



MULTITUDE ESG POLICY

1. PURPOSE

As a financial technology platform providing solutions to customers across multiple geographies within a broader societal context, we recognise our role in supporting further development of sustainable economies. We are cognisant of potential risks, opportunities, and impacts that arise from ESG and sustainability matters and seek to manage these in line with the expectations of our stakeholders.

This ESG policy describes Multitude (“the Group”)’s management of ESG and sustainability matters and establishes guiding principles for our activities. It supports our broader ESG ambitions as defined in our 2025 ESG goals.

The ESG policy is available publicly on the company website and will be reviewed regularly to align with regulatory developments, best practice, and the evolving needs of our stakeholders.

2. THE GROUP ESG APPROACH

The Group’s ESG approach is informed by its mission to democratise financial services through digitalisation, making them fast, easy, and green. We aim to enhance the lives of customers by enabling easy access to finance, banking and shopping services whilst protecting their financial well-being.

As a digital financial platform, with limited environmental impact our focus is on addressing societal challenges through our financial products. The Group recognises its ideal positioning as a digital platform to be able to transform finance through automation and customisation and leverage the segmentation model to drive financial inclusion by offering customers access to finance that is appropriate to their needs and challenges.

People and processes, the areas where the Group has the most significant impact, are central to the Group ESG approach. This means considering the impacts we have on our customers, employees, and those arising from our ways of working.

In focusing on people, we recognise that our employees are central to our ability to generate long-term value and are committed to creating an inspiring and open environment where each person feels valued, has equal opportunity to deliver their best, and can thrive and grow within the organisation. The aim is to become the employer of choice within the industry, attracting and nurturing new talent from the banking and FinTech sectors.



The processes we implement within our organisation are intended to support positive transformation of finance through responsible lending practices and the embedding green and sustainable practices within our operations, including in our vendor management processes, and for example through paperless transactions.

Our three ESG Goals for 2025 reflect our focus on people and the importance we place on their well-being and ensuring that we are constantly monitoring progress in this area. The goals also highlight our ambition to integrate ESG into the core of ways of working whilst understanding how we are impacting the environment and taking necessary actions to reduce negative impacts.

2.1 2025 ESG Goals

- a) Embed ESG conscious practices within the Group.
- b) Monitor, report on, and improve stakeholder well-being.
- c) Understand and reduce the Group's environmental footprint.

2.2 ESG Values

Our ESG values underpin our approach to implementing ESG conscious practices in the Group through our processes and customer relationships. The Group has outlined the following ESG values which were drafted with our employees:

- a) Create positive change for customers and society.
- b) Reduce our negative environmental and social impact.
- c) Demonstrate empathy to customers and each other.
- d) Ensure the holistic well-being of our employees.
- e) Are transparent across the customer journey.
- f) Conduct ourselves ethically and with integrity.
- g) Protect the financial well-being of our customers.



3. ESG POLICY FRAMEWORK

The ESG policy is informed by our ESG approach, goals and ESG values. It takes into consideration globally recognised frameworks and principles including, the UN Global Compact Principles, UN Sustainable Development Goals, UN Guiding Principles on Business and Human Rights and the Basic Principles of the International Labour Organisation.

The ESG policy is also informed by engagement with stakeholders with regards to the management of ESG risks, opportunities, and impacts.

3.1 Scope

The policy covers the Group and all its subsidiaries and functions except in the case of an existing, related policy or practice specific to the entity. It is applicable to all permanent and temporary staff employed in the Group countries of operation.

3.2 Limitations on Policy Use

Certain ESG issues are addressed within the broader Group policy environment and this policy refers to these policies, where appropriate. The ESG policy is complementary to such existing policies and unless otherwise indicated, does not replace any current, up to date policy or statement within the Group policy environment.

4. ESG POLICY ENVIRONMENT

4.1 Employee Policies

The Group has several people-related policies in place to support the management and development of teams. There are policies, procedures, and guidelines for all aspects of employee journey from hire to retire including, talent acquisition, onboarding, engaging, development, progress, and exit. All employee policies and guidelines are introduced via info-letters and the modern cloud-based Human Resources Information System and learning platforms. These are also available internally through an internal communications page.

