

Sustainability that builds customer and business value

Resurs is to conduct operations characterised by business ethics, social and environmental responsibility inherent in every aspect. Responsible business that is aligned with the vision of empowering people and giving them the conditions to live the life they want. A life that is to be sustainable both today and in the long term.

The most important sustainability topics for the business were identified in dialogue with Resurs's core stakeholders – retail finance partners, customers, employees, owners and investors. The topics that are most important for Resurs to work on, monitor and report on are: Employees, Diversity and Equal Opportunity, Customer

Privacy, Anti-Corruption, Responsible Credit Lending, Social Responsibility and the Environment. An in-depth description of the materiality analyses and stakeholder dialogue can be found on 120 – 121. By coordinating resources on these sustainability topics, the ambition is to maximize the positive values that the business

creates for retail finance partners, customers, employees and owners. Resurs also has a responsibility to minimise risks through proactive work, robust processes, regulatory compliance and a high level of business ethics.

RESURS WANTS TO

1. Inspire others to make sustainable choices

Resurs wants to encourage a sustainable lifestyle and enable people to make decisions that lead to a higher level of sustainability.

2. Be a responsible company that supports customers, partners and society.

Resurs takes this commitment very seriously and endeavours to have a positive impact on its partners, customers and society.

RESURS'S RESPONSIBILITY

As an employer

Resurs supports equal opportunity, equal treatment, diversity, a good work environment, development opportunities, involvement and a meaningful work life.

As a company in the region

Resurs is devoted to an inclusive society where everyone has the opportunity to realise their potential. Resurs wants to contribute to health and active participation, and focuses on supporting young people and new entrants to the labour market.

As a company in the industry

Resurs adopts a long-term approach and works responsibly, focusing on the customer. The environment and human rights are important and considered in all decisions.

UN SUSTAINABLE DEVELOPMENT GOALS

The following six goals were identified as being possible for Resurs to affect and contribute to through its operations:



Goal 3 Good health and well-being;

Resurs takes responsibility for people and society by developing a safe and healthy work environment, alongside such partnerships the Pink Ribbon campaign to make a difference. Read more on pages 28-33.



Goal 4 Quality education;

The basis of Resurs's commitment to society is to work towards an inclusive society, which it achieves through a number of initiatives that support education for young people and new entrants to the labour market. Read more on pages 32-33.



Goal 5 Gender equality

Resurs carries out dedicated work to develop workplaces that are characterised by equality, equal opportunity and diversity. Read more on pages 28-31.



Goal 8 Decent work and economic growth;

Resurs wants to help create jobs and growth in countries where it conducts its operations. Ensuring compliance with labour rules and principles is fundamental, as is ensuring that workplaces are inclusive, equal and diverse. Read more on pages 28-33.



Goal 10 Reduced inequalities;

Resurs wants to contribute to diversity and developmental opportunities for everyone. Read more on pages 32-33.



Goal 12 Responsible consumption and production;

Fundamental to Resurs's sound and sustainable credit lending is performing credit checks that combat over-lending and ensure a loan level that is in line with the borrower's private finances. Read more on pages 32-33, 34-35.

GLOBAL COMPACT

Resurs has been a signatory of the UN Global Compact and its ten principles since 2018. The sustainability report also constitutes this year's report to the UN Global Compact, the Communication on Progress.

WE SUPPORT





Sustainable employees are key to our success

Our employees' skills, experience and commitment are important prerequisites for reaching the company's strategic and financial targets. Collective efforts also create a healthy work environment permeated throughout by effective leadership, equal opportunity and diversity.

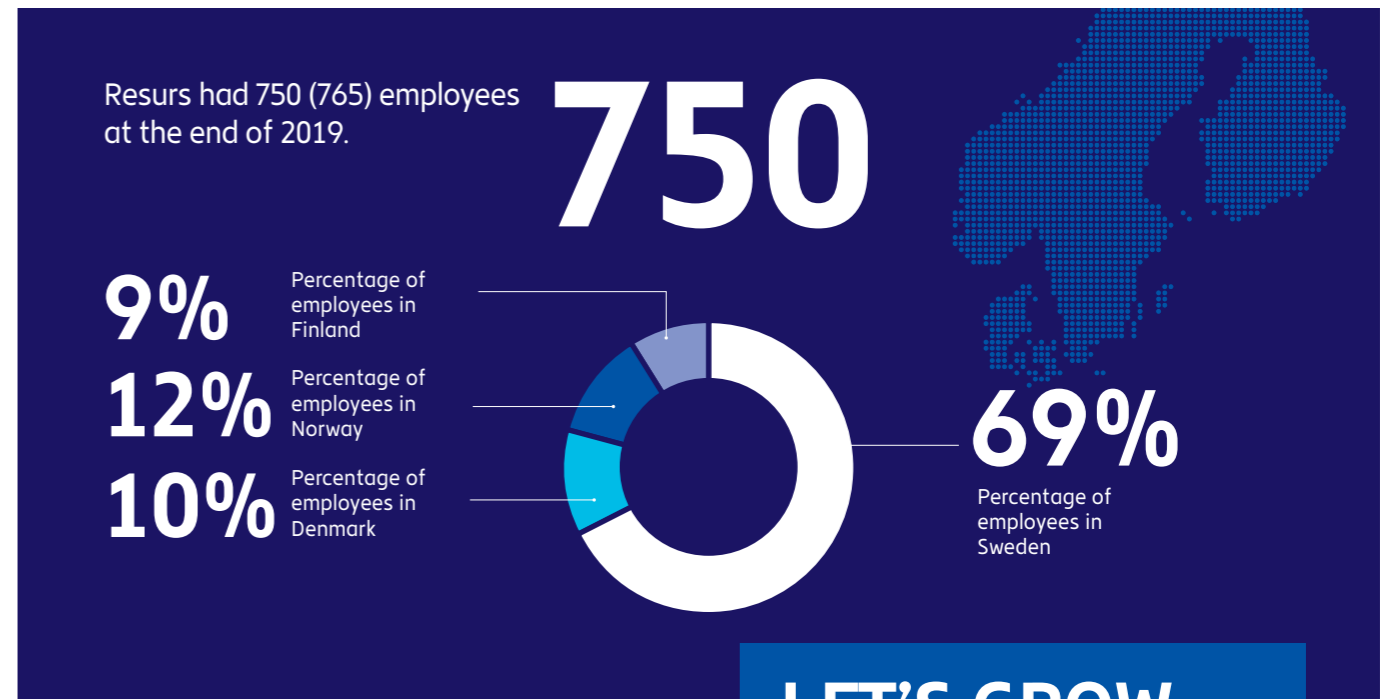


Resurs Women Potential Program

For Resurs, it is a matter of course to engage in targeted efforts to offer an equal opportunity, healthy workplace characterised by professionalism and many opportunities for individual professional development. Our daily efforts are guided and led by our shared values: Driven, Open, Innovative and Trustworthy.

