

Activity and Reporting Obligation – Sporty Holding AS

1.0 Introduction

In this report, the group explains the purpose of the activity and reporting obligations, as well as how this is carried out within the group.

The document aims to promote transparency, accountability, and compliance with applicable laws and regulations. Overall, Sporty works toward gender equality and against discrimination based on gender, pregnancy, parental leave, caregiving responsibilities, ethnicity, religion, life stance, disability, sexual orientation, gender identity, gender expression, and combinations of these.

In 2024, further focus has been placed on documentation and evaluation of internal routines. The goal has been to ensure alignment and adherence to a common standard across the group. Throughout 2024, common routines have been implemented, and the organization is now aligned around a unified framework. For example, at the end of 2023, there were different practices related to recruitment, partly because new companies acquired in 2023 still were in the early stages of implementing the group's unified systems and regulations. This has been resolved during 2024.

The company has shown significant growth in recent years, both organically and through acquisitions. The group started 2024 with 74 131 members and ended the year with 106 676 members, a growth of 44%. Much of this growth is related to acquisitions during the year, but the underlying organic growth is 15,1%. Growth has also in 2024 led to a larger organization, increasing from 198 full-time equivalents (FTEs) in 2024 to 245 in 2024.

As planned Aktiv Trening, Notodden and KMT were merged into Sporty Norge AS in 2024. In addition, Sporty24 were acquired during the summer of 2024 and will be merged into Sporty Norge AS in 2025. In this context, priority has been given to ensuring good onboarding of new employees, including training on the group's principles and procedures to promote equality and prevent discrimination.

2.0 Status - 2024

The company operates in an industry with long opening hours and many part-time employees, including staff who combine work with studies or other engagements. Receptionists and group class instructors are largely part-time.

As of 31 December 2024, the group had a total of 1404 employees, with 1045 women and 359 men. Of these, 1270 were part-time employees of whom 939 (74%) are women and 331 (26%) are men. The total full-time equivalents (FTEs) amounted to 245, an increase of 47 since 2023.

The increase in staff is mainly due to acquisitions and opening of new clubs, notably Sporty24, which added 33 FTEs from September 2024.

The Board considers the working environment to be good, and no specific measures beyond those already established are planned or implemented.

The sick leave rate significantly improved from 2023 to 2024. In 2024 was 2%, a reduction from 5.6% in 2023. No workplace injuries were reported during the year.

Annual safety inspections and audits are conducted regularly. No violations of equality or anti-discrimination laws have been recorded. Additionally, employee satisfaction surveys are performed.

2.1 Equality and Discrimination

The company works for equality and against discrimination based on gender, pregnancy, parental leave, caregiving, ethnicity, religion, life stance, disability, sexual orientation, gender identity, gender expression, and combinations of these.

Gender equality

The group operates in an industry with long hours and many part-time employees, including those who work alongside studies or other engagements. Many employees who work as personal trainers and class instructors are part-time. There is marginal higher proportion of men working part-time, largely because there are more women among the administrative staff.

In the company, involuntary part-time work is followed up by immediate managers responsible for assessing whether part-time employees wish to work more. If a need is identified, this is investigated with the company's needs.

Salary setting involves an overall assessment of competence, seniority, and the internal level of the job category. This means pay differences exist, but not due to gender. Sporty AS aims to create the best possible company and achieving this requires recruiting and retaining the best employees regardless of gender.

Our work for equality and against discrimination

The Board aims to develop a diverse work environment by employing the most qualified candidates regardless of gender, ethnicity, religion Ability to Work, Sexual Orientation, or Age.

Sporty AS works with equality and against discrimination in collaboration with employees and union representatives. The Health, Environment, and Safety (HMS) system includes established routines for equality, discrimination, and internal reporting. All forms of degrading special treatment, such as discrimination, harassment, and bullying, are unacceptable, whether this occurs toward employees, partners, or others.

Each employee and manager are responsible for proactive work to prevent degrading treatment, harassment, and discrimination. Managers also have the responsibility to disseminate knowledge about the policy and the business plan, conduct investigations, and decide on measures.

The group operates in a traditionally female-dominated industry. By the end of 2024, the group had a gender balance of 74% women and 26% men (77% women and 23% men in 2023). The proportion of women in leadership positions is 82%. These leadership roles include club managers and department managers, while at the top management level, the gender distribution is 27% women and 73% men.

The group has a goal to improve gender balance (short term) both at managerial and top management levels. The target as of December 31, 2025, is that women should comprise at least 30% of top management. In leadership roles, the goal is for men to constitute at least 30% by the end of 2025.

