



ID FINANCE
GROUP

SUSTAINABILITY
REPORT 2023

Message from Managing Director



Dear friends!

I am pleased to present to your attention the ID Finance Group Sustainability Report for 2023, which presents key results and plans for the development of our Company's ESG practices.

We have laid a strong foundation for work in the field of sustainable development in 2021 by approving the corresponding Corporate social responsibility policy and are now carrying out a detailed study of each of its areas. As an affirmation of our values and commitment to sustainability, we are pleased to share that in 2023 ID Finance has been obtained from AENOR the certification of the Social Responsibility Management System according to the international standard IQNet SR 10, and, we were recognized by UK magazine Capital Finance International as the 2023 global award winner for Best ESG Inclusive Finance Solutions.

We are committed to developing our business

responsibly, supporting employees with equal opportunities, helping local communities, strictly complying with the law, applying the principles of responsible financing and minimizing our negative impact on the environment.

Our Group is committed to responsible financing by providing our customers with complete, clear and transparent information about all terms and conditions and the various IDF products. We are always glad to help our customers when they have a difficult situation or questions, using a personal approach.

We always strive to provide our clients with the

most comfortable financial products. As part of the Plazo brand, we offer our clients financial wellness tool, which helps them not only competently manage their own finances, but also provides the opportunity to receive cashbacks for purchases from more than 30 partners and receive additional useful information. Our App Plazo has been recognized as the Best Financial Wellness App Spain 2023 at the World Business Outlook Awards.

Also in 2023, we created the Customer Ombudsman service for Moneyman Spain and Mexico, which is aimed at working with complaints from clients and carrying out an ongoing procedure of settling the overdue debt, as well as monitoring that all clients' rights are fully respected as required by law. We believe that this service will allow us to expand our responsible financing practices and increase customer satisfaction when interacting with us.

We are committed to a zero-tolerance approach to corruption and fraud, for this purpose our Company has an Anti-Corruption and Fraud Prevention Policy which is mandatory for all employees as well as several mandatory trainings that all Group employees undergo.

Employees are ID Finance main value. Our HR practices are aimed at creating a comfortable and equal working environment, empowering our employees and fostering their professional growth. We also actively implement several social and ecological initiatives, motivating our employees to take part in various volunteering activities.

In this Report, you can get acquainted in detail with our approach and the results of our activities in each sustainability area.

I would like to thank our employees who have once again shown great dedication, energy and care in serving our customers and working together over the past year. They have exemplified our purpose of 'opening up a world of opportunity' and our core values. While we want to achieve even more in 2024 and beyond, I am very proud of what they achieved in 2023 – and I am extremely grateful to each of them.

Also, I would like to thank all our customers and partners for their trust in us and helping us to get better every day!

Victor de las Heras,
Managing Director,
Board Member of ID Finance

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About Report

ID Finance Investments, S.L. (hereinafter – the Group, ID Finance) for the first time publishes a Sustainability Report (hereinafter - Report).

However, the Group regularly prepares the Non-Financial Information Statement (NFIS) in line with the requirements established in Law 11/ 2018 of December 28, 2018, on non-financial information and diversity approved on December 13, 2018, by the Congress of Deputies amending the Commercial Code. In this NFIS also follows some guidelines on non-financial reporting (2017/C 215/01) derived from Directive 2014/95/EU and Global Reporting Initiative.

The Report has been prepared in a free format and discloses the results we achieved in 2023 in the areas of business development, responsibility towards our employees, customers and society, and environmental protection. The Report covers the Group's activities in two jurisdictions: Spain and Mexico and includes information on all legal entities owned by ID Finance Investments, S.L. (see section Shareholding structure).

We hope that this Report will become an important channel of communication with our internal and external stakeholders, we plan to continue publishing Sustainability Reports in the future.

The information contained in this Report covers the period from January 1 to December 31, 2023. The Report is prepared in English and Spanish and is published on the Group's official website <https://idfinance.com/>.

The Report has been reviewed and approved by the Group's Board of Directors.



About the Group



Who we are

ID Finance is a leading digital consumer finance platform operating in Spain and Mexico under MoneyMan and Plazo brands.

ID Finance is a data-driven financing platform that is pioneering fintech innovation in Spain and Mexico with a range of convenient, competitive, and transparent finance services available over the internet. The Group uses machine learning and advanced data science techniques to improve access to competitive financial services.

Our strategy is to grow our business while reducing environmental impact and increasing social impact through responsible and sustainable lending and financing. The strategy is based on building a sustainable financial Group globally. In this way, the Group is involved in activities of measurement and compensation of its emissions as well as in social actions in the Communities in which it operates.

80.8 mln \$

net IFRS loan portfolio in 2023

6.3 mln

total count of unique registered users

12.5 mln+

loan applications scored

<1 min

time decision-making

EUR 1.3 bln

loans issued in Spain and Mexico since launch

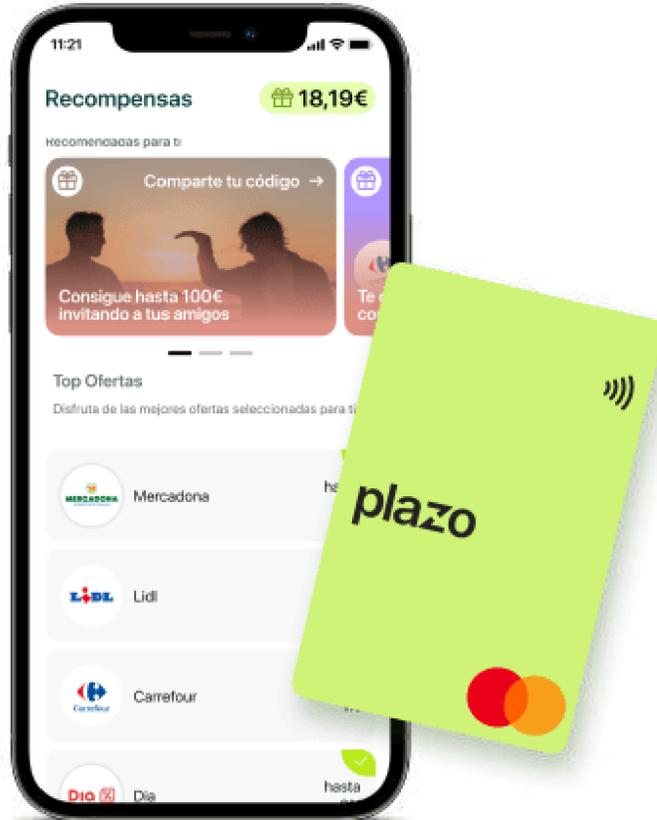
Audited consolidated financial data for 2023.

Our products

We provide smart financial services that change the way people understand and manage their finances allowing them to increase their savings capacity while maintaining full control of their expenses.

PLAZO

Plazo is a mobile app, which offers:



Instantly issued FREE virtual card and a physical card, by request.

Over 30 cashback partners providing the highest cashbacks in Spain.

Useful features such as free cash withdrawals, top-up via Apple, Google pay, Spanish IBANs, international transfers.

Many more to come in 2024:

Partnership with MeetingPros to offer legal, telemedicine and veterinarian services directly through our app.

Carbon footprint for all transactions, and more.

plazo



MONEYMAN

Automated loan service operating online 24/7 using innovative credit scoring models.

MoneyMan focuses on providing fast and convenient financial services to clients through web and mobile platforms.

We provide a loan amount up to EUR1,600 for a period from 7 days to 4 months.

Moneyman

Our principles

In our activities we are guided by the following principles:

Professionalism. We develop our work based on absolute professionalism and dedication, which is proved by complete honesty and commitment to the job we perform.

Integrity. We act honestly and transparently according to standards of professional ethics and the applicable regulatory framework.

Responsibility. Employees of ID Finance must carry out their activities while being guided by the principles of honesty, ethics and good faith.

Our achievements



ID Finance* received the IQNet SR10Social Responsibility Management System Certificate



ID Finance awarded by CFI as Best ESG Inclusive Finance Solutions



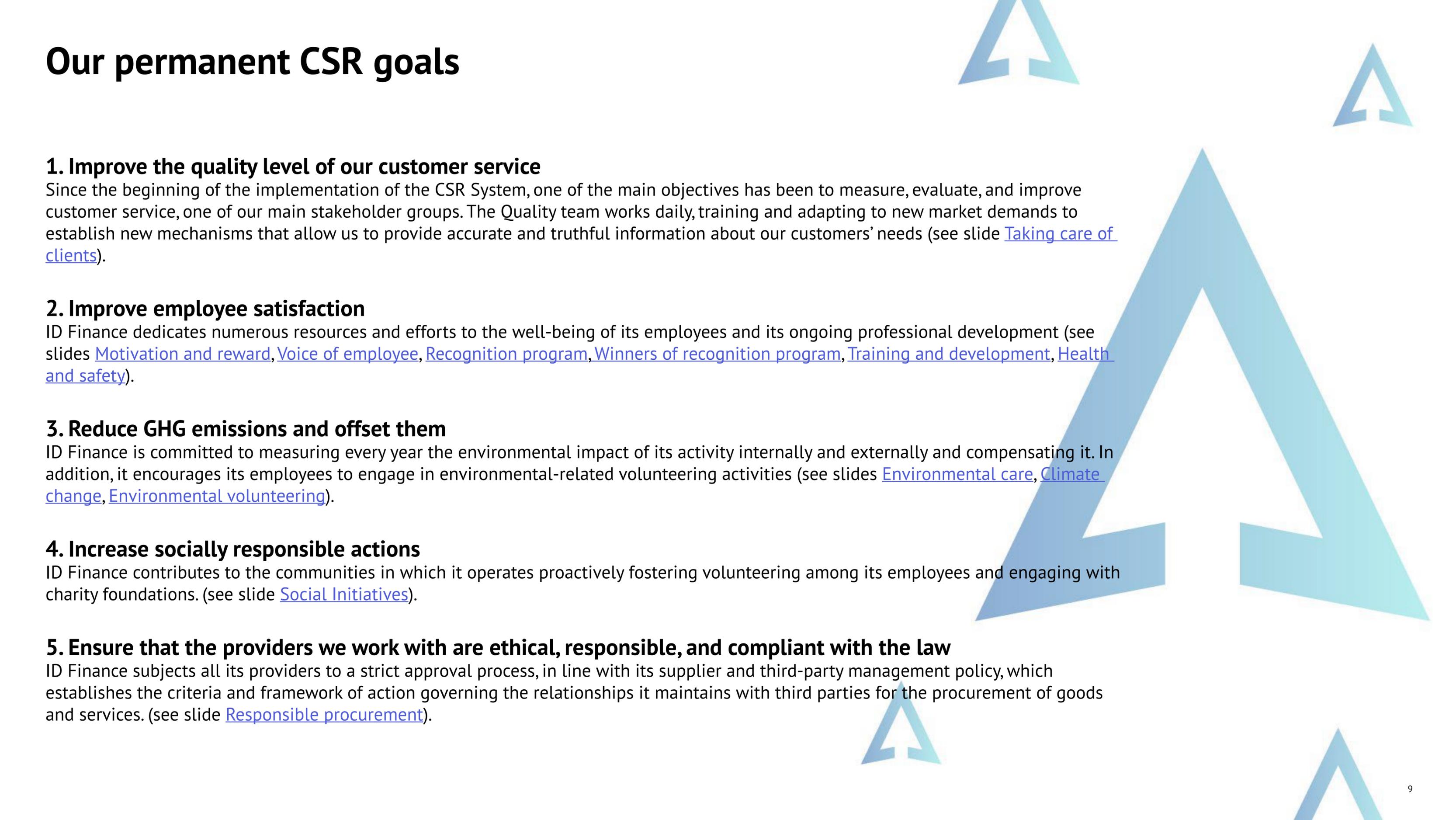
Plazo awarded by World Business Outlook Awards as the Best Financial Wellness App Spain 2023



ID Finance among Europe's fastest growing companies ranked by FT 1000

* The certificate was received by ID Finance Investments, S.L., MoneyMan Spain and Plazo Spain.