ENSURING ACCESS TO THE RIGHT SKILLS
Resurs takes a long-term approach to ensure a skilled workforce according to changing needs for resources and skills. It is important both to motivate and involve current employees, and to continuously reinforce the operation with new business-critical know-how that matches

the rapid advance of technology, for example. Resurs has a highly developed process that ensures an effective introduction so that new employees can settle into their jobs quickly. Another important part is conduct exit interviews in order to ensure knowledge transfer and learn about possibilities for improvement.



**LET'S GROW
LET'S CHANGE**

Towards the end of the year Resurs was named 2020 Career Company of the Year¹, which recognises employers who offer development opportunities for young talent.

INTERNAL RECRUITMENT IS GOING WELL

All employees should feel that their job duties at Resurs provide them with many opportunities for growth. Therefore Resurs encourages its employees to actively apply for new positions in the Group. This has led to a high level of internal mobility, with 28 (21) per cent of advertised positions filled by internal resources in 2019.

During the year, the Resource Women Potential Program was implemented for the first time. This is a 10-month long professional development programme for women in the Group. The participants have all completed their academic degrees and at the beginning of their careers. The five participants in the first round were selected through a thorough application process, after which they were assigned a female mentor in an executive position. The mentors' primary task was to have personal meetings with their mentees, guide them in setting individual objectives and finding potential career paths at Resurs. They were also available as a

sounding board and source of support in general. After completing the programme, all five participants have taken the next step and advanced into new roles at Resurs. A continuation of this successful concept is planned in some form during 2020.

SUSTAINABLE LEADERSHIP

Developing sustainable leadership is largely a matter of having managers who are secure in their roles and skilled in leading and communicating. Resurs develops its leaders in two stages through the Group-wide Let's GROW and Lets CHANGE programmes. The first stage, which lasts six months, aims to give Resurs's managers fundamental skills and proficiency in coaching and communication. During the programme, the aim is for participants to gradually apply their newly won knowl-

edge to their daily work, which they then evaluate and modify. A total of 130 managers have now completed the programme, and new courses are continually starting.

The next training stage is Let's CHANGE, which is designed to provide the fundamental knowledge and skills to drive an effective change process while motivating employees. A total of 60 managers have now completed the Let's Change programme.

To ensure attentive leadership, customer service was reorganised during the year creating smaller teams and a higher number of managers. This initiative was also combined with extra training to ensure that every manager feels confident about their leadership role and its attendant responsibilities.

"During the year Resurs held its Women Potential Program for the first time. This is a 10-month long professional development programme for women in the Group."

1) For more information, visit karriarforetagen.se/karriarforetag-2020/

A CONTINUAL LEARNING PROCESS

Resurs takes a structured approach to continual employee professional development, along with a defined plan for which training courses new employees are to take. In 2019 several internal training sessions/seminars were held that focused on developing an active feedback culture, with the aim of enhancing communication skills in general. One example is Communication & Feedback in Daily Work, for employees who communicate with many others. This course focuses on understanding how one's own communication affects others and how to achieve the desired outcome. 57 employees completed this course during the year. Another initiative launched during the year was DO IT Together, which aims to share knowledge and increase cooperation between the departments through both physical meetings and videos on the intranet.

The internal training programme on the Resurs Academy Online Training portal now offers over 70 courses, ranging from mandatory courses on the Code of Conduct, anti-corruption, money laundering and the environment to courses in banking regulations.

The portal also provides managers, HR and course owners with a statistical basis to ensure that all employees have taken part in the training courses. In 2019 an average of 200 people/week completed one of the courses.

A HEALTHY WORK ENVIRONMENT CREATES SUSTAINABLE EMPLOYEES

Preventive efforts to quickly perceive signs of stress and ill-health among employees are a priority. The Winningtemp digital platform enables an effective approach where employees can report their experiences of their work situation, stress, job satisfaction, leadership and commitment in real time. Thanks to the tool's ability to draw attention to times or situations when there is a risk of ill-health, resources can be chosen better and proactive measures can be taken. The target is for employees' overall perception of their work environment to exceed Winningtemp's index², which was recorded at 7.3 on a scale of 1 to 10 for 2019. The Group's score for 2019 was 7.6, with a response rate of 78 per cent.

Performance reviews are another important part of the process of measuring employee well-being and satisfaction with their workplace, as well as planning for their individual professional development. An improved performance review structure



was implemented in 2019. The process is now based on multiple meetings distributed over the year, with each meeting having its own agenda. The objective is a 100 per cent participation rate for active employees. In 2019, 94 per cent of Resurs's employees participated in the two mandatory performance reviews during the year.

INCLUSION IN BOTH THE WORKPLACE AND SOCIETY

Diversity and equal opportunity have been high on the Group's agenda for a long time, and they are an important part of employer branding efforts. Employees with diverse backgrounds and experiences enrich Resurs in every way, making it a more creative, profitable and efficient organisation. In Resurs's view, if the diversity of society is reflected in the makeup of the workforce, additional valuable customer benefit can be created. All HR employees in the Group underwent a day of Diversity = business value training in the autumn, in order to take strategic diversity efforts to the next level.

Resurs's target for an operation with equal gender balance is 40/60. In 2019 the share of female employees amounted to 55 (56) per cent, while the share of female managers amounted to 43 (44) per cent. In addition, the company's executive management had equal gender distribution with four women and three men, including the CEO, at year-end.

Resurs's equal opportunity organisation and management is also receiving public attention, for instance, through a nomination for the Allbright Prize in 2019 and a continued spot on Allbright's green list of Sweden's listed companies with

the most equal management groups and boards. Resurs has zero tolerance for discrimination and sexual harassment. Counteracting them and supporting an inclusive workplace in every way must be a given at Resurs. The annual salary survey carried out within the Group is intended to identify and establish that salaries are determined on objective grounds. The survey did not show any non-objective salary differences between men and women for comparable professional groups in 2019.

PREVENTIVE EFFORTS WITH EARLY ACTIONS ARE KEY

For Resurs it is a matter of course to offer a healthy work life that contributes to a high level of attendance and a good work-life balance. A number of proactive measures over the years have helped make both managers and employees more responsive to signals and situations that could have a negative effect on health. In 2019 these efforts were followed up in the Swedish operation with the lecture "The stressed brain - on work-life balance."

The target for attendance within the Group is at least 96 per cent. The figure for attendance within the Group was 95 per cent in 2019. This figure also includes a lower share of employees on long-term sick leave.

There is a rehabilitation programme for cases of reduced work capacity for work or a return to work after a long sickness absence. Through early and coordinated rehabilitation efforts, the employee receives help and support to regain work capacity fully or partially.

SIGNIFICANT RISKS ASSOCIATED WITH RESURS'S DIVERSITY AND EQUAL OPPORTUNITY EFFORTS

Identified risk	Consequence for	Management of risks
Unfair allocation of salaries and benefits.	<ul style="list-style-type: none"> Employee commitment and willingness to develop. The Group's work environment. Resurs's brand and trustworthiness as an employer and a bank. 	HR Specialist Sustainability, Diversity and Health. Compensation and benefit manager. Employee surveys.
Shortcomings in diversity and equal opportunity.	<ul style="list-style-type: none"> Employee commitment and willingness to develop. The Group's work environment. Resurs's brand and trustworthiness as an employer and a bank. 	Guidelines for diversity and equal treatment. Diversity plan. Equal opportunity targets. Training efforts.
Injustices that affect daily operations, financial situations, the Group's reputation.	<ul style="list-style-type: none"> Employee commitment and willingness to develop. The Group's work environment. Resurs's brand and trustworthiness as an employer and a bank. 	Work environment training for managers. The Group's Code of Conduct. Policy against victimisation. Whistle-blower function. Risk database for risk reporting that is available online to all employees.

