
POLICY FOR SUSTAINABILITY

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Kreditor AS	CEO of Kreditor AS	29.11.2022

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1. BACKGROUND AND PURPOSE

Kredinor's purpose is to help those with financial difficulties and to be a hub for everyone facing financial challenges in their private economy. This will be achieved by inspiring healthier and more sustainable management of private finances while at the same time committing to achieve measurable social, societal and environmental impact.

Conducting long-term sustainable operations means creating long-term solutions balancing economic, environmental, and social perspectives. In addition, our sustainability efforts put great focus on good leadership, increased attractiveness for our stakeholders and to be the "go to place" for everyone with financial difficulties. This approach, in turn, leads to more satisfied customers and clients, more committed employees and increased profitability.

The purpose of this document is to outline our commitment to contribute to a fair society, the environment, and a sound financial eco system through a set of principles that we adhere to in our daily work.

2. APPLICABILITY

Kreditor's policy for sustainability applies across the entire group and all countries in which the group operates. The policy sets out our principles for how we must consider social conditions, the climate and the environment and ethical business management in all our activities.

Group units are expected to use it as a point of reference for integrating the principles into their daily operations.

3. DEFINITION OF IMPORTANT NOTIONS

This policy, which defines the general guiding principles of Kreditor sustainability commitment, is based on the best practices included in international conventions, initiatives and protocols as well as codes of conduct.

The main purpose of the policy is to establish guidelines for how sustainability activities are to be conducted throughout the Kreditor Group. The work, built on participation and engagement, should contribute to sustainable development and be an integral and natural part of our entire business operation.

This policy is complemented by other Kreditor policies.

Sustainable development: Services and products that meet today's needs without destroying the possibilities for future generations to have their needs met.

Societal responsibility: Refers to the responsibility that companies are expected to take on for people, society and the environment that are affected by the business and its stakeholders. These are considerations that are taken beyond what is required by law.

Social sustainability: By social sustainability we mean the part of sustainable development that is about ensuring that all people get a good and fair basis for a decent life. Education, equality, inclusion, working conditions and health are examples of areas that are affected.

4. PRINCIPLES

The Kreditor Sustainability Principles include:

- A) Fundamental Social Principles
- B) Fundamental Environmental Principles
- C) Fundamental Business Ethics Principles

A. Fundamental Social Principles

Our social principles are built around our stakeholders. We are a people business and to build long-term value around our stakeholders is essential for driving a sound and sustainable business that last over time.

Employees:

Our employees are one of our key stakeholders and it is important to focus on our company culture to attract and retain the best talent. It is also essential to ensure an engaged workforce to provide the best customer support. Kreditor therefore endorse the following principles:

- No tolerance for any kind of discrimination. We always treat all workers with respect and dignity. No person shall be subject to any discrimination in employment, including hiring, compensation, advancement, discipline, termination, or retirement, based on gender, race, religion, age, disability, sexual orientation, nationality, political opinion, social group, or ethnic origin.
- No harassment or abuse of any kind. We never engage in, support, or tolerate bullying, harassment, including sexual harassment, or abuse of any kind.
- We will ensure equal opportunity for all our employees. This includes ensuring women's full and effective participation and equal opportunities for leadership at all levels.
- Freedom of Association and right to collective bargaining. We respect the right to join or form a labour union in accordance with the law without fear of reprisal, intimidation, or harassment. Where workers are represented by a legally recognized union, we should be committed to establishing a constructive dialogue with the union's freely chosen representatives and bargaining in good faith with such representatives.
- Health safety and wellbeing at work. We ensure that the workplace and its environment do not endanger the physical or mental health or integrity of employees. We make efforts to increase awareness and understanding of stress and look for ways of working that reduce stress.
- We promote programs to make employees aware of social and environmental issues, included measures for good environmental management practices, social and environmental risks, and business opportunities.
- We measure employee satisfaction on an annual basis and act on areas that need attention to ensure high engagement.