2.2 Salary

Based on the company's structure, the group operates with few but clearly defined job categories. Employees below management level form a diverse group with a relatively flat structure, predominantly aged 18–40 years.

When determining salary, an overall assessment of competence and seniority is made, along with an evaluation of the internal level of the job category. This means there will be pay differences between employees, but not due to gender. The group aims to create the best possible company, which it believes is achieved by recruiting and retaining the best talent regardless of gender.

2.3 Involuntary Part-Time Work and Temporary Employees

In 2024, the group had two temporary employees, and the company generally follows the Norwegian labor market goal to limit the use of temporary contracts.

The industry and group have a high proportion of part-time employees, which should be seen in connection with the tasks performed and not least the employees' desire to combine work with other work or studies. A significant portion of part-time employees are students, but the group also has many instructors with low working hours (5–10%). These employees are typically established in full-time roles in other industries but seek supplementary work at fitness clubs. Thus, the proportion of part-time staff in the group is natural based on employees' preferences for flexibility and reduced hours. That said, the group is actively working to recruit more instructors into full-time positions. Various measures have been taken to recruit more personal trainers into full-time roles, including offering full-time employment from the start and expanding responsibilities and tasks that traditionally have not been under the scope of the job description.

Involuntary part-time work is continuously addressed and mapped through follow-up by club managers reporting to the regional manager. New positions are always advertised internally.

Club managers hold the overall responsibility for overseeing their respective teams/centers, where working hours are among several topics addressed, for example, through employee performance reviews. In cases where involuntary part-time work is identified, this is reported to the Area Managers, who are responsible for overall recruitment (new as of 2025).

However, we have so far not implemented a unified system across all clubs where the number of employees working involuntarily part-time is documented. Consequently, we also lack data on the gender distribution related to this issue. New procedures will be implemented in 2025 to address this discrepancy.

2.4 Parental Leave

In 2024, 20 employees of which 16 female and 4 males took parental leave. The women took on average 12 weeks of parental leave and men 8 ½ weeks (both during 2024). Everyone entitled to parental leave took it during 2024.

3.0 The Group's Work on Equality and Against Discrimination

3.1 Principles and Procedures

In Sporty, we work for gender equality and against discrimination based on gender, pregnancy, parental leave due to birth or adoption, caregiving responsibilities, ethnicity, religion, worldview, disability, sexual orientation, gender identity, gender expression, and combinations of these. The company's workforce should reflect the diversity of the population.

Sporty has an established guideline (code of conduct) that all employees in the group must follow. These guidelines define expected behaviour internally and externally, including conduct

and individual contributions to a good working environment. The guidelines specifically address harassment and discrimination, including routines for reporting incidents.

3.2 How we work to identify risks of discrimination and promote equality

The group has gone through a period of strong growth, which has resulted in a 23% increase in full-time equivalents from 2023 to 2024. Acquisitions have been a major driver of this growth.

In connection with acquisitions, the group has taken over overall personnel responsibility and follow-up of employees in the acquired companies. This has created a particular need for review and training of the group's guidelines related to various areas of personnel management and administration. It has also been important to assess employee well-being and the work environment during these changes.

During the acquisition process, differences in practices regarding employee follow-up and training across the various brands within the group has been identified. It was also found that the companies in the group had differing approaches to resource use and priorities. The group still sees a need to structure work related to equality and diversity. Moving forward, routines for continuous training and evaluation of established practices.

Concrete measures included in 2024 involved allocating additional resources to strengthen employee follow-up by strengthening HR resource for the group with overall responsibility for personnel administration. In 2024, the group identify risks of discrimination and barriers to equality through the following measures:

- Two employee surveys were conducted in 2024. One aimed to analyze working conditions and well-being, including identifying potential differences across the various companies/brands. The survey showed an average score of 4.3, down from 4.5 in 2023 related to workplace satisfaction, with the scale ranging from 1 (very dissatisfied) to 5 (very satisfied).
- In 2024, a yearly HR cycle (calendar) was implemented, with one of the themes dedicated to discussions and training on the company's values. A key part of this training involved highlighting the value of an inclusive work environment and how leadership and employees can work together toward a common goal.

Although the company also in 2024 can demonstrate a high score in areas such as employee satisfaction, a survey carried out in 2023 revealed the need for a better reference resource and training related to the company's policies. Additionally, recent years surveys had identified the need for a simpler and more effective communication platform for the group's employees and managers.

As a result, the management implemented a new communication platform in 2024. The app "Excite" was introduced for all employees in Q1 2024 contributing to a more efficient communication and information platform for all employees and management. In addition to being an internal communication channel, the platform will also be used for measuring customer satisfaction. The company aims to further develop the platform in collaboration with Excite during the coming years.