Our permanent CSR goals



1. Improve the quality level of our customer service

Since the beginning of the implementation of the CSR System, one of the main objectives has been to measure, evaluate, and improve customer service, one of our main stakeholder groups. The Quality team works daily, training and adapting to new market demands to establish new mechanisms that allow us to provide accurate and truthful information about our customers' needs (see slide [Taking care of clients](#)).

2. Improve employee satisfaction

ID Finance dedicates numerous resources and efforts to the well-being of its employees and its ongoing professional development (see slides [Motivation and reward](#), [Voice of employee](#), [Recognition program](#), [Winners of recognition program](#), [Training and development](#), [Health and safety](#)).

3. Reduce GHG emissions and offset them

ID Finance is committed to measuring every year the environmental impact of its activity internally and externally and compensating it. In addition, it encourages its employees to engage in environmental-related volunteering activities (see slides [Environmental care](#), [Climate change](#), [Environmental volunteering](#)).

4. Increase socially responsible actions

ID Finance contributes to the communities in which it operates proactively fostering volunteering among its employees and engaging with charity foundations. (see slide [Social Initiatives](#)).

5. Ensure that the providers we work with are ethical, responsible, and compliant with the law

ID Finance subjects all its providers to a strict approval process, in line with its supplier and third-party management policy, which establishes the criteria and framework of action governing the relationships it maintains with third parties for the procurement of goods and services. (see slide [Responsible procurement](#)).

What makes us different



We are digital natives in terms of operations and client acquisition. The banks tend to outsource SEM and digital affiliate management while this is a core part of our operation.

Proven track-record: we have grown our existing franchise from zero to a leadership position on scarce funding in an ultra-competitive market.

Operational excellence across scalable platform and credit risk expertise: we have no IT-legacy and a proven pedigree in managing consumer credit balance sheet risk over 7 years.

ID Finance Group Financials

Consolidated income statement	2021	2022	2023
Total Revenue	142.0	170.2	179.2
Net Impairment Charges	-84.9	-118.7	-113.5
Operating Costs	-25.0	-25.0	-28.8
Admin Costs	-11.2	-12.8	-17.4
Operating profit	20.9	13.7	19.5
Interest Expenses	-9.2	-11.6	-13.9
Other income (loss)	-3.8	5.7	3.1
Profit Before Taxes	7.9	6.9	8.7
Tax Expenses	-1.6	-0.6	-1.6
Consolidated net Income	6.3	6.3	7.1
Operating margin, %	14.7%	10.9%	10.7%
Net income margin, %	4.4%	4.0%	4.0%

Audited consolidated financial data for 2023.

Consolidated balance sheet	2021	2022	2023
Total Assets	114.8	110.4	140.4
Cash	12.6	5.5	8.9
Net Portfolio	60.6	65.3	80.8
Other assets	41.6	39.6	50.7
Liabilities and Equities	114.8	110.4	136.0
Liabilities	114.1	106.5	125.1
Loans and borrowings	96.7	94.9	100.1
Convertible bond	0.0	0.0	12.0
Other liabilities	17.3	11.6	13.0
Equity	0.7	3.9	10.9
Adj. equity/Assets ratio	0.6%	3.5%	16.3%
Cash/Assets	11.0%	5.0%	6.3%



Risk management

We are developing risk management processes in the Group to ensure the stability of its operations and the sustainability of its business. We take a risk-based approach to our work.

ID Finance has exposure to the following risks from its use of financial instruments and operating activities: credit risk, liquidity risk, market risk and operational risk.

The Group's structural subdivisions prepare regularly management reporting forms to provide the management bodies with the necessary information to make decisions.

Credit risk

Credit risk is the risk of financial loss to ID Finance if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises primarily from ID Finance loans customers.

Chief Risk Officer is responsible for credit risk management. Credit risk is mitigated as follows:

- The Group's credit policy defines lending guidelines according to its business strategy and efficient risk management, protecting assets as well as complying with local regulatory requirements. Potential or foreseeable changes in applicable laws are analysed on an ongoing basis and any necessary modifications to ID Finance operations are implemented proactively.
- Penalties and term extensions are used to mitigate risks associated with unpaid debts. These options are available to borrowers in cases where there is a difficulty or unwillingness to repay the debts, Penalties and extensions generate extra cash flows to the portfolio.
- Loan loss allowances are an adequate way to mitigate risk of losses to be incurred during loan repayment transactions.

Risk management

Liquidity risk	Liquidity risk refers to the availability of sufficient funds to meet borrowed funds withdrawals and other financial commitments associated with financial instruments as they fall due.	The Head of Treasury controls these types of risks by means of maturity analysis, determining ID Finance strategy for the next financial period. Current liquidity is managed by the Head of Treasury as well, which deals with the markets for current liquidity support and cash flow optimization. To manage liquidity risk, as part of the assets/liability's management process, the Group's Head of Treasury performs daily monitoring of future expected cash flows from customers.
Market risk	Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk covers interest rate risk, currency risk and other pricing risks to which ID Finance is exposed. Market risk arises from open positions in interest rate and equity financial instruments, which are exposed to general and specific market movements and changes in the level of volatility of market prices and foreign currency rates.	The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk. The Group's Head of Treasury conducts monitoring of the Group's current financial performance, estimates the ID Finance sensitivity to changes in interest rates and its influence on the Group's profitability.
Operational risk	Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks, such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all ID Finance operations.	<p>The Group's objective is to manage operational risk to balance the avoidance of financial losses and damage to the Group's reputation with overall cost effectiveness, and to avoid control procedures that restrict initiative and creativity.</p> <p>The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit.</p>

Non-financial risk management

ID Finance has an internal management model for non-financial risks, which seeks to identify the main risks, extend its knowledge to the main parties involved and minimize the potential impacts detected. This model is based on the application by each of the areas of the different approved policies, as well as monitoring by the management Committee of the application of these policies. The internal management model of non-financial risks is described, with the policies available to the entity, throughout the report. Within this model, the main risks that have been identified are:

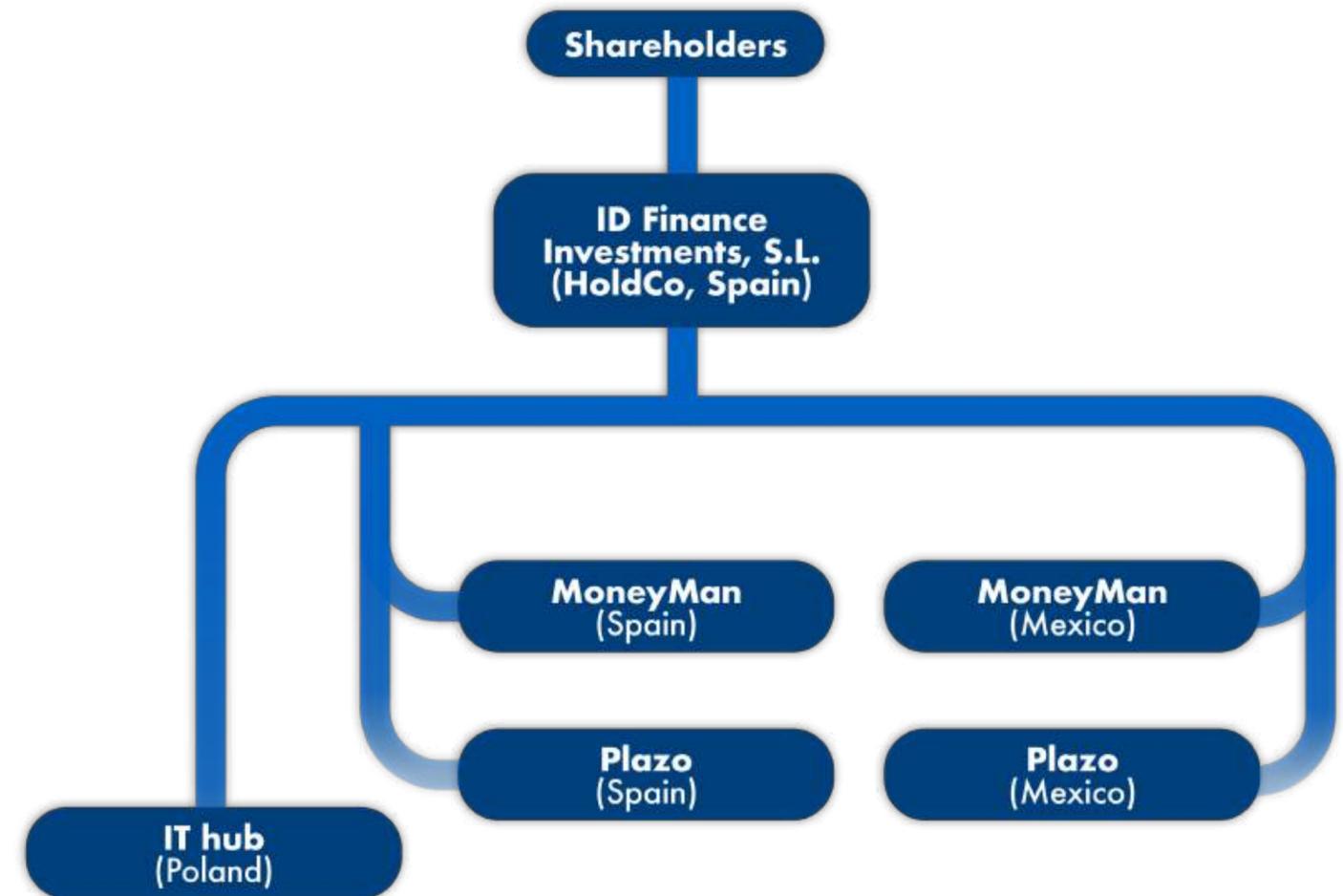
- 1. Legal risks of a commercial nature:** any regulatory change in relation to the Group's activity could have a significant impact on its future evolution. In order to reduce such impact, each business unit and at a consolidated level, there are specific Legal advisory areas, where any potential changes are analyzed and evaluated. Likewise, these areas collaborate in sectorial panels where not only the changes that have already taken place are discussed, but also where the aim is to anticipate future changes.
- 2. Operational Risks:** IDF defines an operational risk, as any event derived from the operation of the same, that may involve a loss. The main operational risks identified are as follows:
 - a. Business Continuity:** defined as the probability that the business will be interrupted through no fault of the business. To minimize this, the Group has several measures including the possibility of moving all staff to work from home or duplicity with critical suppliers (analysis of Credit Bureaus, technology providers) as well as a cloud storage policy of its servers, with the highest technological security requirements.
 - b. Cybersecurity:** in relation to the previous point, one of the main assets of the Group is its data. Therefore, ID Finance has developed policies that seek to protect it from cyberattacks. On the other hand, by developing its activities in a Cloud format, the Group is committed to the decentralization of servers, avoiding their physical risk.
- 3. Labor risks:** the Group is subject to the generation of labor conflicts, as well as regulatory changes that could impact the labor relations it maintains. To minimize this risk, ID Finance has implemented a «People First» culture that seeks to place the people with whom it collaborates at the center of the Group. On the other hand, the Group has HR departments in all its jurisdictions that support the normal development of its activities.
- 4. Data Protection Risks:** these are the risks derived from the availability, integrity and confidentiality of the personal data processed by ID Finance for the normal activity of the business. Each of the Group's units has personnel qualified in DPO tasks, who seek to ensure all the Group's actions in relation to the treatment and processing of information.