Customers:

"At Kreditor we want to do good for our customers by not adding to their burden. We will listen, we will motivate and we will help you make it."

Our customers are our key stakeholders. Being in a vulnerable position when they come to us it is essential that we do not add unnecessarily to their burden. We need to build trust and strong relationships to be the company everyone with financial difficulties turn to. Our overall ambition is to return customers to financial health, and our goal is to help them resolve their financial difficulties. We therefore endorse the following principles:

- Our intention is to always have the customers best interest in mind and treat them equally and fairly.
- We take a holistic approach to help the customer to return to financial health.
- We will collect in an appropriate and sustainable manner and limit the added costs for the customers who need it the most.
- We are accessible on the customers preferred platforms and offer expedient payment solutions and fast response.

- We will always try to reach the customer before collection fees are increased.
- We aim to solve the core of the customers financial problem and not limit our engagement to the individual case.
- We maintain trust by protecting customers' data and information.
- We address complaints with respect and in a timely manner. Operating with high standards of conduct is central to our long-term success.
- We will always aim to offer the best customer experience in all interactions with Kreditor.
- We will ensure that our payment solutions, services and financial advice are accessible for all.
- We will monitor exceptional situations or settings that may have an effect on certain customers in order to offer them alternative solutions, in particular, among those groups in a situation of vulnerability or risk of social exclusion.
- We will promote specialized financial education with the objective to increase the awareness around a sound management of private finances.

Clients:

Our clients are an important stakeholder group. Kreditor is filling an important part of the financial eco system by unloading the burden of non-performing debt from creditors allowing them to focus on their core business. Kreditor put a strong focus ensuring that our clients can be confident that we treat their customers with the best respect. We therefore endorse the following principles:

- We will deliver our services as efficiently as possible to ensure our clients economic growth.
- We will be compliant with laws and regulations, adopt sustainable practices and integrate sustainability information into our reporting cycle.
- We will ensure that Kreditor is fulfilling all sustainability requirements from our clients to ensure their supply chain management.

Society:

Kreditor is part of society and the communities where we operate and have an impact, as such we identify areas where we want to contribute and drive change.

- We meet people in financial distress every day and we believe that financial education is an important preventative measure for people not to end up in bad debt. We are therefore committed to make social investment in financial education. We will promote general financial education with the aim of improving citizens' financial culture and providing them with tools and knowledge to help them in making financial decisions.
- We will pay close attention to the root causes behind people ending up in problematic debt such as health and unemployment and promote initiatives to raise awareness about these issues.
- We see it as part of our societal responsibility to offer work integration opportunity to select number of persons standing far from the job market.

Suppliers:

At Kreditor we expect suppliers to uphold the same values and commitments we have in relation to sustainability and human rights. These requirements are set out in our Purchasing Policy. Adherence to these commitments is required as part of our supply chain tendering process and throughout the life of the supplier engagement.

Suppliers are expected to implement the commitments of the Purchasing Policy, including those around human rights such as meeting international labour standards, with all their own suppliers. Our supplier tendering process includes specific questions in relation to sustainability and human rights which asks them to evidence that their company is operating in line with international standards and legislation such as the International Labour Organisation (ILO) convention.

In line with good practice, we conduct review meetings with select suppliers.

If a supplier is unable to comply with the sustainability commitments within the purchasing policy, this is raised through the Group risk process.

B. Fundamental Environmental Principles

We have set out an ambition to build a net zero company by 2025. We are committed to reducing our environmental impact and continually improving our environmental performance as an integral part of our long-term strategies and operating methods, with regular review points.

