

Reporting and Self-Assessment template

PRINCIPLES FOR RESPONSIBLE BANKING



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Introduction

This is Resurs Bank's first report as a signatory of the UN Principles for Responsible Banking. In this report we provide responses and self-assessments in relation to the six principles and the reporting guideline template, and it has not been assured by our auditors. References are made to our Annual & Sustainability Report 2023 (English version).

Principles for Responsible Banking and Self-Assessment Template 2023

Principle 1: Alignment

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

Business model

Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/ or off-balance sheet) or by disclosing the number of customers and clients served.

Resurs Holding (Resurs), which operates through the subsidiary Resurs Bank, is the leader in retail finance in the Nordic region, offering payment solutions, consumer loans, savings and niche insurance products. Since its start in 1977, Resurs Bank has established itself as a leading partner for sales-driven payment and loyalty solutions in retail and e-commerce, and Resurs has thus built a customer base of approximately six million private customers in the Nordics. Resurs Bank has had a banking licence since 2001 and is under the supervision of Finansinspektionen. The Resurs Group operates in Sweden, Denmark, Norway and Finland and primarily targets individuals and SME-companies. At the end of the fourth quarter of 2023, the Group had 660 employees and a loan portfolio of SEK 38.8 billion. Resurs is listed on Nasdaq Stockholm.

Links and references: Annual & Sustainability Report 2023, page 3

Strategy alignment

Does your corporate strategy identify and reflect sustainability as strategic priority/ies for your bank?

- Yes
 No

Sustainability is embedded in the core of the company's strategy through five key identified priority areas in which we operate proactively to minimize risks and maximize opportunities. These five prioritized sustainability focus areas are: Sustainable Credit Lending, Ethical and Responsible Business, Climate Impact, Social Responsibility and Sustainable Employees. These areas are strategically connected to the operations of the company and each one has goals and KPI:s connected in order to drive progress and contribute to the selected UN Sustainable Development Goals and the Paris Agreement. The SDGs chosen as specifically material and prioritized are SDG 5, 8, 10, 12, 13 and 16. Additionally, Resurs has been a signatory member of UN Global Compact since 2018.

Links and references: Annual & Sustainability Report 2023, page 21, 24 and 25–37

Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?

- UN Guiding Principles on Business and Human Rights
 International Labour Organization fundamental conventions
 UN Global Compact
 UN Declaration on the Rights of Indigenous Peoples
 Any applicable regulatory reporting requirements on environmental risk assessments, e.g. on climate risk – please specify which ones: _____
 Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery – please specify which ones: _____
 None of the above

Principle 2: Impact and Target Settings

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

2.1 Impact Analysis

Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting. The impact analysis shall be updated regularly¹ and fulfil the following requirements/elements (a–d):

a) Scope: What is the scope of your bank's impact analysis? Please describe which parts of the bank's core business areas, products/services across the main geographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.

The impact analysis/assessment was conducted as an integral part of the ongoing work in identifying sustainability impact within existing processes. During 2023 and beginning of 2024, we have conducted impact assessments internally as part of both Corporate Sustainability Due Diligence and the CSRD-framework. The completion of the analysis has been done using the CSRD framework looking at double materiality together with a selected internal working group covering all areas of operation. The foundation of the analysis started in the existing Materiality Analysis (described briefly in section 4.1) and the impact analysis has had the scope to cover all four Nordic markets as well as all products.

Links and references: Annual & Sustainability Report 2023, page 21 and 122–123

b) Portfolio composition: Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition of your portfolio globally and per geographical scope i) by sectors & industries³ for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or ii) by products & services and by types of customers for consumer and retail banking portfolios. If your bank has taken another approach to determine the bank's scale of exposure, please elaborate, to show how you have considered where the bank's core business/ major activities lie in terms of industries or sectors.

Resurs's product portfolio consists of the main segments: Consumer Loans which accounts for approximately 63% of the business and Payment Solutions (includes credit cards and retail partner cards) which accounts for approximately 37%. Divided into geographical presence the lending book has the following exposure: Sweden 55%, Finland 18%, Norway 14% and Denmark 13%. All segments have been included in the scope with exception of deposits/savings due to low identified impact on sustainability matters given the current situation.

Links and references: Annual & Sustainability Report 2023, page 13–15, and 92

c) Context: What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate? Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis. This step aims to put your bank's portfolio impacts into the context of society's needs.