Corporate structure

ID Finance Investments, S.L. is a holding company that is directly owned by shareholders.

Corporate structure comprises 3 geographies:

- Operating entities in Spain: MoneyMan and Plazo brands
- Operating entities in Mexico: MoneyMan and Plazo brands
- IT hub in Poland: The Company does not operate in Poland; some of the IT employees are employed in these legal entities. The Report on Poland provides information only in the part of the block on employees



Corporate governance structure

The top management team and the corporate governance structure in the Group have the following composition:

The highest management body in the Group are **Shareholders**: among shareholders there are co-founders, UK-based equity fund, UK-based crowdfunding platform, as well as minor shareholders including top-management. Shareholders meeting are held at least once a year or more frequently (upon request). They make decisions on the most significant issues of the Group's activities, such as CEO/COO and co-founders positions replacement, Group accounts approval, deals with shares, etc.

The general management of the Group's activities is carried out by the **Board of Directors**. The Board has responsibility for the overall direction, supervision and management of the Group and the business save. Board meetings are held at least on a quarterly basis. The Board is composed of four shareholders representatives and one independent director - industry expert with over 30 years of relevant experience in banking and finance.

Also, there is **Executive Committee (EXCO)** which is responsible for high level strategy and operational decisions. EXCO meetings are held monthly (or more frequently if necessary). EXCO is composed of co-founders, country managers (CEOs) and Global divisions heads. Currently 9 members.

The current activities of the companies of the Group are managed by **Country managers (CEOs)** and **Global division heads**. Country managers are making operating decisions and managing business daily, including budget elaboration. Division heads are responsible for the relevant directions. There is a dual reporting put in place: to country manager and global heads of division.



Corporate governance structure

We have set up the multi-level monitoring process in the company:

- **Daily reports** are sent to the local team, management and EXCO members with the key operating metrics to monitor the daily performance of the company in terms of client onboarding process, verification and scoring, loan issuance, collection etc.
- **Bi-Weekly calls** are held with country manager, local management team, EXCO members to monitor the KPIs by each department: risk, verification, collection, customer service, marketing, product, finance, as well as latest updates/plans of the business in general.
- **Monthly reports** are prepared by each company division separately, including the monthly plan/fact analysis.
- **Quarterly reports** – country manager presents to the board the quarterly results of the company.



Sustainability concept and strategy

The Group has implemented its Corporate Social Responsibility (CSR) policy in July 2021, with the aim of contributing to sustainable development, integrating the concerns arising from the relationship and dialogue with stakeholders in its governance and management, and carrying out its activity effectively, safely and responsibly from the social perspectives, economic and environmental, always seeking that our activities have a positive impact on our environment and the communities we operate.

ID Finance has a social responsibility management system, aligned with the requirements of the international standard IQNet SR10 and has established the following basic principles of action. In this regard, in 2023 ID Finance in Spain received the IQNet SR10 Social Responsibility Management System Certificate.

Basic principles for action in accordance with the CSR Policy:

- **Compliance with the law:** strictly comply with the legal regulations and requirements applicable in the development of its activity.
- **Principles of transparency and standards regarding anti-corruption:** transparency and equal opportunities, zero tolerance to corruption, compliance with established policies (Code of Ethics, Anti bribery and corruption policy).
- **Anti-Money Laundering and Terrorist Financing:** comply with the Anti-Money Laundering Manual and cooperate with the authorities.
- **Ethical Behaviour:** compliance with ID Finance's Code of Ethics.
- **Respect for Human Rights:** comply with all its established policies on equality, equity and non-discrimination (Equality Plan).
- **Minimisation of environmental impact:** committed to measuring and compensating carbon emissions to achieve carbon neutrality.

The CEO of the Group personally assumes the commitments expressed in ID Finance CSR Policy and undertakes to ensure that this Policy is known, understood and applied by all the people who form part of the Group. All employees must base their actions on the guidelines of this Policy.

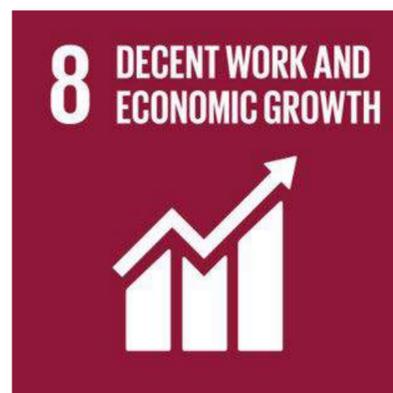
Our contribution to UN SDG

We are committed to the principles of sustainable development and supports the UN Sustainable Development Goals (SDGs), adopted in 2015 by the UN General Assembly and are determined to contribute to their achievement. Having analyzed the Group's activities for the purpose of accomplishing the Sustainable Development Goals and internal targets, we have identified two priority SDGs where the Group's core activities have the greatest impact.



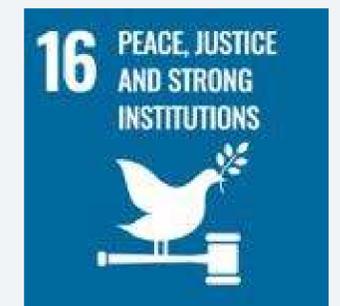
We provide all citizens with equal access to our microfinance products, following the principles of responsible lending. We regularly update our products, making them more convenient and comfortable for customers.

Also, as part of the services provided by our financial wellness app Plazo, we provide customers with useful tools and solutions to manage their daily finances and offer them additional cashback for all purchases they make using Plazo's commission free debit card, in line with our aim to improve customers' financial well-being.



We strive to develop a cohesive and skilled team, provide decent working conditions and provide all necessary tools for career and professional growth.

In addition, we have identified 5 additional SDGs where the Group can also contribute to positive change.



You can read more about our contribution to each of the SDGs in the Appendix to this Report.

**Responsible
business**



Responsible financing

We believe that financial services, when accessible and fair, can reduce inequality and help more people access opportunities. We aim to play an active role in opening up a world of opportunity for individuals by supporting their financial well-being, and removing the different barriers that people can face in accessing financial services.

Applying the approach of responsible lending, we strive to provide our clients with financial products and level of service that best meet their needs.

In our work, we adhere to the principles of openness, reliability and completeness of the information provided about our financial products and all microcredit conditions, and also follows all the requirements of the legislation of Spain and Mexico.

We strictly follow the principle that all terms and conditions of our financial products should be transparent, complete, understandable and accessible to each of our clients. In the process of applying for a microcredit or Plazo debit card, each of our clients can read all the terms and conditions of the product as well as the terms and conditions of the agreement before entering into it.

The Group also publishes full information about all the terms and conditions on the products' websites.

The Group does not allow the provision of information that misleads the client about the subject of the contract concluded with him/her, as well as information that may lead to an ambiguous interpretation of the microcredit terms and use of the financial product. It is also unacceptable to use small print or other tricks that may mislead the client.

We are also always happy to answer any questions the client may have and explain in detail all the conditions of the product he is interested in. We offer our clients several communication channels so that everyone can choose one that is convenient for him. There is also a chatbot on our websites and apps that will help client to answer frequently asked questions.

All our employees regularly undergo trainings and knowledge refresh on the terms and conditions of our products and services, as well as training in business ethics and communication skills.

Responsible financing



We take a responsible approach to the process of checking our clients before approving their application for our product. In the Group, the Know your customer team and Verification team are responsible for verification, which check the client's identity, his absence from blacklists, as well as his financial capabilities.

We are aware of our responsibility in terms of checking the financial capabilities of the client to obtain a microcredit to avoid over indebtedness and creating serious financial difficulties for the client.

To check the client's financial capabilities, we request a statement from the client's bank account with cash flows, which allows us to that the requested amount corresponds to his/her financial capabilities. In Mexico, we also make an inquiry to the Credit Bureau and check the client's credit history.

If during the verification process, we see that the requested amount exceeds the client's capabilities, or the client has several outstanding credit debts, then we either propose alternative microcredit conditions that will correspond to the borrower's income level or refuse to provide services.

Taking care of clients

We adhere to strict standards in the way our employees engage and communicate with our customers. Our business ethics do not tolerate any form of aggression, abusive or disparaging words, suppression or threats. Our communications are always based on the principles of respect, openness, honesty and loyalty. We always strive to minimize the risk of unethical behavior by our employees through regular monitoring and training.

Our Quality control department is responsible for controlling that employees comply with all the rules and principles adopted by the Group. Regularly, the Quality control department listens to randomly selected call records and assess them on the correctness of the information provided to the client, the communication skills of the employee, the ethics of the conversation, etc. Also, each employee receives an internal quality score based on the results of inspections, which subsequently affects the employee's motivation.

If a violation or low internal quality score detected, an action plan is drawn up for the employee to eliminate the identified issues. In case of a serious violation, such as threats, blackmail, fraud or violation of the laws, the employee will be subject to disciplinary measures up to and including dismissal and contacting law enforcement agencies.

We also regularly collect feedback from our customers to assess their satisfaction with our service and products. We evaluate customer satisfaction after every interaction with our specialists through all communication channels.

We measure the **NPS (Net Promoter Score)** monthly. Based on the data we receive; we carry out an analysis during which we carefully examine the collected questionnaires comparing them with the results of previous periods. Based on the results of the survey, we try to implement the recommendations received or eliminate the identified shortcomings. Also, in case of deterioration of the NPS, we identify possible causes that we seek to eliminate in the future.