GENDER AND AGE DISTRIBUTION OF BOARD MEMBERS AND MANAGERS

Number of Board members and senior executives 31 Dec 2019	Number	
	Number	Men
Board members	8	63%
CEO and other senior executives	7	43%

Age distribution on the Board	Percentage
<30	0%
30 - 50	50%
>50	50%
Total	100%

CEO and management	Percentage
<30	0%
30 - 50	67%
>50	33%
Total	100%

GENERAL GENDER AND AGE DISTRIBUTION IN THE GROUP

Gender distribution	Percentage of employees
Men	45%
Women	55%

Age distribution	Percentage of employees
<30	32%
30 - 50	55%
>50	13%
Total	100%

GRI 102-41

A total of 88 (87) per cent of the Group's employees were covered by a collective agreement in 2019. All employees have the right to decide whether they want to be represented by a trade union.

2) The tool includes a comparative index comprising the organisations that use the tool.



SOCIAL RESPONSIBILITY AND THE ENVIRONMENT

Social commitment that contributes to social inclusion

Social commitment is important to Resurs, which is devoted to promoting an inclusive society. In addition to a long tradition of involvement as a sponsor in local communities, Resurs's involvement focuses on supporting young people and new entrants to the labour market to reach their full potential.

Resurs has a strong sense of social commitment, and supports organizations and initiatives that aim to help people take control over their lives and their futures. Resurs donates eight volunteer hours per employee every year, so that employees have the opportunity to devote some of their paid working hours to volunteer work. This volunteer work is primarily meant to support young people and new entrants to the labour market, but the decision was taken during the year to broaden the scope and encourage more independent initiatives. In Helsingborg, Resurs already has a partnership with the non-profit organisation Drivkraft, which offers mentoring to

both young people and their parents, and homework tutoring. Resurs is also a partner of the City of Helsingborg's volunteer centre. A partnership was initiated with the city of Borås and its Work Life Administration to organise language lunches during the autumn/winter of 2019. The hope is that the Group's clear position will inspire employees to become more involved in their communities. The volunteer work has gotten underway primarily in the Swedish operation, and the objective is for more than 20 employees to be involved in some type of volunteer work annually. In 2019, 57 (22) of the employees in Sweden chose to volunteer.

MULTIPLE WAYS TO MAKE A DIFFERENCE
Resurs chose to contribute to the Pink Ribbon campaign this year as well. The campaign's A Good Cause concept allows consumers to make a difference through their everyday purchases. Resurs donated one krona to cancer research for every purchase made using the Supreme Card Woman card during the last three months of the year. Resurs Friends was a new initiative this year. Resurs Friends is an internal sponsorship fund that initially enables Swedish employees to apply for sponsorship of specific events and activities in local clubs or organisations that they or their families belong to.



Around 15 employees took advantage of the opportunity to combine team training with social responsibility by volunteering at Tuvehagen's nursing home in Ödåkra. Five employees at a time helped to fix breakfast and spent time with the residents on several occasions during the year. "Volunteer work is part of our win-win business that we are now bringing out into society. The aim is for us to serve breakfast at the nursing home once a month next year," says Henrik Eriksson, Sales Group Manager.



The internal sponsorship fund Resurs Friends was introduced during year. One of clubs that received support from the fund was the Hittarp Riding Club (HIRK), which applied for support of its "deposit horse" project. The project was initiated in 2019 by the children of employees, with the aim of buying a new school horse by collecting deposit bottles. Sally the "deposit horse" is now part of HIRK thanks to the young people's efforts and Resurs Friends.



As part of its social involvement, Resurs enables employees in Helsingborg to give blood during working hours when the blood-mobile visits Resurs.

TOWARDS A MORE SUSTAINABLE AND EQUAL FUTURE TOGETHER

In 2019 Resurs was a main partner of A Sustainable Tomorrow in Helsingborg, a conference about sustainability and future where attendees from the business community, the public sector, civil society and academia gather to form partnerships and networks with the aim of accelerating regional sustainability efforts. New ideas and multi-dimensional partnerships that lead to increased business value are generated based on the sustainability development goals. This partnership will continue in 2020. Resurs Bank and Solid Försäkring are also members of Techella, a regional network that encourages female talent in IT and technology.

RESPECT FOR HUMAN RIGHTS IS FUNDAMENTAL

Resurs operates in a well-regulated market that is governed by a number of laws and regulations that incorporate human rights in many ways. Since operations are concentrated in the Nordic countries, there is also clear national legislation based on European and international conventions.

Therefore Resurs's exposure to risks associated with human rights is considered low. The Group's ability to take responsibility and make a difference is primarily a matter of engaging in responsible credit lending and safeguarding customers' privacy, along with social commitment based on the needs in the local community.

In 2018 Resurs signed onto the UN Global Compact, the ten principles of which include human rights and labour. Resurs also updated its Code of Conduct when it joined, in order to clarify the Group's position on issues such as anti-discrimination, working conditions, forced labour, child labour, political activities, freedom of association and the right to collective agreements.

INITIATIVES THAT REFLECT THE BUSINESS'S ENVIRONMENTAL IMPACT

The materiality analysis, which is the basis of the priorities set in sustainability efforts, identified that the business's primary impact relates to sustainability topics concerning social and business ethics, while it has less of an impact related to environmental issues such as climate impact, energy consumption, procurement and material use. As an operator in the Nordic consumer credit market, the Group has limited opportunities to actively direct capital to sustainable options. As a result, Resurs should primarily direct its efforts towards reducing its own business's indirect environmental impact, i.e. within Scope 2 and 3 emissions.

Since the environmental impact of the business and the indirect impact of climate change can be viewed as relatively low, Resurs's opinion is that there are no significant risks in this area at present.

IMPORTANT STEPS, SMALL AT FIRST, TOWARDS LOWER ENVIRONMENTAL IMPACT

Resurs's indirect impact on the environment is primarily related to its premises' energy consumption. One guideline is to use the available energy mix in each country and, to the extent possible, choose renewable electricity. Emissions created by the small amount of business travel that occurs is also important, to a lesser extent. It is a priority to make conscious environmental choices when purchasing, for example for the shared staff spaces in order to reduce food waste and the amount of packaging.

Resurs Academy Online Training has offered a mandatory environmental course since the end of 2018 in order to increase general awareness of how every action large or small is important to help the environment. A total of 89 per cent of employees in Sweden took the environmental course in 2019. Local initiatives are also under way throughout the business: for example employees at the Finnish office were trained in the benefits of sorting waste and greater environmental awareness.