One of the main challenges identified is the risk of over-indebtedness in society and this is an area that is of highest importance for Resurs. Robust systems and processes are in place to minimize risks within credit loss ratios as well as with systematics in place to help customers throughout the customer journey. Another challenge is the fact that our products are used within consumption which leads to efforts from our side to promote sustainable and healthy financial actions by for instance working with product and partner development. These two priorities described leads to the conclusion that our selected target areas relating to PRB are Financial Health & Inclusion and Climate Change Mitigation. One concrete example already is our ongoing work within the area of Young People & Economy with tools and support to promote more knowledge and confidence.

Links and references: Annual & Sustainability Report 2023, page 25–27 and 34–35

d) Performance measurement: Has your bank identified which sectors & industries as well as types of customers financed or invested in are causing the strongest actual positive or negative impacts? Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank's context. In determining priority areas for target-setting among its areas of most significant impact, you should consider the bank's current performance levels, i.e., qualitative and/or quantitative indicators and/or proxies of the social, economic, and environmental impacts resulting from the bank's activities and provision of products and services. If you have identified climate and/or financial health&inclusion as your most significant impact areas, please also refer to the applicable indicators in the Annex. If your bank has taken another approach to assess the intensity of impact resulting from the bank's activities and provision of products and services, please describe this. The outcome of this step will then also provide the baseline (incl. indicators) you can use for setting targets in two areas of most significant impact.

Due to the nature of our business and the current small proportion of corporate products this is an area that needs more work. We have guidelines in place in terms of sectors and industries that we actively do not work with. On the consumer product side, we are working hard to enable customers to make responsible and sustainable choices which has led to increased volumes within for instance energy investment areas. Applicable indicators and baseline for target setting has not yet been selected and will be a focus going forward (see 2.2)

Links and references: Annual & Sustainability Report 2023, page 23

Self-assessment summary:

Which of the following components of impact analysis has your bank completed, in order to identify the areas in which your bank has its most significant (potential) positive and negative impacts?

Scope:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Portfolio composition:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Context:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Performance measurement:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> In progress	<input type="checkbox"/> No

Which most significant impact areas have you identified for your bank, as a result of the impact analysis? Climate change mitigation, climate change adaptation, resource efficiency & circular economy, biodiversity, financial health and inclusion, human rights, gender equality, decent employment, water, pollution, other: please specify.

Based on the impact analysis, the two most significant impact areas are Financial Health & Inclusion and Climate Change Mitigation.

Which most significant impact areas have you identified for your bank, as a result of the impact analysis?

How recent is the data used for and disclosed in the impact analysis?

Up to 6 months prior to publication
 Up to 12 months prior to publication
 Up to 18 months prior to publication
 Longer than 18 months prior to publication

2.2 Target Setting

Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis. The targets have to be Specific, Measurable (qualitative or quantitative), Achievable, Relevant and Time-bound (SMART). Please disclose the following elements of target setting (a–d), for each target separately:

a) Alignment: Which international, regional, or national policy frameworks to align your bank's portfolio with have you identified as relevant? Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.

Our ambition is to contribute to the UN Sustainable Development Goals as described briefly in section 1 as well as the Paris Agreement. In terms of concrete target setting, we have at this point only decided upon the two prioritized significant impact areas which are Financial Health & Inclusion and Climate Change. The upcoming work is now to break these two areas down and most importantly, incorporate them into the operations of the business as well as the ongoing EU Taxonomy reporting and preparations within the CSRD-framework that will be of highest importance short term and long term. Based on this, we will provide a Baseline for indicators, decide on SMART targets and develop Action Plans for each selected significant impact area.

b) Baseline: Have you determined a baseline for selected indicators and assessed the current level of alignment? Please disclose the indicators used as well as the year of the baseline. If your bank has prioritized climate mitigation and/or financial health & inclusion as (one of) your most significant impact areas, it is strongly recommended to report on the indicators in the Annex, using an overview table like below including the impact area, all relevant indicators, and the corresponding indicator codes:

Please see the response in 2.2a

c) SMART targets (incl. key performance indicators (KPIs)): Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place). Which KPIs are you using to monitor progress towards reaching the target? Please disclose

Please see the response in 2.2a

d) Action plan: Which actions including milestones have you defined to meet the set targets? Please describe. Please also show that your bank has analysed and acknowledged significant (potential) indirect impacts of the set targets within the impact area or on other impact areas and that it has set out relevant actions to avoid, mitigate, or compensate potential-negative impacts.

