

Equality Statement 2022 – PRA Group Europe AS

STATEMENT – PART 1

1.1 State of Gender Equality

	Group Category*		Count Men	Count Women	Total	Pay Differences - Women's Share of Men's Salary in % **			
	% Men	% Women				Total Cash Benefit	Fixed Salary	Bonus	Overtime
A	89%	11%	9	1	10	N/A	N/A	N/A	N/A
B	64%	36%	21	15	36	95.9%	96.5%	91.1%	N/A
C	71%	29%	21	10	31	94.6%	96.1%	78.0%	N/A

Explanation of star:

* Should be reported on each year

** Should be reported on every other year (numbers from 2021)

Distribution of Women and Men by Position Levels and Salary Differences Between Genders

1.2 Group Categories*

In 2022 the Company employed a total of 77 employees of which 34% (26) are women and 66% (51) are men.

The position levels were categorised, discussed and agreed with the elected employee representatives and AMU.

As there are not enough women in group category A we are unable to publish gender pay differences across group category A.

In assessing the group categories each job/role was mapped against role requirements, competence, complexity and work conditions. One action for 2023 will be to quality assure the data for placement in the various categories and make a more detailed assessment with regard to the comparison of work of equal value and how this affects the groupings of various roles.

1.3 Salary Difference Results**

We have very little difference in fixed pay and total cash. However there is a bonus gap between the genders within group C.

In completing the analysis we have removed individuals that have not received a full year bonus whether due to long term leave or being hired in the middle of 2021.

This discrepancy will be an area of focus for our diversity initiatives for the coming year.

1.4 Temporary Employees, Part-Time Employees and Parental Leave Uptake*

Gender Split		Temporary Staff		Parental Leave Uptake (Weeks)		Part-Time Workers			
						Voluntary		Involuntary	
Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
29	50	0	0	27,5	4,4	1	0	0	0

1.4.1 Temporary employees, actual and involuntary part-time

The Company has no temporary workers. The Company has no involuntary part-time workers.

1.4.2 Details on parental leave and recruitment

Parental Leave

When it comes to parental leave uptake, women have taken out an average of 27,5 weeks of parental leave in 2022, while men on average have taken out 4,4 weeks. In 2022, only 2 employees took parental leave, 1 woman and 1 man. Parental leave uptake does not take into account the time taken in other years linked to 2022 parental leave. For example, if taking into consideration that parental leave continues into 2023 the split would be 46,4 weeks for the woman and 22,7 weeks for the man.

Recruitment

In 2022 PRA Group Europe AS recruited 23 employees, of which 8 were female and 15 male.

STATEMENT PART 2 - HOW WE PROMOTE GENDER EQUALITY AND WORK AGAINST DISCRIMINATION

2.1 Principles, Procedures and Standards to Ensure Gender Equality and Non-Discrimination

PRA Group is committed to the principle of equal opportunities and equal treatment for all employees and PRA continues to make progress in becoming a more inclusive organisation. Beginning as an outgrowth of our foundational CARES values, diversity, equity and inclusion (“DEI”) programs, policies and related activities have evolved into an enterprise commitment. We have a full-time Diversity and Inclusion Leader who oversees our comprehensive D&I global strategy and related programs across the organisation. We have also adopted the following DEI Commitment Statement:

“At PRA Group, we value our employees’ diverse experiences, perspectives, and abilities. We continue to foster a sense of belonging by working together to build an equitable and inclusive culture— where you are free to be yourself and be your best.”

We are aware that being more diverse and inclusive also means addressing pay gaps where they exist at PRA.

PRA Group Europe AS pays employees equally for the same or equivalent work, regardless of their sex (or any other protected characteristic). We carry out regular pay and benefit reviews to ensure this takes place. The organisation is, therefore, confident that its gender pay gap does not stem from paying men and women differently for the same or equivalent work.

2.3. How we Work to Identify the Risk of Discrimination and Prevent Gender Inequality

What do our employees say?

When asked as part of our 2022 Voice Survey, “PRA Group is an inclusive environment and people with different backgrounds have equal opportunities to develop and are treated fairly within PRA”, our results remain high with 83% of employees agreeing with this statement.