The digital services initiative is a way to reduce paper consumption and therefore the share of digital mailings is continually increasing. A total of 57 (48) per cent of all post in the¹ Nordic region was sent via digital channels in 2019.

Gift cards are part of Payment Solutions, and Resurs Bank is a market leader in the Swedish market. In the autumn of 2019 Resurs Bank launched a gift card made up of 60 per cent calcium carbonate and 40 per cent polypropylene. The company intends to launch calcium carbonate gift cards in the Norwegian market in 2020, and in Finland and Denmark in 2021.

1) The post from Resurs Bank Norden includes all of the mailings sent from the bank's accounting system.

Sound credit lending that inspires trust

Responsible credit lending is based on transparency and clarity concerning the terms of a loan, as well as conducting sales, marketing and credit checks in a responsible manner.



Credit lending is a crucial part of Resurs's business and is crucial to the Group's total profitability. Resurs's offering provides higher purchasing power and enables customers to plan their purchases in the way that suits them best, where flexible repayment options are part of the solution.

Taking out a loan also has a direct effect on personal finances. Therefore responsible credit lending is a matter of carefully balancing these perspectives and ensuring that the necessary evidence is available for making well-informed decisions.

A STRICTLY REGULATED MARKET WITH CLEAR REQUIREMENTS

Credit lending to consumers requires a licence and is supervised by the Swedish Financial Supervisory Authority. Resurs's responsibility as a creditor entails preventing over-indebtedness by performing a credit check that ensures that the customer is not borrowing more than their personal finances allow. Proper order and controls along with robust internal systems and processes are fundamental, as well as a requirement to win the trust of customers and others. All decisions are based on a systematic credit process in order to minimize the risk in every way of the customer experiencing financial difficulties. This can be generally described as follows:

- A risk assessment of the customer's future ability to pay is performed using systematic processes and statistical models (scorecards).
- Information is obtained from sources such as Upplysningscentralen (UC) in Sweden and Gjeldsregistret in Norway.

- Customer data is retrieved from Resurs's database.
- Based on this information, an offer is put together that balances credit risk with the total monthly cost for the borrower (interest rate and principal payments).

Overall, this credit process provides good documentation for assessing a customer's potential to meet their commitments, as well as a favourable loan that is appropriate for the customer's

financial situation. In 2019 more than 81 per cent of the sales of consumer loans consisted of loans to customers already in Resurs's database.

A PROACTIVE EFFORT TO MINIMISE CREDIT RISK

Transparent and easily accessible information are fundamental to ensuring that the borrower is aware of the financial consequences of the loan agreement they sign. Everyone loses when a case is transferred to a collection company: the individual, who suffers from negative

consequences for their personal finances; Resurs, since every cancelled loan has a negative impact on profitability; and the brand, since a lower degree of trust in the credit lending business as a whole is something that could damage Resurs's brand in the long term.

As part of the process of minimising debt collection transfers, Resurs follows and analyses changes to its customers' risk profiles from month to month so that it can proactively contact customers at higher risk, even before the first time that they missed a payment. Therefore the customer service function in every country has several dedicated debt collection teams tasked with contacting, assisting and informing customers who are behind on their payments. As a first step, the reason for the customer's payment difficulties is investigated. Next a customised solution is proposed, such as a lower monthly amount for a certain period.

DEDICATED WORK THAT STRENGTHENS CUSTOMER RELATIONSHIPS

Further developing and refining communication with customers experiencing payment difficulties is a continual process. In 2019 the company purchased a new telephony system that will provide its debt collection teams with detailed data on how customers respond to their proactive measures. This information then becomes important input for streamlining communication by better understanding when and how to contact customers in order to arrive at a payment arrangement.

Strengthening customer relationships in general also consists of offering new

technical payment solutions such as Swish, SMS payments, e-invoices and mobile BankIDs, in order to make it as easy as possible for the customer to pay their invoice or receive a reminder about a missed payment.

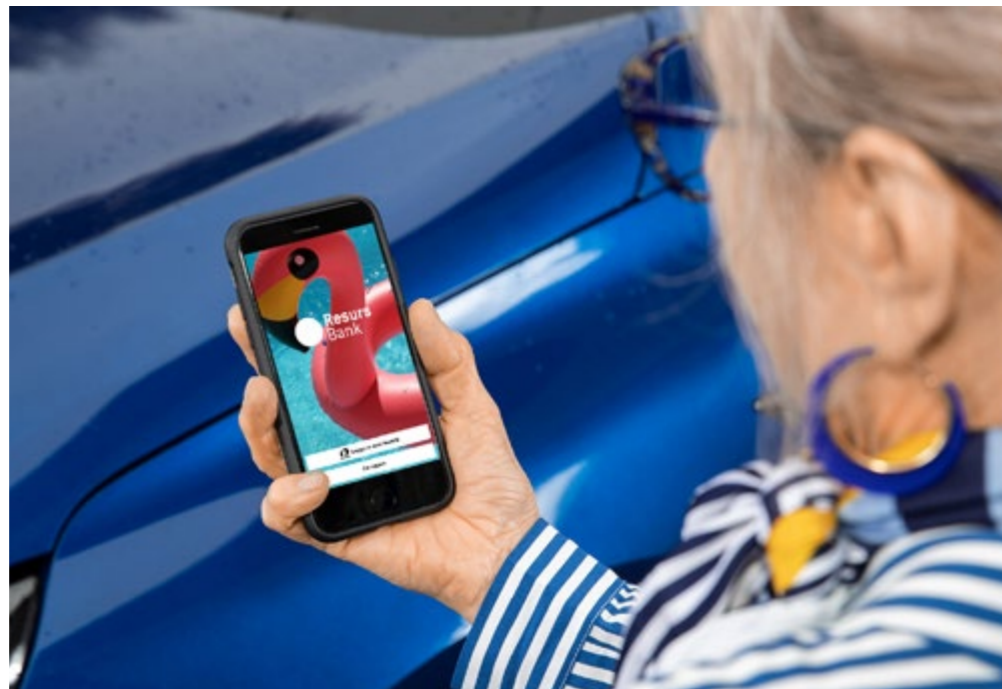
EMPLOYEES' SKILLS ARE CENTRAL TO RECEIVING THE MARKET'S TRUST

Employees with the right skills and training, along with clear processes and authorisation levels, are crucial to responsible credit lending. Their ability to grant credit is regulated in five authorisation levels linked to different amount limits, according to the logic that the higher the authorisation level, the higher the requirement for training and experience. The internal training takes place on a continual basis. It is based on the Group's credit policy, current legislation, Swedish Financial Supervisory Authority regulations and guidelines, and instructions and criteria for credit lending.

FOLLOWING UP THE RESPONSIBLE CREDIT LENDING PROCESS

Sound credit lending is based on the existence of a thorough credit lending process that facilitates the assessment of the borrower's ability to pay (over time). In the longer term it is also crucial to achieve a balance where proactive measures to help customers meet their commitments do not cause hidden credit risks to build up within the bank.