Our environmental principles:

- We include climate change risk factors when pricing and purchasing debt portfolios where relevant.
- We reduce waste generation through prevention, reduction, recycling, and reuse.
- We continually reduce the use of paper in the office.
- We seek to buy recycled and recyclable paper products.
- We evaluate if digital distribution is enough before printing publications.
- We choose renewable energy providers for our office.
- We seek to reduce the amount of energy used as much as possible. Lights and electrical equipment will be switched off when not in use. Heating will be adjusted with energy consumption in mind.
- We do not buy bottled water for the office or at events organized externally.
- We strive to reduce the need to travel by promoting the use of travel alternatives such as digital platforms.
- We monitor and continually strive to reduce CO2 emissions linked to events and activities.
- We will ask all suppliers, venues, and hotels to provide us with their environmental policy and make this an integral part of our selection criteria. We will favour more environmentally friendly and sustainable suppliers, venues, and hotels wherever possible.
- We ask all caterers to provide us with their environmental/sustainability policy. We favour sustainable caterers with high social responsibility standards that use seasonal and locally sourced bio-products whenever possible.

C. Business Ethics Principles

We believe that good governance ultimately fosters sustainability. We therefore emphasize accountability, transparency, efficiency, and rule of law at all levels. We require documentation for transparency, anti-corruption and sustainability from partners and suppliers. We will establish a common internal code of conduct for all employees and integrate sustainability and integrity in everything we do.

- We have a zero-tolerance stance on bribery and corruption.
- We will not participate in activities which could be seen as impeding competition.

- Gifts and hospitality – Employees are prohibited from offering gifts or hospitality above a nominal value explained in authorization matrix. Any hospitality or gift offered must be linked to business purposes, must be of an appropriate nature and must not be intended (or able to be perceived as such) to influence a business decision. No gift or hospitality may be offered or received during tender or contractual negotiations.
- We will be compliant with laws and regulations, adopt sustainable practices and integrate sustainability information into our reporting cycle.
- We will not engage with suppliers, partners and clients that are not transparent and work on fundamental human rights and decent working conditions.

5. RAISING A CONCERN (WHISTLEBLOWING)

At Kredinor we strongly support a culture of speaking up for both the company and their workers without any fear of retaliation against those who report actual or suspected breaches. There will be no retaliation against anyone who reports a genuine concern. All cases will be appropriately investigated and, where breaches are found, appropriate actions will be taken.

If an employee would prefer to report a concern confidentially and anonymously Kredinor will establish a dedicated whistleblowing tool.

6. TAX COMMITMENT

Kredinor views tax as a key part of our contribution to the society in which we operate. As such, we do not undertake transactions which are intended to minimize taxation without a strong underlying business rationale. We apply the same strong ethical standards to our tax affairs as to the rest of our operations.

- We aim to be transparent in our dealings with tax authorities, clearly disclosing all facts, fully.
- We participate in tax-incentive schemes for innovation and investment only where it is appropriate to do so based on our underlying business activity.
- We aim to be in compliance with both the spirit and the letter of the law and will not engage in tax planning or tax management schemes which are not in keeping with our social responsibilities.
- We pay our taxes in the countries where the economic value is created, and our business structure and transfer pricing framework are aligned only with business purposes.

We at Kredinor want to contribute to a sustainable development of society, and the appropriate payment of taxes is an important part of this contribution.

7. HUMAN RIGHTS AND MODERN SLAVERY

At Kredinor, we understand that businesses have an important role to play in promoting respect for human rights. We seek to promote and respect human rights through the continued implementation of policies and practices covering our colleagues, customers, and suppliers.

Modern slavery and human trafficking are a growing global issue affecting women, men and children.

At Kredinor, we understand we have a role to play in combatting the risk of modern slavery and human trafficking within our own operations, supply chain and customer base.

8. POLICY OWNER

Kredinor CEO is the sustainability policy owner.

9. ROLES AND RESPONSIBILITY. APPROVAL, REVISION AND NON-CONFORMITIES

The responsibility of the Board

Requirements and guidelines regarding Kredinor's sustainability efforts are constantly changing. Kredinor's sustainability policy, including associated sustainability goals for all operations, will therefore be revised on a regular basis, and be determined by the Board at least once a year.

Strategic responsibility

Directly after the CEO, Kredinor's Chief Transformation and Sustainability Officer (CTSO) is responsible for the Group's sustainability activities and development.