50%

Plazo Spain* NPS in 2023

49%

MoneyMan NPS in 2023

NPS measures the loyalty of customers to a company. NPS scores can be measured using different communication channels and reported with a number from -100 to +100. In MoneyMan we measure NPS using email and push notifications in app and ask customers how likely they are to recommend the product to others on a scale of 0 to 10. In Plazo we use the 5-star measurement approach in Plazo app asking customers the level of satisfaction.

* We plan to launch the NPS measurement process in Plazo Mexico next year.

Taking care of clients

High level of customer satisfaction is one of our priorities.

The Customer support department is a primary point of contact for any request, including complaints. We take all the requests and complaints received from our clients very seriously. We strive to ensure an objective, comprehensive and timely consideration of the received requests/complaints and provide a detailed response. All requests/complaints sent by clients through all communication channels are recorded in a single database. This approach allows us to aggregate all requests from clients and form a history of requests and correspondence with a specific client.

We study each request carefully and provide a quick response. If the question is related to the provision of any information on the product, our services, etc., then the response time is on average within a few minutes. For requests or complaints that require deeper investigation, a response will be provided no later than in 10 calendar day.

In 2023, 625 000 requests were received through all communication channels both in Spain and Mexico. **100% of the received requests and complaints** were reviewed and investigated by our client support specialists and responses were provided.

In Mexico we additionally have communication channel UNE. UNE was created in compliance with the Law for the Protection and Defense of Financial Services Users to identify inquiries, complaints, and clarifications from customers or users and determine the process to address and resolve each of these. Every month we must report to the regulatory authorities about complaints received through the UNE channel. In 2023, 2 433 requests were processed through this channel.

You can send an appeal or complaint through the following channels:

Hotline

Spain MoneyMan +34 937 227 354 / +34 900 533 827

Spain Plazo: +34 900 533 861

Mexico MoneyMan: +52 800 422 1022 / +52 55 5005 9720

Mexico Plazo: +52 800 461 2929 / +52 55 9990 5600

Email

Spain: clientes@moneyman.es / clientes@plazo.es

Mexico: clientes@moneyman.com.mx /
clientes@plazo.com.mx

Chat in the app and on the website

WhatsApp Plazo Spain

+34 623 126 339



We are sure that it is important to provide clients as many channels as possible to communicate with us and we always try to listen to their feedback.

Taking care of clients



The Group treats customers in arrears or default with understanding and due consideration and has established procedures for dealing with customers in this circumstance in a clear, fair, and effective manner.

ID Finance cares about the financial well-being of its clients, therefore, the Group regularly conducts procedures to resolve overdue debts in the event of situations that make it difficult for our clients to meet their obligations, and to resolve conflict situations on an individual basis. In 2023, we provided more than 2 340 clients with individual schedules with deferral and restructuring of payments, including for the principal debt.

Also in 2023, we created the Customer Ombudsman service Moneyman Spain and Mexico, which is aimed at reviewing complaints from clients, resolving and investigating them, carrying out an ongoing procedure of settling the overdue debt, as well as monitoring that all clients' rights are fully respected as required by law. In the future we plan to create a similar service for Plazo.

Business Ethics

Acting with integrity is one of our Group values.

ID Finance operates in accordance with high ethical business standards. Group's corporate culture involves compliance with moral and ethical standards by everyone. Our Code of Ethics expresses the moral framework that governs our behavior and business conduct worldwide. We expect all our employees to act ethically and to hold themselves accountable when interacting with our customers, communities and each other.

The Code defines the principles and values of the Group, standards regarding interaction within the Group and with our clients and partners, anti-corruption measures, protection of free competition and other ethical issues.

All new employees get acquainted with the Code before starting work. Each employee, when hired, is required to familiarize himself with all the main internal policies, including the Code of Ethics, and undergo mandatory training on business ethics.

All employees have the duty to inform of any situation or behavior that infringes the ethical principles of this Code, the regulations or current legislation.

For these purposes, the Group has [Ethics Line](#), which is a strictly confidential communication channel accessible to employees, associates, clients and, in general, any interested third party with the aim of informing of any possible violations. The Group guarantee the absence of any form of retaliation, discrimination or disciplinary action against whistleblowers who make reports in good faith and based on reasonable grounds.

100% of requests received through the Ethics Line are reviewed and investigated.

100%
employees are familiar
with the Code

Conflict of interest

Every day, our employees make decisions that affect colleagues, clients, partners and other third parties. That is why we pay special attention to regulating these issues.

The Group has several internal policies regulating conflicts of interest issues, in particular Conflict of Interest Policy. This policy contains guidelines for preventing and managing conflicts of interest that may arise because of employees' activities.

All our employees should avoid situations where their personal, family or financial interests may conflict with the interests of the Group and clients. If a situation arises where there is a conflict of interest, employees should report it.

Countering corruption and fraud

ID Finance's corporate culture is built on the principles of transparency, commitment, equal opportunities and legality. We do not tolerate bribery or corruption of any kind and reject any action aimed at gaining an advantage over competitors, in the market or in public or private contracts that are based on an unlawful act.

We strictly follow the laws of Spain and Mexico, and the Group also has several internal documents that define processes and measures to protect against internal and external corruption and fraud:

-  Code of Ethics
-  Conflicts of interest policy
-  Anti-Corruption and Fraud Prevention Policy
-  Gifts policy and hospitality expenses
-  Supplier and third parties management Policy
-  Corporate Compliance Policy
-  Communication Channel Manual and Manual for Classifying Whistle-blower Complaints by Seriousness

The main policy that regulates anti-corruption and fraud prevention issues is Anti-Corruption and Fraud Prevention Policy. This Policy promotes a commitment to responsible management and the establishment of behavioral guidelines that guarantee that our activity complies with current legislation and with the principles of honesty and integrity.

The Policy includes a description of the guiding principles and rules for the Group's activity, main controls for the prevention of fraud and corruption, provisions for trainings on corruption and fraud prevention, procurement provisions, section on preventing conflicts of interest and other issues.

All employees and divisions of the Group are responsible for compliance with this Policy. **100% of our employees** have been familiarized with the provisions of this Policy and have completed the following mandatory trainings: Criminal Compliance training, Antibribery and anti-corruption training, Reputational Risk Management System training and Conflicts of Interest training. After the training, each employee takes a test to assess the knowledge gained. Also, all employees sign a Declaration of Acceptance of Group Policies annually.

Countering corruption and fraud

Our employees are aware that they are obliged to report any violations related to the provisions of the Policy. If an employee becomes aware of any violation that has occurred or has suspicions about the occurrence of such a violation, he must contact his immediate supervisor, Compliance Officer, the Regulatory Compliance Department, the Legal Department or the Human Resources Department.

The report also can be made either through the Ethics line, guaranteeing confidentiality and impartiality in the facts reported, or through the Compliance mailboxes. ID Finance guarantees the absence of any retaliation against employees who, acting in good faith, have reported irregular matters relating to the provisions of this policy. Any retaliation will be considered a serious breach of the Code of Ethics and will be grounds for disciplinary action.

100% of complaints submitted through any channel will be resolved in a transparent and prompt manner within a maximum of 5 working days, with the aim of continuously improving the functioning of the mechanism of whistleblowing.

All identified indications of fraud or corruption will be investigated promptly and with the utmost diligence. If a violation is confirmed, those responsible for the violation are held accountable. To prevent similar incidents in the future, the Group promptly develops and implements corrective and preventive measures and recommendations.

In 2023, there were no confirmed incidents of corruption.

In 2023 in Spain, we also have started the process of preparation to certifications UNE 19601 Anti-bribery management and ISO 37001 Compliance Management standards.

Employees of Mexico companies have access to a channel in our Customer Relationship Management (CRM) system where they can submit reports anonymously to the Compliance Officer in case they detect any suspicious transactions, fraud, etc.

Messages about actual or supposed violations can be submitted by:

Using the Ethic Line (Spain):
[Ethic Line](#)

Writing an e-mail to the
Compliance Department

Spain:
compliance@idfinance.com
or
compliancerrhh@idfinance.com

Mexico:
cumplimiento@idfinance.com



Countering corruption and fraud



We are very serious about fraud cases, both on the part of the Group's employees and on the part of third parties and intermediaries.

Our employees are aware that any fraudulent schemes are unacceptable. If fraud is suspected to be perpetrated by an employee, an investigation is carried out and, based on its findings, proposals are made to minimise the risks identified and, depending on the extent of the breach, disciplinary action is taken against the employee, up to and including dismissal or referral to law enforcement authorities.

Also, if a microcredit has been issued using a fraudulent scheme, we always conduct a thorough investigation, taking the necessary actions to clarify, resolve the case, and reimburse the client.

Anti-money laundering and combating the financing of terrorism

The Group takes all possible preventive measures to establish and maintain business relationships only with reliable clients and counterparties who are engaged in legitimate activities and receive income only from legitimate sources.

The Group has Anti-Money Laundering and Countering the Financing of Terrorism (AML/CTF) Policy and Manuals for prevention of money laundering. These documents establish standards and rules of conduct, which all Group employees must follow, action standards and control and reporting systems to prevent undesired persons or groups from gaining access to the company, as well as establish client acceptance policies and procedures related to identifying and knowing the client, etc.

All Group employees are required to undergo AML/CTF training and become familiar with relevant internal documents.

Every employee is aware that any suspicion of a risk situation related to AML/CTF must be immediately reported through the channels established in the Manual or Policy.

The Group also carries out measures to identify and check public officials and customers before accepting them for service and to identify suspicious transactions and unusual transactions. When identifying and pre-check customers and partners, it is necessary to ensure that there is an understanding of the specifics of their business and the source and purposefulness of the use of funds.

In addition, Plazo Spain, as an obliged entity according to the Law 10/2010 in Money Laundering Prevention, cooperates with money laundering prevention authorities (SEPBLAC) and Bank of Spain, reporting suspicious transactions. Also, Plazo Spain is annually audited by an External Expert Audit in AML/CFT.

Annually, both companies in Mexico undergo rigorous AML/FT audits with external auditors from the regulated company as well as the company that grants microcredits in Mexico such as credit cards.

Responsible procurement

Following best practices in managing ESG aspects, ID Finance strives to extend its principles of sustainable development to its business partners. The Group takes a responsible approach to the selection of suppliers and carries out a procedure for checking each potential supplier for risks associated with unfair business practices, violation of legal requirements, including legislation on anti-corruption and fraud, financial, tax and compliance risks.

The Group has a Supplier and third party management policy, which regulates the process of working with partners, due diligence measures, management of conflict of interest, supplier procurement procedure and other aspects of interaction with third parties.

Also, **100% of our suppliers are subject to the Code of Ethics**, which regulates the basic standards of ethics and responsible relationships with contractors. A breach of clauses of our Code will constitute a serious breach of contract.