Resurs has chosen to report a proprietary performance indicator beginning in 2019, in order to provide a quality score for its sound and responsible credit lending efforts. Reporting the percentage of payment arrangements made with customers experiencing payment difficulties, which the customers are able to follow, results in a quality metric for Resurs's ability to analyse the private finances of its customers. The target is over 60 per cent for the total percentage of payment arrangements paid by customers. The figure was 63 per cent in 2019.



The customer's right to privacy is critically important

Protecting customers' personal data and safeguarding their privacy are critical for a financial entity such as Resurs. Customer privacy is a natural part of a good customer relationship, and it is based on proper compliance with laws and internal rules that stipulate how customer data is to be protected and how it may be used.

Resurs continually safeguards consumer protection and privacy in a thorough and robust manner. The business has been brought into full compliance with the GDPR and the PSD2 directive, legislation that has come into force in recent years. Consumer protection has thus been strengthened and important customer value has been added as every individual has gained greater power over how their personal data may be shared among financial entities. All of Resurs's systems were reviewed and updated during the year in cooperation with the PSD2 project, in order to ensure consistency in the approach and documentation of personal data processing, security classification and other issues.

A NEW POSITION THAT IS NOW A NATURAL PART OF THE BUSINESS

The position of Data Protection Officer (DPO) has been in place since 2018. The DPO's primary task is to inform, provide guidance, verify and document understanding of and compliance with every item of GDPR. Along with other experts, the DPO is involved in an early stage of every new process where personal data is processed in order to ensure that personal data processing is performed on a legal basis and that required security measures have been taken. The DPO is also a member of the business's orderer forum, in order to ensure that GDPR is fully incorporated into the continued development of systems, processes and new products. Another important task for the DPO in 2020 will be to advance knowledge within the organisation by training employees and providing them with information.

MINIMISING RISK THROUGH PROACTIVE EFFORTS, PROPER MANAGEMENT AND CONTROL

All business entails risks, and for Resurs this primarily concerns operational information risks, along with changes to the organisation or products, that could potentially affect information security. Therefore proper management and control are critical to

minimising vulnerability. This means engaging in proactive risk and incident management in order to ensure a satisfactory level of protection of information and assets throughout the operation. It also means employing control systems to flag abnormal transactions and cash flows, as well as ensuring proper control of internal authorisation levels for managing information and performing services.

Resurs's risk committees are responsible for all incident management and for the publication of the latest versions of customer privacy policies and guidelines on the intranet for easy access.

INCREASING CUSTOMER SATISFACTION IS ALWAYS A HIGH PRIORITY

Rapid technological progress has helped to reduce the risk of incidents in many ways, and Resurs is continually working to identify additional ways to automate processes and services in order to give customer service more opportunity to focus on direct dialogue with customers to provide the best possible service.

In 2019 two (three) incidents related to customer privacy occurred, and they were reported as personal data breaches to the Swedish Data Protection Authority. The assessment is that the damage was limited.

SIGNIFICANT RISKS ASSOCIATED WITH RESURS'S CUSTOMER PRIVACY

Identified risk	Consequence for	Management of risks
Operational information risks and shortcomings in IT systems.	Processing of customers' personal information. General information security. Resurs's reputation as a banking operation.	The Group's policies and guidelines for information security in line with extensive industry requirements. Data security under the new European GDPR legislation. Employees' ability to report through the Group's proactive risk database.
Changes in the organisation or products and their impact on information security.	Customer relationships and the trustworthiness of the offering. Internal work procedures and division of responsibilities.	Each Group company's Compliance and Risk Control function. The Risk Committee takes a proactive approach to identifying risks in the business. Procedure for approving significant changes in existing products, services, markets or the business operations.

Proactive detection and prevention efforts

For Resurs, proper conduct from a business ethics standpoint throughout the operation is required to deserve the trust of customers and the community. Resurs never accepts corruption and always combats it in all forms.

Resurs's zero-tolerance position is based on the philosophy that corruption undermines democracy, warps competition, makes a level playing field for business more difficult and benefits organised crime. Corruption results in serious legal and reputational risks. Resurs's operation is primarily exposed to corruption through fraud, money laundering and financing of terrorism as well as bribery. The risks in the four countries where Resurs operates are similar, but its exposure increases along with the size of its market share and customer base in each country. For Resurs, proper conduct from a business ethics standpoint throughout the operation is also required to deserve continued trust.

FOCUS ON PREVENTATIVE ANTI-CORRUPTION EFFORTS

Combating all forms of corruption is a top priority issue, and the Group's CEO and management bear overall responsibility for preventive efforts and for ensuring that resources, processes and control systems are in place. Resurs's Code of Conduct and guidelines are fundamental, and they apply to all employees, people in senior positions and Board members. All employees have access via the intranet to the Code of Conduct, which is available in Swedish, English and Finnish, and its associated policies and guidelines. Resurs has three levels of control functions, the three lines of defence, to manage corruption risks in the operation and ensure that the Group is doing business and entering into business relationships based on value creation and ethically proper grounds. For more information on applicable control levels, see page 55. In addition, Resurs internal audit function it is performed by an external resource.

Continually monitoring new trends, patterns and cash flows to prevent exploitation of the business for ends such as money laundering and financing of terrorism is critical to Resurs's proactive efforts. There are clear reporting procedures for suspicious patterns and transactions. The external business world is also monitored in cooperation with groups such as the Swedish Bankers' Association, the Swedish Police Authority and other credit card issuers in order to share experience and knowledge about money laundering and fraud in the banking sector.

The internal procedure for reporting perceived threats in the customer relation-

ship were also updated during the year. This clarified both the process for how employees should proceed in the event of threats or incidents, and the allocation of responsibility for follow-up.

AN ANONYMOUS CHANNEL FOR WHISTLE-BLOWERS

Employees who wish to anonymously report an improper deviation from internal or external regulations may use the channel for whistle-blowing available on the intranet. The recipients of whistle-blower cases are Corporate Compliance Counsel, CHRO and Legal Counsel, who are notified as soon as a case is submitted. An initial assessment is performed as to whether the case meets the criteria to be handled as a whistle-blower case and then subsequently escalated internally or possibly externally depending on the type of case. In order to increase knowledge of the whistle-blower channel, an internal training course has been available to all employees at Resurs Academy Online Training since 2018. The link to the procedure for employees to submit whistle-blower cases can also be found on the intranet start page.

One case was reported via Resurs's whistle-blower channel in 2019. The case was deemed not to be a whistle-blower case, and therefore no investigation was initiated.

PROACTIVE TRAINING TO COMBAT CORRUPTION

It is critical for employees to be aware of exposure to the risk of corruption and of reporting procedures. Therefore continually

training employees on how to combat corruption and developing knowledge that makes it easier to see warning signs are a priority. Support and guidance are provided by several online training courses, such as:

- Mandatory online training in Resurs's Code of Conduct, which is also part of the introduction training for new employees. A total of 87 per cent of employees completed the training in the Code of Conduct during the year.
- Mandatory online training on combating money laundering, which all new employees must complete within their first eight weeks of employment.
- Online anti-bribery training.
- Online training about the whistle-blower channel.

These are supplemented with targeted training efforts to meet specific needs and challenging situations, for example in the Group's sales departments. Resurs also offers its employees training tracks that focus on banking regulations including money laundering.

