

Statement on diversity, cf. Section 107d of the Danish Financial Statements Act

1. Diversity policy

At Flügger, we believe that a diverse workplace and an inclusive working environment are an asset to our company. At Flügger, we recognise the differences of our employees. We believe that diverse teams, including management groups, work more innovatively, make better decisions, and contribute to innovation, while promoting inclusiveness and tolerance among our employees.

Flügger wants and strives to be a responsible workplace that recruits, promotes, and develops its employees based on their competences and in a way that supports diversity. We therefore strive to ensure that our recruitment, terms of employment, promotions and any dismissals are done without consideration for gender, sexual orientation, age, nationality, physical abilities, disability, political views, ethnicity, family status, religious beliefs, or other ideologies.

At Flügger, we report the gender distribution in the Board of Directors and at other management levels, cf. section 99b of the Danish Financial Statements Act, in our mandatory annual report. We therefore refer to the latest annual report for additional data.

How we approach diversity at Flügger

We work tirelessly to ensure diversity in our management teams and all other employee groups. We work according to the following principles:

- Flügger is a workplace that offers equal opportunities for all in a safe and non-discriminatory working environment
- We strive for both genders to be represented by more than 40% in our management teams, and we therefore focus on equal terms and on identifying candidates of both genders when recruiting new managers
- We comply with Danish and international human rights standards, as well as laws on equality, and we offer fair and equal terms and conditions of employment, regardless of gender, ethnic origin, religion, and other personal circumstances
- We do not tolerate bullying, sexual harassment, discrimination, abusive behaviour, or threats, and we prevent these through ongoing training of employees to minimise the risk of employees being subjected to behaviour that violates this policy
- We aim for a staff mix made up of young and experienced employees, who can inspire one another and contribute to the development of Flügger.
- At least once a year, the Board of Directors of Flügger reviews the diversity policy and revises it if necessary.

2. Diversity at management level at Flügger, targets and results 2021/22

Under Section 107d of the Danish Financial Statements Act, Flügger has defined diversity targets for the composition of the Group's Board of Directors, other management, and the staff as a whole.

The Board of Directors

In the composition of the members elected by the annual general meeting, Flügger focuses on diversity as

well as on the competences and experience of its members. An equal gender composition is sought, which at the same time reflects important competences within Flügger's core and focus areas.

To ensure that the Group's Board of Directors is composed of the right profiles and competences, Flügger has defined goals for the gender and status of the Board of Directors (dependent/independent member). Flügger wants a Board of Directors where both genders are represented and where at least 50% of its members are independent. We believe this provides fertile ground for fruitful discussions as well as different views and input on how we run and develop our business and tackle challenges.

- 1) For the Board of Directors elected by the annual general meeting, Flügger wants a representation of the underrepresented gender of at least 40% (40:60). With two men and one woman elected by the annual general meeting, we have achieved in 2021/22 an equal gender distribution on the board (33/67%) cf. the definition of the Danish Business Authority.
- 2) According to Danish corporate governance recommendations, at least half of the board members elected by the annual general meeting must be independent. We follow this recommendation, as two out of the three board members elected by the annual general meeting are independent.

The Executive Board

The Executive Board at Flügger consists of three members, of which Flügger's majority shareholder Ulf Schnack is historically a member. The remaining two posts are filled by the CEO and CFO. Flügger has chosen not to define diversity targets for the Executive Board, as we prioritise the insight, experience, and competences of the members.

Other management levels and all employees

Flügger aims for a gender composition for the rest of the management team and all staff members, where the underrepresented gender constitutes at least 40% (40:60), in line with the objective for the composition of the Board of Directors.

		Goals	Status 30.04.22
Gender distribution			
Board of Directors, elected by the annual general meeting	Equal representation of the underrepresented gender on the Board of Directors	40:60	33% (f) - 67% (m)
Other management levels	Focus on the underrepresented gender in management, i.e., employees with staff responsibility	40:60	44% (f) - 56% (m)
All	Focus on the underrepresented gender for all staff members	40:60	48% (f) - 52% (m)