We are also always open to receiving feedback from our suppliers. We provide several communication channels for sending any appeals or complaints to us. We consider 100% of requests and always send a reasoned response to each one.



Personal data protection

Information security and protection of clients' personal data are one of ID Finance's priorities in the field of corporate governance, therefore the Group pays significant attention to the development of information security. We regularly audit our information security system and update it to minimize the risk of leakage and distortion of confidential information.

The information security department is responsible for the general organization, coordination and control of compliance with information security requirements. On a regular basis, it conducts internal audits of the state of information security systems. Based on the results of audits, the information security department creates a corrective action plan if non-compliance with cybersecurity requirements has been identified.

In 2023, we improved the team's response to information security incidents, which allowed us to significantly reduce the number of such incidents.

The main document in this area is the Information Security Policy, which regulates issues of information security in the Group. It defines our approach to information security, the basic principles of work, responsible departments for ensuring information security, a list of internal policies that regulate all aspects of information security in the Group, etc. The provisions of this Policy apply to all employees of the Group who have access to information assets or are involved in information exchange processes.

The Group conducts a quarterly internal security audit of the data warehouse to minimize the risk of leakage. We also regularly test mobile, web applications and information systems infrastructure for vulnerabilities. This allows us to continuously improve the security of our systems in which personal data is processed.

To ensure an increased level of security when storing data, we use three independent databases. Also, all personal data of our clients are stored and transferred exclusively within the framework of the legislation of Spain and Mexico and internal regulatory documents. Also, in the case of the transfer of personal data of clients to another legal entity, we always transfer strictly within the framework of contractual relations and the concluded data confidentiality agreement.

All employees are committed not to disclose any confidential information they become aware of in the course of their work including when they leave and terminate their employment with the Group.

Personal data protection

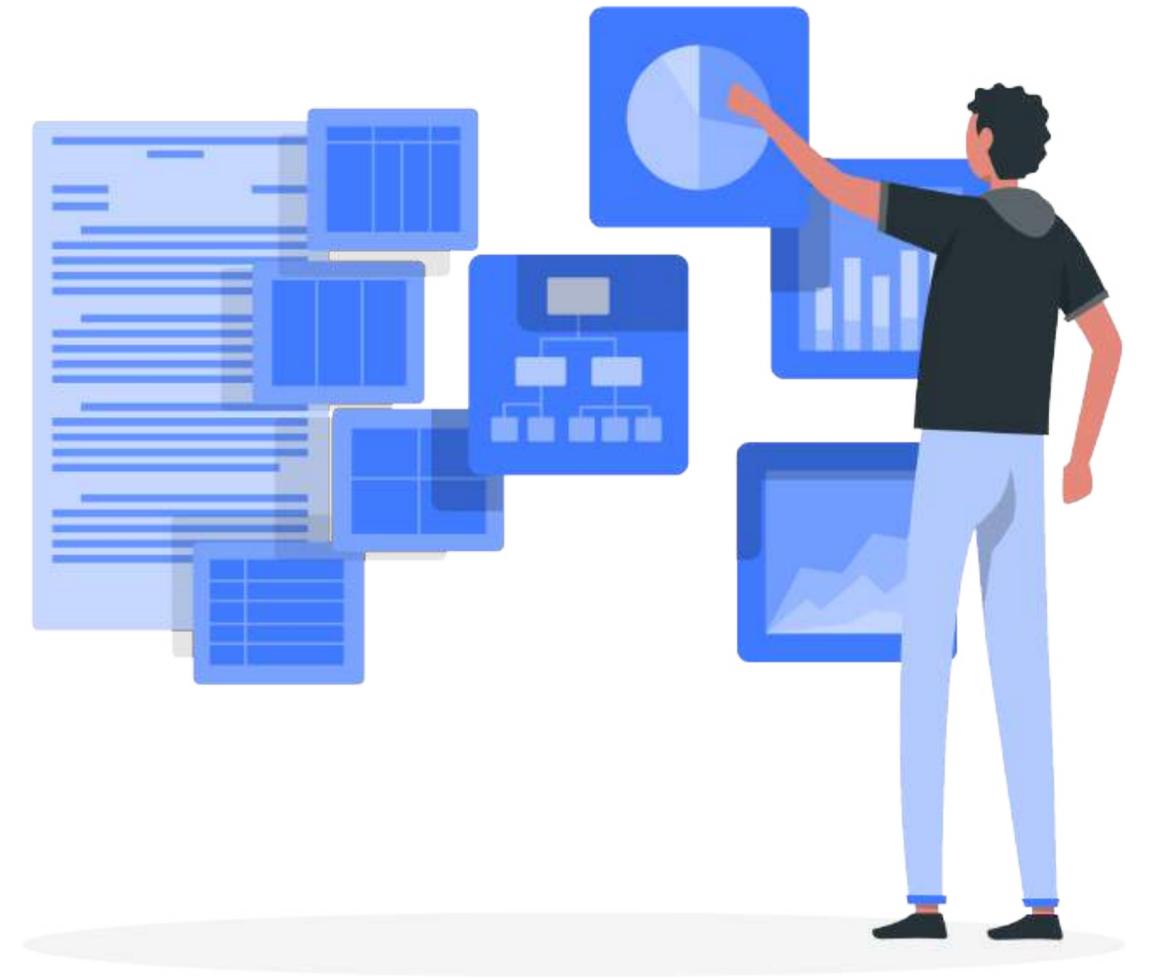
In matters related to the processing of personal data, ID Finance fully ensures the observance of the rights and freedoms of clients, protecting the right to privacy.

All our clients are required to familiarize themselves with the Privacy Policy and Terms and condition, which is publicly available on our website, and also give informed Consent to the collection and processing of personal data, in which we provide detailed information about the amount of data collected, their use, the exchange policy and the mechanism for revoking the data provided. Clients sign this consent not only when registering, but also when using our chat.

The Group also identified a person responsible for the protection of personal data, which has the following main tasks: monitoring compliance with legislation in the field of personal data and internal requirements and regulations of the Group, organization of informing employees about the requirements for the protection of personal data and organization of reception and processing of appeals.

In 2023, ID Finance in Spain (Plazo Spain) underwent an external audit of the information security system in preparation for obtaining an E-money and Payment Institution license. As part of this audit, a comprehensive review of all internal policies and processes was carried out for compliance with the necessary requirements.

Also in 2023, we switched a number of our services to multi-factor authentication to enhance the protection of our clients' personal data.



Personal data protection



All employees of the Group sign a Non-Disclosure Agreement and undertake not to disclose confidential information that has become known to them in connection with the performance of official duties, including after leaving the Group and termination of work in it.

Employees have access to confidential information only through their work computer and VPN system. Also, every entry and action in internal systems is recorded. These measures help minimize the risk of leakage of confidential information during the work of our employees.

All employees with access to confidential information are instructed and trained in information security. We also periodically conduct simulations of phishing attacks to test the reaction of our employees to information security threats.

If an employee becomes aware of a violation of the rules on non-disclosure of confidential data, he/she is obliged to inform his/her immediate supervisor, HR department or information security department. The Group pays considerable attention to notification and response procedures in the event of suspicion of violations of this nature. All received appeals are mandatory investigated. Based on the results of the investigation, in case of a violation, disciplinary measures may be applied to the employee, up to dismissal. In 2023, there were no cases of leakage of personal data or violations of the rules on non-disclosure of confidential information.

Human rights



ID Finance respects human rights and strives to create a working environment that provides equal opportunities for all employees based on common values, cultural diversity, gender, racial and other equality. Respect for honour and dignity, fundamental freedoms and human rights are the Group's key priorities.

In its daily activities, the Group is guided by the fundamental principles proclaimed by the United Nations Universal Declaration of Human Rights, as well as the relevant legislation of Spain and Mexico, United Nations Guiding Principles on Business and Human Rights, Declaration of the International Labour Organization on Fundamental Principles and Rights at Work and other international legal acts in the aspect of human rights protection.

We treat our employees, clients and all partners with respect and responsibility, we do not tolerate aggressive or degrading behaviour. For us, any verbal insults, threats, unwanted sexual offers and intimidation are categorically unacceptable in work and communication.

Any employee can report cases of inappropriate behaviour to his/her immediate supervisor, any representative of higher management or the HR department. In this case, we categorically do not allow persecution or threats of persecution in any form directed against an employee who reported an alleged violation of the Group's regulations and rules. In 2023, no confirmed cases of human rights violations were recorded through the available channels.

The Group recognizes the employee's right to hold meetings, freedom of association, the right to create or join organizations representing their interests without fear of any consequences. This right of every employee is guaranteed by the labor laws of the countries in which we operate.

Our employees



HR Policy

Our employees are the main value and the basis for the successful development of the Group.

Passionate, engaged employees are an important part of what makes ID Finance successful. We want our employees to build fulfilling careers with resources and benefits that support them in reaching their full potential. It's why we are investing in attracting, retaining, and developing employee talent today and in the future, and why we are committed to listening and learning from our employees with communication channels that enable continual engagement and improvement.

In our personnel policy we are guided by the PEOPLE FIRST culture and the following basic principles:

- Mutual respect
- Respect for human rights and freedoms
- Fair and transparent remuneration
- Non-discrimination in any form and ensuring equal opportunities for employment, career growth and development
- Education and training
- Wide motivation programs
- Commitment to ethical standards and corporate culture of the Group



Equality Plan

The entities located in Spain have an Equality Plan in force. This Equality Plan states in writing the commitment to establish and develop policies that integrate equal treatment and opportunities between women and men, without discriminating directly or indirectly on the basis of sex, as well as to promote and encourage measures to achieve real equality within the organization, establishing equal opportunities between men and women as a strategic principle of the Corporate and Human Resources culture.

In the Mexican and Polish entities, the Group ensures equality and non-discrimination, without having policies that make it explicit as such. But in the future, we plan to develop Equality plan for Mexico and Poland too.

In addition, within the VOE (Voice of the Employee) program, sexual harassment is classified as a serious offense and, in accordance with this policy, disciplinary measures are taken to terminate the employment of the person who commits the offense.

HR Policy

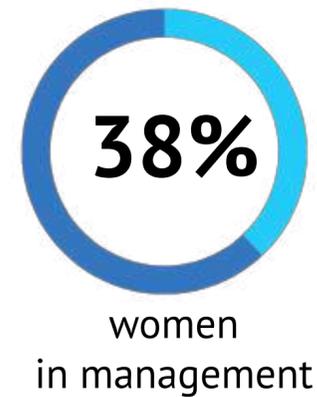
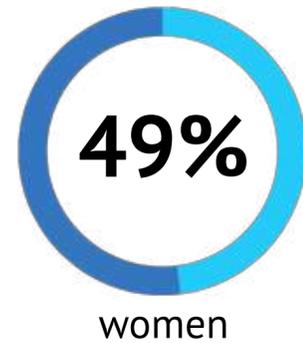


Our HR Department (both in Spain and Mexico) is responsible for managing our human resources, incentives and compensation, recruitment, selection, on-boarding, training and development.

