

Reporting according to section 99b of the Danish Financial Statements Act

Diversity Goals and Policies

1. Reporting

- 1.1. By the end of 2015, the gender distribution for managerial positions below top management was 80% men and 20% women. The target for 2016 was to change the ratio to 75% men and 25% women. The target was not reached as the gender distribution for managerial positions below top management by the end of 2016 was 100% men. European Energy A/S ("EE") is not satisfied with this development and have therefore decided to implement extensive measures to increase the gender diversity during the coming years.

2. Increased focus on promoting gender diversity

- 2.1. By these diversity goals and policies, EE aims to promote and develop the share of women in EE's top and middle management. The goals and policies apply to EE and EE's group companies (companies included in the annual report for EE and its group).
- 2.2. The goals and policies intend to support the recruitment, development and retention of female talent in order to support diversity and thereby generate better and more innovative and competitive business results as well as generally supporting the social development of more women in management positions. In addition, the diversity goals and policies improve corporate governance by promoting and ensuring equal opportunities and non-discrimination. While actively working on fulfilling the diversity goals set out below, it is stressed that the opinion of EE remains to be that gender shall in no event be a qualification in itself and election of candidates both for top management and other managerial positions shall always be based on objective criteria, such as the candidates' professional and personal qualifications.
- 2.3. The goals and policies are prepared in accordance with section 139 a in the Danish Companies Act, according to which EE's board of directors are required to (i) set out quantitative targets for the share of the underrepresented gender in EE's board of directors, and (ii) implement a diversity policy to increase the share of the underrepresented gender at other management levels.

3. Target for women in EE's management

- 3.1. EE's top management is the board of directors which consist of the three shareholders of EE, who also participate in the day-to-day business of the company, and two external board members. Currently there are no female board members, but EE focuses on increasing the share of women in management at different levels, as EE aims to have a more balanced gender composition to fully realize the potential of our leadership capabilities. As EE is not satisfied with the current division of gender, EE has incorporated several measures as described in these policies to change the division of gender in the future.
- 3.2. The number of women in the engineering- and renewable energy business is significant lower than the number of men, and consequently the pool of qualified female candidates for top positions may be lower than in other businesses. Due to the current composition of the board and the limited number of women in the business, EE targets that at least one woman is included in the board of directors before the end of 2020.

3.3. EE will seek to achieve this goal by continuing its non-discriminating hiring policy and by seeking to increase the number of women in other management positions, thereby increasing the pool of female recruitment material for the top management. Currently, the day-to-day management of the company is carried out by the company's CEO and seven additional directors with each their area of responsibility. Currently there are no female members of the daily management, but EE hope that this will change with the incorporation of these policies.

4. Recruitment, retention and development of women

- 4.1. In order to increase the pool of women qualified for top management and additional managerial positions, EE has incorporated various policies with the aim of making EE an attractive workplace for candidates regardless of gender and for equally promoting career opportunities for all employees regardless of gender.
- 4.2. Both in terms of recruitment, retention and development, EE considers equal opportunities for men and women as a core corporate value, and EE has a general principle of non-discrimination, which also applies with regard to gender. Thus, EE bases all decisions regarding recruitment, retention and promotion on objective criteria such as experience, qualifications and performance. In addition, EE promote diversity in the recruitment, search and selection of new employees. As an example, candidate pools for senior positions always include at least one candidate from the underrepresented gender.
- 4.3. In order to be an attractive work place for both men and women EE offers flexible working hours when practical possible, in order for employees to balance work and family demands. In addition, EE has with effect from 1 January 2017 adopted improved conditions for maternity, paternity and parental leave arrangements. In addition to improving the conditions for women's maternity and parental leave, EE has also found it important to improve the conditions for men's paternity and parental leave in order to encourage male employees to engage in family care, thereby supporting the promotion of equality between women and men at the work place.
- 4.4. In addition to the above, EE pays special attention to avoid barriers for women advancement in management position at organizational levels. To increase the base of skills and talent among its female workers, EE seeks to ensure that women are exposed to different types of company operations during their careers in order to gain sufficient experience in general management across several functional areas. In order to gain the experience needed to hold managerial and other leadership positions it is pursued to assign women various tasks, projects and responsibilities covering a wide range of the business.
- 4.5. Finally, EE supports both men and women to engage in relevant courses and networking to develop their general skills and leadership competences and provides internal mentoring from management to employees interested in developing their competences and qualifications in terms of management and leadership skills.