Key employee policies, procedures, and guidelines include the following:

- a) Code of Business Conduct and Ethics – Supports a safe working environment for employees, addressing topics including employee privacy.
- b) Harassment Policy – Outlines how to ensure an atmosphere free of harassment, discrimination, exploitation, or intimidation of existing and prospective employees.



- c) Equal Opportunities Policy – Addresses anti-discrimination and supports the Group’s aims to ensure all employees have equal access to opportunities.
- d) Hybrid Policy – Provides for employee flexible working conditions.
- e) Compliance with relevant regulations in countries of operation and aligning with International Labour Organisation fundamental principles and rights at work by upholding the following:

- i. No child labour;
- ii. Elimination of discrimination;

The Group complies with all laws providing equal opportunities for all individuals without distinction or discrimination based on an individual’s race, sex, national origin, age, religion, disability, marital status, pregnancy, sexual orientation, gender identity, and expression, citizenship, or any other characteristic protected by the applicable local law.

- iii. No forced labour;
- iv. Freedom of association and right to collective bargaining; and
- v. The right to be paid a fair living wage and upholding maximum working hours as is applicable to the country in which employees are based.

4.2 Responsible Lending

The Group applies the following responsible lending principles collectively as an organisation, with each employee taking care to act in a manner that places customer interests at the centre of daily decision-making:

- a) Affordability is a core pillar of the Group’s lending approach. It involves ensuring to only provide loans to customers that can afford them and understand what they are committing to. Therefore, comprehensive, and stringent procedures have been implemented to ensure only lending to customers that can afford a loan, considering the ability to repay the loan in full and on time.
- b) The Group and its business units seek to ensure customers understand the terms and conditions and legal documentation, and to provide information in a clear and transparent way that enables informed decision-making.
- c) The customer selection process ensures that customer segmentation is not based on ethnicity, gender, or age.
- d) Everyone within the Group is committed to abiding by applicable consumer protection laws.
- e) With shorter term loans, the Group does not grant more than one loan to the same customer at the same time and adheres to a one day “cooling off” period after the customer has repaid the



loan. These cooling off periods are a way of ensuring the customer does not enter a cycle of debt.

- f) Except for revolving credit products, none of the Group business units allow for rolling loans over or granting advances to finance a customer's unpaid interest or fees until the customer's outstanding loan has been paid.

4.3 Responsible Marketing and Selling

The Group has implemented internal guidelines that obligate it and its business units to not advertise any services or products in a misleading, false, or deceptive manner, and to ensure that customers can access all information that is relevant to their decision-making, including on interest rates and fees.

4.4 Data Protection - General Principles of Processing Personal Data

- a) To execute the rights and obligations arising from the legislation and the agreements concluded by the Group with our customers, the personal data of any individual is:
 - i. Processed lawfully, fairly and in a transparent manner in relation to the individual;
 - ii. Collected for specified, explicit and legitimate purposes and not further processed in a manner that is incompatible with those purposes;
 - iii. Kept adequate, relevant and limited to what is necessary in relation to the purposes for which the personal data are processed;
 - iv. Kept accurate and, where necessary, up to date;
 - v. Kept in a form which permits identification of the individual for no longer than is necessary for the purposes for which the personal data are processed;
 - vi. Processed in a manner that ensures appropriate security of the personal data, including protection against unauthorised or unlawful processing and against accidental loss, destruction, or damage, using appropriate technical or organisational measures.
- b) The Group can demonstrate compliance with all the principles relating to processing of personal data as stipulated and where relevant present adequate proof and reasoning to the supervisory authority and logging activities performed with personal data.
- c) The financial nature of the Group's products and services require us to share individuals' personal data to run our everyday business to process transactions, maintain customer accounts and report to public institutions. The Group only shares the personal data with those carefully selected and trusted partners to whom Group wishes to entrust or has entrusted the provision



of services and with the third parties performing functions delegated to them by law, required under the applicable law or with individual's consent. Group will always ensure to respect relevant financial industry secrecy obligations before sharing any personal data.