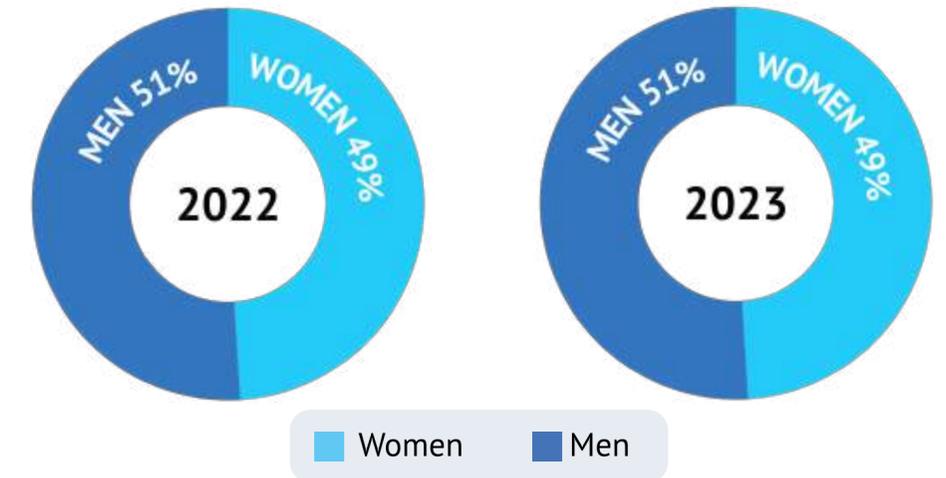
There is a database of main normative documents which our Group created to ensure that we can effectively regulate issues related to personnel management:

- Equality plan
- Code of Ethics
- Recruitment and Selection Policy
- Home office policy
- Recognition program
- Barcelona's offices agreement
- Travel policy
- Gender violence protocol and sexual harassment, etc.

Staff composition



Number of employees by gender



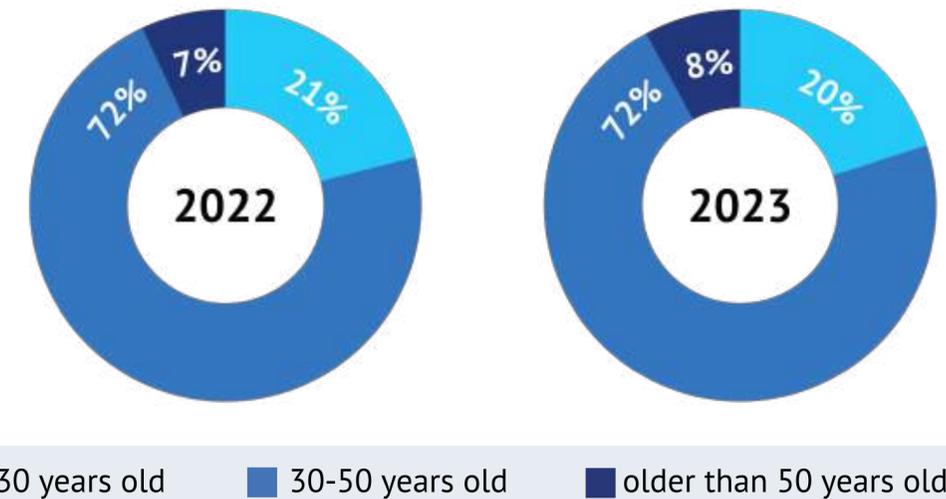
The number of employees of the Group in 2023 was 387 full-time employees:

- ◆ share of women – 49%, share of women in management – 38%;
- ◆ new employees - 50 people;
- ◆ employees over 50 years old - 8% of the Group's total workforce.

100% are employed within the framework of the Employment Contract and in full compliance with the laws of Spain and Mexico.

All employees of ID Finance Spain are covered by the agreement for offices and firms in Catalonia. The Group's entities located in Mexico and Poland ensure compliance with current legislation and encourage dialogue with employees, however, these subsidiaries don't have a formal collective bargaining agreement.

Number of employees by age



Our HR principles

Strategy

Understand and articulate strategy
Comprende y articula la estrategia.



#IDFPrinciples

Prioritize according to strategy
Prioriza según la estrategia.



#IDFPrinciples

Think from first principles
At ID Finance we go beyond.
We embrace a disruptive mindset.



#IDFPrinciples

Execution

Use data and focus on details
Utiliza los datos y pon atención
a los detalles.



#IDFPrinciples

Deliver results
Logra resultados.



#IDFPrinciples

Spend wisely
Gasta con inteligencia.



#IDFPrinciples

Team

Hire, retain and grow the best
Contrata, retén y ayuda a crecer
a los mejores.



#IDFPrinciples

Have backbone
Defiende tu visión.



#IDFPrinciples

Encourage change
Fomenta el cambio.



#IDFPrinciples

Lead by example
Lidera con ejemplo.



#IDFPrinciples

Recruitment and adaptation of new employees

As part of our «People First» culture, at ID Finance we strive to attract, select, develop, and retain the best talent to contribute to the success of the Group together.

The recruitment and selection of our team is a fundamental pillar to strengthen our corporate culture. The HR director is responsible for ensuring that the Recruitment and Selection Policy and all applicable processes are carried out efficiently, effectively and with integrity. Our commitment to equality ensures fair and equitable hiring practices, providing equal opportunities, excluding discrimination.

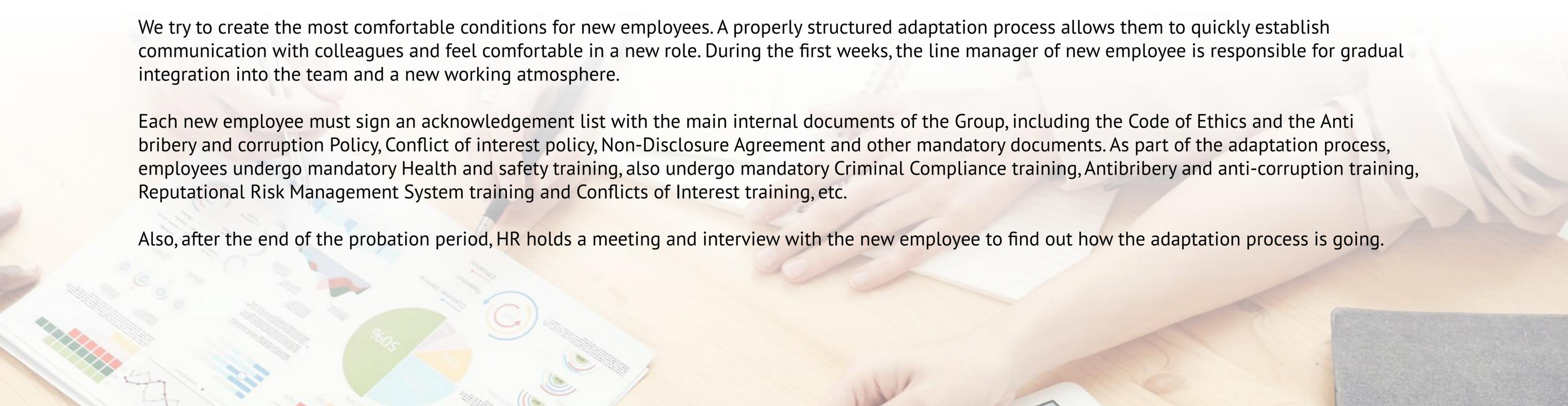
The Group does not discriminate based on gender, race, nationality, age or any other grounds. We apply an equal opportunities approach to recruitment for men and women, disabled applicants, indigenous people and other social groups.

In the process of selecting candidates, we are guided exclusively by the professional level, skills and competencies of the applicant. We provide equal opportunities to both external candidates and our internal employees who wish to take a new position within the framework of the personnel reserve program.

We try to create the most comfortable conditions for new employees. A properly structured adaptation process allows them to quickly establish communication with colleagues and feel comfortable in a new role. During the first weeks, the line manager of new employee is responsible for gradual integration into the team and a new working atmosphere.

Each new employee must sign an acknowledgement list with the main internal documents of the Group, including the Code of Ethics and the Anti bribery and corruption Policy, Conflict of interest policy, Non-Disclosure Agreement and other mandatory documents. As part of the adaptation process, employees undergo mandatory Health and safety training, also undergo mandatory Criminal Compliance training, Antibribery and anti-corruption training, Reputational Risk Management System training and Conflicts of Interest training, etc.

Also, after the end of the probation period, HR holds a meeting and interview with the new employee to find out how the adaptation process is going.



Motivation and reward

Maintaining high efficiency and labor productivity is one of the key goals of the HR policy of ID Finance, for its implementation we use a comprehensive motivation and employees evaluation system.

All ID Finance employees regularly receive feedback on completed work and advice on professional development. The Group has a system of setting goals (KPIs) and evaluating personnel. Every year, each employee, together with his/her manager, sets goals for the year, which are subsequently reflected on the internal Bamboo platform on his personal Individual development plan, where the employee has permanent access. At the end of the year, the results achieved are discussed and the employee is given feedback: both from the manager and from other employees. Based on the results of the evaluation process, a decision is made to change the employee's remuneration next year and to pay an annual bonus.

We provide a competitive salary level and ensure a fair remuneration system for employees regardless of gender or age. The salary of each employee depends solely on his/her qualifications, the complexity of the work performed, the quantity and quality of the labour expended.

The system of material and non-material motivation, which allows maintaining the resource state of employees at a high level, includes:

- ◆ Voluntary medical insurance (VMI): after a probationary period, each employee is connected to the corporate VMI system, which includes outpatient and polyclinic services, dental services, planned and emergency inpatient treatment, as well as compensation for the purchase of medicines
- ◆ One additional vacation day over the stipulated by the Office agreement
- ◆ 16 additional hours off, and flexibility when needed
- ◆ Payment of 50% of the cost of a gym membership
- ◆ Food and drinks in the office
- ◆ Free English and Spanish lessons
- ◆ Possibility to work 2 days from home
- ◆ Flexible work schedule
- ◆ Corporate parties and events (every month)

Voice of employee

To respect the right of all employees to a healthy work environment, we created the Voice of Employees (VOE) program.

VOE aims to regularly study and monitor employee satisfaction and develop subsequent corrective measures to eliminate identified problems and improve the work environment.

Twice a year, the VOE Committee conducts a global survey of the state of the work environment on the following indicators: satisfaction, commitment, leadership, treatment, communication, integration, development and working conditions.

Based on the results of the study, the committee prepares a detailed report, which also compares and analyzes the dynamics of the obtained indicators compared to previous periods. As part of the report, a detailed plan is also drawn up to eliminate the identified problems and improve the working conditions of employees.