During the year a total of 604 (662) employees, corresponding to 78.5 (85.6) per cent of the workforce, completed online courses on money laundering and anti-bribery.

All senior executives were informed of or completed online courses focusing on anti-corruption. Fundamental requirements for compliance with applicable anti-corruption legislation in each country are stipulated in relationships with retail finance partners.

SIGNIFICANT RISKS ASSOCIATED WITH RESURS'S ANTI-CORRUPTION EFFORTS

Identified risk	Consequence for	Management of risks
Receiving an improper bribe.	Loss of corporate and social gain.	Anti-bribery policy. Resurs's three control bodies for risk management and independent review. Anti-bribery training.
Ambiguity in the meaning of the terms corruption and anti-corruption.	Uncertainty among employees about right vs. wrong actions.	Group-wide anti-corruption training through Resurs Academy. Resurs's Code of Ethics and Code of Conduct.
Observation of improper action that is not addressed.	Damage to Resurs's brand. Loss of corporate and social gain.	Legal and Anti-Corruption Compliance Officer. Resurs's three control bodies for risk management and independent review. Whistle-blower function.

1) Management of Resurs's sustainability efforts, see pages 122-123.

About the Sustainability Report

This is Resurs Holding's third Sustainability Report. It pertains to the entire Group. The report has been developed in accordance with the precautionary principle, and it has been prepared in accordance with the GRI Standards at Core level. This report constitutes the formal sustainability reporting according to Chapter 6, Section 11 of the Annual Accounts Act. This report is included as part of the Group's Annual Report, and is a part of the Board of Directors' Report. The auditor's review of the report is attached and is limited to a statement that the report has been prepared, which appears on page 26.

The contents of this Sustainability Report are based on the materiality analysis performed in 2017, which continues to guide the selection of the Group's most material sustainability topics. Resurs issues the Sustainability Report annually, and it covers one calendar year. The

most recent Sustainability Report, for 2018, was published on 19 March 2019. The report also constitutes Resurs's report to the UN Global Compact, the Communication on Progress.

The primary target group for the Sustainability Report is Resurs's shareholders. Other important stakeholders such as retail finance partners, customers, employees and investors as well as society at large, should also be able to find explanations of the most important issues in this report.

This Sustainability Report drawn up according to GRI Standards has not been the subject of an external third-party review.

POSITION GREEN

In 2019, implementation began of Position Green, our new tool for reporting sustainability data. It entails a more systematic management of the opera-

tions' sustainability data going forward, thereby increasing data quality, traceability and follow up over time.

CONTACT

For questions concerning the Group's Sustainability Report, please contact Eva Brike, Resurs's Chief Human Resources Officer and Sustainability Director by e-mail at: eva.brike@resurs.se

PARTICIPATION IN TRADE AND PROFESSIONAL ASSOCIATIONS

Resurs is a member of several associations, thereby complying with current industry requirements in the markets in which the Group conducts banking operations, as well as ensuring a responsible approach to both retail finance partners and customers, as well as employees and society. Resurs is a member of the Confederation of Swedish Enterprise,

the Swedish Bankers' Association, FAR, Finance Norway, the Danish Chamber of Commerce and the Finnish Commerce Federation.

STAKEHOLDER DIALOGUE

Resurs continuously engages in dialogue with various stakeholder groups. Such engagement provides insight into the expectations of stakeholders and the external environment for the operations, which offers important guidance for the Group's priorities and activities relating to various sustainability topics. The stakeholders considered to be the most concerned or directly affected by the operations are retail finance partners, customers, employees and owners. Dialogue takes place through several channels and at different frequencies depending on topic and stakeholder group.

MATERIALITY ANALYSIS

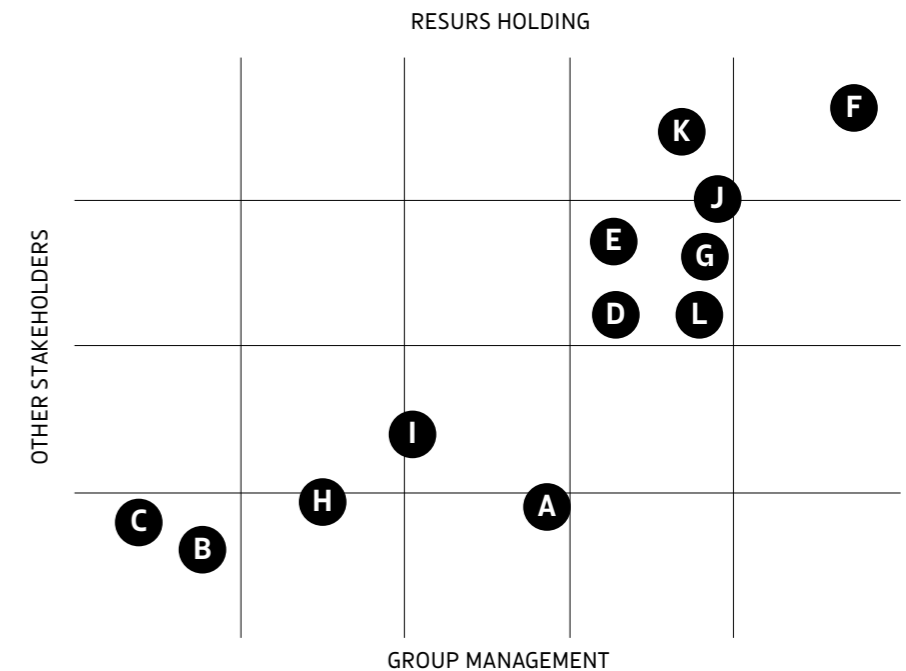
The materiality analysis helps the Group understand the sustainability topics that are of greatest importance to stakeholders and their expectations for the

business. In addition, the results of the analysis provide information about the impact of operations on the economy, society, people and the environment. Resurs applies the principles and guidelines of the GRI Standards to determine what its Sustainability Report will cover. The results of the materiality analysis performed in 2017 in order to identify the Group's most crucial sustainability topics are still considered relevant. The analysis process began by defining the most important sustainability topics in the banking and finance industry. This helped to clarify relevant issues to bring up at the Group's first internal workshop. The issues were selected based on GRI's list of sustainability topics, as well as from a business strategy perspective. In order to ensure that the survey addressed the entire Group's operations, representatives from a number of Group functions participated. Guided by the workshop results, twelve sustainability topics were selected to ask stakeholders about. The stakeholders consisted of customers, employees, retail finance

partners, owners and members of Group Management. The selection criteria were that they should have a mutual relationship with the Group, as well as being significantly affected by the business. They completed a web-based survey, to which 1,324 stakeholders from the Group's four main markets (Sweden, Denmark, Norway and Finland) responded. The Group's perspective was represented by Group Management, which in its responses also emphasised the importance of the Group's environmental and social impact. Their responses were as then combined with the results of the stakeholder survey. The result was then analysed at a second internal workshop where a validation was performed based on Resurs's overall business strategy perspective. The appraisal also took into account the importance of sustainability topics in a global context, as well as the ability of Resurs's operations to directly or indirectly influence these issues.