- d) The Group is taking reasonable measures to ensure that the personal data that are inaccurate are erased or rectified without delay. Specificities for ensuring quality and accuracy of the personal data are set in more detail in respective internal regulations.
- e) The retention of personal data of the customers and individuals are specified in the relevant privacy policy of the affiliate or branch usually available on its website, considering the possibility of specifying different retention periods for different kind of databases and locations (e.g., customer management systems, archives, back-ups) as long as on one hand the retention of necessary data and on the other hand timely erasure of relevant data are ensured. The retention of personal data of the Group's employees and candidates are specified in the relevant internal regulations.
- f) The standards of information security requirements and measures for processing of personal data are in accordance with industry standards (ISO2700X) and set out in more detail in respective internal regulations.
- g) The general security requirements for processing of personal data in the Group are the following:
 - i. The pseudonymisation, anonymisation or encryption of personal data;
 - ii. Ensuring at all times the ongoing continuity, confidentiality, integrity, availability and resilience of the systems and services processing personal data;
 - iii. Restoring the availability and access to personal data in a timely manner in the event of a physical or technical/logical incident;
 - iv. Measures to prevent physical access for unauthorised persons to gain access to personal data;
 - v. Measures to prevent personal data from being used without authorisation. These controls shall vary based on the nature of the processing undertaken and may include, among other controls, authentication via passwords and two-factor authentication, documented authorization processes, documented change management processes and logging of access on several levels;
 - vi. Measures to provide that personal data is accessible and manageable only by properly authorised and trained personnel with a well-defined "need-to-know" basis, direct database query access is restricted, and application access rights are established and enforced to ensure that persons entitled to use a data processing system only have access to the personal data to which they have privilege of access; and, that personal data cannot be read, copied, modified or removed without authorisation in the course of processing;



- vii. Measures to ensure that it is possible to check and establish to which entities the transfer of personal data by means of data transmission facilities is envisaged so personal data cannot be read, copied, modified or removed without authorisation during electronic transmission or transport;
- viii. measures to provide that it is possible to check and establish whether and by whom personal data has been entered into data processing systems, modified or removed;
- ix. back-ups of the databases in the services are taken on a regular basis, are secured, and encrypted to ensure that personal data is protected against accidental destruction or loss;
- x. Personal data is logically segregated to ensure that personal data that is collected for different purposes may be processed separately;
- xi. Regularly (at least annually unless more frequent tests are necessary due to the manner of processing or the data being processed) carry out testing, assessment, and evaluation of the effectiveness of technical and organisational measures for ensuring the security of the processing of personal data;
- xii. Keeping accurate records of all processing of personal data.

All Group's employees need to attend the internal yearly training about personal data protection. The additional internal training shall be conducted for all the employees in case there have been any major changes in legislation.

A special training program is available for personnel who have permanent or regular access to personal data as well as for personnel who are involved in the collection of personal data or in the development of tools used to process personal data. The training and awareness program within the Group sets up a system which guarantees implementation and a good level of compliance with applicable data protection requirements. The aim of appropriate training program is to make these requirements known, understood, and effectively applied throughout the Group.

4.5 Code of Business Conduct and Ethics

The Group Code of Business Conduct and Ethics ("the Code") outlines the minimum standards for ethical business conduct required by the Group. These standards govern employee interactions with the Group's customers, competitors, business partners, government authorities, and shareholders, as well as with each other.

The Code covers the following commitments and policies:

- a) Commitment by employees and directors to protect the Group's reputation by behaving ethically, including, by preventing and managing personal and other conflicts of interest, preventing bribery and corruption and protecting customer data and property of the Group.



- b) Commitment of the Group to customers to detect, prevent and manage illegal or unethical business practices, act in the best interest of customers and maintaining business relationships through fair practices.
- c) Commitment by Management to comply with applicable laws, rules, and regulations and act in the best interest of the Group.
- d) Commitment to each other to foster a supportive and respectful work environment that helps employees reach their full potential, ensures equality of opportunity to all employees, and has zero tolerance for discrimination, bullying or harassment.
- e) Commitment to our community to act in a socially responsible manner, within the laws, customs, and traditions of the countries in which we operate.
- f) Whistleblowing policy providing for the internal and external reporting of improper practices.

