

4finance Holding supplementary ESG reference document for FY2022

October 2023

As we develop our ESG reporting, we are asked to make public specific figures for a range of areas that are not routinely captured by our extensive bond reporting and other public statements. This document is a compilation of varied details that 2022 sustainability surveys require to be made public.

For a broader and more detailed view of the business please visit:

[4finance Holding ESG statement](#)

[4finance Holding CSR](#)

[4finance Holding financial reports](#)

[4finance Holding bonds in issue](#)

Policy and influence matters

We spent €120,429 on public affairs consultancies across our markets in 2022, with the objective of understanding and engaging with issues of public policy both at the European Union level and at local market level.

We spent €54,004 on trade associations across our markets in 2022, with the objective of representing the industry on matters of public policy and to promote higher standards of practice and self-regulation.

The revision of the EU Consumer Credit Directive (Directive (EU) 2023/2225) and its local application across European markets is a Directive that we broadly support: We attribute our public affairs agency spending €120,429.

In Spain we engage on the topic of an absence of a Bank of Spain reference rate for non-bank lenders in Spain, due to the Bank of Spain not regulating microloans. We attribute €9,000 – our local microloan trade association membership fees to engagement on this topic.

Our corporate policy is not to make political donations of any kind.

Code of Conduct

4finance Group has an extensive code of conduct backed by established processes and a third-party whistleblower programme. We report on a combined basis for all areas in the Code of Conduct – in FY2022 there were no breaches identified.

Bonuses and compliance

According to Group Remuneration Policy an employee's eligibility for a bonus depends, among others, on:

Completion of mandatory internal training, including Code of Conduct and compliance training, AML training and data protection training within assigned deadlines

Compliance with the Group Internal Regulatory Framework, or applicable laws and regulations the Employee should be aware of given his/her function/position and the training/awareness provided.

Regarding the salary review/salary increase, to become eligible for the annual salary review or ad hoc salary review, there should be no record on the failure to comply with the Group Internal Regulatory Framework or applicable laws and regulations the Employee should be aware of given his/her function/position and the training/awareness provided.

Talent Attraction	Employee Turnover	Gender Ratio
New hires 137	Total 29	54% of employees are women
Average cost of hiring €2400	Voluntary 21	48% of managers are women

Privacy Policy: Systems/ Procedures

4finance Group has a robust and constantly evolving governance framework to address privacy and personal data protection across the whole Group, covering all our markets and every aspect of operations.

4finance Group Personal Data Protection Policy defines the governance framework, principles, and standards by defining a harmonized set of rules and principles which are

applied to the entire operations and any data processing (including carried out by data processors) by special procedures and processes.

4finance Group screens all vendors involved in personal data processing to ensure a level of data protection on par with our standards to ensure that they do not pose a risk to data processing security and conduct regular reviews of vendor risks and compliance.

We only transfer personal data to third parties when there is a lawful reason to do so and we make sure the partner can ensure necessary data protection measures. We audit when data is transferred outside of the EU, so we ensure adequate safeguards are in place.

To ensure flexibility and local accountability our operating entities also have appointed DPOs who act as contact points locally. Local DPOs ensure that Group level governance and processes are adhered to and implemented according to the specific market and jurisdiction. Management of each operating entity is ultimately accountable for privacy compliance of its operations.

4finance Group has a dedicated Group Data Protection Officer (DPO) and personal data protection team reporting to top management and the Group risk governance body. Ultimate data protection governance accountability lies with the Group Chief Legal Officer, a member of the Group's Executive Committee. Data protection risks are part of overall Group Risk management and control process according to Group Policy for Risk Management.

Data protection is a matter of utmost importance and any breaches of data protection requirements committed by employees is dealt with appropriate measures, including additional training, disciplinary actions, dismissal and other sanctions.

Independent and regular assurance in data protection and cybersecurity areas is ensured by Group internal audit function or in some cases third party providers. The assurance process encompasses Group and operating entity level processes.

Environmental Dimension

4finance Group has begun to track energy use and emissions. In FY2022, we measured our indirect greenhouse gas emissions Scope 2 to be 738.74 mtco_{2e}, at 99% coverage of the Group, based on location.

We assessed our Scope 1 emissions to be 156.39 mtco_{2e}, at 99% coverage of the Group. We plan to develop our environmental reporting in 2023.