:

Gender balance	Gender distribution		Total	Underrepresented gender
Board of directors	3	1	4	25 %
Top managers/ Executive management	2	0	2	0 %
Middle management <sup>1)</sup>	25	13	38	34 %
<b>Total</b>	<b>30</b>	<b>14</b>	<b>44</b>	<b>32 %</b>

<sup>1)</sup> Reference is made to Appendix 1

The targets for the Board of Directors and Executive Management of Gabriel Holding A/S have not been achieved, as there have been no replacements during the period.

Of the 38 middle managers, 13 are women, or 34%, and the target has therefore not been achieved. During the period there have been few replacements, which is why the percentage has only changed from 32% last year to 34%.

The target of independent board members has been achieved as two out of the four board members are considered independent.

#### 5. Status on the action plan

The composition of the Board of Directors is evaluated once a year and candidates are proposed for election at the general meeting on the basis of the skills which are considered necessary.

Recruiting at other management levels is done in accordance with the action plan, i.e. weight is primarily placed on the candidate's professional and personal qualifications. An equal gender distribution is sought where possible and we also have an eye on the relevant company's/department's staff composition with a view to promoting diversity.

In all of the Group's companies, initiatives are in place to retain and develop the underrepresented gender (currently women) at middle management level:

- The HR department in the individual company advises managers and employees on skills development.
- Skills development is a point always covered by the annual development dialogues to identify and develop potential employees with a talent for management.

- It has been clearly indicated that it must be possible to be a manager and still keep a good balance between job and family life.
- Relevant continuing education has been discussed with female managers. Agreements on skills development are always made in close collaboration between manager and employee.

## **6. General targets for the future**

The target figure of 50% for the underrepresented gender is maintained in the Board of Directors and in the rest of management at group level, including the target of at least half of the board members elected by the general meeting being independent.

It is expected to have long-term prospects of achieving the targets, as an increase in the proportion of the underrepresented gender must take place if the Board of Directors or other management needs to change or expand. In case of open positions, it is the necessary competence for the position in question that is considered to be decisive for the selection of the candidate for the job, but if two or more candidates are equally qualified, the person representing the underrepresented gender will be preferred.

## **7. Action plan**

With respect to targets for diversity and the management levels, the following action plans will continue:

Guidelines for recruiting new managers:

- When recruiting, we will post the position internally, externally and broadly.
- When recruiting, we will consider all qualified applicants irrespective of gender, ethnicity, religion, political view, age, disabilities, sexual orientation etc. for the position.
- When recruiting externally, we will have interviews with at least two candidates (of the underrepresented gender) if possible.
- When using head-hunters/external recruiters, we will require that at least 50% of the field of candidates must be of the underrepresented gender, if possible.

We are continuing the work of developing the functions, skills and development plans of all employees in the Group. This work will contribute to the following:

- an objective assessment of skills in connection with internal recruitment so that the sexes are assessed on an equal footing,
- focus on increasing the incentives of the underrepresented gender to seek career development to management level,
- increased focus on strengthening current managers' personal and professional skills and agreeing on any further development, and
- follow-up on the status of the targets set.

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

Gabriel's top management has the general responsibility for compliance with the internal guidelines for ensuring gender balance and the diversity policy.

The HR departments of the respective group companies are responsible for implementing the action plan's various initiatives and the continued work on them and for evaluating and reporting to the top management.

The Quality, Environment & Production department is responsible for reporting the results of the action plan's initiatives in the Statutory Statement on CSR, cf. the Financial Statements Act, Section 99 a. The Group HR department is responsible for evaluating and updating the action plan at a more general level in 2021/2022.

**Appendix 1 - Middle management at the end of September 2021 consists of the following:**

<b>Gender balance per legal entity</b>	<b>Gender distribution</b>		<b>Total</b>
Gabriel Holding A/S	3	2	5
Gabriel A/S	7	3	10
Gabriel Asia Pacific	1	1	2
Gabriel GmbH	1		1
Visiotex GmbH	1		1
Gabriel Sweden AB	1		1
Gabriel North America Inc.	1	1	2
UAB FurnMaster	1	1	2
FurnMaster Sp. Z o.o.	1	1	2
FurnMaster Mexico – Grupo RYL	1		1
Screen Solutions Ltd.	1		1
Gabriel UK	1		1
Gabriel Iberica SL	1		1
UAB Gabriel Textiles	1	1	2
UAB SampleMaster	1	1	2
UAB Gabriel Baltics	1	1	2
Gabriel Italy (branch)		1	1
Gabriel France (branch)	1		1
<b>Total</b>	<b>25</b>	<b>13</b>	<b>38</b>