In 2022, PRA offered fourteen courses both in person and virtual that align with our D&I strategy, including the following:

- Unconscious Bias
- Embracing Change
- Closing the Confidence Gap
- Valuing Differences
- Leveraging Diversity
- Women in Leadership: Radiate Confidence
- Women in Leadership: Superpower Your Network
- Embracing Change Women in Leadership:
- Declare Your Brand
- Diversity basics- taking action, foundation
- Cultivating diversity
- Woman in tech
- Anti-racism
- How to be an ally for diversity and inclusion,
- PRA talks: pronouns and gender identity, celebrate pride, emotional wellbeing,

Even with continued great engagement scores, and a range of opportunities for education and empowerment on D&I topics, the organisation is not complacent and it is committed to doing everything that it can to reduce the gap whilst recognising limited scope to act in some areas—for example, talent pools available in the external market and lack of availability of female applicants in certain technical and I.T. arenas.

2.3.1 Initiatives taken to promote diversity and gender equality

Hiring, developing and promoting employees: Our aim is to build diverse and inclusive teams throughout our business by offering people opportunities for growth and supporting them in their development. PRA has taken intentional steps towards adopting and implementing D&I best practices in our talent processes of recruitment, engagement, development, and total rewards. In addition, PRA Group requires all people managers to complete an “Art of Behavioral Interviewing” course to avoid biases in the interview process. All newly hired and promoted managers are automatically enrolled as part of their onboarding

Policies and procedures: To ensure we have standardized processes to support our D&I work, values and ethics. Our Code of Conduct are posted on our European and local intranet, as well as in our e-learning onboarding for all new employees. The code of conduct promote out CARES values, our ethics and mutual respect for one another. The European Recruitment policy states that PRA gives equal opportunities and fairly treatment to all job applicants. Our European menopause policy was launched this year to raise awareness and proved information and support to women dealing with menopause symptoms indirectly or directly. Locally we have created, implemented and communicated the new whistle blowing routine to ensure employees have a safe place to report and how to deal with cases like discrimination, harassment, health and safety issues.

Measurement and reporting: To inform our action plans we track and disclose key performance indicators on diversity and inclusion through our first Diversity and Engagement Survey and employee demographic reporting. We believe having this benchmark will allow us to measure our future progress on our D&I journey.

To accurately capture the employee experience, we measured six key themes related to inclusion: Growth & Development, Leadership,

Authentic Self, Work Environment, Recommendation of PRA, My Manager. As a company that CARES, we value transparency and accountability and released our inaugural and interactive “DEI Survey Report” disclosing our survey results and strategy so that leaders and employees would have view on opportunities to prioritize and strengths to preserve.

Advancing equity in society: Our aim is to advance diversity, equity and inclusion in society more broadly, tackling drivers of systemic disparities, through business initiatives and philanthropic resources. To achieve the multi-dimensional workforce we desire, we embrace diversity and inclusion not only with our employees, but across all levels of our business from suppliers to community partners. Opportunities from our Corporate Social Responsibility partnerships underscore our commitment to advancing diversity and inclusion both internally and within our communities.

Diversity Development: PRA offers a range of opportunities for education and empowerment on D&I topics. In 2021, PRA offered nine courses, both in person and virtual that align with our D&I strategy, including the following: • Unconscious Bias • Embracing Change • Closing the Confidence Gap • Valuing Differences • Leveraging Diversity • Women in Leadership: Radiate Confidence • Women in Leadership: Superpower Your Network • Declare Your Brand • Diversity basics- taking action, foundation Network • Cultivating diversity • Cultivating Differences • Women in Tech • Anti-racism • How to be an ally for diversity and inclusion.

HR Europa has also hosted several virtual PRA talks where employees get invited to talk and listen to diversity topics like: celebrate pride, emotional wellbeing, pronouns and gender identity.

Every year PRA promote an inclusion week where our employees can attend virtually courses and talks. This year`s theme was “time to act: the power of now” – embedding behaviors now, that will make inclusion an everyday reality, being in the moment and alert to inclusion, exclusion and reminding ourselves of what we can do to actively be more inclusive.