Stakeholder group	Engagement channel	Key topics and concerns raised by stakeholders	Resurs Bank's management of key topics
CUSTOMERS	Customer meetings Customer service Social media Surveys	Digital services, such as e-invoices, bank app, omni-solution Invoicing and questions on fees Paper print-outs Customer experience Security	Development of new services that give customers greater ability to manage their banking themselves. Open and clear communication Transition from paper print-outs to digital information, for example, through Kivra Consolidation of systems for better and quicker customer service Identification via mobile BankID in stores and via telephone
EMPLOYEES	Materiality analysis Employee appraisals Internet Introduction for new employees Employee surveys	Occupational health and safety Professional development and career Diversity and equal treatment Sustainability work	Internal and external training Management training Work environment training Dedicated HR role focusing on sustainability, diversity and health Diversity and health Sustainability council Guidelines/policy for diversity and equal treatment Health-promoting measures
PARTNERS Partners (e.g. retailers) End customers	Materiality analysis Correspondence (e-mail, post, etc.) Customer meetings	Offering of payment and financing solutions to end customers, focusing on digitisation, simplification and security. The new rules and regulations that affect the services that partners use or broker via Resurs Bank. Digital services, such as e-invoices, bank app, omni-solution	Further development of existing products and services, with a particular focus on digitisation and automation. Authentication and signing using electronic ID. Adjustments to and evaluation of effects and opportunities linked to new regulations (e.g. GDPR, PSD2, money laundering). Development of new services that give customers greater ability to manage their banking themselves.
OWNERS Shareholders, investors and analysts	Materiality analysis Investor meetings Roadshows Capital Market Day Annual General Meetings Presentation of quarterly reporting	Sustainable growth and return Risk management and financial stability Sustainability work	Work on clear and open communication to enhance understanding among the investor collective. Arranged Capital Market Day to further enhance communication.

- A MATERIALS
- B ENERGY CONSUMPTION
- C CLIMATE IMPACT
- D OCCUPATIONAL HEALTH AND SAFETY
- E TRAINING AND PROFESSIONAL DEVELOPMENT
- F CUSTOMER PRIVACY
- G DIVERSITY AND EQUAL OPPORTUNITY
- H ENVIRONMENTALLY SUSTAINABLE PROCUREMENT
- I SOCIALLY SUSTAINABLE PROCUREMENT
- J RESPONSIBLE CREDIT LENDING
- K ANTI-CORRUPTION
- L FINANCIAL RESULTS



COMMENTS ON THE MATERIALITY ANALYSIS

The results of the materiality analysis demonstrate clear agreement between what the Group and its key stakeholders consider to be the most important topics. This indicates that the Group's sustainability efforts conform well to the expectations of others.

In the analysis, the greatest importance was attributed to the sustainability topics Customer privacy, Anti-Corruption, Responsible credit lending and Diversity and equal opportunity. For the 2018 report, Employees and Diversity and equal opportunity were combined, and Social responsibility and the Environment were added as new material sustainability topics. For the 2019 report, Resurs included two new performance indicators to improve validating development in Responsible credit lending and Social responsibility.

Management of Resurs's sustainability efforts

Resurs's operation as a banking and insurance group poses demands for conduct according to business ethics, as well as the assumption of responsibility for the operation's impact on people, society and the environment.

The Group's approach is based on following the laws and regulations of each country where it operates, such as competition law, environmental regulations, labour market regulations and collective agreements that affect the operation. Resurs respects international conventions on human rights, which guide its own business. Child labour and labour that is forced or performed under the threat of violence is not tolerated under any circumstances. Resurs makes target efforts to oppose all forms of corruption.

Its shared corporate culture is based on the Group's values – Driven, Open, Innovative and Trustworthy – which have support throughout the Group.

MANAGEMENT APPROACH AND RESPONSIBILITY

The overall strategic direction of Resurs's sustainability efforts is determined by Group Management. Resurs's CEO is ultimately responsible for sustainability topics. Resurs's sustainability committee functions as a link between the operative

and strategic sustainability work and is responsible for initiating, driving and following up operational sustainability efforts, with the objective of ensuring compliance with the Group's long-term commitments. The Group's sustainability committee comprises a total of ten employees from Customer Experience, Marketing, HR, Customer Service, Facility, Consumer Market, Legal and Finance. The committee meets four times per year and reports directly to the Chief Human Resources and the Sustainability Director. In 2019 a local sustainability committee was also initiated in Finland.

CODE OF CONDUCT – RESURS'S OVERALL MANAGEMENT TOOL

Resurs has been a member of the UN's sustainable business initiative, the Global Compact, since 2018. This means that the Group is both in favour of the initiative and supports and furthers its ten principles. Resurs's Code of Conduct, which is based on these ten principles, clarifies issues including the Group's views on business ethics, working conditions, diversity, equality and equal opportunity. Resurs's Code of Conduct encompasses the entire Group and all of its employees. It must guide how everyone, regardless of their function and role within the Group, acts according to business ethics and in a way that inspires trust on the part of retail finance partners, customers, authorities and other stakeholders. The

Code of Conduct is available on the intranet, as well as on Resurs's external websites, so that retail finance partners, customers and investors can read about the fundamental guidelines according to which the Group operates.

MANAGEMENT APPROACH: ANTI-CORRUPTION

Resurs has three levels of control functions, the three lines of defence, to manage corruption risks in the operation and ensure that the Group is doing business and entering into business relationships based on value creation and ethically proper grounds. The first body focuses on the risks that may arise in operations, consisting of control functions within the Group's various departments, as well as the Group's Legal and Anti-Corruption Compliance Officer, who coordinates and is responsible for operational anti-corruption efforts. The second body consists of each Group company's Compliance and Risk Control function, as well as the Actuarial function within insurance operations, which continually and independently control the operations. The third control body is Resurs' internal audit function, which independently examines the Group's operations and evaluates how the other control functions manage and assess risks.

MANAGEMENT APPROACH: CUSTOMER PRIVACY

The Group's control functions consist of the Internal Audit function, the Compliance and Risk Control function and the insurance operation's Actuarial function. They are independent and report regularly verbally and in writing to their respective company CEOs, risk committees, the Board and certain Board committees. The Internal Audit function's review of the Group's operations includes reviewing activities in operations to determine whether the business is being adequately managed from a risk perspective.

The Risk Committees, in which senior executives participate, monitor and identify risks in the business as well as proactively addressing potential risks and following up on previously identified risks

and approved actions. The Group's processes for approving new or significant changes in existing products/services, markets, processes or other major changes in the business operations are intended to effectively and efficiently manage identified risks in the process.

MANAGEMENT APPROACH: RESPONSIBLE CREDIT LENDING

The limits for credit lending operations are based on the overall policy set by the Board. This policy defines the credit strategy to be followed by the Group and is based on the Group's products and business segments, laws and regulations, and the long-term sustainable level of credit losses that the business is prepared to accept.

The strategy is implemented in operational activities by being translated into scoring models and award criteria, which are then followed up and checked by several bodies. Reports are made to the risk committee and the results of the control functions' examinations are also reported to the Board.