Operational responsibility

The CTSO is supported by operations working with the integration of the sustainability principles and strategy on behalf of the entire Group. For the operational work, Kredinor's CTSO runs an operative sustainability group. As a complement, there is a Sustainability Steering group to support and provide guidance to the sustainability function. The forum consists of responsible representatives from the core business functions. The forum meets regularly to discuss development issues.

Regional responsibility

The Regional Manager in each region is responsible for implementing the sustainability policy, for ensuring that all employees have information about and education in the sustainability policy, and for making sure that the principles are complied with. Furthermore, the Regional Manager is responsible for fulfilling the region's sustainability goals. To their aid, each Regional Manager has a regional Sustainability Coordinator. The regional Sustainability Coordinator coordinates the region's sustainability work and forms part of the Group's joint operational sustainability group. In each business area, there is also an employee who is responsible for bringing sustainability issues to the agenda.

Each respective employee's responsibility

Through continuous training, all Group employees should thoroughly understand how they affect Kredinor's sustainability activities in their respective business roles, as well as how each employee is key to achieving the Group's sustainability goals. Each employee is also expected to actively search for and absorb information.

10. APPROVAL AND HANDLING OF NON-CONFORMITIES

Any failure to comply with these Principles should be immediately reported to Kredinor. The failure to do so will be a breach of these Sustainability Principles.

Deviations from a policy may be approved and consistency-checked by the person who adopted the policy, or the person authorised to do so, after consulting the staff role. The consequence of unauthorised policy breaches will be assessed on a case-by-case basis.

11. DATE OF REVISION

This policy should be revised each year.

11.1 BOARD OF DIRECTORS (BOD) ADAPT THE POLICY

The BoD is responsible for the level of governance and control in the Kreditor-Group and the policy is adopted by the BoD.

11.2 CHIEF EXECUTIVE OFFICER (CEO)

The CEO is responsible for the Kreditor Group's daily execution of work within amongst AML, GDPR, Finance and Information Security. The CEO has delegated the governance, execution, and control with AML, GDPR, Finance and Information Security to Chief Legal in the Kreditor-Group.

11.3 PROCESS TO ESTABLISH AND/OR REVISE THIS POLICY

Policy for Sustainability is established and will be revised through a process lead by Sustainability Team. To safeguard that the policy embodies the necessary requirement to secure its purpose, the following bodies have been consulted before the policy has been forwarded for discussion in EMT and approval by the Board of Directors: Chief Transformation and Sustainability Officer (CTSO)

When the policy is forwarded by the CEO for approval by the BoD, it is the responsibility of CTSO to get information from the Secretary of the Board on the outcome of the BoD's decision. Sustainability Team must secure that the policy is published in the relevant distribution channel.

11.4 APPROVAL OF THE POLICY

Policy for Sustainability is discussed in the Executive Management Team (EMT) before being forwarded by the CEO to the BoD for approval. After the policy is approved by the BoD, the Secretary of the Board should forward the policy for adoption in other Kreditor companies and inform the CTSO who must secure that the policy is published in relevant distribution channels.

11.5 REVISION

Policy for Sustainability will be revised when necessary, and at least once a year. CTSO represented by Sustainability Team is responsible for revision and necessary measures to safeguard the revised standard is implemented.

11.6 EMPLOYEES AND OTHER WORKFORCE

Every individual employee and other personnel working for the Kreditor Group is expected to seek information on AML, GDPR, Finance and Information security related issues which are relevant for their work in order to be compliant with requirements following this policy.

11.7 HANDLING OF NON-CONFORMITIES

Deviations to a policy should be considered a breach on compliance and be reported and assessed in each individual case. The routine/process for handling deviations should be followed by all detecting a deviation/non-conformity. If a situation occurs where non-conformity with *the Policy for Sustainability* will prevail, the person identifying this should through the line/directly inform the Chief Legal Officer who based on a risk assessment can prepare a possible application to the CEO for a non-conformity.