Equitable Compensation: PRA Group is committed to ensuring teammates are paid competitively, equitably, and in alignment with market pay practices and company practices. Compensation and Total Rewards for our employees are based on objective factors, regardless of gender or ethnicity. The Total Rewards Programs are reviewed regularly, ensuring alignment with PRA Group’s Core Values and strategic priority of fostering a high performing workforce. Our performance management

process is designed to recognize and reward performance, contributions, and results in a true pay for performance application.

PRA Group regularly monitors its compensation processes and practices.

2.3.2 We have identified the following barriers to gender equality

- There is a need to be even more clear in our internal communication about the work being done around diversity and gender equality
- There is generally a gender imbalance in the business, with predominance of men especially across senior levels and in IT and in the Data & Analytics field.
- There is great competition for qualified candidates in the areas of IT and Data & Analytics as there are traditionally fewer women applying for roles within the IT and Data & Analytics field.
- Men's parental leave uptake is lower than women's, however this could be due to the fact fewer male employees had children in 2022 compared to female employees.

2.3.3 Actions in 2023 to promote gender equality

In the coming year, the organisation is committed to the following activities:

Communication Around Diversity

- In 2023, special effort will be made to establish an annual roadmap for the gender equality work, where the four-step model will be developed further. The elected employee representatives and AMU will be involved in this work and participate in discussions about which forums are most appropriate for discussions and work ahead.
- Active promotion of diversity and gender equality measures on the Company's intranet site and other internal forums, as well as focusing on these areas in the roll-out of new strategy.
- Expanding our Women's Affinity group at PRA Group Europe to empower, develop, connect, and support women within PRA Group Europe
- Increased focus on the visibility of our gender equality and non-discrimination work both internally and externally

Recruitment

- Our HR function will focus on increasing and promoting diversity within our recruitment practices with an emphasis on opportunities and uncovering potential barriers to diversity. In this context, we will also consider our job advertisements and assess how these appear with regard to promoting diversity, including any other factors other than gender.
- Continuing to support flexible arrangements, including hybrid, when hiring external candidates
- Continuing to proactively source gender balanced candidate pools when recruiting e.g. within the IT and Data & Analytics function as well as recruitment of managers/senior leaders.
- Communicating, informing and ensuring that our outsourced recruiting through agencies are proceeded without biases or barriers to diversity. Also promote to attract the unrepresented gender in roles or departments where there's a clear predominance of one gender.
- Creating and implementing action plans following our global D&I survey. European targets introduced to increase e.g. females across all lines of business.

Equal Pay

- We regularly map the status of gender distribution in the company, as well as mapping of conditions and compensation for maintaining equal pay.
- We will review areas where there are unexplained total cash differences between women and men, and implement necessary measures in this context.

2.3 Evaluation of the work and expectations for the work ahead

There is still work to be done when it comes to gender balance in the business, as well as equalizing pay disparities at the company level. Nevertheless, in 2022 we have recruited 8 women in to the company, out of a total of 23 appointments. At top senior level in IT, a woman was hired to lead cross Europa. This is a step in the right direction, and active efforts will continuously be made to increase the recruitment of the unrepresented gender in the future.

When it comes to action on communication, our evaluation is that locally D&I activities needs to be better informed and promoted. We have great materials on the intranet and courses on the e-learning platform, but our local teams are still not always aware of our D&I work and what it means to us as a business. During our team meetings and townhall meetings, this should regularly be on the agenda, as well as verbally communicated on European initiative like the PRA talks, Inclusion week, pride month and so on. Due to lack of HR and recourses there has not been regular AMU meetings to develop the four step module, this will be a main focus in the coming year. There has been several meetings and talks with the Woman`s Affinity group, but there`s still room to do more and grow the group. We will initiate to promote the group and its activities on information meetings and on the intranet to increase the number of attendance.

The annual employee engagement surveys indicates that the vast majority of employees believe that everyone has the same opportunities in the company, regardless of gender, nationality, age, physical health, personal background or other grounds for discrimination. This is very positive however, there is potential for further improvements, which the Company will follow up on as part of the action plans following the employee engagement surveys.