Also, each employee can make suggestions for improving the working environment by sending their appeal to the email address voe@idfinance.com, placing a written proposal in a special box in the office, or personally contacting VOE ambassadors. If desired, an employee can submit a request anonymously.

Results in the 2023 last survey



Recognition program

In recognition of the high contribution of our employees to achieving the objectives set for the Group and extraordinary behavior in supporting our People first culture, we have developed a Recognition program.

There are four nominations within this program:

- **EXCELLENCE AWARD** for people who demonstrate extraordinary behavior or who are always willing to help others. Nominated by the entire IDF team and selected by the majority of votes. The winner also receives a cash prize.
- **BEST PLAYER AWARD** for the best performing employee. Nominated based on KPIs, absenteeism, availability and proactivity. Managers will select the winner. The winner also receives a cash prize.
- **BEST TEAM AWARD** for the team that has obtained exceptional results, demonstrating teamwork, open communication and commitment. Managers will select the winning department. The team receives a cash prize to make a meal for all team members.
- **PEOPLE FIRST AWARD** for the employee among the excellence and best player award winners during the year who achieves high performance in several areas of work and communications. Nominated based on KPIs, absenteeism, availability and proactivity. The top management will select the winner. The winner receives a trip for two people announced at the Christmas party.



Winners of recognition program

Q1



Excellence:
Ignacio Casares



Best Player:
Alina Dobrovolskaya



Team:
Finance team

Q2



Excellence:
Francisco Javier Fernandez



Best Player:
Sonia Toledo



Team:
Legal team

Winners of recognition program

Q3



Excellence:
Carmen Garcia



Best Player:
David Municio



Team:
Office management

Q4



Excellence:
Patricio Arévalo



Best Player:
Victor Cereijo



Team:
Product team

**Always People first
Award winner:**



Alina Dobrovolskaya

Training and development

The development and success of the Group is impossible without a professionally trained and competent team, therefore regular training and development of our employees is a long-term and priority area of the human resources management policy.

The training is aimed at creating a professional and committed team and improving work efficiency. Development helps employees to identify their professional capabilities and potential, plan and build a career, quickly adapt to new technologies and tools in a changing business environment. In 2023, the number of training hours of our employees amounted to **more than 2 700 hours**.

We support the professional and personal development of our employees by offering different trainings, educational programmes and language skills. Also, we provide additional trainings for managers on communication skills and team management.

ID Finance has implemented and continuously conducts basic training for new employees in business areas, who will then start working with the Group's clients. The training includes the main aspects of the work of employees in their respective positions, including in-depth knowledge of all product information, standards of business ethics and business communication, etc.

Managers individually determine the training and development needs of employees in their departments, and if an employee requires advanced training to improve his performance, we compensate this training at a third-party organisation.

Health and safety

The health and safety of our employees is an absolute priority for ID Finance.

The provisions on labour health and safety plan includes the organizational structure, responsibilities, functions, practices, procedures, processes and resources under the terms established in the Occupational Health and safety regulations which must also be approved by the company's management and known by all its employees.

The Group has an internal action protocol and an emergency plan that serve as a framework to guide all operations related to occupational health and safety. These protocols establish the different steps to be taken in the event of an accident at work, incorporating all the guidelines established by the applicable agreement in Spain and by the labor relations of each country (Mexico and Poland). All companies must comply with Health and safety prevention regulations according to law.

In Spain we also collaborate with the external prevention service agency (GESEME) Certified company that cares for and protects the safety of our employees.

Some of the policies established are:

- ◆ Accident protocol
- ◆ Viral disease prevention protocol
- ◆ Risk assessment and risk prevention training
- ◆ Medical check-ups upon incorporation and / or after 2 years or long-term sick leave (Voluntary and paid by the company).



Health and safety



Each newly hired employee must be instructed on health and safety and fire safety before starting work. Also, each new employee must undergo health and safety training.

During the year 2023, only 4 accidents have been registered. Each incident was subject to an internal investigation and measures were taken to minimize the risk in the future.

Whenever there is a substantial modification of the offices an undergo external inspection (GESEME) is carried out to ensure they meet the requirements for safe and comfortable work. For example, as part of this inspection, the level of lighting, sound, furniture, compliance with fire safety requirements, etc. are checked.

ID Finance, in its aim to protecting the health of its employees in the office after the Covid-19 confinement, ID Finance decided to fit out its facilities according to health recommendations to ensure social distancing requirements in the office. To adapt its facilities, ID Finance underwent an independent audit by AUDELCO, which developed a “Covid-19 action protocol for a safe return to work”. This protocol contains and addresses different topics such as the planning or participation of remote workers, signage of safety measures, hygiene and cleaning procedures or guidelines for remote work and references to access control and displacement monitoring. In this sense, ID Finance’s employee policy is firmly committed to the health and well-being of its employees, offering flexibility and favoring the reconciliation of work and family life and, above all, safety.



Social initiatives



Social initiatives

ID Finance regularly contributes to social and solidarity projects with the aim of having a positive impact on the communities where it is present. The Group wants to make a positive contribution to society in order to make it fairer and more inclusive. Therefore, we try to get involved in projects that seek to go beyond the business.

In 2023 we took part in the following main social and volunteering events:

Collaboration with the «Llars de l'Amistat Cheshire» (Residence for people with disabilities): as part of this cooperation, our employees spent time with the foundation's beneficiaries, inviting them to drink coffee, eat ice cream and spend a pleasant time together.



Social initiatives

Solidarity walk to help the San Juan de Dios Hospital: our team of ID Finance Spain joined the solidarity walk Magic Line Sant Joan de Déu on its 10th anniversary. This year we wanted to demonstrate once again our commitment to people in need. During the 11km walk, we also had the chance to share some great moments with all the members of ID Finance.

«CONTIGO they have dinner»: we donated more than 400 dinners to different hospitals in Mexico City, sharing time and showing support to the families of hospitalized people and health care staff.



Social initiatives

As part of our **volunteering program “CONTIGO”**, we collected and donated ring-pulls to the “An_dar” project, with the goal of purchasing items such as wheelchairs, crutches, walking canes, etc. for people in vulnerable situations. And, at the same time, contributing to a positive environmental impact. We have managed to collect more than 4.75kg of ring-pulls. A total of 15,675, which is equivalent to the material needed to produce a new walking cane.

Also the team of ID Finance Mexico carried out the “CONTIGO Jugaremos” campaign: we donated up to 185 toys to children in vulnerable situations, through foundations such as “La Casa de las Mercedes”. On the other hand, we promoted the campaign “Arropando corazones CONTIGO”, through which we collected a total of 40 bags with clothes and personal hygiene items for “Casa Tochan” and “Casa Fuente”, shelters that house more than 200 migrants.



Social initiatives

We are also very proud of ID Finance collaboration with **EAE Business School Barcelona** to enhance their Master's in Finance & Fintech. Thanks to this collaboration, ID Finance will contribute its expertise as a recognized fintech in Spain to the academic offering of the Master's program, aimed at professionals in the finance and technology fields. The program will cover topics such as financial management, AI applied to finance, blockchain, and cryptocurrencies, among others.

Also our employees took part in **blood donations** for the Hospital Clinic.



Environmental care



Environmental care

The Group's activities have a minimal negative impact on the environment. However, we take a responsible approach to environmental issues and in our activities strive to minimize the burden on the environment by promoting a responsible attitude towards the consumption of resources in our offices and thus reinforcing a culture of conscious consumption among employees and partners.

We strive to use natural resources responsibly and with care. Our employees adhere to the rules and are fully committed to a careful and environmentally friendly attitude to resources in the office, such as electricity and water. We also strive to minimize the use of paper in the process of work.

We have recently moved to a new, more modern office, which meets the top standards in energy efficiency. From the advanced DALI system lighting that tweaks brightness based on sunlight to the state-of-the-art climate control system. The office also has a separate waste collection system and is equipped with water saving technologies. To help our employees correctly sort waste, we held a «How to recycle» workshop, during which we explained in detail what types of waste can be sorted and how to do it correctly.

For our customers we regularly publish in our Plazo app and on social networks various tips and lifehacks not only on how to save money, but also on how to be more environmentally friendly and how they can contribute to protect the environment. For example, we give them some simple lifehacks, which will help our clients to minimize the consumption of natural resources at home.



Climate change

ID Finance takes the problem of climate change and global warming seriously. Since 2020 ID Finance is committed to reducing, measuring and compensating the environmental impact of its activities, and has therefore been certified as a carbon neutral company.

Our Group has certified its carbon footprint and obtained the UNE-EN ISO 14064-1:2019 verification, in line with the Group's commitment to reduce its environmental impact.

In particular, the certification measures 4 categories:

1. Direct greenhouse gas (GHG) emissions.
2. Indirect GHG emissions from imported energy.
3. Indirect GHG emissions by transportation.
4. Indirect GHG emissions from products used by the organization.

We have already undergone an external audit and obtained the carbon footprint verification for 2022. In addition, we have received the COMPENSO certificate from the Spanish Ministry for Ecological Transition and Demographic Challenge and are now expecting to receive this badge as well for 2023. This process will be completed in a couple of months.

Besides of increasing its efforts to cut back its CO2 emissions, ID Finance will select several reforestation projects to compensate its footprint and to comply with its objectives of being carbon neutral.

In the past, after receiving the so called [COMPENSO badge](#), ID Finance has been actively involved in several reforestation projects, both in Spain and Mexico, aimed at preserving and protecting ecosystems and its biodiversity, as well as capturing tons of CO2, thus mitigating the climate change.



Environmental volunteering

The Mexico team joined the collection of plastic bottle caps. In 2023 we managed to gather more than 274,4 kilos of plastic caps, which we handed over to Banco de Tapitas A.C., an authorized and recognized donor organization by the Mexican Philanthropy Center. Banco de Tapitas A.C. is responsible for collecting, storing and recycling all types of plastic caps with the purpose of generating economic resources to support various care programs for children under 21 years of age diagnosed with cancer.

In 2023 ID Finance Spain took part in a beach clean up day at El Prat's beach in Barcelona. Our employees picked up the litter, demonstrating that we take our responsibility for the environment seriously.



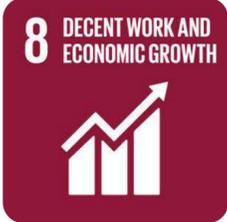
Appendices



Contribution to the UN SDG

UN SDG	Goal	Our contribution
	<p>1.2 By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.</p> <p>1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance.</p>	<ul style="list-style-type: none"> ◆ Providing equal access to financial products for different categories of citizens. ◆ Providing online access to microfinancing, which allows clients receive the necessary funds at any convenient time from anywhere in those markets. we operate (Spain and Mexico). ◆ Providing additional cashback for purchases. ◆ Providing a convenient App that helps clients manage their daily finances. ◆ Providing clients with information on financial literacy and financial planning, thus contributing to improve their financial education.
	<p>3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.</p>	<ul style="list-style-type: none"> ◆ Implementation of a voluntarily medical insurance (VMI) program for all group employees. ◆ Provision of free office check-ups and tests and free vaccination of willing employees during the COVID-19 pandemic. ◆ Conducting sports and recreational activities for employees.
	<p>4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.</p>	<ul style="list-style-type: none"> ◆ Training programs and advanced training courses for employees. ◆ Provision of foreign language classes.