4.6 Environmental Policy

The Group environmental policy describes our commitments to protect the environment and manage environmental matters that impact the Group or that the Group impacts and enables the achievement of the Group goal of embedding ESG conscious practices. The commitments are underpinned by our ESG goals, values and our Group mission.

The policy is approved by the Board of Directors of the Group and is implemented through initiatives in multiple offices and the Group ESG strategy implementation programme.

In managing our impact on the environment, the Group commits to the following:

- a) Promoting initiatives to minimise environmental degradation and support sustainable natural resource management by:
 - i. Striving to recycle, reuse, purchase or use ecologically friendly materials;
 - ii. Promote mitigation hierarchy inspired decision-making, seeking to avoid first, then reduce negative impacts as a second resort;
 - iii. Not using paper in operations, unless necessary and making use of paper made from recycled pulp, that is FSC certified or similar;
 - iv. Supporting sustainable use of water in office locations through the “use what you need” approach and promoting efficient installations and reporting of leaks;
 - v. Supporting product development and customer servicing that minimises environmental degradation; and



- vi. Avoiding waste throughout operations including that resulting from IT equipment and devices.
- b) Contributing towards global efforts to combat climate change through actions undertaken on and off our office premises:
 - i. Measuring and reducing our carbon footprint across our offices, business lending and purchases;
 - ii. Setting targets towards the reduction of negative impact and implementation of environmental policy commitments;
 - iii. Improving our reporting on environmental impact;
 - iv. Avoiding unnecessary business travel;
 - v. Supporting hybrid working and reduced commuting; and
 - vi. Saving energy in our office environment and across our operations.
- c) Educating ourselves on climate and environmental matters through awareness training.
- d) Integrating environmental matter consideration into our processes and governance.
- e) Integrating environmental criteria into our procurement processes.
- f) Complying with environmental regulations relevant for the office of operation or requesting evidence of such compliance as part of lease contractual agreements.
- g) Evolving our environmental performance monitoring and practices to align with best practice and the expectations of our stakeholders.

4.7 Human Rights

The Group has published a human rights statement that commits us to abiding by the Universal Declaration of Human Rights and to business practices guided by the UN Guiding Principles on Business and Human Rights, the International Labour Organisation Declaration on Fundamental Principles and Rights at Work and the UN Global Compact.

4.8 Responsible Vendor Management

The Group is in the process of updating procurement processes under a revised Group Procurement strategy. These processes will incorporate ESG assessment of vendors including addressing the following topics:



- a) Legal requirements
- b) Labour standards (i.e., child labour, illegal labour, working hours, minimum wages)
- c) Health and Safety
- d) Environmental and social responsibility

4.9 Exclusion Policy

The Group understands its role in being a responsible financial services platform and serving customers whilst taking care not to harm society. Thus, it has committed to refraining from financing businesses operating in certain sectors. In providing finance through the SME lending business unit, CapitalBox, financing of businesses in any of the following areas is excluded:

- a) Production and distribution of armaments or manufacture of products / services for military purposes
 - b) Promotion of steam coal
 - c) Electricity generation from steam coal
 - d) Unconventional oil production (from tar sands and / or oil shale)
 - e) Unconventional gas extraction (fracking)
 - f) Manufacture or distribution of tobacco products
- Offering of products or services to produce nuclear power or for the operation of nuclear power plants

5. ESG RISK MANAGEMENT AND GOVERNANCE

ESG matters present risks with potential negative financial impact on the Group and we manage these risks within the Group Risk Management Framework, aligning with basic principles whilst having specific consideration of the uniqueness of ESG risks arising due to their complexity, interconnectedness, uncertainty about timing of impacts, methodological constraints, and the manifestation of these risks through several risk categories. The need to assess inwards impacts and outward impacts arising from ESG matters using the double-materiality perspective is in addition considered.

The Group ESG Risk Management addresses three categories of risk:

- a) Environment: Risks stemming from environmental matters including physical and transition climate risk.



- b) Social: Risks arising from the Group's relationships with employees, customers, and society such human rights, selling practices and lending practices.
- c) Governance: Risks arising from matters relating to regulation, reputational impact, and business model and strategy resilience.