Please see the response in 2.2a

Self-assessment summary

Which of the following components of target setting in line with the PRB requirements has your bank completed or is currently in a process of assessing for your...

	... first area of most significant impact: Financial health & inclusion	... second area of most significant impact: Climate change mitigation
Alignment	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No
Baseline	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No
SMART targets	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No
Action plan	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input checked="" type="checkbox"/> No

2.3 Target implementation and monitoring

Show that your bank has implemented the actions it had previously defined to meet the set target.

Report on your bank’s progress since the last report towards achieving each of the set targets and the impact your progress resulted in, using the indicators and KPIs to monitor progress you have defined under 2.2

Since this is our first PRB-reporting, no target implementation and monitoring can be reported yet. We aim to update this area in our upcoming report.

Principle 3: Clients and Customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

3.1 Client engagement

Does your bank have a policy or engagement process with clients and customers in place to encourage sustainable practices?

- Yes
- In progress
- No

Does your bank have a policy for sectors in which you have identified the highest (potential) negative impacts?

- Yes
- In progress
- No

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities). It should include information on relevant policies, actions planned/implemented to support clients’ transition, selected indicators on client engagement and, where possible, the impacts achieved.

Resurs has several policies, guidelines and instructions in place for us as a bank, for management, co-workers and customers in order to optimize the operations of the company. Examples of important policies and guidelines are Code of Conduct, Sustainability Policy, Environmental Policy, Supplier Code of Conduct, etc. Resurs has also established Responsible Marketing guidelines to steer this important area in a positive direction both internally and externally. Resurs is also currently working on development of material relating to guidelines targeting Retail Finance Partners in terms of “Green, Yellow and Red” areas to make it easier to work proactively and minimize risks. Customers and clients are part of the materiality analysis that is important in terms of understanding needs and areas of focus from each stakeholder.

Links and references: Annual & Sustainability Report 2023, page 122–123 and 127 (list of policies)

3.2 Business opportunities:

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period. Provide information on existing products and services, information on sustainable products developed in terms of value (USD or local currency) and/or as a % of your portfolio, and which SDGs or impact areas you are striving to make a positive impact on (e.g., green mortgages – climate, social bonds – financial inclusion, etc.).

Responsible and sustainable credit lending is the core of Resurs’s business and involves a financial service offering that is sustainable both today and in the long term, for individuals, Resurs and for the society. Resurs wants to inspire customers to make sustainable choices and encourage a positive and sustainable lifestyle. This is done through product development resulting in increasing opportunities within for instance energy investments and green loans. Resurs is constantly working on integration of sustainability aspects into the credit lending and ongoing updates of the overall strategy of the company.

Links and references: Annual & Sustainability Report 2023, page 23

Principle 4: Stakeholders

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

4.1 Stakeholder identification and consultation

Does your bank have a process to identify and regularly consult, engage, collaborate and partner with stakeholders (or stakeholder groups) you have identified as relevant in relation to the impact analysis and target setting process?

- Yes
 In progress
 No

Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.

Resurs engage with various stakeholders on a daily basis and in a variety of ways. A materiality analysis is conducted and updated in bi-yearly manner with the intention to be up to date in several areas. The latest materiality assessment was conducted in 2022 and helps Resurs understand the sustainability topics that are of greatest importance to stakeholders and their expectations for the company. In addition, the assessment provides information about the impact of operations on the economy, society, people and the environment. With the ongoing work within CSRD, updates are now being made to meet the important requirements of double materiality which is currently taking place with the aim to further strengthen the strategy for sustainable business.

Links and references: [Annual & Sustainability Report 2023, page 122 and 123](#)

Principle 5: Governance and Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking.

5.1 Governance Structure for Implementation of the Principles

Does your bank have a governance system in place that incorporates the PRB?

- Yes
 In progress
 No

Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles. This includes information about:

- Which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to),
- Details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as
- Remuneration practices linked to sustainability targets.

The overall strategic direction of Resurs's sustainability efforts is determined by Group Management. Resurs's CEO is ultimately responsible for sustainability topics and the board of Directors are responsible for approving Sustainability Policy and other strategic frameworks. The Nordic Sustainability Manager develops Resurs's strategic business-driven sustainability agenda and ensures that a sustainability perspective is integrated and incorporated into all areas and processes of the operations. Resurs Group's sustainability committee is convened and led by the Nordic Sustainability Manager. It prepares issues on focus areas, direction and activities in order to reach approved sustainability targets before they are considered and decided upon by Group Management. The committee is made up of representatives of Resurs's focus areas and stakeholders in the Group's various business lines and functions.