The national credit managers use monthly sampling checks to review the work based on prevailing criteria and regulations. The Risk Control function then examines parts of the credit lending process by measuring credit losses and following up on the product portfolios' credit risks. In addition, an internal audit of the credit lending operation is also continuously carried out.

MANAGEMENT APPROACH: EMPLOYEES, DIVERSITY AND EQUAL OPPORTUNITY

The function of HR Specialist Sustainability, Diversity & Health is dedicated to driving, developing and monitoring efforts in the areas of sustainability, diversity and health. The role includes working on sustainability projects and following up on them. The Group furthermore has a Compensation & Benefit Manager, who manages compensation and benefits. This role is primarily responsible for reviewing remuneration levels and an annual salary survey, as well as developing policies and guidelines for salaries, pensions, benefits and company cars.

A SELECTION OF POLICIES AND GUIDELINES:

- Guidelines for diversity and equal treatment.
- Policy against victimisation in the workplace
- Physical security guidelines
- Salary guidelines
- Policy for governance risk management and control
- Policy for information security
- Credit policy
- Whistle-blowing policy
- Anti-bribery policy
- Policy on anti-money laundering and financing of terrorism
- Data protection policy
- Competition policy
- Policy on trade sanctions
- Complaint management policy
- Remuneration policy
- Insider policy
- Code of Conduct

DRIVEN
OPEN
INNOVATIVE
TRUSTWORTHY

GRI content index

Number	Disclosure	Page	Comments
GRI 101 FOUNDATION			
GRI 102 GENERAL DISCLOSURES (CORE) (2016)			
102-1	Name of the organisation	Cover	
102-2	Activities, brands, products, and services	3, 23	
102-3	Location of headquarters	62	
102-4	Location of operations	3	
102-5	Ownership and legal form	3, 46	
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102-10	Significant changes to the organisation and its supply chain	4-5	
102-11	Precautionary Principle	120	
102-12	External initiatives	8, 27	
102-13	Membership of associations	120	
102-14	Statement from senior decision-maker	7-10	
102-15	Key impacts, risks, and opportunities	31, 35, 36, 37, 45, 67-77	
102-16	Values, principles, standards, and norms of behaviour	28, 122	
102-18	Governance structure	27, 51-55, 122-123	
102-40	List of stakeholder groups	14, 120	
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102-43	Approach to stakeholder engagement	14, 120	
102-44	Key topics and concerns raised	14, 120	
102-45	Entities included in the consolidated financial statements	42	
102-46	Defining report content and topic Boundaries	121	
102-47	List of material topics	121	
102-48	Restatements of information	-	
102-49	Changes in reporting	121	
102-50	Reporting period	120	
102-51	Date of most recent report	120	
102-52	Reporting cycle	120	
102-53	Contact point for questions regarding the report	120	
102-54	Claims of reporting in accordance with the GRI Standards	120	
102-55	GRI content index	124 - 125	
102-56	External assurance	-	The Group's Sustainability Report has not been externally assured in accordance with GRI

TOPIC-SPECIFIC DISCLOSURES

Number	Disclosure	Page	Comments
GRI 103 MANAGEMENT APPROACH (2016) See topic-specific disclosures			
GRI 205: ANTI-CORRUPTION (2016)			
103-1	Explanation of the material topic and its Boundaries	26, 37, 120-121	
103-2	The management approach and its components	122-123	
103-3	Evaluation of the management approach	122-123	
205-2	Communication and training about anti-corruption policies and procedures	37	
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY (2016)			
103-1	Explanation of the material topic and its Boundaries	26, 30, 120-121	
103-2	The management approach and its components	122-123	
103-3	Evaluation of the management approach	122-123	
405-1	Diversity of governance bodies and employees	31	
GRI 418: CUSTOMER PRIVACY (2016)			
103-1	Explanation of the material topic and its Boundaries	26, 36, 120-121	
103-2	The management approach and its components	122-123	
103-3	Evaluation of the management approach	122-123	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	36	Complete information is not available. Resurs does not presently measure/monitor complaints from a strict privacy perspective.
(OWN SUSTAINABILITY TOPIC) RESPONSIBLE CREDIT LENDING			
103-1	Explanation of the material topic and its Boundaries	26, 34, 120-121	
103-2	The management approach and its components	122-123	
103-3	Evaluation of the management approach	122-123	
Own	the total percentage of payment arrangements paid by customers	35	
(OWN SUSTAINABILITY TOPIC) SOCIAL COMMITMENT			
103-1	Explanation of the material topic and its Boundaries	26, 32, 120-121	
103-2	The management approach and its components	122-123	
103-3	Evaluation of the management approach	122-123	
Own	Number of employees who choose to contribute as volunteers	32	Only Resurs in Sweden is included in the yearly numbers.

INDEX FOR THE SUSTAINABILITY REPORT ACCORDING TO CHAPTER 6 SECTION 11 OF THE ANNUAL ACCOUNTS ACT

	DISCLOSURE	PAGE REFERENCE
Overview	Business model	22
Social conditions and personnel	Approach and policies Risks, management and performance	122-123 28-31
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Anti-corruption	Approach and policies Risks, management and performance	122-123 37
Environment	Approach and policies Risks, management and performance	122-123 32-33

Auditor's report on the statutory sustainability statement

To the general meeting of the shareholders of Resurs Holding AB (publ), corporate identity number 556898-2291

Engagement and responsibility

It is the Board of Directors who is responsible for the statutory sustainability statement for the year 2019 on pages 22, 28-31, 33, 37 samt 122-123 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevU 12 The auditor's opinion regarding the statutory sustainability statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions

A statutory sustainability statement has been prepared.

Helsingborg 17 March 2020

Ernst & Young AB

Niklas Paulsson

Authorized Public Accountant

Information about Annual General Meeting 2020

Resurs Holding's Annual General Meeting 2020 will be held at Dunkers Kulturhus in Helsingborg on April 29, 2020 at 10:30 a.m.

Notice to attend the Annual General Meeting is available on Resurs Holding's website www.resursholding.se

Shareholders who wish to attend the Annual General Meeting shall, firstly, be entered in the share register maintained by Euroclear Sweden on Wednesday, 23 April 2020, secondly give notice of their attendance no later than on 23 April 2020.

Notice to attend is to be made:

- by telephone to +46 8 - 402 91 71, weekdays between 10:00 a.m and 16:00 p.m, or
- by mail to Resurs Holding AB "Annual General Meeting", c/o Euroclear Sweden, Box 191 SE-101 23 Stockholm

Domestic shareholders can also give notice on Resurs Holding's website www.resursholding.se.

Dividends

The Board proposes that the Annual General Meeting adopts a dividend of SEK 2.10 (1.95) per share. According to the company's model of semi-annual dividend payments, dividends of SEK 1.80 per share (1.65) were paid in autumn 2019. Accordingly, The final date for trading in the company's shares including the right to receive dividend is Thursday, 29 April 2020. The record date is proposed as 4 May 2020 and the dividend will be paid on 7 May 2019.