ESG risk management addresses aspects supplementary to the Group Risk Management Framework.

5.1 Risk Identification

The Group defines risk as the uncertainty or variability around an expected outcome. Some risks arise from internal factors, such as those resulting from inadequate compliance systems, while others are external in nature, such as changes in foreign exchange or interest rates. The Group recognises that risk is integral to pursuing its business objectives and can result in either better-than-expected or worse-than-expected outcomes.

The Group, in addition, acknowledges the importance of ESG risks and their potential impact on business strategy, performance, and objectives. ESG risks are identified with reference to the following:

- a) Industry materiality mapping – Voluntary ESG Reporting Standards
- b) Materiality Assessments and Internal Stakeholder Engagement
- c) Regulatory and Policy developments
- d) Media monitoring
- e) Peer review
- f) UN Global Compact Principles
- g) UN Sustainable Development Goals
- h) UN Guiding Principles for Business and Human Rights
- i) Basic principles of the ILO

ESG risks are identified by the ESG Officer and Risk Owners and reviewed by the Risk Management team and updated annually.

5.2 ESG Risk Assessment

A robust risk assessment process forms the foundation for any effective Risk Management Framework. The Group adopts a systematic process for identifying and evaluating events that could affect the achievement of objectives, positively or negatively. ESG risk assessment is undertaken by determining



likelihood and impact in line with the Group risk quantification methodology. ESG risks are mapped on the ESG risk heatmap and reviewed by the Risk Management team led by the Chief Risk Officer.

The risk scores indicated as part of the ESG risk assessment are used to determine the appropriate level of response.

5.3 ESG Risk Management

The primary responsibility for managing risk, and hence the first line of defence, lies at a functional level. Process owners or function heads are responsible for implementing appropriate controls to mitigate key risks, including ESG risks within their respective processes. Control breakdowns that occur are reported upwards within the ESG governance structure.

The responsibilities for effective oversight of risk management reside with the Chief Risk Officer and the Risk Committee. Together these represent the second line of defence and ensure a comprehensive approach to the identification and assessment of risk including ESG risks, and to how these are monitored, mitigated and escalated where appropriate.

The second line of defence for ESG risks is supported by the Group ESG Officer who provides input on the integration of ESG into the risk management framework as part of Group ESG strategy implementation as well as coordinates the ESG risk assessment.

The Chief Risk Officer assumes overall accountability for monitoring the Group's risk profile including on ESG risks, relative to the risk appetite prescribed by the Board, and reports key developments to the Risk Committee periodically with input from the ESG Officer. The Risk Committee reports to the Board on risk matters including ESG risks.

5.4 ESG Audit

The responsibilities for effective review and challenge, as the third line of defence, reside with the Group's Internal Audit function reporting to the Audit Committee. Internal Audit is responsible for the independent review of risk management and the Group's overall control environment.

Its objective is to provide reliable, valued, and timely assurance to Management and the Audit Committee over the effectiveness of controls, mitigating current and evolving material risks and in doing so enhancing the controls culture within the Group. Internal Audit uses outputs from the Group's risk assessment process when developing its internal audit plan each year.

ESG risk processes, procedures and controls are reviewed by internal audit as part of the internal audit plan. Processes, procedures, and controls assessed relate to ESG risk management, governance, metrics, policies, and reporting.



The Audit Committee reviews and approves the internal audit plans including those relating to the ESG controls.

5.5 ESG Governance

The Group ESG Officer drives ESG strategy development and integration into Group activities, providing a dedicated internal liaison for stakeholders. The Group has convened the multi-functional and multi-tribal ESG Steering Committee which meets on a both weekly and monthly basis to review progress on the implementation of the ESG strategy and integration into organisational structure, processes, and policies.

The ESG Steering Committee is chaired by the Group ESG Officer and the Group CEO. Members include the Chief Risk Officer, Group Head of Human Resources, Head of Investor Relations and business unit leaders. The ESG Steering Committee reports to the Board of Directors on a quarterly basis, which approves the ESG strategy and provides oversight on ESG matters.

VERSION CONTROL

Version	Effective Date
1.0	01 July 2022