Links and references: [Annual & Sustainability Report 2023, page 124–127](#)

5.2 Promoting a culture of responsible banking:

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, e-learning, sustainability trainings for client-facing roles, inclusion in remuneration structures and performance management and leadership communication, amongst others).

The foundation of steering the company in a responsible and sustainable direction is established in a set of policies and guidelines described below in 5.3. A robust system is also in place internally through Resurs Academy (our digital portal with all online training) where all employees are required to complete mandatory trainings within several selected areas based upon the policies and guidelines. Additionally, we share knowledge, best practice and inspiration in several forums internally such as Leadership Training Camps, Sustainability Weeks, etc.

Links and references: [Annual & Sustainability Report 2023, page 125–127](#)

5.3 Policies and due diligence processes

Does your bank have policies in place that address environmental and social risks within your portfolio? Please describe

Please describe what due diligence processes your bank has installed to identify and manage environmental and social risks associated with your portfolio. This can include aspects such as identification of significant/salient risks, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures you have in place to oversee these risks.

The Code of Conduct is the core of this prioritized area and other concrete examples of policies and guidelines that affect and foster a positive and responsible culture are: Sustainability Policy, Sustainability Guidelines, Supplier Code of Conduct, Credit Policy, Guidelines for diversity and inclusion, Environment and climate Policy, Whistleblowing Policy and more. We work continuously to mitigate sustainability risks in our business. Resurs's ambition is for sustainability risks to be managed using a risk-based approach and to be integrated into daily operations. These efforts are guided by national and external regulations and guidelines, particularly those issued by the EU. Specific Sustainability Risks and the management and handling of these identified risks are present and cross referenced in several policies leading to a complete Sustainability Risk Framework in the Sustainability Policy.

Links and references: Annual & Sustainability Report 2023, page 125–127 and 128–132

Self-assessment summary

Does the CEO or other C-suite officers have regular oversight over the implementation of the Principles through the bank's governance system?

- Yes
 No

Does the governance system entail structures to oversee PRB implementation (e.g. incl. impact analysis and target setting, actions to achieve these targets and processes of remedial action in the event targets/milestones are not achieved or unexpected neg. impacts are detected)?

- Yes
 No

Does your bank have measures in place to promote a culture of sustainability among employees (as described in 5.2)?

- Yes
 No

Principle 6: Transparency & Accountability

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

6.1 Assurance

Has this publicly disclosed information on your PRB commitments been assured by an independent assurer?

- Yes
 Partially
 No

If applicable, please include the link or description of the assurance statement.

6.2 Reporting on other frameworks

Does your bank disclose sustainability information in any of the listed below standards and frameworks?

- GRI
 SASB
 CDP
 IFRS Sustainability Disclosure Standards (to be published)
 TCFD
 Other:

The sustainability report is in accordance with GRI and with the Swedish Annual Accounts Act. Additionally, we are required to follow the coming CSRD-framework and will report according to these new requirements and adhering to the given time plan. We are also reporting according to the EU Taxonomy Framework since the start.

Links and references: Annual & Sustainability Report 2023, page 133 and 143–146

6.3 Outlook

What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis, target setting and governance structure for implementing the PRB)? Please describe briefly

As described in principle 2, we have identified concrete work to focus more on updating the impact analysis in accordance with CSRD as well as setting clear targets within our identified focus areas Financial Inclusion and Climate Change Mitigation. We will continue to map our impact to continue to minimize risks and maximize opportunities.

6.4 Challenges

Here is a short section to find out about challenges your bank is possibly facing regarding the implementation of the Principles for Responsible Banking. Your feedback will be helpful to contextualise the collective progress of PRB signatory banks.

What challenges have you prioritized to address when implementing the Principles for Responsible Banking? Please choose what you consider the top three challenges your bank has prioritized to address in the last 12 months (optional question). If desired, you can elaborate on challenges and how you are tackling these:

- Embedding PRB oversight into governance
 Customer engagement
 Gaining or maintaining momentum in the bank
 Stakeholder engagement
 Getting started: where to start and what to focus on in the beginning
 Data availability
 Conducting an impact analysis
 Data quality
 Assessing negative environmental and social impacts
 Access to resources
 Choosing the right performance measurement methodology/ies
 Reporting
 Setting targets
 Assurance
 Prioritizing actions internally
 Other: ...



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