Contribution to the UN SDG

UN SDG	Goal	Our contribution
	<p>8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead.</p>	<ul style="list-style-type: none"> ◆ Separate waste collection. ◆ Reducing paper consumption in offices. ◆ Compensation of CO2 emissions and obtaining the status of a carbon-neutral company.
	<p>8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.</p>	<ul style="list-style-type: none"> ◆ Compliance with labour legislation on the employment of people with disabilities and the elderly. ◆ Ensuring equal pay conditions for men and women. ◆ Transparent performance evaluation and bonus system. ◆ Transparency and equality of opportunities in career advancement. ◆ Realization of Equality plan in Spain.
	<p>10.1 By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average.</p> <p>10.4 Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality.</p>	<ul style="list-style-type: none"> ◆ Expansion of access to financing and non-discrimination when deciding on granting a loan. ◆ Creation of secure financial products and implementation of anti-fraud measures in compliance with the financial sector's regulation. ◆ Participation in social and charitable projects aimed at reducing socio-economic inequality. ◆ Realization of Equality plan in Spain.

Contribution to the UN SDG

UN SDG	Goal	Our contribution
	<p>13.2 Integrate climate change measures into national policies, strategies and planning.</p>	<ul style="list-style-type: none"> ◊ Compensation of CO2 emissions and obtaining the status of a carbon-neutral company. ◊ Participating in different ecological activities.
	<p>16.5 Substantially reduce corruption and bribery in all their forms.</p>	<ul style="list-style-type: none"> ◊ Monitoring compliance with corporate ethical principles and policies, including anti-corruption. ◊ The existence of a number of mechanisms for reporting violations related to the provisions of the anti-corruption policy. ◊ Investigation of cases of violation.

Stakeholder engagement

Effective stakeholder engagement is a sustainability priority for ID Finance. The Group's key stakeholders include employees, customers, government authorities and relevant communities, partners and suppliers, local communities, shareholders and investors.

We use a variety of communication channels to effectively engage with each stakeholder group.

Questions and interests of the stakeholders	Forms and tools of engagement
<p>Employees</p> <ul style="list-style-type: none"> ◆ Employment ◆ Remuneration for work ◆ Social support ◆ Safe and comfortable working conditions ◆ Opportunities for professional and career development ◆ Training and development 	<ul style="list-style-type: none"> ◆ Employment in full compliance with the Labour Codes of jurisdiction in which the Group operates. ◆ Realization an Equality plan in Spain. ◆ Transparent wage and bonus pay system. ◆ Implementation of compensation and benefits programs. ◆ Voluntary medical insurance system. ◆ Provision of safe and comfortable working conditions in the office. ◆ Training of employees in the field of occupational safety and fire safety. ◆ Training of employees on combating fraud and corruption, conflict of interest, etc. ◆ Transparent system of personnel evaluation and goal setting for the year. ◆ Training opportunities, training events and seminars. ◆ Corporate events.
<p>Shareholders and investors</p> <ul style="list-style-type: none"> ◆ Business performance ◆ Strategy implementation ◆ Corporate governance 	<ul style="list-style-type: none"> ◆ Preparation of corporate reports, including annual and half-yearly financial results. ◆ Meetings with investors and regular communications. ◆ Presentations to professional communities and investors. ◆ Publications and mandatory internet and media disclosures. ◆ Preparation of reports and materials on individual requests. ◆ Passing the due diligence process if necessary.

Stakeholder engagement

Questions and interests of the stakeholders	Forms and tools of engagement
<p>Clients</p> <ul style="list-style-type: none"> ◆ Providing clients with a wide range of high quality products ◆ Ensuring prompt and easily accessible interaction with clients, responding to appeals and complaints ◆ Settlement of overdue debts and assistance to clients ◆ Ensuring information security and protection of personal data of clients ◆ Responsible marketing activities ◆ Ethical business practices ◆ Fraud and corruption prevention 	<ul style="list-style-type: none"> ◆ Expanding the range of products and adapting them to clients' needs ◆ Improving methods of engaging clients including the website and mobile app ◆ Regular measurement of client satisfaction (NPS) ◆ Easy and fast interaction in case of any questions ◆ Responding and investigating each incoming complaint through several Group channels ◆ Provision of individual conditions for debt repayment (debt restructuring) ◆ Ensuring information security and the protection of personal data ◆ Strict compliance with the applicable legislation ◆ Implementation of strict ethical standards for communication with clients, including when dealing with debt ◆ Client screening process before approval ◆ Investigation of all reports of potential fraud and corruption
<p>Government authorities and relevant communities</p> <ul style="list-style-type: none"> ◆ Operational and regulatory issues in the sector ◆ Carrying out licensed activities in accordance with the requirements of the law ◆ Compliance with tax legislation 	<ul style="list-style-type: none"> ◆ Preparation of corporate reports, including annual and half-yearly financial results. ◆ Meetings with investors and regular communications. ◆ Presentations to professional communities and investors. ◆ Publications and mandatory internet and media disclosures. ◆ Preparation of reports and materials on individual requests. ◆ Passing the due diligence process if necessary.

Stakeholder engagement

Questions and interests of the stakeholders	Forms and tools of engagement
<p>Partners and suppliers</p> <ul style="list-style-type: none"> ◆ Transparent engagement and procurement conditions ◆ Compliance with ethics and anti-corruption standards 	<ul style="list-style-type: none"> ◆ Transparent procurement procedures ◆ Meetings and workshops with business partners ◆ Prompt response in case of problems ◆ Protection of confidential information ◆ Compliance with Group anti-corruption policies
<p>Media</p> <ul style="list-style-type: none"> ◆ Increasing information transparency ◆ Increasing brand awareness of ID Finance and increasing loyalty of stakeholders ◆ Building a balanced dialogue with the media 	<ul style="list-style-type: none"> ◆ Active coverage of the Group's activities, major events and news, including in ESG ◆ Promotion of key projects ◆ Active participation of the Group's speakers in profile events, conferences, etc. ◆ Strengthening the Group's HR brand
<p>Local communities</p> <ul style="list-style-type: none"> ◆ Implementation of various charitable programs ◆ Informing about the current activities of the Group and its development plans 	<ul style="list-style-type: none"> ◆ Implementation of various social projects, interaction with charitable foundations ◆ Publications in the media and on the Group's website ◆ Maintaining the Group's social networks

Performance in the reporting period

Table 1. Number of employees by employment contract, type of employment and gender

	Spain		Mexico		Poland*		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Number of employees with an indefinite employment contract	137	118	214	214	23	14	374	346
Including women	67	59	102	98	10	6	179	163
Including men	70	59	112	116	13	8	195	183
Number of employees with fixed-term employment contract	4	11	9	6	0	0	13	17
Including women	3	10	5	4	0	0	8	14
Including men	1	1	4	2	0	0	5	3
Number of full-time employees	141	129	223	220	23	14	387	363
Including women	70	69	107	102	10	6	187	177
Including men	71	60	116	118	13	8	200	186
Number of part-time employees	0	0	0	0	0	0	0	0
Including women	0	0	0	0	0	0	0	0
Including men	0	0	0	0	0	0	0	0

* IT hub in Poland was created in the beginning of 2022, that is why registration of employees also began in 2022.

Performance in the reporting period

Table 2. New employees by gender and age

	Spain			Mexico			Poland*			Total														
	2023		2022	2023		2022	2023		2022	2023		2022												
	Up to 30 years old	30-50 years old	Older than 50 years old	Up to 30 years old	30-50 years old	Older than 50 years old	Up to 30 years old	30-50 years old	Older than 50 years old	Up to 30 years old	30-50 years old	Older than 50 years old												
Number of new employees	15	15	0	27	20	3	4	7	0	1	5	0	4	5	0	6	8	0	23	27	0	36	43	3
Including women	8	5	0	17	10	2	3	3	0	1	3	0	2	2	0	4	2	0	13	10	0	24	21	2
Including men	7	10	0	10	10	1	1	4	0	0	2	0	2	3	0	2	6	0	10	17	0	12	22	1

* IT hub in Poland was created in the beginning of 2022, that is why registration of employees also began in 2022.

Performance in the reporting period

Table 3. Parental leave

	Spain		Mexico		Poland*		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Number of employees on parental leave	4	4	5	0	2	0	11	4
Including women	2	2	4	0	2	0	8	2
Including men	2	2	1	0	0	0	3	2
Total number of employees who returned to work after parental leave	4	4	3	0	0	0	7	4
Total number of employees who returned to work after the end of parental leave, and who are still working 12 months after returning to work	2	2	2	0	0	0	4	2

* IT hub in Poland was created in the beginning of 2022, that is why registration of employees also began in 2022.

Performance in the reporting period

Table 4. Socio-cultural diversity of managers and employees by gender and age

	Spain						Mexico						Poland						Total					
	2023		2022		2023		2022		2023		2022		2023		2022		2023	2022						
	Up to 30 years old	30-50 years old	Older than 50 years old	Up to 30 years old	30-50 years old	Older than 50 years old	Up to 30 years old	30-50 years old	Older than 50 years old	Up to 30 years old	30-50 years old	Older than 50 years old	Up to 30 years old	30-50 years old	Older than 50 years old	Up to 30 years old	30-50 years old	Older than 50 years old	Up to 30 years old	30-50 years old	Older than 50 years old			
Managers	0	18	0	3	17	0	0	8	2	0	5	1	1	5	0	1	5	0	1	31	2	4	26	1
Including women	0	8	0	2	9	0	0	4	1	0	4	0	0	0	0	0	0	0	0	12	1	2	13	0
Including men	0	10	0	1	8	0	0	4	1	0	1	1	1	5	0	1	5	0	1	19	1	2	13	1
Employees	38	76	9	35	65	9	39	159	15	39	162	13	9	8	0	9	8	0	86	243	24	79	231	22
Including women	23	35	4	22	31	5	16	80	6	13	81	4	6	4	0	6	4	0	45	119	10	39	114	9
Including men	15	41	5	13	34	4	23	79	9	26	81	9	3	4	0	3	4	0	41	124	14	40	117	13

Performance in the reporting period

Table 5. Average annual number of hours of training per employee by gender and position

	Spain		Mexico		Poland		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Managers	8,4	3,4	-	8,0	14,0	4,8	6,9	4,1
Employees	9,9	4,1	6,4	12,9	17,2	3,4	6,4	5,5
Women	11,6	4,8	7,1	17,7	37,5	8,0	8,1	6,7
Men	8,3	3,3	5,5	9,9	9,9	3,0	5,2	4,6

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