In addition, the partnership with Simployer to aggregate the group's relevant documents and reference materials into a single system was further developed in 2024.

These initiatives are still in the early stages, and with the acquisition of new clubs in 2024, there is a need for close follow-up and onboarding regarding the group's policies. As part of this

process, four workshops were held in 2024 for the group's managers and mid-level managers. The topics for these meetings included anchoring shared goals and policies for all employees.

3.3 Recruitment

The group has a high proportion of part-time employees, and for many, the company is their first employer. This creates an extra requirement to ensure that employees have a good and positive first encounter with the labor market.

The company does not use external recruitment agencies. Managers at each location/club conduct recruitment based on established templates, with HR and regional managers assisting and quality-checking the process.

The regional manager is responsible for recruiting club managers, supported by HR, while recruitment for administrative and top executive positions is handled by the company's top leader and the head of each department, with support from HR.

All job advertisements must include an encouragement for qualified candidates to apply, regardless of gender, religion, age, ethnic background, or sexual orientation.

Throughout 2024, an updated a unified recruitment framework across the organization was established. During this work, differences in recruitment practices and routines at individual clubs were identified. Surveys also highlighted the need for additional resources dedicated to training and quality assurance, which poses a risk that routines may not be followed uniformly.

Based on this, measures were implemented in 2024 to ensure that the group's common recruitment standards are followed at all locations. One measure involves conducting training and workshops for those responsible for recruitment within the group.

The group expects to see results in the form of a more uniform recruitment process during the coming year.

3.4 Salary and Working Conditions

In general, employees should be treated fairly and given equal opportunities, ensuring that there are no unjustified salary differences between women and men. When setting salaries, competence, results, the nature of the position, and experience are prioritized.

Employees in the group have the right to join trade unions if they wish, but also employees who choose not to be organized shall have the same rights and opportunities within the company. Most employees in the group are unorganized.

The company has established a policy for salary setting within the various job categories. Many of these categories consist of part-time employees, mainly due to the nature of the work. Salary adjustments have historically been made annually based on wage developments in the front-line trades (except for the period 2021–22). During hiring, salary is assessed based on competence, results, and the nature of the position.

In November 2023, a staff survey was conducted which revealed that several managers were dissatisfied with salary development within the group. During 2021–2022, parts of the new group experienced salary freezes due to the company's financial situation, influenced by COVID-19. As a result, an extraordinary adjustment was made for some positions/functions during winter 2024.

3.5 Promotions and Development Opportunities

The company operates in an industry with a high proportion of part-time employees. For full-time employees, at least one employee review (performance review) is conducted.

Part-time employees are offered an employee review once a year. In addition, several employee surveys are conducted annually.

Based on these employee reviews, individual development plans are created. These plans include, among other things, the employee's wishes and needs for further education.

The company covers relevant training and further education for positions where it is applicable. Additionally, various internal and external courses are held each year that employees can participate in. Larger educational programs (bachelor's and master's degrees) are normally not supported.

3.7 Facilitation and Opportunities to Combine Work and Family Life

In 2024, the group had a sick leave rate of 2.0%, with a smaller proportion of long-term absence.

The company has routines for facilitating long-term sick leave, involving close dialogue with the employee and healthcare provider where appropriate.

Further, all employees in the group are encouraged to use the company's facilities for rehabilitation, self-training, and other activities. For full-time employees, arrangements are made for training during working hours (1 hour per week).

Additionally, support is provided for employees who need specialized screens, adapted chairs, desks, mice, and keyboards.

The group aims to promote a good balance between work and leisure. At the same time, a challenge is that the industry is characterized by long opening hours, with much activity taking place in the afternoon/evening. This often results in most positions requiring evening work.

To prevent excessive burdens from evening work, shift schedules are prepared in accordance with the company's policy on evening and occasional weekend work. Flexible working hours and home office arrangements are also made where the job allows. Such arrangements are agreed upon directly with the immediate manager

4.0 Expectations for Future Work

The company/group is growing, and 2024 has been yet a year marked by major acquisitions. It is expected that the company will continue to grow in the coming years.

Therefore, the company anticipates a need for additional resources to support the group's work on diversity and equality. Furthermore, there will be a need to ensure alignment of common policies and routines during this period of acquisition and growth. There are also expectations that resources will be allocated to enable more structured and continuous improvement efforts throughout the year, notably addressing the documentation of the number of employees working involuntarily part-time.

To succeed moving forward, it is crucial that work on equality is highlighted even more and that the company, employees, and union representatives strengthen their collaboration in the years ahead